BERJAYA

BERJAYA LAND BERHAD

(Company No. 201765-A)

برجاي لاند برحد

成功置地有限公司

ANNUAL REPORT 2019

The corporate logo comprises the word BERJAYA in gold and a symbol made up of closely interwoven Bs in rich cobalt blue with gold lining around the circumference and a gold dot in the centre.

BERJAYA means "success" in Bahasa Malaysia and reflects the success and Malaysian character of Berjaya Corporation's core businesses. The intertwining Bs of the symbol represent our strong foundations and the constant synergy taking place within the Berjaya Corporation group of companies. Each B faces a different direction, depicting the varied strengths of the companies that make up the Berjaya Corporation group of companies.

VISION

- To be an organisation which nurtures and carries on profitable and sustainable businesses in line with the Group's diverse business development and value creation aspirations and interests of all its stakeholders.
- To also be an organisation which maximises the value of human capital through empowerment, growth and a commitment to excellence.

MISSION

We strive to generate profitable returns for our shareholders from investments in core business activities:

- By providing direction, financial resources and management support for each operating unit;
- Through dynamic and innovative management, teamwork and a commitment to excellence; and
- By providing a cross-functional environment and development and upskilling opportunities for our employees to develop their full potential for both personal and professional advancements.

CONTENTS

CORPORATE PROFILE

The Brasserie outdoor seating at Four Seasons Hotel & Hotel Residences, Kyoto, Japan.

Berjaya Land Berhad ("B-Land") was incorporated in 1990 to implement the Restructuring Scheme undertaken by Sports Toto Malaysia Bhd ("Sports Toto") whereby the entire paid-up capital of Sports Toto was acquired by B-Land. Simultaneously, B-Land made major acquisitions of various property and leisure activities which were funded via a Rights and Special Issue.

Sports Toto was incorporated in 1969 by the Malaysian Government for the purpose of running Toto betting under Section 5 of the Pool Betting Act, 1967. It was privatised in 1985 when its Chief Executive Officer, Tan Sri Dato' Seri Vincent Tan Chee Yioun, through his private company acquired 70% of the paid-up capital. Sports Toto was listed on Bursa Malaysia Securities Berhad in July 1987.

Subsequently, in November 1987, RekaPacific Berhad (formerly known as Berjaya Industrial Berhad) ("RekaPacific") completed a general offer to Sports Toto which resulted in Sports Toto becoming a subsidiary of RekaPacific.

On 11 October 1996, Berjaya Group Berhad ("BGroup") completed the purchase of Teras Mewah Sdn Bhd ("TMSB"), a wholly-owned subsidiary company of RekaPacific.

On 28 August 1996, TMSB completed the purchase of the entire shareholding in B-Land from RekaPacific comprising approximately 247.5 million ordinary shares, 49.8 million warrants and RM82.8 million Irredeemable Convertible Unsecured Loan Stocks for a total consideration of approximately RM931.1 million. As a result, B-Land became a direct subsidiary of BGroup, which in turn is a wholly-owned subsidiary of Berjaya Corporation Berhad ("BCorp").

Today, the Group's core activities are as follows:-

- Gaming and Lottery Management;
- Hotels, Resorts, Recreation Development and Vacation Timeshare;
- Property Investment and Development; and
- Motor Retailing.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim

Chief Executive Officer
Syed Ali Shahul Hameed

Executive Directors
Tan Thiam Chai
Nerine Tan Sheik Ping
Chryseis Tan Sheik Ling

Non-Independent/ Non-Executive Director
Dato' Ng Sooi Lin

Independent/ Non-Executive Directors
Datuk Robert Yong Kuen Loke
Datuk Kee Mustafa
John V Pridjian

AUDIT COMMITTEE

Chairman/Independent Non-Executive Director
Datuk Robert Yong Kuen Loke

Independent/ Non-Executive Directors
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim
Datuk Kee Mustafa
John V Pridjian

SECRETARIES

Tham Lai Heng Michelle
(MAICSA No. 7013702)

Wong Siew Guek
(MAICSA No. 7042922)

Teo Soh Fung
(MAICSA No. 7046614)

SHARE REGISTRAR

Berjaya Registration Services Sdn Bhd
Lot 10-04A & 10-04B, Level 10, West
Berjaya Times Square
No. 1 Jalan Imbi
55100 Kuala Lumpur
Tel: 03-2145 0533
Fax: 03-2145 9702

AUDITORS

Ernst & Young
AF: 0039
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

REGISTERED OFFICE

Lot 13-01A, Level 13 (East Wing)
Berjaya Times Square
No. 1 Jalan Imbi
55100 Kuala Lumpur
Tel: 03-2149 1999
Fax: 03-2143 1685

PRINCIPAL BANKERS

Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
CIMB Bank Berhad
Affin Bank Berhad
RHB Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

STOCK SHORT NAME

BJLAND (4219)

PLACE OF INCORPORATION AND DOMICILE

Malaysia

PROFILE OF DIRECTORS

TAN SRI DATUK SERI RAZMAN MD HASHIM BIN CHE DIN MD HASHIM
80 years of age, Malaysian, Male
Chairman (Independent/Non-Executive)

Tan Sri Datuk Seri Razman was appointed to the Board as Chairman on 3 September 2007. He is the Senior Independent Director to whom concerns relating to the Company and the Group can be conveyed. He completed his early secondary education in Australia and upon completion, pursued a study in Accounting and Banking where he became a member of the Australian Institute of Bankers.

Upon his return to Malaysia, he started his career with Standard Chartered Bank Malaysia Berhad ("SCB") as an Officer Trainee in 1964. Throughout his 34 years of banking experience in SCB, he served in various capacities including secondments to the bank's branches in London, Europe, Hong Kong and Singapore. In Malaysia, he held various senior positions and was appointed as the Executive Director of SCB in 1994 until his retirement in June 1999.

Upon his retirement in 1999, he was appointed as Chairman of MBF Finance Berhad by the Central Bank as its nominee until January 2002 when the finance company was sold to Arab Malaysian Group.

Currently, he holds directorships in several public listed companies namely, Marine & General Berhad, Sunway Berhad and Mycron Steel Berhad. He also holds directorships in several other private limited companies.

Tan Sri Datuk Seri Razman Md Hashim is the Chairman of the Nomination Committee and Remuneration Committee. He is also a member of the Audit Committee, Risk Management Committee and Sustainability Committee of the Company.

PROFILE OF DIRECTORS

SYED ALI SHAHUL HAMEED
48 years of age, Indian, Male
Chief Executive Officer (Non-Independent)

He was appointed to the Board on 20 March 2019 as an Executive Director and subsequently re-designated as the Chief Executive Officer of the Company on 8 August 2019. He holds a Bachelor of Engineering degree from Institute of Road & Transport Technology, Bharathiar University at Coimbatore.

He began his career as a lecturer in a Technical Institution for a short stint of 2 years before embarking his journey in the Hospitality Industry. He joined Berjaya Land Berhad Group ("BLand Group") on 4 September 1997 as an Assistant Engineer at Berjaya Tioman Resort and rose to the position of Chief Engineer on 4 September 2003. He held the position of Director of Engineering & Technical Services since 20 January 2009 before his appointment as Corporate Director, Engineering & Technical Services of Berjaya Hotels & Resorts Division on 1 April 2009. He was subsequently appointed as Director, Property Development and Complexes, Property Division on 11 March 2019.

On the engineering field, he oversees the maintenance aspects of the properties and was entrusted to spearhead various in-house renovation projects in BLand Group's hotels and properties. His experience in the hospitality business spans over 22 years in managing interior design projects as well as corporate purchasing ranging from designer's products, construction items and food & beverages goods.

During his stint of over 22 years in BLand Group, he has a myriad exposure in the area of due diligence and technical involvement with BLand Group's joint venture hotels, InterContinental Hanoi Westlake and Sheraton Hotel in Hanoi as well as Four Seasons Hotel and Hotel Residences in Kyoto, Japan, a hotel operated by the Company's associated companies.

Currently, he is responsible for overseeing all the engineering aspects of all BLand Group's properties in Malaysia and overseas; leading the development of Four Seasons Resort Okinawa, Japan and ANSA Okinawa Resort, Japan and the operations of Kota Raya Complex, Plaza Berjaya and Berjaya Megamall, Kuantan. He is also responsible for managing all the local and overseas property development projects.

Currently, he is also a Director of Berjaya Vacation Club Berhad, KDE Recreation Berhad and Tioman Island Resort Berhad. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

PROFILE OF DIRECTORS

TAN THIAM CHAI

60 years of age, Malaysian, Male
(Non-Independent/Executive Director)

He was appointed to the Board on 18 April 2008 as an Executive Director.

He graduated with a Diploma in Commerce (Financial Accounting) from Kolej Tunku Abdul Rahman (now known as Tunku Abdul Rahman University College) and also completed The Association of Chartered Certified Accountants (UK) professional course in 1981. He is a Fellow member of the Association of Chartered Certified Accountants (UK) since 1990 and also a member of the Malaysian Institute of Accountants.

He started work with an accounting firm in Kuala Lumpur for about 2 years and thereafter served in various Finance and Accounting positions with the Hong Leong Group of Companies in Malaysia as well as in Hong Kong for about 8 years. He joined Berjaya Group of Companies in early 1991 as a Finance Manager of an operating subsidiary and was promoted to Operation Manager later that year. In 1992, he was transferred to the Corporate Head Office of Berjaya Group Berhad to head the Group Internal Audit function and subsequently in 1993, he was promoted to oversee the Group Accounting function of Berjaya Group Berhad.

He was previously appointed as the Chief Financial Officer of Berjaya Corporation Berhad ("BCorp") on 18 July 2008 until his retirement on 31 December 2018 and he is currently the Financial Adviser of BCorp. He is also a Director of Atlan Holdings Bhd, Berjaya Food Berhad, Berjaya Vacation Club Berhad, Indah Corporation Berhad, Cosway Corporation Berhad, Tioman Island Resort Berhad, Cosway Corporation Limited (Hong Kong) and Berjaya Starbucks Coffee Company Sdn Bhd. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

NERINE TAN SHEIK PING

43 years of age, Malaysian, Female
(Non-Independent/Executive Director)

She was appointed to the Board on 11 January 2016 as an Executive Director. She graduated with a Bachelor of Science degree in Management (Second Class Honour) from the London School of Economics in 1998.

She has more than 20 years of experience in sales, marketing and business development in several operations. She started work as a Business Development Manager at Cosway (M) Sdn Bhd from January 1999 to September 2002, and was mainly responsible for overseeing the sales and marketing of Cosway products. From September 2000 to March 2003, she was appointed as an Executive Director of eCosway Sdn Bhd to oversee the development of eCosway website with a software developer.

In addition, she was also appointed as Vice President in the Marketing division of Berjaya Hotels & Resorts (M) Sdn Bhd ("BHRM) in January 1999 and was appointed as an Executive Director of Berjaya Hotels & Resorts (Singapore) Pte Ltd from January 2005 until her resignation in April 2009. During her tenure at BHRM, she was overseeing the sales and marketing functions and development of spa management for different resorts.

In February 2007, she was appointed as the General Manager (Sales & Marketing) of Sports Toto Malaysia Sdn Bhd ("Sports Toto") and was subsequently promoted as an Executive Director of Sports Toto in April 2010. Currently, she is overseeing the sales and marketing activities of Sports Toto including dealings with Government authorities.

Currently, she is the Chief Executive Officer of Berjaya Sports Toto Berhad and also an Executive Director of Berjaya Corporation Berhad and Berjaya Group Berhad. She also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

Her sister, Chryseis Tan Sheik Ling is also a member of the Board while her father, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company.

PROFILE OF DIRECTORS

CHRYSEIS TAN SHEIK LING
30 years of age, Malaysian, Female
(Non-Independent/Executive Director)

She was appointed to the Board on 1 April 2016 as an Executive Director. She graduated with a Bachelor of Arts in Liberal International Studies from Waseda University, Tokyo in 2012. She also did an exchange program in Accounting and Finance in London School of Economics, United Kingdom for a year in 2010.

Currently, she is the Chief Executive Officer of Berjaya Times Square Sdn Bhd, a wholly-owned principal subsidiary of Berjaya Assets Berhad ("BAssets"), mainly involved in the marketing and overall management of Berjaya Times Square mall.

She is also a Director of Berjaya Assets Food (BAF) Sdn Bhd ("BAF"), a wholly-owned subsidiary of BAssets, and she oversees BAF's interest in the food & beverage industry. BAF has secured the right to manage the franchise of Greyhound Café from Bangkok, Thailand in Malaysia with the successful opening of its first outlet at Jalan Bukit Bintang, Kuala Lumpur.

She is also a Director and Chairman of Natural Avenue Sdn Bhd ("NASB"), a subsidiary of BAssets, since 1 August 2014. NASB is the exclusive agent for Sarawak Turf Club's Special Cash Sweep Number Forecast Lotteries in Sarawak.

Presently, Ms Chryseis Tan is an Executive Director of BAssets and a Non-Executive Director of Berjaya Food Berhad. She is also the Head of Marketing for Four Seasons Hotel and Hotel Residences Kyoto, Japan, a hotel and residences development project undertaken by the Company's associated company namely, Berjaya Kyoto Development (S) Pte Ltd. She also holds directorships in several other private limited companies.

Her sister, Nerine Tan Sheik Ping is also a member of the Board while her father, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company.

DATO' NG SOOI LIN
63 years of age, Malaysian, Male
(Non-Independent/Non-Executive Director)

He was appointed to the Board on 28 March 2003. He holds a Bachelor in Engineering from the University of Liverpool and a Full Technology Certificate from the City & Guild's of London. He is also a member of the Institute of Electrical Engineers, U.K. (M.I.E.E.) Chartered Engineers.

He is an engineer by profession with extensive working experience in the field of property development and management. He started his career in the property consultancy in Kuala Lumpur before moving on to play key roles in various development companies in Malaysia, Singapore and Brunei.

He joined Berjaya Land Berhad in November 1994 as a Senior General Manager (Group Properties & Development) prior to his appointment as Executive Director and subsequently in 21 December 2006, he was appointed as the Chief Executive Officer of the Company until his retirement in December 2016. He is currently a Non-Independent Non-Executive Director of the Company.

He is also an Independent Non-Executive Director of WCT Holdings Berhad. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

Dato' Ng Sooi Lin is a member of the Remuneration Committee, Risk Management Committee and Sustainability Committee of the Company.

PROFILE OF DIRECTORS

DATUK ROBERT YONG KUEN LOKE
67 years of age, Malaysian, Male
(Independent/Non-Executive Director)

He was appointed to the Board on 24 January 1995. 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 the 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 there 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 the 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 an 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 Sports Toto Berhad, Berjaya Assets Berhad and Berjaya Media Berhad.

Datuk Robert Yong Kuen Loke is the Chairman of Audit Committee, Risk Management Committee and Sustainability Committee of the Company and a member of the Nomination Committee of the Company.

DATUK KEE MUSTAFA
69 years of age, Malaysian, Male
(Independent/Non-Executive Director)

He was appointed to the Board on 11 January 2016 as an Independent Non-Executive Director. He holds a Bachelor of Arts Degree in Anthropology and Sociology from University of Malaya.

Datuk Kee Mustafa was a Career Civil Service Officer, having served the State Government of Sabah for a period of 33 years from 1974 to 2007. During his tenure with the State Government of Sabah, he had served in various positions and Government Departments including holding several senior positions, namely, Permanent Secretary to the Ministry of Infrastructure (1996) and Director of Public Services Department, Sabah (2000). He was subsequently appointed as the State Secretary to the State Government of Sabah in April 2000 and had held the position until his retirement in 2007. While being the State Secretary, he was the Head of the State Public Service and Secretary to the State Cabinet. He was also appointed as a member of the Royal Commission of Inquiry on Immigrants in Sabah from 2012 to May 2014.

Currently, he is an Independent Non-Executive Director of Suria Capital Holdings Berhad and he also holds directorships in several other private limited companies.

Datuk Kee Mustafa is a member of the Audit Committee, Nomination Committee, Remuneration Committee, Risk Management Committee and Sustainability Committee of the Company.

JOHN V PRIDJIAN
55 years of age, United States of America, Male
(Independent/Non-Executive Director)

He was appointed to the Board on 1 November 2017 as an Independent Non-Executive Director. He holds a Bachelor of Science degree in Accounting from University of Illinois in 1986 and holds a Master of Business Administration in Finance from University of Chicago in 1988. He is also a Certified Public Accountant in the State of Illinois and is a member of the State Bar of California.

He started his career as an Associate in O'Melveny & Myers L.L.P in Los Angeles, California, United States from 1991 to 1993. Subsequently, he served as a Partner and practised law at Sidley Austin L.L.P in Los Angeles, California, United States from 1993 to 2001 and thereafter he joined Deloitte and Touche L.L.P in Los Angeles, California, United States as a Tax Partner for 3 years.

He has more than 25 years of experience in strategic decision-making, financial reporting and operations in the fields of asset and investment management, Securities and Exchange Commission regulatory reporting and compliance, financial reporting and cost analysis, vendor negotiation and management, project management, strategic business planning and cost cutting discipline.

Currently, he is the Chief Financial Officer of Old Peak Group Limited, an independent investment firm focused on the Asia Pacific region for global institutional investors.

Mr John V Pridjian is a member of the Audit Committee, Risk Management Committee and Sustainability Committee of the Company.

Save as disclosed, none of the Directors have:-

1. any family relationship with any directors and/or major shareholders of the Company;
2. any conflict of interest with the Company;
3. any conviction for offences within the past 5 years other than traffic offences; and
4. any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

KEY SENIOR MANAGEMENT

FOO TOON KEE

53 years of age, Malaysian, Male
Chief Operating Officer
Berjaya Hotels and Resorts Division

Date of appointment : 1 January 2013

He holds a Bachelor's Degree in Business from University of Southern Queensland, Australia. He is a member of the Malaysian Institute of Accountants. Upon his graduation, he started his career with Ernst & Young, a public accounting firm before joining a public listed company, working at various levels of management.

He held positions that include the Management Accountant for Berjaya Land Berhad, Finance & Administration Manager for Berjaya Hotels and Resorts, Group Financial Controller for Swiss Garden Hotels, Resorts and Inns, General Manager - Finance and Control for MOL.com Sdn Bhd, Finance General Manager for Berjaya Hotels and Resorts, and Acting Head of Berjaya Hotels, Resorts & Clubs, a division of Berjaya Land Berhad.

He was appointed as Chief Operating Officer on 1 January 2013.

Currently, he is also a Director of Bukit Kiara Resort Berhad, KDE Recreation Berhad and Redang Island Golf and Country Club Berhad.

KHOR POH WAA

63 years of age, Malaysian, Male
President
Berjaya Vacation Club Berhad

Date of appointment : 1 April 1997

He holds an Accounting Degree from the University of Malaya and served in the Accountant General's Office before joining the private sector in 1985.

He joined Berjaya Vacation Club Berhad ("BVC") in 1993 and has been the President of BVC since 1997 and the Director of Berjaya Clubs since 2012. He manages the Company's timeshare, golf and recreation club division and has vast experience in the hotel, golf and club industry.

He was the Chairman of the Malaysian Holiday Timeshare Developer's Federation from 1995 to 2015 and is the Chairman of the Malaysian Golf & Recreational Owners Association for the term from 2015 to 2021.

Currently, he is also a Director of Berjaya Golf Resort Berhad, Berjaya Vacation Club Berhad, Bukit Kiara Resort Berhad, KDE Recreation Berhad and Staffield Country Resort Berhad.

SEOW SWEE PIN

62 years of age, Malaysian, Male
Non-Independent Executive Director
Berjaya Sports Toto Berhad

Date of appointment :
17 December 2007

He is a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He worked with Ernst & Young from 1976 to 1984 where he last held the position of an Audit Manager.

Between 1984 and 1990, he held senior management positions in several major public listed groups. He joined Berjaya Group in 1991 and was subsequently appointed as General Manager (Finance) of Sports Toto Malaysia Sdn Bhd in 1993. He was promoted to Senior General Manager in 1996 and Executive Director in 2008.

He was appointed to the Board of Berjaya Sports Toto Berhad on 17 December 2007 as an Executive Director.

Currently, he is also Chairman of Philippine Gaming Management Corporation and a Director of Berjaya Philippines Inc. and several other private limited companies.

KEY SENIOR MANAGEMENT

TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN

67 years of age, Malaysian, Male
Managing Director/
Chief Executive Officer
Sports Toto Malaysia Sdn Bhd

Date of appointment :
5 December 1988

He is a businessman and entrepreneur with more than four decades of entrepreneurial experience and has diverse interest in property development and investment, gaming, lottery management, stockbroking, motor distribution, retailing, trading, hospitality, internet-related businesses, environmental and utilities, media, food and beverage, telecommunications, insurance and education through various public and private companies, namely, Berjaya Corporation group of companies, Berjaya Media Berhad, Berjaya Assets Berhad, 7-Eleven Malaysia Holdings Berhad, Intan Utilities Sdn Bhd, U Mobile Sdn Bhd and MOL Ventures Pte Ltd.

Currently, he is the Executive Chairman of Berjaya Corporation Berhad and Berjaya Times Square Sdn Bhd and the Chairman of Berjaya Capital Berhad, U Mobile Sdn Bhd, Cosway (M) Sdn Bhd and Country Farms Sdn Bhd. He is also the Managing Director/Chief Executive Officer of Sports Toto Malaysia Sdn Bhd. He also holds directorships in several other private limited companies and also in Berjaya Corporation group of companies.

He is the father of Nerine Tan Sheik Ping and Chryseis Tan Sheik Ling who are members of the Board of the Company. He is also a major shareholder of the Company.

TAN TEE MING

43 years of age, Malaysian, Male
Senior General Manager, Property
Sales & Marketing Division
Berjaya Land Berhad

Date of appointment : 18 March 2017

He was appointed Senior General Manager of Property Sales & Marketing Division on 18 March 2017. Currently, he oversees the sales and marketing for all Malaysian properties.

He graduated with a Bachelor of Science Degree in Business Management from King's College London, United Kingdom in 1998. Since 2001, he has held various positions in several major Private Banks in Malaysia and Singapore including Citi Private Bank and CIMB. He has 16 years of experience managing the wealth of High Net worth Individuals. In 2012, he was awarded The Young Outstanding Private Banker Award by Private Banker International, the leading journal for the global wealth management industry.

His father in-law, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company. His wife, Nerine Tan Sheik Ping, and sister in-law, Chryseis Tan Sheik Ling are members of Board of the Company.

Save as disclosed, none of the Key Senior Management have :-

1. any directorship in public companies and listed issuers;
2. any family relationship with any Directors and/or major shareholders of the Company;
3. any conflict of interest with the Company;
4. any conviction for offences within the past 5 years other than traffic offences; and
5. any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Berjaya Land Berhad ("B-Land"), I am pleased to present the Annual Report and Financial Statements for the financial period from 1 May 2018 to 30 June 2019, further to the change of financial year end from 30 April 2019 to 30 June 2019.

One Bedroom Suite on Water at Berjaya Langkawi Resort, Malaysia.

FINANCIAL RESULTS

For the current 14-month financial period ended 30 June 2019, the Group reported a revenue and profit before tax of RM7.31 billion and RM546.40 million respectively. The comparative financial results of the previous financial year which were prepared for a 12-month period ended 30 April 2018, are not comparable to the results of the current financial period under review.

The gaming and motor retailing business segments were the largest contributors to the Group's revenue, with 91% contribution. The Group recognised a substantial gain from the disposal of a joint venture amounting to RM195.74 million. This significant gain offset the unfavourable fair value changes of investment properties and the impairment losses of goodwill, gaming rights, and certain assets and investments of the Group.

DIVIDEND

The Board did not recommend any payment of dividend for the financial period ended 30 June 2019.

SIGNIFICANT CORPORATE DEVELOPMENTS

1. As announced on 18 December 2012 and pursuant to the Supplement Agreement dated 13 August 2012 entered into between Selangor Turf Club ("STC") and Berjaya Tagar Sdn Bhd ("BTSB"), STC granted extension of time to 18 January 2020 to fulfil the remaining conditions precedent pursuant to the proposed acquisition of the Sungai Besi Land by BTSB.

2. On 15 February 2017, Berjaya Leisure (Cayman) Limited ("BLCL") entered into a capital contribution transfer for the disposal of its entire 70.0% stake in Berjaya Long Beach Limited Liability Company to Sulyna Hospitality Hotel Restaurant Travel Service Company Limited for a cash consideration of VND333.25 billion (about RM65.32 million). The said disposal was completed on 28 June 2019.

A Sports Toto draw in progress.

3. On 28 December 2018, the Board announced that T.P.C Development Ltd ("TPC Development"), a wholly-owned subsidiary of BLCL which in turn is a wholly-owned subsidiary of B-Land has on 25 December 2018 and 27 December 2018 entered into a deposit agreement and a Capital Transfer Agreement respectively for the disposal by TPC Development of its entire stake of 75% of the capital contribution in T.P.C Nghi Tam Village Ltd ("TPC Village") to Hanoi Hotel Tourism Development Limited Liability Company for a cash consideration of Vietnamese Dong ("VND") 1,244.59 billion (about RM222.18 million) and settlement of the amount owing by TPC Village of VND1,670.41 billion (about RM298.20 million), totalling VND2,915 billion (about RM520.38 million). B-Land announced that the said disposal was completed on 1 March 2019.

4. On 18 February 2019, the Board announced that its 100%-owned subsidiary, Berjaya Reykjavik Investment Limited ("BRIL") has entered into an agreement with Fiskitangi EHF ("FEHF") and Utgerdarfelag Reykjavikur HF ("URHF") to acquire 100% of the shares of Geirsgata 11 EHF ("GE11") for a cash consideration of USD1,399,000 (about RM5.75 million) from FEHF. In addition, BRIL will repay the outstanding loan of USD12.59 million (about RM51.79 million) obtained by GE11 from URHF to purchase a piece of leasehold land in Iceland. On 14 October 2019, B-Land announced that the said acquisition was completed.

5. On 13 July 2019, Berjaya Property Ireland Limited ("BPIL"), a wholly-owned subsidiary of B-Land, has entered into a Share Purchase Agreement ("SPA") with Icelandair Group hf. ("Seller") for the proposed acquisition of 75% stake in Icelandair Hotels ehf, which will acquire 100% of Hljomalindarreitur ehf and certain hotels and real estate assets in Iceland ("New Icelandair Hotels Group") for a total cash consideration of approximately USD53.63 million (or about RM222.03 million). Besides the SPA, BPIL also entered into a Shareholders Agreement and a Put and Call Option Agreement with the Seller.

SUSTAINABILITY

B-Land issued its third Sustainability Statement in line with the reporting requirements of Bursa Malaysia Securities Berhad to share with its stakeholders the material sustainability aspects for the financial period under review.

The Group's Sustainability Statement covers the material issues from property development and investment; hotels and resorts; gaming as well as clubs and recreation business segments in Malaysia. The statement is an overview of the sustainability approach and initiatives made by these five business segments on how it creates economic value, protect the environment and address social development in the respective industry sectors. The Group's Sustainability Statement is available on pages 26 to 41 of the B-Land Annual Report 2019.

Divers clearing the crown-of-thorns which are a threat to marine life.

FUTURE OUTLOOK

The global trade developments will remain as a key factor affecting the near-term economic outlook. The ongoing trade tensions between the United States of America and China continue to present uncertainty surrounding the global economy that affect business and consumer sentiments.

Amidst the challenging global environment, the Malaysian economy grew at a stronger pace of 4.9% in the second quarter of 2019 compared to the previous quarter of 4.5% driven by the expansion in domestic demand. Nonetheless, the economy outlook for the full year remains challenging given the escalating external risks.

The Visit Malaysia 2020 campaign, which targeted to receive 30 million tourist arrivals, is expected to encourage growth in the tourism sector and the hospitality industry. To leverage on the positive development, the hotels and resorts business segment will continue to enhance guests' experience through greater levels of hospitality and reinvigorate its marketing strategies to expand its market reach.

CHAIRMAN'S STATEMENT

The local property market landscape is anticipating another challenging year ahead. Prevailing issues such as property overhang, stringent lending policies by the financial institutions and rising cost of living continue to cloud the market sentiments. Nevertheless, the recently announced Budget 2020 has outlined several measures to revitalise the property market. These include the lower threshold from RM1 million to RM600,000 for foreign ownership on high rise properties in urban areas and the introduction of the Rent-To-Own (RTO) financing scheme for the purchase of a first home priced up to RM500,000. Despite the ongoing challenges, the property development business segment will continue to remain resilient and strives to introduce projects that meet market requirements and demands.

Taking advantage on the strategic locations of the Group's complexes in Kuala Lumpur, the property investment business segment is expected to remain resilient despite stiff competition from the growing number of malls in the Klang Valley. Kota Raya Complex is currently undergoing a building upgrading exercise, to rejuvenate and realign the complex's overall concept. This will bring renewed vibrancy to Kota Raya Complex on completion.

The Number Forecast Operation ("NFO") industry in Malaysia continues to be affected by illegal gaming activities. During the financial period under review, legal NFO operators registered higher ticket sales on the back of stricter enforcement by the authorities in curbing illegal gaming activities. Against this scenario, the NFO business operated by Sports Toto Malaysia Sdn Bhd ("Sports Toto"), the principal subsidiary of Berjaya Sports Toto Berhad is expected to remain satisfactory. It is expected that Sports Toto would continue to maintain its market share in the NFO sector.

With the uncertainties, volatilities and challenges, the Group will continue to adopt a prudent approach and remain agile across its business operations in response to the rapidly changing business environment and competitive market landscape.

APPRECIATION

On behalf of the Board, I would like to convey our sincere thanks to Datuk Pee Kang Seng @ Lim Kang Seng who has stepped down from his role as Chief Executive Officer effective 8 August 2019 for his contributions during his tenure.

We take this opportunity to congratulate Mr Syed Ali Shahul Hameed for his promotion to Chief Executive Officer of the Company effective 8 August 2019. He was appointed as Executive Director of the Company on 20 March 2019.

Our heartfelt thanks go to all our valued customers, business associates, financiers and shareholders as well as the relevant government and regulatory bodies for their continued support throughout the years. We also wish to extend our sincere appreciation to the management team for their leadership as well as the employees for their commitment, contributions and remaining resolute, throughout this challenging period.

To my fellow Directors, thank you for your continuous support and guidance. Together, we shall steer through, yet another challenging year ahead.

Tan Sri Datuk Seri Razman Md Hashim
Bin Che Din Md Hashim
Chairman
18 October 2019

Lanai Residences at Bukit Jalil, Kuala Lumpur - Construction in progress.

Bugatti Chiron Sport 110th Anniversary Edition distributed by H.R. Owen.

MANAGEMENT DISCUSSION AND ANALYSIS

A Sports Toto outlet.

OVERVIEW

Berjaya Land Berhad and its subsidiaries ("B-Land" or "the Group") is one of Malaysia's leading companies with interest in gaming and lottery management, motor retailing, hotels & resorts, recreation development, vacation timeshare and property development and investment.

Given the change of financial year end to 30 June 2019, the Company's financial information presented below covers a 14-month period from 1 May 2018 to 30 June 2019 for the current financial period. Accordingly, the financial performance for the current financial period ended 30 June 2019 is not comparable with the previous financial year ended 30 April 2018.

PERFORMANCE REVIEW BY BUSINESS SEGMENTS

GAMING

The toto betting and related activities business segment of B-Land is operated via Berjaya Sports Toto Berhad ("BToto"). BToto is principally engaged in the operations of Toto betting, leasing of online lottery equipment, the development, manufacturing and distribution of computerised wagering and voting systems. BToto's other business segments include the operations of a hotel in the Philippines and luxury motor retailing in the United Kingdom.

BToto has four main subsidiary companies namely Sports Toto Malaysia Sdn Bhd ("Sports Toto"), Berjaya Philippines Inc. ("BPI"), International Lottery & Totalizator Systems, Inc., USA ("ILTS") and H.R. Owen Plc, United Kingdom ("H.R. Owen").

For the financial period under review, BToto registered a revenue of RM6.7 billion and a pre-tax profit of RM394.3 million. The revenue registered was mainly attributed to the revenue from Sports Toto, H.R. Owen and Philippine Gaming Management Corporation ("PGMC"). The pre-tax profit of BToto was largely due to the profit achieved by Sports Toto and H.R. Owen as well as profit contribution from PGMC.

MALAYSIA

Sports Toto Malaysia Sdn Bhd ("Sports Toto"), the principal operating subsidiary of BToto, has approximately 680 outlets operating throughout the country, offering 8 games namely Toto 4D, Toto 4D Jackpot, Toto 5D, Toto 6D, Star Toto 6/50, Power Toto 6/55, Supreme Toto 6/58, and Toto 4D Zodiac. Launched in June 2019, the Toto 4D Zodiac is a 4D variant game with a combination of 4D results and a Zodiac number. All the games are drawn three days a week.

For the current 14-month financial period under review, Sports Toto registered revenue of RM3.6 billion. On a per draw basis, revenue increased by 1.8%.

Sports Toto continued to remain as the market leader among all the Number Forecast Operators ("NFO") in the country in terms of total revenue for the financial period under review.

Profit before tax for the current 14-month financial period under review was RM453.3 million. This was mainly due to lower operating expenses incurred and the effects of the three months Goods and Services Tax ("GST") tax holiday in the current financial period ended 30 June 2019.

Sports Toto anticipates that its performance moving into the financial year 2020 will be satisfactory and is confident that it will continue to retain its market share in the NFO business. The company will continue its effort to educate the public about the negative social impact of illegal gaming and continue to advocate responsible gaming. Regular engagement with the authorities will also be conducted to combat illegal gaming.

MANAGEMENT DISCUSSION AND ANALYSIS

THE PHILIPPINES

BToto operates in the Philippines through its subsidiary, BPI, which is listed on the Philippine Stock Exchange. BPI's major investments include its wholly-owned subsidiaries H.R. Owen and Philippine Gaming Management Corporation ("PGMC"). Following the completion of the deemed disposal, on 3 July 2019, BPI reduced its ownership in PGMC to 39.99% and PGMC ceased to be a subsidiary and became an associated company of BPI. Under such circumstances, B-Land Group had fully impaired the gaming rights relating to the operations of PGMC in the current financial period under review.

H.R. Owen, a luxury motor retailer, operates a number of vehicle dealerships in the prestige and specialist car market for both sales and aftersales, predominantly in London, UK. PGMC operates the business of leasing of online lottery equipment and providing software support in the Luzon Region to the Philippine Charity Sweepstakes Office ("PCSO"), a Philippine Government agency responsible for lotteries and sweepstakes.

BPI group recorded revenue of Peso38.0 billion for the 14-month financial period under review. The revenue was mainly attributed to revenue contribution from H.R. Owen in the financial period under review.

BPI group's profit before tax of Peso677.0 million for the financial period under review was mainly attributed to profits achieved by H.R. Owen and profit contribution from PGMC.

PGMC recorded revenue of Peso1.5 billion for the current financial period under review mainly due to lower equipment lease agreement rate applied for the financial period under review. PGMC's profit before tax for the financial period under review was Peso611.3 million.

The Philippine's economy showed signs of resurgence in the second quarter of 2019 as exports continued to recover in May. Business confidence improved in the quarter and public spending was increased to achieve the growth target for 2019. The economic momentum should strengthen in the second half of the year from fiscal stimulus and more accommodative monetary conditions. Gross domestic product ("GDP") is expected to expand by 6.0% in 2019 and 6.2% in 2020.

PGMC will continue to partner with PCSO in order to generate more revenue to support charity activities in the Philippines.

THE UNITED STATES OF AMERICA

In the United States of America, ILTS, a subsidiary of BToto, provides computerised wagering equipment and systems to the online lottery and pari-mutuel racing industries worldwide. ILTS also has a voting business segment operated through Unisyn Voting Solutions, Inc. ("Unisyn") which develops and markets the OpenElect® digital optical scan election system to election jurisdictions. The OpenElect® election system is the only digital optical scan voting system built with Java on a streamlined and hardened Linux platform.

ILTS posted a higher revenue and profit before tax for the financial period under review mainly attributed to the higher revenue contribution from its voting business segment.

ILTS will continue to research and develop new and emerging technologies, with the intention to increase its market share and improve competitiveness in the gaming and voting sector. A key strategy of ILTS is to pursue growth through strategic alliances to gain access to new and tactically important geographical locations and business opportunities, and capitalise on existing business relationships.

UNITED KINGDOM

In the United Kingdom, BPI's subsidiary, H.R. Owen, is a luxury motor retailer which operates a number of vehicle dealerships in the prestige and specialist car market for both sales and aftersales, predominantly in London.

For the financial period ended 30 June 2019, H.R. Owen recorded revenue of £532.0 million. A total of 1,646 new prestige cars and 1,435 pre-owned cars were sold in the financial period under review. H.R. Owen's profit before tax was £8.3 million for the financial period ended 30 June 2019.

Lamborghini Sian distributed by H.R. Owen.

H.R. Owen remains cautiously optimistic about the future prospects of the company. The company continues to be dependent on new car sales. The cost of getting to market in one of the most expensive cities in the world remains high. The company is supported by robust performance by its main franchises and the London operations namely Bentley, Bugatti, Ferrari, Lamborghini and Rolls-Royce retain their position as UK's largest dealer outlets for the supply of new cars. This is despite the company being sensitive to any deterioration in trading conditions.

HOTELS & RESORTS

The hotels and resorts business segment of B-Land is operated via the Berjaya Hotels and Resorts Division ("BHR"). The Group owns and operates 13 hotels and resorts locally and internationally.

For the 14-month financial period ended 30 June 2019, BHR registered a total gross revenue of RM356.1 million and profit before tax of RM20.1 million. During the financial period under review, the room night bookings were mainly driven by the Transient FIT and Leisure FIT market segments that resulted in an occupancy level of 59.4% and Revenue per Available Room ("RevPAR") of RM207.

MALAYSIA HOTELS & RESORTS

The major Malaysian-based hotels and resorts are Berjaya Langkawi Resort, Berjaya Times Square Hotel, Kuala Lumpur, ANSA Kuala Lumpur, Berjaya Tioman Resort and The Taaras Beach & Spa Resort, Redang. These strategically located hotels and resorts have attracted tourist arrivals from various countries such as Singapore, Indonesia, Middle East, China, India, Europe and Australia.

Revenue & Profit Before Tax

For the 14-month financial period ended 30 June 2019, the Malaysian-based properties posted a total gross revenue of RM271.4 million and profit before tax of RM14.5 million, and the main contributors were Berjaya Langkawi Resort, The Taaras Beach & Spa Resort, Redang and ANSA Kuala Lumpur. A slowdown in demand for city hotels from the leisure individual and corporate group markets led to an occupancy level of 55.7% and RevPAR of RM197.

During the financial period under review, BHR has incurred property repair and maintenance expenses on certain of its properties, and this has impacted its profitability.

Berjaya Langkawi Resort, Langkawi

During the financial period under review, the resort recorded an occupancy level of 64.2% due to the lower room night bookings from the leisure individual segment from its key markets of China, Australia, Europe and Malaysia. The resort recorded a total gross revenue of RM90.9 million with profit before tax of RM24.9 million.

Berjaya Times Square Hotel, Kuala Lumpur

In line with the softer market conditions and stiff competition from other hotel operators, the hotel recorded an occupancy level of 51.7% during the financial period under review. Consequently, the hotel registered a lower total gross revenue of RM71.8 million. The lower revenue coupled with higher operating expenses resulted in a pre-tax loss of RM10.8 million during the financial period under review.

Berjaya Tioman Resort, Tioman

During the financial period under review, the resort posted a total gross revenue of RM23.1 million with occupancy rate of 40.5%. The resort's room night bookings were mainly supported by the leisure individual travel markets of Singapore, China, Europe and Malaysia. The resort incurred a pre-tax loss of RM7.4 million mainly due to the expenditure incurred for the repair and maintenance of the resort's facilities and foreign currency translation loss, which led to the negative impact on profitability.

The swimming pool at Berjaya Times Square Hotel, Kuala Lumpur, Malaysia.

The Taaras Beach & Spa Resort, Redang

During the financial period under review, healthy room night bookings were recorded from its key leisure markets of Europe, China, Japan and Malaysia. Overall, the resort recorded occupancy level of 48.4% with better ARR. The resort generated a total gross revenue of RM41.9 million and a pre-tax loss of RM1.6 million mainly due to the rising operating costs and expenditure incurred for repair works and replacement of certain resort facilities.

ANSA Kuala Lumpur

During the financial period under review, the hotel reported occupancy level of 72.0% mainly driven by the higher room night bookings from the leisure individual market segment of Indonesia with positive performance recorded across all departments. As a result, the hotel recorded a total gross revenue of RM23.6 million with a profit before tax of RM8.3 million.

Executive Room at ANSA Kuala Lumpur, Malaysia.

Berjaya Penang Hotel

The decrease in demand from the leisure individual and group markets coupled with increased competition from the new supply of hotel rooms in the market had resulted in the hotel recorded a slightly lower occupancy rate of 64.3%. For the financial period under review, the hotel posted a total gross revenue of RM17.1 million with a profit before tax of RM1.6 million.

OVERSEAS HOTELS & RESORTS

The major overseas hotels and resorts of B-Land are Berjaya Beau Vallon Bay Resort & Casino and Berjaya Praslin Resort in Seychelles, Berjaya Hotel Colombo, Sri Lanka, Berjaya Eden Park London Hotel and The Castleton Hotel in London, United Kingdom ("UK").

The overseas hotels and resorts' room night bookings were largely generated from the leisure individual travel markets from the UK, Europe and India. During the financial period under review, the lower room night bookings from the Leisure FIT segment resulted in a slightly lower occupancy levels of 73.8%, with softer ARR. This had translated into the RevPAR of RM245.

During the financial period under review, BHR's overseas properties' recorded a total gross revenue of RM84.6 million whilst profit before tax was at RM5.6 million.

Berjaya Beau Vallon Bay Resort & Casino, Seychelles

The resort's room night bookings were mainly supported by the leisure individual market from Europe. During the financial period under review, the resort registered occupancy level of 76.2% due to the lower tourist arrivals from its leisure individual segments of China and Middle East markets. The resort recorded a total gross revenue of RM42.6 million and profit before tax of RM7.9 million during the financial period under review.

Berjaya Praslin Resort, Seychelles

The resort delivered a good performance mainly attributed to the healthy growth in both its rooms and food and beverage operations. The room occupancy registered at 73.8% with better ARR. The resort generated a total gross revenue of RM11.8 million with profit before tax of RM227,000 during the financial period under review.

The swimming pool at Berjaya Praslin Resort, Seychelles.

Berjaya Hotel Colombo, Sri Lanka

The hotel recorded lower room night bookings from the commercial and leisure markets of India, China and Europe mainly due to the political instability and increased competition from new room supply and other existing hoteliers. In addition, the Easter bomb attacks which happened on 21 April 2019 had a huge negative impact on the tourism industry of the country. Consequently, the hotel's occupancy level declined to 49.6%. The hotel reported a total gross revenue of RM6.1 million and a pre-tax loss of RM174,000 during the financial period under review.

Berjaya Eden Park London Hotel, United Kingdom

Slowdown in demand from the individual market coupled with stiff competition from other hoteliers had resulted in the hotel prioritising room occupancy levels at the expense of the ARR. Given that scenario, the hotel recorded occupancy level of 85.6% with a lower ARR of RM357. The hotel posted a total gross revenue of RM15.1 million with a pre-tax loss of RM1.0 million during the financial period under review.

The Castleton Hotel, London, United Kingdom

This hotel located in Sussex Gardens, London has a total of 46 guestrooms. For the financial period under review, in line with the softer market conditions, occupancy level declined to 79.1% with total gross revenue of RM6.0 million. The room night bookings were mainly contributed by the Transient FIT market segment.

INTERESTS IN OTHER HOTELS

B-Land has interests in other hotels via its interest in an associated company which operates the Four Seasons Hotel and Hotel Residences in Kyoto, Japan and a joint venture in Vietnam which operates Sheraton Hanoi Hotel.

During the financial period under review, the Group disposed of one of its joint venture hotels in Vietnam, namely InterContinental Hanoi Westlake in March 2019.

Four Seasons Hotel and Hotel Residences, Kyoto, Japan

During the financial period under review, with the healthy growth in both its rooms and food and beverage operations, the hotel recorded a total gross revenue of RM254.7 million, while profit before tax posted at RM71.8 million. Occupancy at the hotel was 59.7% with ARR of RM4,500.

Sheraton Hanoi Hotel, Vietnam

For the financial period under review, Sheraton Hanoi Hotel generated a total gross revenue of RM78.9 million supported by the positive growth in the food and beverage business operations. Room bookings was low in the first 9 months mainly due to the decline in corporate demand, which resulted in the hotel recorded occupancy level of 82.9%.

Future Prospects

Given the subdued economy landscape, the market outlook in the next financial year remain challenging. The slowdown of market conditions will continue to cause further uncertainties and apprehension amongst businesses, resulting in further pressure on the performance of the properties, especially within the corporate segment. Focus will be redirected to the leisure markets from China and India as well as the growing travellers within the region. Against this scenario, BHR will strive to optimise its revenue while maintaining a tighter control on its operating expenses.

BHR will also strive to increase its food and beverage business by growing the banqueting business, particularly in the meeting and incentive segments from Malaysia, Singapore and China. In addition, BHR will also continue to drive room yield through the adoption of more effective yield management strategies and improve cost efficiency to maximise profitability across the business.

CLUBS AND RECREATION

The Clubs and Recreation Division ("The Clubs") operates four golf clubs and one equestrian club located in the Klang Valley, Mantin (Negeri Sembilan) and Batu Pahat (Johor). Golf and equestrian are the core activities provided by The Clubs supported by other services such as sport facilities, dining outlets as well as banqueting facilities and event venue.

The Clubs have a total membership of 14,459 as at 30 June 2019 of which 7,429 are golf memberships and 7,030 are non-golf memberships.

During the financial period under review, Bukit Kiara Equestrian & Country Resort completed the construction of an Olympic-size swimming pool, a pool dedicated for scuba diving and other facilities to improve its services to the members. The club expects the new facilities will improve its revenue in the long term.

Following the adoption of the Malaysian Financial Reporting Standard 15: Revenue from Contracts with Customers ("MFRS 15"), the revenue from sale of club and vacation time share memberships are now recognised over the tenure of the respective memberships on a straight-line basis.

Youth Scuba Diving Programme at Bukit Kiara Equestrian & Country Resort.

Revenue & Profit Before Tax

For the financial period ended 30 June 2019, The Clubs registered revenue of RM67.7 million mainly due to the increase of annual subscription fees, horse-riding packages and golf rounds for visitors, as well as the effect from the adoption of MFRS 15.

The Clubs reported a profit before tax of RM0.6 million mainly due to less banqueting and event functions.

Future Prospects

The financial year ending 30 June 2020 will remain competitive and challenging for the recreation club industry. The Clubs will continue to upgrade its facilities including the golf course as part of its strategies to enhance its service quality to remain competitive. With a strong and stable membership base, The Clubs' performance will remain stable.

VACATION TIMESHARE

Berjaya Vacation Club Berhad ("BVC") operates and manages a vacation membership scheme which provides and coordinates holiday accommodation packages at holiday resorts in Malaysia.

Through the affiliation with Resort Condominiums International, BVC also offers accommodation packages at more than 4,000 resorts in over 100 countries spanning across Asia, Europe, Middle East and Africa, among others.

Revenue & Operating Profit

BVC recorded a revenue of RM24.8 million for the financial period ended 30 June 2019 and operating profit increased significantly to RM15.2 million mainly attributed to the early termination of delinquent members and higher room rental income from members who required more rooms above their annual room entitlement.

Future Prospects

The timeshare industry in Malaysia has generally reached its maturity stage with no new players coming into the industry. Most of the competitors in the timeshare industry are merely servicing their members with no aggressive plan to recruit more members.

PROPERTY DEVELOPMENT

The property development business segment ("PD Division") of B-Land is primarily involved in the development of the Group's land bank locally and abroad.

On the domestic front, the financial period under review was difficult and challenging for the PD Division on the back of a slowing economy and softer consumer sentiments. In an effort to spur activity, the Government has put in place various initiatives to encourage home ownership, particularly within the middle-income demographic, under the National Housing Policy 2.0 and Home Ownership Campaign (HOC). Against the backdrop of challenging economic environment and market demand, the PD Division continues to focus on the sales of available units within its existing property portfolio. Sales of the remaining completed shop office units at The Link 2 and condominium units at KM1 East at Bukit Jalil, Kuala Lumpur generated a total sales value of RM28.6 million for the PD Division.

B-Land introduced its Own A Home Campaign by partnering with Maybank to offer Houzkey, a ready-to-own scheme.

B-Land signs Jaya Grocer as anchor tenant for The Tropika, Bukit Jalil, Kuala Lumpur.

During the financial period under review, the PD Division launched Tower A of The Tropika, Bukit Jalil, Kuala Lumpur comprising 229 units of apartment with sizes ranging from 732 square feet (two bedrooms) to 1,318 square feet (three bedrooms). The Tropika is a mixed development project featuring 9 units of shop offices, 11 retail outlets and 868 units of apartment in four towers on a 2.6-hectare freehold land. Surrounding the four towers is a 1.17 hectare biophilic-designed deck equipped with 68 types of facilities, grouped under eight lifestyle categories. The commercial component will have a 23,695 square feet grocer apart from the dual frontage office lots and retail spaces. The total gross development value of the project is estimated at RM782 million. As at 30 June 2019, 57 units have been sold with a total sales value of RM36.2 million.

The PD Division has been actively marketing Tower A of The Tropika through various marketing initiatives such as sales launches, onsite events, awareness campaigns on property platforms such as Propsocial and iProperty, roadshows, property expo and advertisements across various media channels. The PD Division has also embarked on a Digital Awareness Campaign through Facebook and Instagram. Apart from these, the PD Division also participated in the Home Ownership Campaign by introducing its Own A Home Campaign as well as collaborative marketing campaigns with various strategic partners.

Over at Lanai Residences, the PD Division's first affordable home at Bukit Jalil, construction of the 648 units of 3-bedroom units with built-up of 800 square feet at the selling price of RM300,000 per unit is progressing on schedule. The project is expected to be completed and handed over to the purchasers by the first quarter of 2020.

At The Peak @ Taman TAR, the PD Division continues to market the remaining 16 unsold bungalow lots. These exclusive freehold gated and guarded bungalow lots with sizes ranging from 8,832 to 27,037 square feet are averagely priced at RM320 per square foot. The Division is also working on a proposal to build a 4-storey bungalow with built-up of 6,200 square feet on a 15,000 square feet lot for sale.

Over at Taman Kinrara Section 4, Puchong, the final phase of the landed residential units was completed and handed over to the purchasers on the fourth quarter of 2018. The final phase comprising 29 units of 20 feet x 65 feet (IRIS) and 5 units of 24 feet x 97 feet superlink (JASMINE) double storey terrace homes with built-up ranging from 1,539 to 2,573 square feet. As at 30 June 2019, 97% of total units have been sold with total sales value of RM25.5 million.

In Penang, the PD Division has been actively marketing the Phase 1 of Jesselton Villas, Kensington Gardens featuring 69 units of bungalow lots with sizes ranging from 5,995 to 9,634 square feet averagely priced at RM665 per square foot. As at 30 June 2019, 68% of the total units have been sold with a total sales value of RM212.0 million. The project is expected to be handed over to the purchasers in the first quarter of 2020.

In Ho Chi Minh City, Vietnam, the Topaz Twins features 2 towers of 668 units of residential apartments and 15 units of shop lots located at the administration hub of Bien Hoa City. The total estimated gross development value is VND1,395 billion (approximately RM251.0 million). As at 30 June 2019, 661 apartment units and all 15 units of shop lots were sold with a total sales value of VND1,253 billion (approximately RM226.0 million). Currently, the construction progress of the super structure work is 26% completed with full completion expected by mid of 2020.

Over in Hanoi, Vietnam, the PD Division is involved in the development of Hanoi Garden City, a joint venture mixed development on 78 acres of land located at Thach Ban Ward in Long Bien district. As at 30 June 2019, 97 units of the total 103 units of Arden Park Garden Villas have been sold with a total sales value of VND757.3 billion (approximately RM136.5 million). For Canal Park Apartments, all 148 units of the residential apartments have been sold with a total sales value of VND388.1 billion (RM69.9 million). As for Phase 3 Eastern Park, all 72 units of shop houses with gross development value of VND625.0 billion (RM112.6 million) have been sold and construction of Eastern Park is expected to be completed by December 2019. In view of the positive property market outlook in Vietnam, Hanoi Garden City is expected to launch another new phase of shop houses, 88 Central, comprising 86 units of trendy style shop houses by the first quarter of 2020. The total estimated gross development value is VND850.0 billion (RM153.2 million).

For the financial period ended 30 June 2019, the PD Division recorded revenue of RM159.0 million and a pre-tax loss of RM34.8 million.

An artist impression of Bayu Timur at Berjaya Park, Shah Alam, Selangor.

Future Projects

For the forthcoming financial year, the PD Division has slated 3 property launches.

The final phase of the development project at Bukit Jalil, Kuala Lumpur is currently in planning stage. The project sited on 12.24 acres of elevated land with unobstructed golf course view will feature four towers of condominiums. Barring any unforeseen circumstances, the project is expected to be unveiled by the fourth quarter of 2020.

Over at Berjaya Park, Shah Alam, the PD Division will be launching another residential project. Bayu Timur will feature 518 units of high-rise and low-rise residential units with a total gross development value of RM318.0 million. The project is slated to be launched in the third quarter of 2020.

The PD Division is also planning the development of the Phase 2 of Jesselton Villas in Penang. Phase 2 comprises 222 units of bungalows, courtyard villas and link-villas with a total gross development value of RM590 million. The project is targeting to be launched in the third quarter of 2020.

Future Prospects

The local property market in the near term is anticipated to remain soft marked by challenges on several fronts including the oversupply of residential and commercial properties, stringent lending policies imposed by financial institutions and weak consumer sentiments. The property market is expected to undergo a consolidation phase as the Government has imposed various exemptions and measures to address overhang issues. Despite the soft market outlook, the PD Division is of the view that there are pockets of demand for development projects in strategic locations with good connectivity at affordable price. The demand for properties within the price range of RM400,000 to RM600,000 is anticipated to remain stable supported by a healthy growing population with needs of accommodation.

Following the deepening political crisis in Hong Kong, many property investors are looking at countries such as Singapore and Malaysia as alternative investment destinations. Leveraging on the growing interest in Malaysian properties, the PD Division will be targeting its marketing initiatives at promoting properties with prices ranging between RM600,000 to RM2.5 million for Hong Kong investors seeking opportunities overseas.

Given the uncertainty and cautious consumer sentiments, the PD Division will continue to be mindful and strive its best to navigate these challenges by focusing on efforts to introduce projects that will meet market demands in terms of pricing, quality, design and lifestyle requirements, offering buyers the best value-for-money properties.

PROPERTY INVESTMENT

The Property Investment Division ("PI Division") owns 3 commercial properties comprising Plaza Berjaya, Kuala Lumpur; Kota Raya Complex, Kuala Lumpur and Berjaya Megamall in Kuantan, Pahang. Collectively, these properties achieved an average occupancy rate of 53% during the financial period under review.

For the financial period ended 30 June 2019, the PI Division registered revenue of RM18.6 million and loss before tax of RM9.8 million. The financial performance of the PI Division was affected by the loss of an anchor tenant in Berjaya Megamall, Kuantan and this has resulted in a downward adjustment to the fair value of its investment properties. In addition, the building upgrading exercise in Kota Raya Complex has resulted in some tenancy termination.

Future Prospects

The Group's complexes in Kuala Lumpur are expected to remain resilient despite stiff competition from the growing number of complexes in the Klang Valley. With its strategic locations within the city centre of Kuala Lumpur and easy accessibility, the Group's complexes will continue to perform well. Efforts to entice prospective tenants will be intensified to improve overall occupancy rate.

CORPORATE STRUCTURE

OF MAIN SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES AS AT 1 OCTOBER 2019

BERJAYA LAND BERHAD

HOTELS, RESORTS, RECREATION DEVELOPMENT, VACATION TIMESHARE AND OTHERS

100% | Berjaya Vacation Club Berhad
- Berjaya Penang Hotel - Malaysia

100% | Berjaya Vacation Club (Cayman) Limited
- Berjaya Eden Park London Hotel - United Kingdom

100% | BHR (Cayman) Limited
- The Castleton Hotel, London - United Kingdom

100% | ANSA Hotel KL Sdn Bhd
- ANSA Kuala Lumpur - Malaysia

100% | Berjaya Langkawi Beach Resort Sdn Bhd
- Berjaya Langkawi Resort, Kedah - Malaysia

99.8% | The Taaras Beach & Spa Resort (Redang) Sdn Bhd
- The Taaras Beach & Spa Resort, Redang Island, Terengganu - Malaysia
- Redang Island Resort, Terengganu - Malaysia

86.25% | Tioman Island Resort Berhad
- Berjaya Tioman Resort, Pahang - Malaysia

100% | BTS Hotel Sdn Bhd
- Berjaya Times Square Hotel, Kuala Lumpur - Malaysia

100% | Berjaya Beau Vallon Bay Beach Resort Limited
- Berjaya Beau Vallon Bay Resort & Casino - Seychelles

100% | Berjaya Praslin Limited
- Berjaya Praslin Resort - Seychelles

100% | Perdana Hotel Philippines Inc.#
- Berjaya Makati Hotel, Makati - Philippines#

92.6% | Berjaya Mount Royal Beach Hotel Limited
- Berjaya Hotel Colombo - Sri Lanka

50% | Berjaya Hotay Joint Venture Company Limited
- Sheraton Hanoi Hotel, Hanoi - Vietnam

50% | Kyoto Higashiyama Hospitality Assets TMK*
- Four Seasons Hotel and Hotel Residences, Kyoto - Japan

100% | Bukit Kiara Resort Berhad
- Bukit Kiara Equestrian & Country Resort, Kuala Lumpur

100% | KDE Recreation Berhad
- Kelab Darul Ehsan, Selangor

100% | Berjaya Golf Resort Berhad
- Bukit Jalil Golf & Country Resort, Kuala Lumpur
- Arena Green Apartments, Kuala Lumpur
- Greenfields Apartments, Kuala Lumpur
- Green Avenue Condominiums, Kuala Lumpur
- Savanna Condominiums, Kuala Lumpur
- Savanna 2, Kuala Lumpur
- Covillea, Kuala Lumpur
- Jalil Link @ Bukit Jalil, Kuala Lumpur
- KM1 West Condominiums, Kuala Lumpur
- KM1 East Condominiums, Kuala Lumpur
- The Link 2 @ Bukit Jalil, Kuala Lumpur
- Lanai Residences @ Bukit Jalil, Kuala Lumpur
- The Tropika, Bukit Jalil, Kuala Lumpur

80% | Staffield Country Resort Berhad
- Staffield Country Resort, Negeri Sembilan

100% | Indah Corporation Berhad
- Bukit Banang Golf & Country Club, Johor

100% | Berjaya Air Sdn Bhd

51% | Asia Jet Partners Malaysia Sdn Bhd

100% | H.R. Owen Plc, United Kingdom#

67.42% | Informatics Education Ltd, Singapore

BERJAYA LAND BERHAD

PROPERTY INVESTMENT & DEVELOPMENT

100% | Taman TAR Development Sdn Bhd
- The Peak @ Taman TAR, Ampang, Selangor

100% | Berjaya Tagar Sdn Bhd
- Seputeh Heights, Kuala Lumpur
- Vasana 25, Kuala Lumpur
- Subang Heights, Shah Alam, Selangor

80% | Pakar Angsana Sdn Bhd
- Berjaya Park, Shah Alam, Selangor

100% | Sri Panglima Sdn Bhd
- Taman Kinrara IV, Puchong, Kuala Lumpur

100% | Berjaya Land Development Sdn Bhd
- Kelang Lama New Business Center, Kuala Lumpur
- Gemilang Indah Apartments, Kuala Lumpur
- Medan Indah, Kota Tinggi, Johor
- Taman UPC, Ayer Hitam, Johor
- Bandar Banang Jaya, Batu Pahat, Johor
- Robson Condominiums, Kuala Lumpur
- Jesselton Villas, Penang

100% | Securiservices Sdn Bhd
- 1 Petaling Residences & Commerz @ Sg. Besi, Kuala Lumpur
- Petaling Indah Condominiums, Kuala Lumpur
- 3-Storey Shop Office @ Sg. Besi, Kuala Lumpur

80% | Berjaya-Handico 12 Co. Ltd
- Ha Noi Garden City, Hanoi - Vietnam

100% | Berjaya-D2D Company Limited
- Bien Hoa City Square, Dong Nai Province - Vietnam

100% | Berjaya Okinawa Development Co. Ltd

100% | Nural Enterprise Sdn Bhd
- Plaza Berjaya, Kuala Lumpur

100% | Kota Raya Development Sdn Bhd
- Kota Raya Complex, Kuala Lumpur

100% | Cempaka Properties Sdn Bhd
- Berjaya Megamall, Kuantan, Pahang
- Kuantan Perdana, Kuantan, Pahang

+

9.09% | Berjaya Assets Berhad
- Berjaya Times Square, Kuala Lumpur
- Natural Avenue Sdn Bhd
- Berjaya Waterfront Hotel, Johor Bahru, Johor
- Berjaya Waterfront Complex, Johor Bahru, Johor
- Menara MSC Cyberport, Johor Bahru, Johor
- Islington on the Green, London, United Kingdom
- Berjaya Assembly Sdn Bhd

GAMING & LOTTERY MANAGEMENT

+

100% | Berjaya International Casino Management (Seychelles) Limited

+

40.05% | Berjaya Sports Toto Berhad

100% | Sports Toto Malaysia Sdn Bhd

+

88.26% | Berjaya Philippines Inc

39.99% | Philippine Gaming Management Corporation

100% | International Lottery & Totalizator Systems, Inc. USA

100% | Unisyn Voting Solutions, Inc., USA

Listed Companies

\+ Combined Interest

subsidiary companies of Berjaya Philippines Inc.
* subsidiary company of Berjaya Corporation Berhad

GROUP FINANCIAL SUMMARY

Description	2019 US$'000	2019 RM'000	2018 RM'000 Restated	2017 RM'000	2016 RM'000	2015 RM'000
Revenue	**1,763,538**	**7,307,221**	6,390,405	6,371,366	6,283,997	5,910,163
Profit Before Tax	**131,868**	**546,397**	99,981	576,321	8,961	25,276
Profit/(Loss) for the Financial Period/Year	**85,066**	**352,472**	(93,230)	411,221	(165,024)	(161,828)
Profit/(Loss) Attributable To Owners of the Parent	**37,187**	**154,083**	(167,466)	294,738	(270,637)	(382,960)
Share Capital	**603,395**	**2,500,168**	2,500,168	2,500,168	2,500,168	2,500,168
Reserves	**409,785**	**1,697,945**	1,660,858	2,042,717	1,852,320	2,013,035
Equity Funds	**1,013,180**	**4,198,113**	4,161,026	4,542,885	4,352,488	4,513,203
Treasury Shares	**(4,995)**	**(20,699)**	(20,699)	(20,699)	(20,699)	(20,699)
Net Equity Funds	**1,008,185**	**4,177,414**	4,140,327	4,522,186	4,331,789	4,492,504
Non-controlling Interests	**502,210**	**2,080,907**	2,279,015	2,338,819	2,630,205	2,668,181
Total Equity	**1,510,395**	**6,258,321**	6,419,342	6,861,005	6,961,994	7,160,685
Long Term Loans	**420,603**	**1,742,770**	1,888,367	1,782,336	2,859,025	3,238,987
Deferred Tax Liabilities	**231,595**	**959,611**	1,069,925	1,061,021	1,218,603	1,185,069
Other Non-Current Liabilities	**66,325**	**274,818**	317,120	121,316	138,775	165,513
Current Liabilities	**679,990**	**2,817,539**	3,227,762	3,290,047	3,252,369	2,432,891
Liabilities Directly Associated To Disposal Group Classified As Held For Sale	**2,919**	**12,093**	2,959	2,775	-	-
Total Equity and Liabilities	**2,911,827**	**12,065,152**	12,925,475	13,118,500	14,430,766	14,183,145
Property, Plant And Equipment	**379,305**	**1,571,650**	1,584,508	1,709,547	1,732,398	2,586,999
Intangible Assets	**866,968**	**3,592,282**	4,071,572	4,020,046	4,712,683	5,105,624
Other Non-Current Assets	**910,322**	**3,771,918**	3,860,033	3,805,340	3,402,592	2,634,335
Current Assets	**699,703**	**2,899,218**	3,186,482	3,540,651	3,603,311	3,798,178
Assets of Disposal Group/ Non-Current Assets Classified As Held for Sale	**55,529**	**230,084**	222,880	42,916	979,782	58,009
Total Assets	**2,911,827**	**12,065,152**	12,925,475	13,118,500	14,430,766	14,183,145
Net Assets Per Share (US$/RM)*	**0.20**	**0.84**	0.83	0.91	0.87	0.90
Net Earnings/(Loss) Per Share (US$/RM)*	**0.01**	**0.03**	(0.03)	0.06	(0.05)	(0.08)
Dividend (cents/sen)*	**-**	**-**	-	-	-	-
Dividend Amount (US$'000/RM'000)	**-**	**-**	-	-	-	-

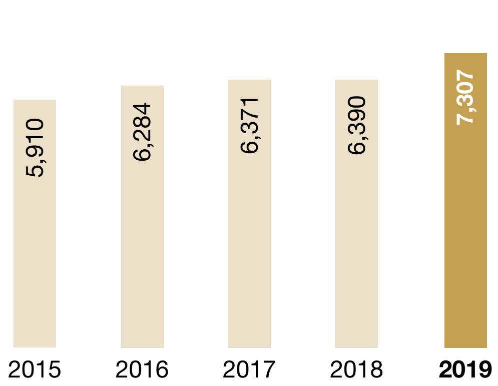
Notes:

* Following the change of financial year end, the group financial summary of 2019 was for a 14-month financial period ended 30 June 2019. For 2015 to 2018, the group financial summary was for a 12-month financial period ended 30 April of each respective year. Certain comparative amounts have been restated upon the adoption of Malaysian Financial Reporting Standards Framework. Net assets per share represents the net equity funds divided by the number of outstanding shares with voting rights in issue. Where additional shares are issued, the earnings/(loss) per share are calculated based on a weighted average number of shares with voting rights in issue.

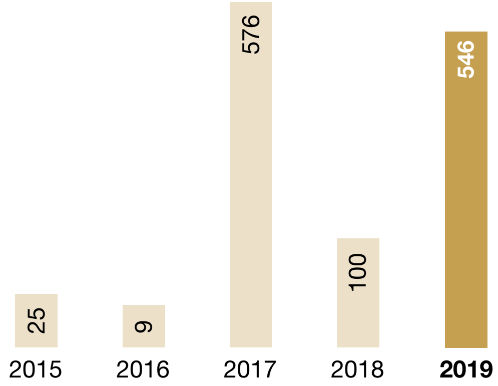
Exchange rate as at 30-6-2019: US$1.00=RM4.1435

GROUP FINANCIAL HIGHLIGHTS

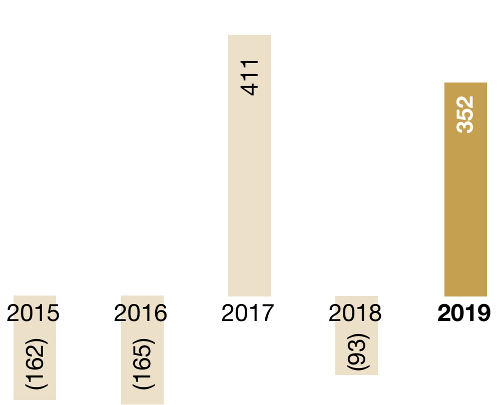
REVENUE
(RM' Million)



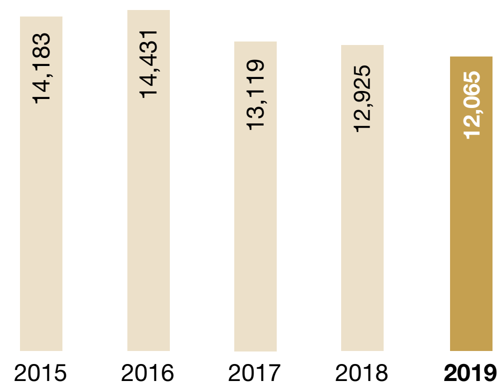
PROFIT BEFORE TAX
(RM' Million)



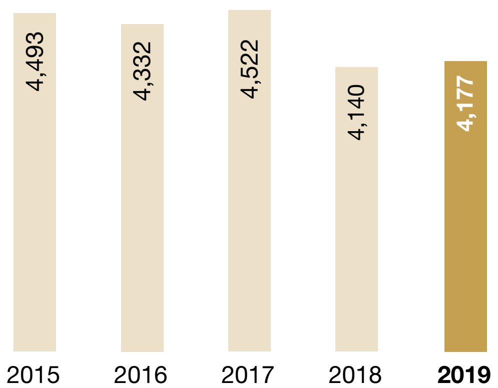
PROFIT/(LOSS) FOR THE PERIOD/YEAR
(RM' Million)



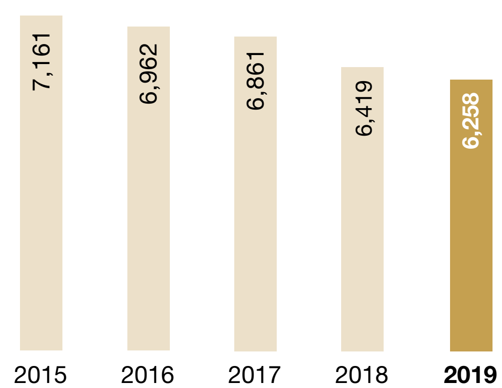
TOTAL ASSETS
(RM' Million)



NET EQUITY FUNDS
(RM' Million)



TOTAL EQUITY
(RM' Million)



SUSTAINABILITY STATEMENT

1. REPORTING PROFILE AND SCOPE

This Sustainability Statement released by Berjaya Land Berhad ("B-Land" or "the Group") in accordance to Bursa Malaysia Securities Berhad's ("Bursa Securities") Sustainability Reporting Guide, focuses on the sustainability strategy and practices of the operations and management of economic, environmental and social sustainability of the Group. In line with the reporting period of the B-Land Annual Report 2019, this statement covers the period from 1 May 2018 to 30 June 2019 ("FPE 2019").

The statement highlights the ways the Group is responding to meet the requirements and challenges faced as well as the progress of the various sustainable initiatives undertaken by the Group across its principal business activities in Malaysia namely property development and investment; gaming; hotels and resorts; and clubs and recreation. It does not include the environment and social sustainability aspects of the other business operation in the Philippines, Vietnam, Japan, United Kingdom and United States of America.

The data collection is limited to the selected economic, environmental and social indicators that contribute to the sustainable development of B-Land and its subsidiaries and are of interest to its internal and external stakeholders. The information and data disclosed in this statement were derived from internal reporting processes, systems and records. The financial figures in the Sustainability Statement have been externally verified.

2. OUR APPROACH TO SUSTAINABILITY

Given the scale and diversity of B-Land's businesses, the Group faces a wide range of sustainability issues in the course of its operations. The Group recognises the importance of sustainability and its increasing relevant impact to its business operations. In this aspect, the Group continues to adopt a progressive approach and makes every effort to integrate sustainability into the core of its business operations. The Group strives to grow its business, balancing environmental with economic considerations arising from its daily business operations as well as creating positive social impacts to its stakeholders and contributing to the needy communities and nation building. This is guided by a long-term strategy comprising 3 main aspects :-

ECONOMIC SUSTAINABILITY
The creation of long-term value for shareholders and value add for all the Group's stakeholders.

ENVIRONMENTAL SUSTAINABILITY
Striving towards reducing our environmental footprint by improving on the use of resources and supporting conservation efforts.

SOCIAL SUSTAINABILITY
Dealing with the customers and public according to good market practices and regulatory requirements; conducive workplace practices and community engagement through a variety of initiatives involving the Group's monetary and non-monetary resources.

In 2016, the Group formalised its sustainability journey by setting up a Sustainability Working Group ("SWG") comprising representatives from various business units and teams across the Group. Governed by the Board of Directors of B-Land, the SWG oversees the overall planning and implementation of sustainability practices and risk management in a continuous and systematic manner. This is in line with the expectation of the Board in establishing the long-term success of the Group and the commitment of sustainable value to its stakeholders, as outlined in the Malaysian Code of Corporate Governance.

B-Land performs a materiality review on an annual basis to understand the impacts and issues that are most significant and of the greatest concern to the Group and its stakeholders. The process provides effective evaluation and management of the material issues within the economic, environmental and social aspects across the Group. The recommendations were submitted to the Sustainability Committee for evaluation and subsequently, the Sustainability Statement was presented to the Board of Directors for endorsement.

3. STAKEHOLDER ENGAGEMENT

Stakeholder engagement is integral to the development of the Group sustainability strategy and also is a prerequisite for long-term sustainable growth. Hence, the various operating companies and subsidiaries under B-Land engage with their respective stakeholders on a regular basis to ensure effective communications and obtain feedback on issues that are of importance to the businesses and the stakeholders. The engagement activities are on an ongoing basis, depending on the purpose and needs of the different businesses within the Group.

The Group's key stakeholders and engagement platforms are as listed below :-

Stakeholder Group	Engagement platforms
Government and regulators	• Ongoing meetings and interactions with the regulators on policy matters, issues and concerns arising from the changing operating environment as well as matters concerning the customers and the general public.
Customers	• Regular networking activities (property buyers). • Formal and informal meetings to collect feedback, attend to grievances and disseminate information on development projects (property buyers). • Customer Service Unit which attends to calls, walk-ins and live chats from customers. Also conducts customer survey once every 3 years to better understand customers' needs and expectations on the company's products and services (gaming customers). • Guest experience surveys (hotel customers). • Online reservation (hotel customers).
Employees	• New staff orientation. • Internal engagement channels i.e. Berjaya intranet and quarterly newsletters. • Training and development programmes.
Contractors/ consultants/suppliers	• Tendering and procurement process. • Regular meetings.
Media	• Regular engagement and updates with the mainstream media. • Press conference and media releases relating to key business development as well as corporate social responsibility ("CSR") activities.
Communities, non-governmental organisations, peer companies, industry groups	• Focus groups and consultative meetings. • Volunteering opportunities and charitable events.
Shareholders/ Investors	• Communications via announcements to Bursa Securities, General Meetings, the Group's website as well as conducting briefings and updates for analysts, fund managers and potential investors as and when required.

4. MATERIALITY ASSESSMENT

Determining materiality assists the Group to identify and prioritise the most relevant and important material issues across the business units and focus its efforts on charting the direction in improving the Group's sustainability endeavours. Material matters are defined as elements that are expected to have a significant effort on and are related to the Group's stakeholders.

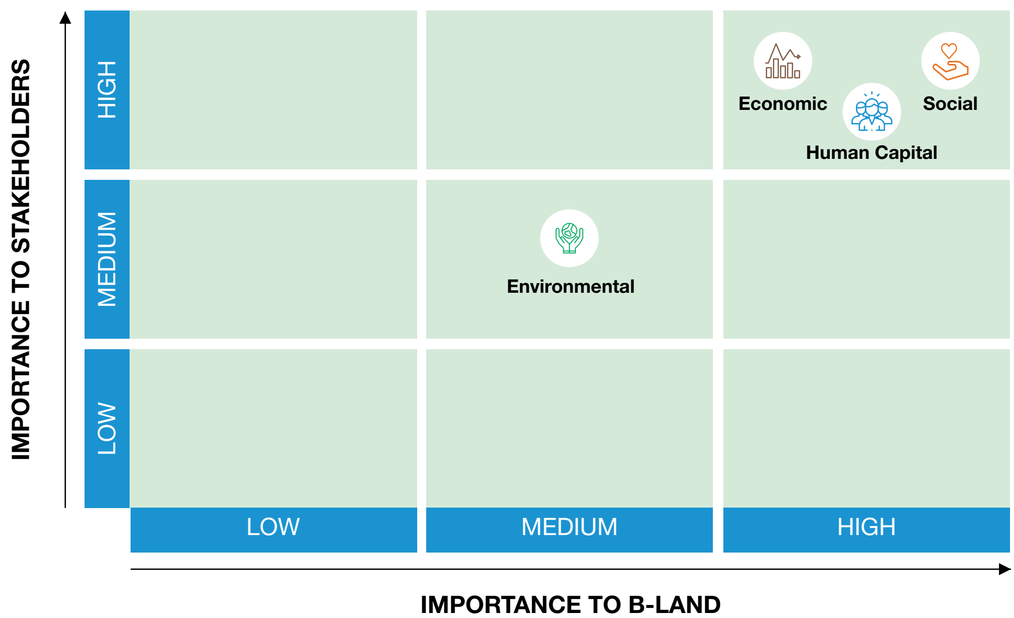
This materiality assessment is essential in the Group's approach to sustainability as it serves as a guide in identifying the material issues that are of greatest concern to the Group and its stakeholders. The materiality assessment was conducted by engaging relevant stakeholders through various channels which resulted in the identification of 20 material issues which have significant impact towards the sustainability of the Group's businesses. The 20 material issues identified were mapped to the relevant sustainability pillars as illustrated on page 28.

4 Sustainability Pillars

ECONOMIC	ENVIRONMENTAL	SOCIAL	HUMAN CAPITAL
FINANCIAL PERFORMANCE	ENVIRONMENTAL MONITORING	MARKETING AND COMMUNICATION PRACTICES	WORKPLACE
PROCUREMENT	EFFICIENT ENERGY MANAGEMENT	INFORMATION SECURITY AND PRIVACY	EMPLOYEE ENGAGEMENT
DESIGN EFFICIENCY THROUGH VALUE ENGINEERING	CONSERVATION OF NATURAL ENVIRONMENT & MARINE ECOSYSTEM	IT INTEGRITY AND CYBER SECURITY	TRAINING AND DEVELOPMENT
	WATER CONSERVATION	PUBLIC POLICY	EMPLOYEE WELL-BEING
	WASTE MANAGEMENT AND RECYCLING	ANTI-COMPETITION PRACTICE	EMPLOYEE HEALTH AND SAFETY
		SOCIAL INTEGRATION AND COMMUNITY DEVELOPMENT	
		COMMUNITY SUPPORT AND INVOLVEMENT	

The Materiality Matrix below displayed the position of the 4 sustainability pillars relative to the degree of importance to the Group's business operation and its stakeholders. The Group strives to review the Materiality Matrix on an annual basis.

B-Land's Materiality Matrix



5. SUSTAINABILITY GOVERNANCE

The Group aims to uphold a high standard of governance in the management of its businesses and strongly believes in accountability and transparency to maximise economic, environmental and social returns to all its stakeholders.

In line with the objectives, the Group has encapsulated sustainability-related governance into its existing corporate governance structure from the Board level right down to the operation business units, thus advocating sustainability strategies in the economic, environmental and social aspects to its various stakeholders and communities in which it operates.

The overall responsibilities of the governance structure rest on the Board, comprising professionals equipped with immense business experience and knowledge, boosting the Board's effectiveness and ensuring good corporate governance.

Within the sustainability governance structure, each operating company is represented by a Material Entity Sustainability Officer who put together the various sustainability initiatives implemented and prepared the sustainability report. The sustainability report of each operating company is provided to the SWG for review and facilitate the preparation of the Sustainability Statement of the Group.

The Board and management pledge to continually refine and improve the existing monitoring process relating to its internal control measures and sustainability initiatives.

SUSTAINABILITY GOVERNANCE STRUCTURE

Support & Approve	**Board of Directors** **CEO**
Evaluate & Guide	**Sustainability Committee**
Harmonise & Standardise	**Head of Sustainability**
Plan & Strategise	**Sustainability Working Group** **("SWG")**
Manage & Control	**Material Entity Sustainability Officer** **("MESO")**
Implement EES & monitor results	**Operating Entities** (Operations & Marketing/Human Resources/ Finance/Information Technology/Others)

Note : EES denotes economic, environmental and social.

For more detailed information on the Group's Corporate Governance Overview Statement and Statement on Risk Management and Internal Control, please refer to pages 42 to 59 of B-Land Annual Report 2019.

6. ECONOMIC SUSTAINABILITY

i. FINANCIAL PERFORMANCE

B-LAND'S FINANCIAL PERFORMANCE HIGHLIGHTS FPE 2019

REVENUE

RM7.31 BILLION
(FYE 2018 – RM6.39 BILLION)

RETURN ON EQUITY

3.2%
(FYE 2018 – (4.0%))

PROFIT/(LOSS) AFTER TAX

RM352.47 MILLION
(FYE 2018 – LOSS OF RM93.23 MILLION)

NET ASSETS PER SHARE

RM0.84
(FYE 2018 – RM0.83)

Note: Certain comparative figures have been restated upon the adoption of Malaysian Financial Reporting Standards Framework.

Amidst the challenging business landscape, the Group will continue to persevere and operate effectively through judicious management of cost while enhancing productivity and efficiency.

For more information about the Group's financial performance, please refer to the Group's Financial Summary and Highlights on pages 24 and 25 of the B-Land Annual Report 2019.

ii. PROCUREMENT

The Group aims to create a positive impact by supporting procurement of products and services from locally established business entities to drive the economy through local spending.

At the Property Development Division ("PD Division"), procurement is conducted through a fair and stringent tendering process which involves evaluation of tenderers based on past project track records, project references, technical capabilities and company financial background. The PD Division has set up a Supply Chain Section that modulate the procurement process through proper procedures comprising market analysis, risk management, cost-benefit analysis and work performance evaluation of all its suppliers, vendors and tenderers. The PD Division has successfully achieved 100% local procurement by awarding the construction and consultancy contracts of its projects namely Phase 1 of The Link 2, Lanai Residences and The Tropika at Bukit Jalil, Kuala Lumpur, Berjaya Property Gallery at Berjaya Park, Shah Alam, Selangor and Kensington Gardens, Penang.

Similar procurement procedures are also being adopted by the other business segments namely Berjaya Hotels & Resorts ("BHR"), Clubs and Recreation ("The Clubs"), Property Investment Division ("PI Division") and Sports Toto Malaysia Sdn Bhd ("Sports Toto") by giving priority to locally produced items and responsibly-sourced products and services.

Where local procurement is not possible such as specialised technical equipment for lottery operations, the relevant business unit will look for opportunities to procure products and services from other entities within the Group. This includes lottery terminals and central system and system software procured from International Lottery & Totalizator Systems, Inc ("ILTS"), a subsidiary company of Berjaya Sports Toto Berhad. ILTS is an established provider for proprietary wagering and lottery systems, with more than three decades of operations and have provided more than 65,000 lottery terminals to several countries.

The annual Tioman Island Clean-Up Day.

iii. DESIGN EFFICIENCY THROUGH VALUE ENGINEERING

The PD Division and PI Division are always mindful of the economic sustainability of its projects and properties. The project teams continuously review design concepts, material selections and work methodology with the intention to reduce the overall project cost through value engineering and alternative material selection without compromising on quality and delivery.

The PD Division's affordable homes project, Lanai Residences at Bukit Jalil has consultancy teams from the conceptualisation of the project to optimising the final design outputs in architectural, structural, mechanical and engineering services and landscape works. The project has intentionally embraced Industrialised Building System ("IBS") precast as the preferred design and construction work method to improve efficiency and sustainability on construction competency skills. The adoption of the latest innovation and technologies in design, prefabrication, construction, installations and building systems such as Autoclave Aerated Concrete Lightweight blocks for partition walls and application of precast design software such as Autodesk Revit enhanced the design and shop drawing production with precise accuracy and mitigate human errors in back-checking works.

Kensington Gardens at Penang, which sits on the site of Penang Hill, focuses mainly on earthwork and infrastructure works for the bungalow lots. By engaging geotechnical engineers, detailed soil investigation and slope analysis works are able to be carried out in order to procure the best construction method.

The PI Division's renovation projects at Plaza Berjaya and Kota Raya Complex have intentionally adopted the same wall and floor tiles design in the public toilets over the conventional design of having different tiles to improve efficiency and repeatable workmanship quality. The design has also reduced construction wastage up to 10% and savings on the project cost and time. For instance, the refurbishment of the public toilets at Plaza Berjaya used only 11,630 pieces of tiles as compared to the original design of 13,283 pieces, a reduction of 14% in materials. The PI Division has also further reduced the project cost by obtaining the best price for materials such as tiles, sanitary wares and fittings.

7. ENVIRONMENTAL SUSTAINABILITY

B-Land and its subsidiaries strives to manage and reduce the impact of its businesses on the environment through continuous efforts to improve environmental performance as well as to inculcate the practice of environmental sustainability in its business operations.

i. ENVIRONMENTAL MONITORING

The PD Division ensures that the natural ecology environment of its project sites is not damaged in the progress of development, in terms of noise, water and air pollution. The commitment is conducted through vigilant monitoring by appointed consultants as seen in the projects in Kensington Gardens, Penang and Berjaya Property Gallery at Berjaya Park, Shah Alam brownfield site. Monthly Post Environment Impact Assessment report documenting the results and findings of the environmental monitoring works are submitted to the Project Team for review and necessary action.

ii. EFFICIENT ENERGY MANAGEMENT

The PD Division aims to achieve optimised energy efficiency in its development projects by incorporating features of natural lighting, cross or natural ventilation and sun shading to reduce the impact of heat from the sun into the designs of the buildings. The Phase 1 of The Link 2, Lanai Residences at Bukit Jalil, Kuala Lumpur and Berjaya Property Gallery at Berjaya Park, Shah Alam integrated green building features in terms of selection of energy saving light fittings, smart lighting with automated intelligent control switching features, mechanical and electrical equipment selection with emphasis on green energy and control systems such as variable voltage variable frequency or VVVF in lift drive and control. The energy efficient efforts at the Phase 1 of The Link 2, Bukit Jalil, Kuala Lumpur has successfully gained the certification of "GreenRE Bronze" for both residential and non-residential development. Other energy conservation measures include the implementation of LED street lights and compound lighting at Bayu Timur at Berjaya Central Park, Shah Alam and Jesselton Villas, Penang.

The PI Division has also implemented energy saving features in the refurbishment of Plaza Berjaya and Kota Raya complex in terms of LED lights and electronic ballast over the conventional fluorescent light tubes at the car park area, which saved up to 50% of energy without compromising on the lumens. PI Division also implemented the VVVF in lifts and escalator motors. With that, the lift replacement of Plaza Berjaya has reduced the energy consumption from a fix rating of 32.1kw to a maximum of 21kw or lower per lift, a minimum of 35% energy saving.

BHR continues to manage its energy consumption and efficiency improvements through the installation of solar water heating systems and replacement of lightings with low-energy LED lights. To further reduce energy and water consumption, guests are also offered linen and towel reuse options.

At the Group level, even though energy consumption is not significant during the financial period under review, numerous energy saving initiatives were implemented by encouraging employees and operating companies to embrace various practices at workplace and sustainable use of energy and water in their operations by minimising its consumption.

iii. CONSERVATION OF NATURAL ENVIRONMENT & MARINE ECOSYSTEM

In its efforts to conserve the natural environment, the PD Division also advocates the preservation of natural habitats of flora and fauna on the land that it develops.

At the development in Kensington Gardens at Penang, a licensed Arborist is appointed to examine existing trees and to submit a recommendation report to the local council for approval before the tree transplanting activity takes place with approved methodology and sequence. During the financial period under review, the PD Division has successfully relocated a total of 63 matured trees at the Kensington Garden in Penang. As for the Berjaya Property Gallery at Berjaya Park, Shah Alam, the PD Division has rehabilitated the brownfield site with lush green landscaping and mature trees to return the site to a green ecosystem. The PD Division also provides functional landscaping features to encourage residents to partake in a healthy lifestyle. In line with the authorities' requirements, the PD Division will maintain 10% of the plot area for greenery and landscape.

BHR continues to actively spread awareness on marine ecosystem preservation in Tioman Island and Redang Island through its annual activities such as clean-up dive to remove sea debris and crown-of-thorns from the sea bed and regular beach cleaning activities from marine debris that was washed up to the ocean. Each cleaning session covers the entire resort – from beaches, walkways to the jungle and public areas. More than that, BHR supports the "We're FINished with FINs" campaign with the implementation of a complete ban on the sale of shark fin dishes in its hotels and resorts.

The Clubs recognises that golf courses are home to numerous wetland animals and bird species such as the Guinea Fowl, White Breasted Water Hen, Egrets, Kingfishers, Yellow Billed Storks, to name a few. Organic wastes from golf course maintenance ("GCM") are used to nourish the local ecosystem by feeding the fishes in the river and ponds with green clippings whilst horse manures from the stables are utilised for landscaping purpose. The GCM team works closely with the Department of Environment for any anomalies or pollution discovered in the water source. Ancient trees are preserved unless the trees are hazardous to the public. The Clubs ensures that only appropriate and approved fertilisers and chemicals are used to avoid harm to these century old trees. Chemical applications are done prudently on greens rather than spraying on a large scale to avoid contamination and pollution of the stream or river.

iv. WATER CONSERVATION

The PD Division's efforts to conserve water begins from its project development sites at the Phase 1 of The Link 2, Lanai Residences and The Tropika at Bukit Jalil and Berjaya Property Gallery at Berjaya Park, Shah Alam, Selangor. These sites use water collected from rainwater harvest tanks for landscaping irrigation and construction cleaning purposes and it also implemented the self-closing pillar tap fittings and dual flush cistern.

On top of the self-closing pillar tap fittings and dual flush cistern, the PI Division has also put in place hand dryers to reduce usage of toilet paper.

BHR's effort in water conservation include the installation of water flow regulator in the water taps in its guest bathrooms and common area washrooms, installation of water sub-meters to improve monitoring of its water consumption and early detection of leaks and providing information to guests on reusing the towels and linen.

v. WASTE MANAGEMENT AND RECYCLING

The Group continues with its efforts in promoting awareness of the 5R practices of Refuse, Reduce, Reuse, Repurpose and Recycle among its employees within the business operations.

The PD Division promotes efficient usage of natural resources in its project through innovative construction methods such as IBS precast system, prefabricated door frames and medium-density fibreboard door leaves to reduce building waste materials. At Lanai Residences at Bukit Jalil, Kuala Lumpur, waste materials such as rebars and timber are being collected and recycled. Residents at its projects are also encourage to partake in its recycling efforts by segregating their household waste into colour coded bins placed at strategic locations.

As for the PI Division, Berjaya Megamall Kuantan has implemented the Touch 'n Go parking system in May 2018. This paperless parking system has eliminated the issuance of parking tickets and receipts and the estimated savings is approximately 9,000 tickets per month which translates to about RM500.

BHR continues to improve waste management in its daily operations through several initiatives. BHR has eliminated all single-use plastic items by replacing those items with biodegradable options in phases. Plastic wrappers for in-room amenities have been replaced with recycled paper wrapping. In addition, BHR is proactively replacing single-use plastic straws with biodegradable paper straws or to serve beverages without straws at all at the food and beverage outlets in its properties. BHR is also working to identify and partner with organisations that are able to reprocess used and discarded guest soap and to distribute these new soap bars to communities in need, thereby eliminating waste and improving hygiene.

The commercial facade of The Link 2 at Bukit Jalil, Kuala Lumpur.

8. SOCIAL SUSTAINABILITY

B-Land and its subsidiaries recognise the importance of social sustainability by putting in place various practices which comprise matters relating to responsible marketing and communication practices, information security and privacy, public policy and social integration and community development, among others.

i. RESPONSIBLE MARKETING AND COMMUNICATION PRACTICES

The Group ensures that all products and services offered to its customers are accurate and adhere to the regulatory guidelines and takes the responsibility to ensure that all information disseminated through its promotional materials and marketing channels are clear, concise and accurate.

The PD Division ensures that all information in regards to its projects such as specifications, facilities and amenities are accurate and properly presented in their promotional materials and marketing channels. Besides that, both BHR and The Clubs are also regularly reviewing and updating their marketing materials and websites to ensure that the services and promotion are accurately presented to prevent misinformation or misrepresentation of information.

Sports Toto also uses communication materials such as posters and leaflets, mainstream print media, website, social media and other online application to provide information of its products and services. Being adversely affected by illegal operators during the financial period under review, Sports Toto displayed posters to educate its customers on the penalties of buying from illegal operators under the relevant gaming laws. Sports Toto's website also carries a "Be A Responsible Player" reminder message which clearly states that Toto players must be of 21 years old and above; they should bet within their financial means; and they should self-evaluate their financial status. Every Sports Toto outlet has in place a public notice to prohibit minors and Muslims from betting. To enhance its customer care, Sports Toto has a Customer Service Unit to attend to customer enquiries through various communication channels, from telephone calls and mail to email correspondence, webmaster enquiries and live chats with customers.

ii. INFORMATION SECURITY AND PRIVACY

The Group recognises the importance of respecting the privacy of its customers and takes strict measures to ensure the safeguard of the customers' information at all times.

In compliance with the Personal Data Protection Act 2010, a privacy policy has been published on the respective operating companies' websites which clearly states the use of customers' personal information. Methods and purposes of personal information collected are clearly explained in the privacy policy.

Additionally, Sports Toto has created designated area at its head office and regional office to offer a private and comfortable environment for its customers to claim their winnings. Sports Toto has been working to obtain the World Lottery Association ("WLA") compliance and ISO270001 certification by the fourth quarter of 2019. Through this accreditation, Sports Toto's gaming services will adhere to the international information security best practices and standard set by WLA.

The Sports Toto mobile application.

iii. IT INTEGRITY AND CYBER SECURITY

Information technology ("IT") integrity and cyber security are of vital importance to all the operations of the businesses in the Group. Various security measures are put in place to minimise exposure to cyber security risk.

Sports Toto has in place a system to continuously identify and respond to any IT integrity or cyber security issues. System hardware is checked on an annual basis to ensure the operating system is up-to-date to counter potential cyber threats. In addition to its upgraded firewall security measures, penetration tests are also carried out to test the vulnerability of the systems including the Toto mobile application and mobile internet.

iv. PUBLIC POLICY

The PD Division is constantly engaging with various stakeholders in government agencies and regulatory bodies in matters relating to policies that governs the PD Division's business in property development. The PD Division takes heed of the policies and keep abreast of the changes to ensure that its developments conform to the stipulated requirements for sustainable planning and growth.

Sports Toto continues to work closely and maintain a good relationship with Government authorities and agencies including Bank Negara Malaysia, ("BNM"), Ministry of Finance ("MOF"), local councils and district to ensure public interest is safeguarded in the course of its daily business operations. The company ensures that its gaming operations are in compliance with the relevant laws concerning legal gaming operations, particularly Pool Betting Act 1967, anti-money laundering laws and pool betting laws. The successful annual renewal of gaming licence by MOF, zero non-compliance feedback from BNM or Bursa Securities, and clean reports from its external auditors are testimony to its constant compliance and fulfilment of its responsibility as a leading licenced Number Forecast Operator ("NFO").

The Group's employees are required to adhere to the Employee Guidelines including the Code of Conduct to ensure that they observe good work practices to avoid any legal infringement or non-compliance in its business operations, which is an offence under any relevant laws including the Malaysian Anti-Corruption Commission Act.

v. ANTI-COMPETITION PRACTICE

In a highly regulated environment, Sports Toto strives to work with its industry counterparts to achieve mutually beneficial propositions as well as to ensure compliance with the requirements of the law and regulations including observing social sensitivity aspects, age limits and responsible gaming practices. Key common interest matters are generally worked out in consultation among the NFO players prior to bringing up to MOF, the key regulatory body.

While the legal NFO players operate under the proper enforcement and supervision of the regulatory bodies and government agencies like MOF, the police force and local authorities, the proliferating illegal operators have affected the market share of the legal NFO players which have been contributing tax revenue to the country and also various social contributions to the community.

vi. SOCIAL INTEGRATION AND COMMUNITY DEVELOPMENT

At the PD Division, social integration and community development is an important aspect in its project development. The PD Division's development projects take into consideration the important criteria of delivering properties which are constructed with the emphasis on safety, good accessibility and connectivity, excellent standard of workmanship as well as adequate public amenities. The development projects under the PD Division are well connected to major expressways and network of roads as well as public transportation hubs such as buses and LRT/MRT. In line with the growing demand for ride-sharing services such as Grab, dedicated and covered waiting areas are provided for the residents. Bicycle parking stations are provided to encourage healthy lifestyle and reduce dependency on motorised vehicles.

The PD Division also work closely with telecommunication companies to provide good internet network structure to meet today's growing demand for social integration via various social media.

Apart from the conventional security measures such as gated and guarded environment, sensor access card system, intercom system and 24 hours surveillance via Close-Circuit-Tele-Vision ("CCTV") in its development projects, the PD Division also constantly review new security features to enhance the security aspects of its development. Panic buttons are installed at carparks as a crime prevention measure as well as for emergency usage.

vii. COMMUNITY SUPPORT AND INVOLVEMENT

The Group recognises the importance of being a responsible corporate citizen. In this regard, the Group has been providing financial and non-financial support to those in need, with a special focus to provide assistance to programmes targeted at the younger generation and the less privileged.

Community

B-Land and its subsidiaries continued with its tradition of spreading festive cheer to the less fortunate groups by hosting various festive gatherings for more than 20,000 Malaysians across the country. The 32nd Sports Toto Chinese New Year Ang Pow Donation Campaign was one of the biggest festive donation campaigns in the country benefitting more than 18,000 senior citizens nationwide. During the festive celebrations of Hari Raya, Deepavali and Christmas, B-Land and its subsidiaries also hosted several festive gatherings with sumptuous treats, gifts, token money as well as entertainment for its less privilege groups.

Under the “Helping Hands” programme with its tagline – “Sharing, Giving and Caring”, Sports Toto carried out various Corporate Social Responsibility (“CSR”) projects which benefitted underprivileged communities despite the challenging economic environment during the financial period under review.

The PI Division’s through the Berjaya Megamall Kuantan also took the opportunity to support community events held at the Mall with minimal rental fee or complimentary usage. To date, the Mall had held 12 events such as Blood Donation, Bonsai Competition, Taekwondo Competition and Better Kuantan Community Market.

Sports

Aside from its substantial contribution to National Sports Council, Sports Toto also supported a number of community sports activities such as the Go For It! – FTKLAA Cross Country 2019, KL-Maran Big Walk, Kuching Festival’s 3 on 3 Basketball Jamboree, Sports Toto High School Basketball Tournament, Seremban Half Marathon, Sungai Petani Half Marathon, Sutera Harbour 7K Charity Run and Penang Bridge International Marathon.

Sports Toto also supported its employees to take part in sporting events sponsored by the company. Employees who are the members of the Sports Toto Sports Club formed a bowling team to join the Bukit Kiara Equestrian and Country Resort’s Bowling League and a badminton team to compete in the Dato’ Theng Book Cup Malaysian Media Badminton Tournament 2018.

Education

In line with the objective of promoting literacy and education, B-Land and its subsidiaries supported the operating cost of three community education centres providing free English, computer and personal development lessons to underprivileged children and adults across the country. During the financial period under review, approximately 1,500 students have benefitted from the programme.

Sports Toto continued to hold its one-month “Reading My Companion” Reading Programme throughout 2018, presenting storybooks and storytelling sessions to 26 rural primary schools in Pahang, Perak, Negeri Sembilan, Melaka and Johor. In June 2019, Sports Toto visited another 20 schools as part of its annual CSR reading programme which has benefitted more than 14,000 students from 132 rural primary schools since 2012. The programme aims to inculcate reading as a hobby among the children in the rural areas.

Arts & Culture

In the promotion of arts and culture, Sports Toto continued to present “Show Time” – a nationwide series of musical roadshows aimed at providing a platform for local talents to perform in sub-urban areas as a form of entertainment for the local community. Sports Toto also supported various traditional Chinese festivals such as the Pesta Tanglung in Muar, Johor and the Penang Chingay Parade 2018.

Berjaya Times Square Hotel’s Inter Department Futsal Tournament.

Sports Toto’s Chinese New Year Ang Pow Donation Campaign 2019.

9. HUMAN CAPITAL

B-Land centres on its guiding principles of a strong foundation and the constant synergy that exists among its diverse businesses.

The Group recognises that human capital is one of the key contributors towards the organisation's success and growth. As such, B-Land strongly believes in investing and developing its human capital to support the continued expansion and growth of the organisation.

To this end, the Group puts immense efforts in driving people strategies, focusing on talent acquisition and development, and employee engagement and retention programmes. The Group aims to ensure that its employees are engaged, productive and competitive, while enriching its work culture and environment, distinguishing the organisation as the "Employer of Choice".

DELIVERABLES

- Attracting the Best Talents through Talent Acquisition Strategies
- Building a Talent and Leadership Pipeline through Talent Management and Succession Planning Strategies
- Developing a Performance Driven Culture
- Cultivating a Knowledge Workforce through Learning and Development Programmes
- Progressively Review and Improve Human Resource Policies, Work Environment and Work Systems
- Creating an Employee Engagement Culture
- Capitalising on HR Technology

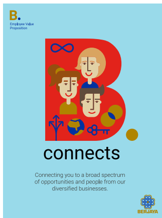
i. WORKPLACE

The Group's employment practices uphold its beliefs for equal opportunity, fair employment, diversity and inclusion, rewarding employees appropriately and providing upskilling and development opportunities for employees to develop their full potential for both personal and professional development.

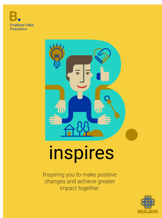
Employee Value Proposition

In February 2019, B-Land's parent company, Berjaya Corporation Berhad launched its all-new Employee Value Proposition ("EVP") with the purpose of delivering a personalised value proposition to distinguish the Group from its competitors and to create a compelling employee experience in the workplace. The various blend of voices from employees obtained through the EVP survey, convergence of ideas between various business unit Heads, Human Resource leaders, graphic designers and copywriters in the Group had led to the inception of Berjaya EVP.

The Berjaya EVP, namely **B.Connects**, **B.Inspires** and **B.Empowers** are represented by 3 vibrant icons, which resemble the efflorescence of positive energy, the strength and determination in each employee to pursue their professional development and career growth whilst leveraging on the broad spectrum of opportunities within the Group.



B. Connects
Connecting you to a broad spectrum of opportunities and people from our diversified businesses.



B. Inspires
Inspiring you to make positive changes and achieve greater impact together.

B. Empowers
Empowering you to grow and develop to become your best in creating a better future.

Talent Acquisition

B-Land aims to strike a balance among its many diverse industries and their human capital needs and requirements; thus it is important for its Group Human Resource Division to consider the many business units and the different positions within those units. A thorough understanding of each company's business objectives and the skills, knowledge, experiences and competencies that each position requires for success is essential.

The Group seeks to get the "right people for the right job" through robust recruitment and selection methods which include the use of competency-based interview process and behavioural assessment. The Group continues to leverage on using social media channels such as LinkedIn and Instagram to reach more talents.

The Group also collaborates with universities and Government agencies to participate in on-campus fairs and host company visits that are geared to building lasting relationships in anticipation of its future hiring needs and to create a sustainable pool of talents.

In November 2018, B-Land launched the Employee Referral Programme for the Property Division, offering referral incentive to encourage employees to introduce suitable candidates from their social network to the Group.

Talent Attraction & Retention

Berjaya's employer brand also helps to convey to internal and external talents what distinguishes the Group from its competitors.

In July 2018, B-Land's parent company, Berjaya Corporation Berhad was awarded the premium awards of Best Employer Brand, HR Strategy and Talent Management at the 9th Asia's Best Employer Brand Awards 2018. The awards ceremony was jointly hosted by Employer Branding Institute, World HRD Congress and Stars of the Industry Group, supported by CHRO Asia as the strategic partner and endorsed by Asian Confederation of Businesses. The awards acknowledged more than 100 organisations across Asia that demonstrated excellence in building their brands and identities as employers of choice visible through their human resource practices, policies and strategies, honouring exemplary work in employer branding in more than 30 Asian countries. These awards were presented to organisations and individuals, who have surpassed several levels of excellence and set as a role model & exemplary leader.

"Striving for Excellence" – Berjaya Corporation Berhad's Awards and Recognition for 2018 and 2019

2018

9th Asia's Best Employer Brand Awards 2018
- Best Employer Brand Award
- Award for Talent Management
- Award for HR Strategy

Malaysia's 100 Leading Graduate Employer 2018

The Asia HRD Awards 2018
Contribution to HR Community

2019

5th Malaysia Best Employer Brand Awards 2019

Malaysia Most Fabulous HR Leaders 2019

Diversity and Inclusion

The Group embraces and values diversity and inclusion in the workplace as it promotes a collaborative, supportive and respectful environment among its employees.

The Group believes that its practice of fair treatment to all employees and equal access to opportunity is the key to achieve competitive advantage through its diverse workforce.

The Group also encourages an inclusive workplace where its employees feel safe and confident to contribute their views towards delivering more innovative and effective business outcomes.

In recent years, the Group has implemented various workplace improvements measures such as the Staggered Work Hours Arrangement ("SWHA") and a nursing room for returning mothers.

ii. EMPLOYEE ENGAGEMENT

Employee engagement is an important indicator which identifies how employees are connected to the organisation and the extent to which they contribute to the long-term health and success of the Group. Maintaining a high level of employee engagement is increasingly important for the Group in order to attract and retain talented employees and ultimately, deliver business success.

Employees from different business units uphold the practice of constant synergy, collaboration and partnership through the participation in the Group's various activities and initiatives. Through varied communication platforms such as Berjaya Intranet (BFamily), quarterly newsletter (Beritajaya), synergy meetings and townhall meetings, employees are constantly being kept abreast of what is happening across the Group.

During the financial period under review, the engagement activities organised by the various business units continue to focus on health-related activities, sports tournaments, festive celebrations and activities which foster entrepreneurship such as festival bazaars.

Culture of Volunteerism

B-Land and its subsidiaries embraces the values of CSR and inspiring its employees to make a difference, to bring about a positive change and to give back to the society through participation in the many corporate social responsibility projects such as blood donation drive, visits and festive celebration with the less fortunate and coastal clean-up drives. The Group also regularly organises and participates in various community-based programmes and activities which aims to create awareness issues related to community, health, environmental protection and sustainability.

As at 30 June 2019, a total of 1,924 employees from BHR, The Clubs and Sports Toto participated in various CSR events across the country.

iii. TRAINING AND DEVELOPMENT

Every employee in the organisation plays an integral role in building the Group's success and meeting its business objectives. As such, B-Land aims to foster a learning culture among its employees and to encourage them to undertake new challenges by providing a cross-functional environment and development.

The Group provides opportunity to all employees to enhance their skills and knowledge through various training and development programmes, to assist and support them to move up in their career ladder.

Talent Management

The Group has in place a formal talent management framework which focuses on providing the best tailored programmes catered to its different pool of talents, especially for employees holding key positions, potential successors and high potential talents.

Berjaya's Talent Management Programmes were designed to meet its future talent needs and to build opportunities for current talent growth. These programmes are targeted to address the following areas:

Succession Planning

- Ensures that all senior critical roles have a succession plan in place for the sustainability of the Group's significant business functions. It is essential that the Group proactively identifies its potential leaders and develops them in the capability areas required.

Building a Talent Pipeline

- Aims to identify key talents ready for a new or expanded role in their career development.

Leadership Development Programmes

- A competency-based learning approach offered to executives, middle and senior management levels respectively to equip them with the right tools and knowledge for their career success.

Development Programmes

With the track record of success of the Berjaya Group's very own leadership development programmes, namely Berjaya Advanced Leadership Programme (B.ALP), Berjaya Manager Development Programme (B.MDP) and Berjaya Executive Development Programme (B.EDP), the Group continues to offer these programmes to develop its employees to reach their full potential and support them to build a successful career within the Group. During the financial period under review, a total of 9 employees graduated from the B.MDP and B.EDP.

Individual Development Plans

To track the progress of graduates of Berjaya's development programmes as well as the effectiveness of the programmes, every graduate is required to plan and craft out their short-term and long-term individual development plans. With these, the organisation will be able to gauge each graduates' potential further and to understand their career goals and development needs which will enable customised learning and development programmes to be developed for them.

Other Training Programmes

On top of the development programmes, various learning programmes and customised training sessions such as language classes, grooming workshops, customer service programmes and food handling trainings were conducted throughout the period. In line with the Group's objective to enhance service quality and performance, a total of 7,680 employees from BHR and The Clubs attended various training programmes such as English and Arabic language classes, sales workshop, grooming workshops, coffee and wine trainings, upselling and customer service programmes and food handling trainings.

To continue improving its customer service levels, Sports Toto provides product training and service upselling training to its employees and agents' frontline staff. The objective of the training is to equip them with product knowledge, customer handling and selling skills. As at 30 June 2019, Sports Toto had conducted 21 product training sessions and 35 service upselling training sessions for 2,077 employees as well as its agents' frontline staff who play a vital role of being direct points of contact with customers.

To encourage greater safety awareness and protection among the Group's computer users, Sports Toto provided Cyber Security Awareness Training to equip 78 employees with the knowledge and skills they need to protect themselves from cybercrime elements.

Besides development programmes, various learning programmes, lunch talks and customised training programmes were conducted throughout the year. The Group continued with the implementation of Performance Management based on Balance Scorecard concept and the implementation of the e-Appraisal system for employees within the Group in line with the Group's aim of building a high performance driven culture. During the period under review, 16 training sessions on Performance Management based on Balanced Scorecard Concept were conducted for 207 employees. As for the training on the e-Appraisal system, 11 training sessions were conducted for 52 employees.

iv. EMPLOYEE WELL-BEING

Employees who are in the state of good health, physically and emotionally, could create a positive energy that lead to higher productivity and a better working environment. The Group provides a range of initiatives aimed to create awareness and encourage employees to make informed choices that will enhance their overall health and well-being.

Health Promotion and Prevention

B-Land continues to inculcate healthy lifestyle among employees by organising various health and wellness activities at the workplace. Besides encouraging employees to use the gym facility at a subsidised rate at Berjaya's very own fitness centre, various fitness activities during lunch hour were organised for employees based at the Corporate Office.

To attract more participation, the Group designed fitness and workout sessions which allowed employees to relax their minds and to enjoy a combination of various types of exercise in one session. Some of the activities organised were Booty Barre, Lesmills Sh'Bam, Yoga, Sprint and Zumba fitness session which attracted participation from employees from the Corporate Office.

In celebration of International Women's Day, B-Land collaborated with the Royal Malaysia Police and organised a talk on self-defence techniques for its female employees on how to prevent and deal with any potential sexual harassment.

In conjunction with the World Health Day on 7 April 2019, the Group celebrated the occasion by giving out fruits and its very own EVP's design tote bag to all employees in the Corporate Office.

As for prevention and early detection of any sicknesses, B-Land employees are encouraged to perform yearly health screenings/health checks by utilising the balance of their yearly clinical outpatient entitlement at selected panel clinics at a special staff rate.

In early 2019, Sports Toto has implemented a "Boost Your Health" campaign where fruits are provided daily to all staff based in Klang Valley. In addition to that, to encourage staff to achieve regular exercise, the company together with Sports Toto Fitness Centre has arranged a Group Exercise Programme to all staff.

Employee Benefits

As a caring employer, B-Land strives to continuously enhance the benefits and well-being of its employees. The Group continues to provide attractive remuneration and benefit packages to employees in order to stay competitive in the market. The Group takes into consideration the needs of different level of employees and endeavour its best to ensure that employees' well-being are well-thought-out regardless of their job category in the best possible way.

As part of the talent attraction and retention programmes during the financial period under review, the Group implemented the Flexi Benefits Scheme to all employees from Property Division and Sports Toto. With the implementation of the Flexi Benefits Scheme, employees would be able to select the type of benefits they need from a package of benefits offered by the Group.

Staff Welfare Fund

The Group is always ready to assist its employees in times of need. During the financial period, the Group continued to provide financial assistance to employees and their immediate family members to alleviate their financial burden in times of crisis, i.e. to cover medical expenses incurred by the employee/employee's immediate family members or in the event that the home of an employee is affected by fire or a natural disaster.

v. EMPLOYEE HEALTH AND SAFETY

Occupational Health and Safety at the Workplace

B-Land strives to continuously improve and fully integrate health, safety and environmental sustainability in all aspects of its operations.

In ensuring compliance with legal requirements and its commitment to provide its staff, contractors and other visitors a healthy and safe environment, B-Land promotes a proactive safety, occupational, health and environment philosophy and adopt best practices in building and maintaining a safe working environment.

As part of the Group's continuous efforts in communicating the importance of health, safety and environmental awareness to its employees, various awareness talks and training programmes were organised on relevant topics such as Prevention of Fire, Safety and Health at Work and training on CPR.

At the Corporate Office, employees and contractors are encouraged to play an active role to create a positive, safe and healthy working environment by reporting hazards, unsafe work practices and accidents immediately through Occupational Health, Safety and Environmental ("OHSE") hotline.

OHSE Management System was implemented at the Corporate Office on 29 November 2018 in compliance with Occupational Health and Safety Management System (OHSAS 18001:2007) and Environmental Management System (ISO14001:2004). At the Corporate Office, the OHSE Committee represented by all levels together with its OHSE Support Team of 32 employees trained for critical OHSE roles such as Fire Marshals, First Aiders and Environmentalists are tasked to ensure that the OHSE best practices are well communicated and adopted at the workplace. To build a strong OHSE culture, B-Land has also embarked on energy saving, resource conservation (electricity, water and product) and minimisation of carbon footprint through replacement of High Frequency Lighting with Light Emitting Diode (LED) at the Corporate Office.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Berjaya Land Berhad (or "the Company") recognises the importance of corporate governance towards promoting business prosperity and corporate accountability to protect and enhance shareholders' value as well as the interest of the Company.

The Board is also committed in ensuring that the Group carries out its business operations within the required standards of corporate governance as set out in the Malaysian Code on Corporate Governance ("MCCG").

The Board is pleased to provide an overview of the corporate governance ("CG") practices, which made reference to the three key CG principles as set out in the MCCG throughout the financial period ended 30 June 2019 ("FPE 2019") unless otherwise stated, which are as follows:-

(a) Principle A : Board Leadership and Effectiveness;
(b) Principle B : Effective Audit and Risk Management; and
(c) Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This CG overview statement, approved by the Board, shall be read together with the CG Report 2019 ("CG Report") of the Company which is available on the website of Bursa Malaysia Securities Berhad ("Bursa Securities") at www.bursamalaysia.com.

The CG Report provides the details on how the Company has applied each Practice, any departures thereof and the alternative measures being in place within the Company during the FPE 2019. The Board is satisfied that the Company has substantially complied with the MCCG throughout the FPE 2019 save for the exceptions which are fully described in the CG Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

The Board has overall responsibility for the proper conduct of the Company's business and the strategic direction, development and control of the Group. The Board has formally adopted a Board Charter which sets out the roles and responsibilities of the Board and the Management to ensure accountability. The Board Charter is available on the Company's website at www.berjaya.com and will be subject to review periodically by the Board to ensure that it remains consistent with the Board's objectives and responsibilities.

Chairman and Chief Executive Officer

The Board is led by the Chairman, Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim, an Independent Non-Executive Director of the Company. The Chairman is responsible to ensure that he will preside at all Board meetings and general meetings of the Company. The Chairman is also responsible for providing leadership as well as to ensure that procedural rules are followed in the conduct of meetings and that decisions made are formally recorded and adopted.

The Board has delegated the day-to-day affairs of the Group's business to the Chief Executive Officer ("CEO") of the Company. On 8 August 2019, Mr Syed Ali Shahul Hameed was appointed as an Executive Director on 20 March 2019, was re-designated as the CEO of the Company following the resignation of Datuk Pee Kang Seng @ Lim Kang Seng as a Director and CEO of the Company on 8 August 2019.

The CEO holds the primary executive responsibility for the Group's business performance and to manage the Group in accordance with the strategies and policies approved by the Board. The CEO will focus on the business and leads the Senior Management of the Company in making and implementing the day-to-day decisions on the business operations, managing resources and risks in pursuing the corporate objectives of the Group. The CEO may delegate appropriate functions to any member of the Senior Management reporting to the CEO.

The CEO and Management meet regularly to review and monitor the performance of the Group's operating divisions. The CEO briefs the Board on the Group's business operations and Management's initiatives during the quarterly Board meetings.

Separation of Positions of the Chairman and Chief Executive Officer

The Chairman and the CEO are held by two different individuals. The distinct and separate roles of the Chairman and CEO with clear division of responsibilities have ensured the balance of the power and authority and that no one has unfettered control of the Board. The roles and responsibilities of the Chairman and CEO have been formalised in the Board Charter of the Company.

Non-Executive Directors

The Non-Executive Directors of the Company are not involved in the day-to-day management of the Group but contribute their own particular expertise and experience in the development of the Group's overall business strategy. Their participation as members of the various Board Committees also contributed towards the enhancement of the corporate governance and controls of the Group.

The Independent Non-Executive Directors are essential in providing unbiased and impartial opinion, advice and judgement to ensure the interests of the Group, shareholders, employees, customers and other stakeholders in which the Group conducts its businesses are well represented and taken into account. The significant contributions of the Independent Directors in the decision making process is evidenced in their participation as members of the various committees of the Board.

In addition, the Non-Independent Non-Executive Director on the Board will also help to provide views and contributions from a different perspective as he is not involved in the day to day operations of the Group.

Board Committees

The Board has established and is supported by the following Board Committees which consist of a majority of Independent Non-Executive Directors to provide independent oversights of management and to ensure that there are appropriate checks and balances in discharging its oversight function: -

i. Audit Committee
ii. Nomination Committee
iii. Remuneration Committee
iv. Risk Management Committee
v. Sustainability Committee

The Board Committees have their roles and functions, written terms of reference and authorities defined. The Board reviews the terms of reference of the Board Committees periodically to ensure their relevance.

The Board may form such other committees from time to time as dictated by business imperatives and/or to promote operational efficiency.

Notwithstanding the above, the ultimate responsibility for decision making and oversight still lies with the Board.

Company Secretary

The Board is supported by the Company Secretaries, who are members of the professional body namely, The Malaysian Institute of Chartered Secretaries and Administrators and they are also qualified under the Companies Act 2016. The Company Secretaries play an important role in facilitating the overall compliance with the Companies Act 2016, Main Market Listing Requirements of Bursa Securities and other relevant laws and regulations. The Company Secretaries also assist the Board and Board Committees to function effectively and in accordance with their Terms of Reference and best practices and ensuring adherence to the existing Board policies and procedures. The roles and responsibilities of the Company Secretaries have been formalised in the Board Charter which provides reference for Company Secretaries in the discharge of their roles and responsibilities.

The Company Secretaries have also been continuously attending the necessary training programmes, conferences, seminars and/or forums so as to keep themselves abreast with the current regulatory changes in laws and regulatory requirements that are relevant to their profession and enabling them to provide the necessary advisory role to the Board.

Board Meeting and Meeting Materials

In order to discharge their responsibilities effectively, the Board meet regularly on a quarterly basis. Additional or special Board meetings may be convened as and when necessary to consider and deliberate on any urgent proposals or matters under their purview and which requires the Board's expeditious review or consideration. Such meetings will enable the Board members to effectively assess the viability of the business and corporate proposals and the principal risks that may have significant impact on the Group's business or on its financial position and the mitigating factors. All Board approvals sought are supported with all the relevant information and explanations required for an informed decision to be made.

Prior to the Board Meeting, the Directors will be provided with the relevant agenda and Board papers five (5) business days' notice to enable them to have an overview of matters to be discussed or reviewed at the meetings and to seek further clarifications, if any. The Board papers provide, among others the minutes of preceding meetings of the Board and Board Committees, summary of dealings in shares by the directors or affected persons and directors' circular resolutions, reports on the Group's financial statements, operations, any relevant corporate developments and proposals.

In addition, there is a schedule of matters reserved for Board's deliberations and decision, including among others, to review, evaluate, adopt and approve the policies and strategic plans for the Company and the Group. The Board will ensure that the strategic plans of the Company and the Group supports long term value creation, including strategies on economic, environmental and social considerations underpinning sustainability as well as to review, evaluate and approve any material acquisitions and disposals of undertakings and assets in the Group and any new major ventures.

Access to information and advice

The Directors have unrestricted access to the advice and services of the Company Secretaries and Senior Management staff in the Group to assist them in carrying out their duties. They may also obtain independent professional advice at the Company's expense in furtherance of their duties whenever the need arises.

Board Charter, Ethical Standards through Code of Ethics, Code of Conduct and Whistleblowing Policy and Procedures

The Board has the following in place:-

(a) Board Charter

The Board has adopted a Board Charter to promote the standards of corporate governance and clarifies, amongst others, the roles and responsibilities of the Board. The Board Charter is subject to review by the Board periodically to ensure that it remains consistent with the Board's roles and responsibilities as well as the prevailing legislation and practices. The Board Charter was recently reviewed on 26 August 2019 and a copy is available on the Company's website at www.berjaya.com.

(b) Code of Ethics for Director

The Board has also adopted a Code of Ethics for Directors ("Code") which is incorporated in the Board Charter. The Code was formulated to enhance the standard of corporate governance and to promote ethical conduct of the Directors.

(c) Code of Conduct and Business Ethics

The Group has established and adopted a Code of Conduct covering business ethics, workplace safety and employees' personal conduct for all employees of the Company and all of its subsidiaries and associates. This is to ensure that all employees and Directors maintain and enforce the highest standards of ethics and professional conduct in the performance of their duties and responsibilities throughout the organisation. All employees and Directors of the Company are required to declare that they have received, read and understood the provisions of the Code of Conduct and agreed to comply with its terms throughout their employment or tenure with the Company.

The Board will periodically review the Code of Conduct and the Code of Conduct is available on the Company's website at www.berjaya.com.

(d) Whistleblowing Policy and Procedures

The Group acknowledges the importance of lawful and ethical behaviours in all its business activities and is committed to adhere to the values of transparency, integrity, impartiality and accountability in the conduct of its business and affairs in its workplace.

The Group has in place a Whistleblowing Policy which provides an avenue for employees, the Group's third party service providers, independent contractors, vendors and suppliers and members of the public to raise genuine concerns, disclose alleged, suspected or actual wrongdoings or known improper conduct at the workplace on a confidential basis and pursuant to the Malaysian Whistleblower Protection Act 2010 or other similar laws prevailing in other countries where the subsidiary companies are located, without fear of any form of victimization, harassment, retribution or retaliation.

Employees also have free access to the Senior Independent Director and/or the Independent Director of the Company and may raise concerns of non-compliance to them.

The Whistleblowing Policy, underlining its protection and reporting channels, is available on the Company's website at www.berjaya.com.

Sustainability Strategies

The Board views the commitment to promote sustainability strategies in the environment, social and governance aspects as part of its broader responsibility to all its various stakeholders and the communities in which it operates.

The Group strives to achieve a long term sustainable balance between meeting its business goals, preserving the environment to sustain the ecosystem and the welfare of its employees and the communities in which it operates. The Group's efforts to promote sustainability initiatives for the communities in which it operates, the environment and the employees is set out in Sustainability Statement in this Annual Report.

Board Composition

The Board composition of the Company represents a mix of knowledge, skills, and expertise which assist the Board in effectively discharging its stewardship and responsibilities. The Board currently has nine (9) members comprising the CEO, three (3) Executive Directors, four (4) Independent Non-Executive Directors (including the Chairman) and a Non-Independent Non-Executive Director. The profiles of the Directors are set out in pages 3 to 8 of this Annual Report.

The present composition of the Board is in compliance with Paragraph 15.02 of the Main Market Listing Requirements of Bursa Securities which requires at least one-third (1/3) of its members to be Independent Directors.

The Board noted that Practices 4.1 and 4.2 of the MCCG has recommended for at least half of the Board members to be independent directors and the tenure of an independent director does not exceed a cumulative term limit of nine (9) years. For Large Companies, the Board shall comprise a majority of Independent Directors.

Based on the review of the Board's composition and assessment of individual Directors, the Board is satisfied that the current Independent Directors are able to exercise independent and objective judgement and act in the best interests of the Company eventhough they do not make up half of the Board members and with two (2) of them having served the Board for more than nine (9) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The current Directors of the Company as at the date of this Statement are as follows:-

Name	Designation
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	Chairman /Independent Non-Executive Director
Syed Ali Shahul Hameed	Chief Executive Officer
Tan Thiam Chai	Executive Director
Nerine Tan Sheik Ping	Executive Director
Chryseis Tan Sheik Ling	Executive Director
Dato' Ng Sooi Lin	Non-Independent Non-Executive Director
Datuk Robert Yong Kuen Loke	Independent Non-Executive Director
Datuk Kee Mustafa	Independent Non-Executive Director
John V Pridjian	Independent Non-Executive Director

Boardroom Diversity

The Board acknowledges the importance of boardroom diversity in terms of age, gender, nationality, ethnicity and recognises the benefits of this diversity.

The Board also recognises that having a range of different skills, backgrounds, experience and diversity is essential to ensure a broad range of viewpoints to facilitate optimal decision making and effective governance.

The Board is of the view that whilst promoting boardroom diversity is essential, the normal selection criteria of a Director, based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board, should remain a priority. Thus, the Company does not set any specific target for boardroom diversity but will actively work towards achieving the appropriate Boardroom diversity.

The Company takes diversity not only in the Boardroom but also in the workplace as it is an essential measure of good governance, critically attributing to a well-functioning organisation and sustainable development of the Company.

The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a work place environment free of harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board.

Currently, the Board has two (2) female Directors namely, Ms Nerine Tan Sheik Ping and Ms Chryseis Tan Sheik Ling.

The Board has in place a Diversity Policy of the Company and a copy is available on the Company's website at www.berjaya.com.

Time Commitment

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. During the FPE 2019, the Board met ten (10) times and the attendance record of the Directors at the Board meetings were as follows:-

Directors	Attendance
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim #	10/10
Datuk Pee Kang Seng @ Lim Kang Seng ^	9/10
Tan Thiam Chai	10/10
Nerine Tan Sheik Ping	10/10
Chryseis Tan Sheik Ling	9/10
Dato' Ng Sooi Lin	7/10
Datuk Robert Yong Kuen Loke #	10/10
Datuk Kee Mustafa #	7/10
John V Pridjian #	10/10
Syed Ali Shahul Hameed @	2/2*

Notes:
^ *Resigned as a Director and Chief Executive Officer of the Company on 8 August 2019.*
@ *During the FPE 2019, Syed Ali Shahul Hameed was appointed as an Executive Director of the Company on 20 March 2019. Subsequently, on 8 August 2019, he was re-designated as Chief Executive Officer of the Company.*
# *Independent Non-Executive Director.*
* *Reflects the attendance and the number of Meetings held during the FPE 2019 since the Director held office.*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

All the Directors of the Company do not hold more than five (5) directorships in listed issuers as required under Paragraph 15.06 of the Main Market Listing Requirements of Bursa Securities. They are required to notify the Chairman of the Board before accepting any new directorships outside the Group and indicating the time that will be spent on the new directorship. Similarly, the Chairman of the Board shall also do likewise before taking up any additional appointment of directorships.

Directors' Training

All the Directors had attended the Mandatory Accreditation Programme as prescribed by Bursa Securities.

The Directors are mindful that they should continually attend seminars and courses to keep themselves abreast with the latest economic and corporate developments as well as new regulations and statutory requirements.

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.

The Board is also regularly updated by the Company Secretaries on the latest update/amendments to the relevant regulatory requirements relating to the discharge of the Directors' duties and responsibilities.

During the FPE 2019, the Directors had attended various training programmes and seminars, details of which were as follows:-

Director	Title of Programmes/Seminars/Courses/Forums
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	- Sunway Leaders Conference - Short Talk on Admiralty Law
Datuk Pee Kang Seng @ Lim Kang Seng (Resigned on 8 August 2019)	- CEO Series Annual Property Developers Conference - Conference Theme "Make a Difference For A Sustainable Future" - Business Council for Sustainable Development Malaysia Breakfast Talk: Sustainability & Business - Constructing and Financing Affordable Housing Across Asia Conference 2019 - Leadership Greatness in Turbulent Times: Building Corporate Longevity - EdgeProp.my Talk on Building for "Wellness"
Tan Thiam Chai	- Lee Hishammuddin Allen & Gledhill Tax, Sales & Service Tax & Customs Seminar 2018 - Gaining An Edge Via Analytics In An M&A Transaction - Economic Outlook & Opportunities for Business - National Tax Seminar 2018 - Berjaya Budget Workshop - Voluntary Tax Disclosure
Nerine Tan Sheik Ping	- Business Transformation – Going to the Next Performance Level
Chryseis Tan Sheik Ling	- Common Offences & Pitfalls to avoid under the Companies Act 2016
Dato' Ng Sooi Lin	- Leadership Greatness in Turbulent Times: Building Corporate Longevity - Implementing Sustainability Best Practice: Meeting Regulatory Requirements and Beyond
Datuk Robert Yong Kuen Loke	- Minister's Dialogue with Corporate Sustainability Managers - BDO Tax Budget Seminar 2018 – Keeping Ahead of Tax Reforms
Datuk Kee Mustafa	- Regulatory Updates Seminar for Directors of PLC's & Unlisted Companies 2018 (New) - Installing a Culture of Corporate Governance - SSM National Conference 2018 - Seminar for Board Directors of Government Agencies and Government Link companies (GLC) Year 2018 "Authoritative & Dynamic Board" - Anti-Corruption Summit 2018

Director	Title of Programmes/Seminars/Courses/Forums
John V Pridjian	- SFC Enforcement Update and Hong Kong's Insider Dealing Law - Leadership Greatness in Turbulent Times: Building Corporate Longevity
Syed Ali Shahul Hameed (Appointed on 20 March 2019)	- CG Watch: How Does Malaysia Rank - Mandatory Accreditation Programme

The Board will, on a continuous basis, evaluate and determine the training needs of its members to assist them in the discharge of their duties as Directors.

Appointment to the Board

The members of the Nomination Committee ("NC"), which comprises exclusively Non-Executive Directors and all of whom are Independent Non-Executive Directors as at the date of this Statement are as follows:-

Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	- Chairman/ Independent Non-Executive Director
Datuk Robert Yong Kuen Loke	- Independent Non-Executive Director
Datuk Kee Mustafa	- Independent Non-Executive Director

The Chairman of the NC, Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim is an Independent Director and has been identified as the Senior Independent Non-Executive Director of the Board to whom concerns may be conveyed.

The composition, authority as well as the duties and responsibilities of the NC are set out in its Terms of Reference, which is available on the Company's website at www.berjaya.com.

The Board delegates to the NC the responsibility of making recommendations on any potential candidate for the appointment as a new Director. The NC is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous and that appointments are made on merits.

The process for the appointment of a new Director is summarised in the sequence as follows:-

1. The candidate identified upon the recommendation by the existing Directors, Senior Management staff, major shareholders, independent search firms and/or other independent sources;

2. In evaluating the suitability of candidates for appointment to the Board, the NC considers, inter-alia, the competency, experience, commitment, contribution and integrity of the candidates, and in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidates' independence;

3. Recommendation shall then be made by NC to the Board. This also includes recommendation for appointment as a member of the various Board Committees, where necessary; and

4. Decision to be made by the Board on the proposed new appointment, including appointment to the various Board Committees.

Annual Assessment

The NC reviews annually, the effectiveness of the Board and Board Committees as well as the performance of individual Directors. The evaluation involves individual Directors and Committee members completing separate evaluation questionnaires regarding the processes of the Board and its Committees, their effectiveness and where improvements could be considered. The criteria for the evaluation are guided by the Corporate Governance Guide issued by Bursa Malaysia Berhad. 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 NC meeting which were then reported to the Board at the Board Meeting held thereafter. All assessments and evaluations carried out by the NC in the discharge of its duties are properly documented.

During FPE 2019, the NC carried out the following activities:
- reviewed and assessed the mix of skills, expertise, composition, size and experience of the Board;
- reviewed and assessed the performance of each individual Director; the independence of the Independent Directors; the effectiveness of the Board and the Board Committees;
- recommending Directors who are retiring and being eligible for re-election;
- reviewed the performance of the Audit Committee and its members;
- reviewed the Board Diversity Policy;
- reviewed and assessed the financial literacy of the Audit Committee members;
- reviewed the amendments to terms of reference of NC; and
- recommended to the Board, the appointment of Syed Ali Shahul Hameed as an Executive Director.

Re-election of Directors

The NC also conducted an assessment of the Directors who are subject to retirement at the forthcoming 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 2016.

The Company's Articles of Association provides that at least one-third of the Directors shall retire by rotation and they are eligible to seek re-election at each AGM and that each Director shall submit himself/herself for re-election once every three (3) years. The Articles of Association also provides that a Director who is appointed during the year is required to retire and seek shareholders' approval for re-election at the following AGM immediately after his/her appointment.

The NC is also responsible for recommending to the Board those Directors who are retiring and are eligible to stand for re-election at the AGM.

At the forthcoming Twenty-Ninth AGM, the following Directors who are due for retirement and are eligible for re-election pursuant to the Company's Articles of Association are as follows:-

Directors	Retiring Pursuant to
i. Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	Article 101
ii. Datuk Robert Yong Kuen Loke	Article 101
iii. Chryseis Tan Sheik Ling	Article 101
iv. Syed Ali Shahul Hameed	Article 106

Tenure of Independent Directors

The MCCG recommends that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Directors' re-designation as a Non-Independent Director. The MCCG also sets out a recommendation that the Board must justify and seek shareholders' approval in the event it retains an Independent Director who has served in that capacity for more than nine (9) years.

The Board is of the view that the independence of the Independent Directors should not be determined solely or arbitrarily by their tenure of service. The Board believes that continued contribution will provide stability and benefits to the Board and the Company as a whole, especially their invaluable knowledge of the Group and its operations gained through the years.

The calibre, qualification, experience and personal qualities, particularly of the Director's integrity and objectivity in discharging his/her responsibilities in the best interest of the Company should be the predominant factors to determine the ability of a Director to serve effectively as an Independent Director.

The Board is also confident that the Independent Directors themselves, after having provided all the relevant confirmations on their independence, will be able to determine if they can continue to bring independent and objective judgement during Board deliberations and decision making.

To-date, two (2) of the Independent Non-Executive Directors, namely Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim and Datuk Robert Yong Kuen Loke, have served the Board for more than nine (9) years.

Following an assessment and recommendation by the NC, the Board concluded that both Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim and Datuk Robert Yong Kuen Loke had remained independent and pursuant to Practice 4.2 of the MCCG, the Board will seek approval from the shareholders of the Company at the forthcoming AGM to support the Board's decision to retain Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim and Datuk Robert Yong Kuen Loke as Independent Non-Executive Directors of the Company based on the following justifications:-

(a) Tan Sri Datuk Seri Razman Md Hashim

Tan Sri Datuk Seri Razman Md Hashim who is also the Chairman of the Company, was appointed as an Independent Non-Executive Director of the Company on 3 September 2007 and his tenure as an Independent Director has reached a cumulative term of twelve (12) years on 3 September 2019. The justifications for his recommended retention as an Independent Non-Executive Director are as follows:

(i) he has fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Securities, and being independent, he will 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 nine (9) years and is familiar with the Company's business operations which enable him to participate objectively in deliberations and decision making process of the Board and Board Committees.

(iii) he has exercised due care during his tenure as an Independent Non-Executive Director and the Chairman of the Company as well as the Chairman of Nomination Committee and Remuneration Committee and he has carried out his duties proficiently in the interests of the Company and the shareholders.

(b) Datuk Robert Yong Kuen Loke

Datuk Robert Yong Kuen Loke was re-designated from a Non-Independent Non-Executive Director to an Independent Non-Executive Director of the Company on 1 December 2009 and has therefore served the Company as an Independent Director for a cumulative term of more than 9 years but less than 12 years. The justifications for his recommended retention as an Independent Non-Executive Director are as follows:

(i) he fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Securities, and being independent, he will 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 diversified business operations in multiple jurisdiction.

(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 of the Company as well as the Chairman of Audit Committee, Risk Management Committee and Sustainability Committee and he has carried out his professional duties proficiently in the interests of the Company and the shareholders.

Annual Assessment of Independence

The Board recognises the importance of independence and objectivity in its decision making process. The presence of the Independent Non-Executive Directors is essential in providing unbiased and impartial opinion, advice and judgement to ensure the interests of the Group, shareholders, employees, customers and other stakeholders in which the Group conducts its businesses are well represented and taken into account.

The Board, through the NC, has assessed the independence of its Independent Non-Executive Directors namely, Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim, Datuk Robert Yong Kuen Loke, Datuk Kee Mustafa and Mr John V Pridjian based on criteria set out in the Main Market Listing Requirements of Bursa Securities.

The Independent Directors of the Company have fulfilled the criteria of "independence" as prescribed under Chapter 1 of the Main Market Listing Requirements of Bursa Securities. The Company has also fulfilled the requirement to have at least one-third of its Board members to be Independent Non-Executive Directors.

Remuneration Policies and Procedures

The Company has a Remuneration Committee which comprises exclusively Non-Executive Directors with a majority of them being Independent Directors. The members of the Remuneration Committee as at the date of this Statement are as follows:-

Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	- Chairman/Independent Non-Executive Director
Dato' Ng Sooi Lin	- Non-Independent Non-Executive Director
Datuk Kee Mustafa	- Independent Non-Executive Director

The composition, authority as well as the duties and responsibilities of the Remuneration Committee are set out in its Terms of Reference which is available on the Company's website at www.berjaya.com.

The Board has adopted a Remuneration Policy to support the Directors and Key Senior Management in carrying out their responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value. The Board's objective in this respect is to offer a competitive remuneration package in order to attract, motivate, retain and reward Directors and Key Senior Management who will manage and drive the Company's success.

The Board has delegated to the Remuneration Committee to implement its Remuneration Policy. The primary function of the Remuneration Committee is to set up the policy framework and to recommend to the Board on remuneration packages and other terms of employment of the Executive Directors. The remuneration of Executive Directors is determined at levels which enables the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively.

The remuneration of Key Senior Management is determined at a level which enables the Company to attract, develop and retain high performing and talented individual with the relevant experience, level of expertise and level of responsibilities.

Both the remuneration of Executive Directors and Key Senior Management are structured to link rewards to the achievement of individual and corporate performance.

The Remuneration Committee is also responsible to review the remuneration packages of the Non-Executive Directors of the Company and thereafter recommend to the Board for their consideration with the Director concerned abstaining from deliberations and voting on decision in respect of his/her individual remuneration package. The Board recommended that the level of remuneration should reflect the experience and the level of responsibilities undertaken by each Non-Executive Director. The Board will then recommend the yearly Directors' fees and other benefits payable to Non-Executive Directors to the shareholders for approval at the AGM in accordance with Section 230(1) of the Companies Act 2016.

The Board will periodically review the Remuneration Policy and a copy is available on the Company's website at www.berjaya.com.

Details of Directors' remuneration paid or payable to all Directors of the Company (both the Company and the Group) and categorised into appropriate components for FPE 2019 are as follows:-

Company

	Fees (RM)	Salaries (RM)	Other Emoluments including Bonuses (RM)	Benefits in-kind (RM)	Total (RM)
Executive					
Datuk Pee Kang Seng @ Lim Kang Seng *(Resigned on 8 August 2019)*	-	1,020,000	220,892	20,887	1,261,779
Syed Ali Shahul Hameed *(Appointed on 20 March 2019)*	-	35,903	4,292	4,132	44,327
Tan Thiam Chai	-	210,000	88,198	23,700	321,898
Nerine Tan Sheik Ping	-	-	-	-	-
Chryseis Tan Sheik Ling	-	-	-	-	-
Non-Executive					
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	98,000	-	22,600	-	120,600
Datuk Robert Yong Kuen Loke	42,000	-	20,800	-	62,800
Dato' Ng Sooi Lin	42,000	-	9,000	20,575	71,575
Datuk Kee Mustafa	42,000	-	14,300	-	56,300
John V Pridjian	42,000	-	17,000	-	59,000
	266,000	**1,265,903**	**397,082**	**69,294**	**1,998,279**

Group

	Fees (RM)	Salaries (RM)	Other Emoluments including Bonuses (RM)	Benefits in-kind (RM)	Total (RM)
Executive					
Datuk Pee Kang Seng @ Lim Kang Seng *(Resigned on 8 August 2019)*	-	1,020,000	220,892	20,887	1,261,779
Syed Ali Shahul Hameed *(Appointed on 20 March 2019)*	-	142,258	25,362	4,132	171,752
Tan Thiam Chai	-	1,136,118	574,906	23,700	1,734,724
Nerine Tan Sheik Ping	-	1,320,000	461,877	14,583	1,796,460
Chryseis Tan Sheik Ling	-	590,000	117,755	-	707,755
Non-Executive					
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	98,000	-	135,292	8,400	241,692
Datuk Robert Yong Kuen Loke	94,500	-	237,032	18,670	350,202
Dato' Ng Sooi Lin	42,000	-	9,000	20,575	71,575
Datuk Kee Mustafa	42,000	-	14,300	-	56,300
John V Pridjian	42,000	-	17,000	-	59,000
	318,500	**4,208,376**	**1,813,416**	**110,947**	**6,451,239**

Remuneration of Key Senior Management

The number of top five (5) Key Senior Management and their total remuneration from the Group categorised into the various bands are as follows:-

	Number of Key Senior Management
RM450,001 - RM500,000	1
RM600,001 – RM650,000	1
RM750,001 – RM800,000	1
RM1,850,001 – RM1,900,000	1
RM24,150,001 – RM24,200,000	1
	5

Although the MCCG provides that the Company should disclose the detailed remuneration of the top five (5) Senior Management on a named basis, the Board has opined that it is not in the best interest of the Company to make such disclosures on the remuneration of the Senior Management due to the sensitivity of their remuneration package, privacy, competition and the issue of staff poaching.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Audit Committee of the Company comprises four (4) members, all of whom are Independent Non-Executive Directors. The members are as follows:-

Datuk Robert Yong Kuen Loke	- Chairman/ Independent Non-Executive Director
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	- Independent Non-Executive Director
Datuk Kee Mustafa	- Independent Non-Executive Director
John V Pridjian	- Independent Non-Executive Director

The Chairman of the Audit Committee is appointed by the Board and is not the Chairman of the Board. The composition, authority as well as the duties and responsibilities of the Audit Committee are set out in its Terms of Reference ("TOR") and a copy is available on the Company's website at www.berjaya.com.

The members of the Audit Committee possess a mix of skill, knowledge and appropriate level of expertise and experience to enable them to discharge their duties and responsibilities pursuant to the TOR of the Audit Committee. In addition, the Audit Committee members are literate in financials and are able to understand, analyse and challenge matters under purview of the Audit Committee including the financial reporting process.

The Board is assisted by the Audit Committee to oversee the Group's and Company's financial reporting process and the quality of financial reporting and ensuring that the financial statements comply with the provisions of the Companies Act 2016 and the applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards in Malaysia.

In presenting the annual audited financial statements to the shareholders, the Board takes responsibility to present a balanced and meaningful assessment of the Group's financial performance and prospects and ensure that the financial statements reviewed and recommended by the Audit Committee for Board's approval are prepared in accordance with the provisions of the Companies Act 2016, the applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to present a true and fair view of the financial position, financial performance and cash flows of the Group and Company. In addition, the Audit Committee reviews the annual financial statements and quarterly financial results before they are submitted to the Board for approval.

Besides overseeing the Group's accounting and financial reporting process, Audit Committee is also responsible to assist the Board to review the nature, scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditors, to oversee and monitor the Group internal audit functions, reviews any related party transactions, oversees recurrent related party transactions, risk management activities and other activities such as governance matters. A full Audit Committee Report detailing its composition and a summary of activities during the current financial period is set out in pages 60 to 64 of this Annual Report.

The performance of the Audit Committee is reviewed annually by the NC. The evaluation covered aspects such as the members' financial literacy levels, its quality and composition, skills and competencies and the conduct and administration of the Audit Committee meetings.

Based on the evaluation, the NC concluded that the Audit Committee has been effective in its performance and has carried out its duties in accordance with its TOR during FPE 2019.

Assessment of External Auditors

The Board maintains a transparent and professional relationship with the External Auditors through the Audit Committee. Under the existing practice, the Audit Committee invites External Auditors to attend its meetings at least twice a year to discuss their audit plan and their audit findings on the Company's yearly financial statements. In addition, the Audit Committee will also have private meetings with the External Auditors without the presence of the Chief Executive Officer and Senior Management to enable exchange of views on issues requiring attention.

The Audit Committee has adopted an External Auditors Policy ("EA Policy") which outlines the policies and procedures for the Audit Committee to govern the assessment and to monitor the External Auditors. The EA Policy covers, among others, the appointment of External Auditors, assessment of External Auditors, independence of External Auditors, non-audit services including the need to obtain approvals from the Chief Financial Officer (if any)/ Executive Director/ Head of Group Accounts or the Audit Committee for non-audit work up to a certain threshold and the annual reporting and rotation of the External Audit Engagement Partner. In addition, the EA policy also included a requirement for a former audit partner to observe a cooling-off period for at least two years before they can be considered for appointment as a member of the Audit Committee and/ or the Board.

The Board has delegated to the Audit Committee to perform an annual assessment on the quality of the audit which encompassed the performance and calibre of the External Auditors and their independence, objectivity and professionalism. The assessment process involves identifying the areas of assessment, setting the minimum standards and devising tools to obtain the relevant data. The areas of assessment include among others, the External Auditors' calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit fees. Assessment questionnaires were used as a tool to obtain input from the Company's personnel who had constant contact with the external audit team throughout the financial period.

To support the Audit Committee's assessment of their independence, the External Auditors will provide the Audit Committee with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. The External Auditors are required to declare their independence annually to the Audit Committee as specified in the By-Laws issued by the Malaysian Institute of Accountants. The External Auditors have provided the declaration in their annual audit plan presented to the Audit Committee of the Company.

The Audit Committee also ensures that the External Auditors are independent of the activities they audit and will review the contracts for provision of non-audit services by the External Auditors. The recurring non-audit services were in respect of tax compliance, the annual review of the Statement on Risk Management and Internal Control. The non-recurring non-audit services are acting as reporting accountants for any corporate exercises.

During the FPE 2019, the amount of statutory audit and non-audit fees paid/payable to the External Auditors by the Company and the Group respectively for FPE 2019 were as follows: -

	Company		Group	
	FPE2019 RM'000	FYE2018 RM'000	FPE2019 RM'000	FYE2018 RM'000
Statutory audit fees paid/payable to:-				
- Ernst & Young ("EY") Malaysia	153	150	1,528	1,458
- Affiliates of EY Malaysia	-	-	162	214
Total (a)	153	150	1,690	1,672

	Company		Group	
	FPE2019 RM'000	FYE2018 RM'000	FPE2019 RM'000	FYE2018 RM'000
Non-audit fees paid/payable to:-				
- EY Malaysia	433	396	519	471
- Affiliates of EY Malaysia	8	8	245	228
Total (b)	441	404	764	699
% of non-audit fees (b/a)	288%	269%	45%	42%

In considering the nature and scope of non-audit fees, the Audit Committee was satisfied that they were not likely to create any conflict or impair the independence and objectivity of the External Auditors.

Upon completion of the assessment, the Audit Committee will make recommendation for the re-appointment of the External Auditors to the Board. The Board upon acceptance of the recommendation, will then seek approval from the shareholders on the re-appointment of the External Auditors at the AGM.

Risk Management and Internal Control

The Board is responsible for the Group's risk management framework and system of internal control and for reviewing their adequacy and integrity. Accordingly, the Directors are required to ensure that an effective system of internal control, which provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines is in place within the Group.

While acknowledging their responsibility for the system of internal control, the Directors are aware that such a system is designed to manage rather than eliminate risks and therefore cannot provide an absolute assurance against material misstatement or loss.

The internal audit function of the Company is outsourced to the Group Internal Audit Division of the ultimate holding company, Berjaya Corporation Berhad and they are free from any relationships or conflict of interest that could impair their objectivity and independence. The Internal Auditors report regularly to the Audit Committee provides the Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control. As proper risk management is a significant component of a sound system of internal control, the Group has also put in place risk management process to help the Board in identifying, evaluating and managing risks. The implementation and maintenance of the risk management process is carried out by the Risk Management Committee of the Group.

The Company has a Risk Management Committee, which comprises exclusively Non-Executive Directors and majority of whom are Independent Non-Executive Directors. The members are as follows:-

Datuk Robert Yong Kuen Loke	- Chairman/Independent Non-Executive Director
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	- Independent Non-Executive Director
Datuk Kee Mustafa	- Independent Non-Executive Director
John V Pridjian	- Independent Non-Executive Director
Dato' Ng Sooi Lin	- Non-Independent Non-Executive Director

A Statement on Risk Management and Internal Control of the Group which provides an overview of the state of internal controls within the Group is set out on pages 57 to 59 of the Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Company strives to maintain an open transparent channel of communication with its shareholders, institutional investors, analysts and the public at large with the objective of providing as clear and complete picture of the Group's performance and financial position as possible. The provision of timely information is important to the shareholders and investors for informed decision making. However, whilst the Company endeavours to provide as much information as possible to its shareholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

Currently, the Company's various channels of communications are through the quarterly announcements on financial results to Bursa Securities, relevant announcements and circulars, general meetings of shareholders and through the Company's website at www.berjaya.com where shareholders can have easy access to the Company's corporate information such as the Board Charter, Terms of Reference of the Board Committees, Company Policies, press releases, financial information, Company announcements and others.

The above channels of communication will help to enhance stakeholders' understanding of the business and operations of the Group and to make informed investment decisions.

Conduct of General Meetings

The Company's AGM remains the principal forum for dialogue with private and institutional shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with and constructive feedback from the shareholders. At each AGM, the Board presents the progress and performance of the Company's businesses and shareholders are encouraged to participate in the proceedings and question and answer session and thereafter to vote on all resolutions. The External Auditors are also present to provide professional and independent clarification on issues and concerns raised by the shareholders in connection with the Audited Financial Statements.

The Chairman as well as the Chief Executive Officer will respond to shareholders' questions at the AGM. The Executive Directors and other Directors present will also respond when required. The Notice and agenda of AGM together with Form of Proxy are given to shareholders at least twenty-eight (28) days before the AGM, which gives sufficient time to prepare themselves to attend the AGM personally or to appoint a proxy to attend and vote on their behalf. Each item of the special business included in the Notice of AGM is accompanied by an explanatory statement on the proposed resolution to facilitate the full understanding and evaluation of issues involved.

Poll Voting

All the resolutions passed by the shareholders at the previous AGM held on 17 October 2018 were voted by way of a poll in accordance with the Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities. The shareholders were briefed on the voting procedures by the Share Registrar namely, Berjaya Registration Services Sdn Bhd while the results of the poll were verified and announced by the independent scrutineer, Messrs LT Lim & Associates.

The Company Secretaries will announce the poll results of the AGM with details on the number of votes cast for and against for each resolution and the respective percentage on the same day to Bursa Securities. The minutes of the AGM will also be made available on the Company's website after it has been confirmed and signed by the Chairman of the AGM.

The Company may consider adopting the electronic voting moving forward to facilitate a more efficient voting process and to ensure that the voting results are transparent and accurate. Pursuant to Practice 12.3 of the MCCG, the Company will also explore the use of technology to facilitate the voting in absentia and/or remote shareholders' participation at general meetings, taking into consideration the number of shareholders, the accuracy and stability of such technologies, applicable laws and regulations and the cost and resources required vis-à-vis the benefits.

This CG Overview Statement was approved by the Board of Directors of the Company on 10 October 2019.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of Berjaya Land Berhad ("BLand" or "the Group") is committed to maintaining a sound system of risk management and internal controls to provide for a platform for Group's business objectives to be achieved. The Board sets out below the nature and scope of the risk management and internal controls of the Group.

RESPONSIBILITY

The Board of BLand recognises that it is responsible for the Group's system of internal control and for reviewing its adequacy and integrity. The Board's responsibility in relation to the system of internal control extends to all the subsidiaries of the Group. In view of the limitations that are inherent in any system of internal control, the Group's internal control system is designed to manage and achieve business objectives. As such, the system can only provide reasonable assurance against material misstatement or loss.

The Board's primary objective and direction in managing the Group's principal business risks are to enhance the Group's ability to achieve its business objectives. In order to achieve these objectives, the Board has identified, evaluated and managed the significant risks being faced by the Group by monitoring the Group's performance and profitability at its Board meetings.

The Board has received assurance from the Chief Executive Officer and the Executive Director and is of the view that the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects.

MANAGEMENT STYLE

The Group's businesses which are operated by its subsidiaries are categorised into three main divisions:

- Gaming and Lottery Management ("Gaming Division");
- Hotels, Resorts and Recreation ("Hotels & Resorts Division"); and
- Property Development and Investment ("Property Division").

The management of the Group as a whole is assigned to the Chief Executive Officer and the Executive Directors who will lead the management teams. The Executive Directors and their respective management teams of the Group's individual operating units are accountable for the conduct and performance of their businesses within the agreed business strategy.

The Executive Directors and the management team, holds regular meetings and review financial and operations reports, in order to monitor the performance and profitability of the Group's businesses. The Group also prides itself in the "open-door" and "close-to-operations" policy practised by the Chief Executive Officer, Executive Directors and the management. These provide the platform for timely identification of the Group's risks and systems to manage risks.

Where the Group's business locations are dispersed, operations are divided into regions and areas. Regional and area offices are staffed by experienced personnel to ensure that the operations of the businesses are well controlled and in line with the operating procedures. Similarly, the overseas operations are being managed by experienced personnel in their respective country offices. Regular reporting on performance of their businesses is provided to the Chief Executive Officer and Executive Directors who are assigned to manage the respective overseas operations. In addition, the Executive Directors in charge also made field visits to these overseas operations as well as to conduct periodic performance review meetings with the management personnel, thus ensuring the business plans and targets are met.

The Board does not regularly review the internal control system of its associated companies, as the Board does not have any direct control over their operations. The Group's interests are served through board representations on the board of associated companies and the review of their management accounts, and enquries thereon. As for its joint ventures, the Group has appointed representatives to the respective members' councils or to the respective board of these joint ventures which hold regular meetings to oversee and manage their operations. These representatives provide the Board with information for timely decision making on the continuity of the Board's investments based on the performance of the associated companies and joint ventures.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL PROCESSES

The key aspects of the internal control process are as follows:

- The operating units identify the areas of control relevant to their business, design the internal control procedures and document the procedures in manuals.
- The internal auditors of the Group establish the annual audit plan and table the plan to the Audit Committee for approval.
- The internal auditors perform the audit and present their audit reports to the Audit Committee, highlighting any shortcomings by the business units in implementing the controls and the remedial procedures implemented by the business units.

ASSURANCE MECHANISM

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. The Board has assigned the Audit Committee with the duty of reviewing and monitoring the effectiveness of the Group's internal control. The Audit Committee receives assurance reports from the internal auditors.

The Internal Audit function furnishes the Audit Committee with independent and objective reports from visits conducted at various operating units. The reports comprise the observations from internal audits together with management's responses and proposed action plans. The action plans are then followed up during subsequent internal audits with implementation status reported to the Audit Committee. The Internal Audit function is outsourced to the Group Internal Audit Division of Berjaya Corporation Berhad.

The Board also reviews the minutes of meetings of the Audit Committee. The Report of the Audit Committee is set on pages 60 to 64 of the Annual Report.

KEY FEATURES OF THE INTERNAL CONTROL SYSTEM

Some of the identified key features of the Group's system of internal control include:

- Clear organisation structure and delineated reporting lines
- Defined levels of authority
- Monitoring mechanisms in the form of timely financial and operations reports, and scheduled management meetings
- Capable workforce with ongoing training
- Centralised human resource function which outlines procedures for recruitment, training, appraisal, the reward system and succession planning
- Centralised procurement function that ensures approval procedures are adhered to, as well as to leverage on the Group's purchasing power
- Payment functions controlled at Head Office
- Regular visits to the operating units of the Group's businesses by the Executive Directors and senior management personnel
- Independent assurance on the system of internal control from regular internal audit visits
- Physical security and systems access controls
- Business continuity planning

WHISTLEBLOWING POLICY

The Group has in place a whistleblowing policy, designed to enable all its employees (including Directors) with the appropriate mechanisms to confidentially provide information in an independent and unbiased manner, on any genuine concerns, without fear of recrimination so as to enable prompt corrective action to be taken where appropriate.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT

A Risk Management Committee ("RMC") has been established by the Company to further enhance the Group's system of internal control and be in line with the Malaysian Code of Corporate Governance. The management teams of business units maintain risk registers which outlines the risk policies including the procedures of risk identification, risk tolerance and the evaluation and managing process.

The members of the RMC during the financial period ended 30 June 2019 are Datuk Robert Yong Kuen Loke (Chairman), Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim, Datuk Kee Mustafa, Mr. John V Pridjian and Dato' Ng Sooi Lin.

The RMC terms of reference include, inter alia:

- To ensure that the strategic context of risk management strategy is complete
- To determine the overall risk management processes
- To ensure that the short and long term risk management strategy, framework and methodology are implemented and consistently applied by all business units
- To ensure that risk management processes are integrated into all core business processes
- To establish risk reporting mechanism
- To establish business benefits
- To ensure alignment and coordination of assurance activity across the organisation
- To act as a steering committee for the group wide risk management programme

The key aspects of the risk management process are as follows:

- The business units are required to identify the risks relevant to their businesses.
- The risks are then assessed based on the probability of their occurrence and are evaluated as Low, Medium or High. The level of residual risk is determined after evaluating the effectiveness of controls and mitigating measures.
- The business units develop control procedures or action plans to either prevent the occurrence or reduce the impact upon its occurrence.
- The business units are required to update their risk profiles and review their processes in monitoring the risks periodically.
- On a quarterly basis, the business units are required to prepare a report summarising the significant risks and status of action plan. Selected reports will be submitted to the RMC for review and deliberation.

For the financial period ended 30 June 2019, the Risk Management Committee held five meetings where it reviewed risk management reports of various unlisted operating subsidiary companies (i.e. Berjaya Golf Resort Berhad - Bukit Jalil Golf & Country Resort, Bukit Kiara Resort Berhad - Bukit Kiara Equestrian & Country Resort, Berjaya Hospitality Services Sdn Bhd - Berjaya Times Square Hotel, and Berjaya Vacation Club (UK) Ltd - Berjaya Eden Park London and The Castleton Hotel London), risk assessment for the proposed projects (i.e. Berjaya HT Eco Park and BDS Smart City, Yangon, Myanmar) and Berjaya Leisure Capital (Cayman) Limited's proposed participation in the rights issue of Informatics Education Ltd, and recommended certain measures to be adopted to mitigate their business risks.

REVIEW BY EXTERNAL AUDITORS

The external auditors have performed limited assurance procedures on the Statement on Risk Management and Internal Control ("SRMIC") pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the SRMIC included in the Annual Report issued by the Malaysian Institute of Accountants, for the financial period ended 30 June 2019, and reported to the Board that nothing has come to their attention that causes them to believe the SRMIC intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the SRMIC: Guidelines for Directors of Listed Issuers, nor is the SRMIC factually inaccurate. AAPG 3 does not require the auditors to consider whether the Directors' SRMIC covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The report from the external auditors was made solely to the Board in connection with their compliance with the Listing Requirements of Bursa Malaysia and for no other purposes or parties. The external auditors do not assume responsibility to any person other than the Board in respect of any aspect of this report.

CONCLUSION

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. The Board, in striving for continuous improvement will put in place appropriate action plans, when necessary, to further enhance the Group's system of internal control.

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 COMMITTEE REPORT

The Board of Directors of Berjaya Land Berhad ("BLand") is pleased to present the report of the Audit Committee for the financial period ended 30 June 2019 ("FPE 2019").

AUDIT COMMITTEE MEMBERS AND MEETING ATTENDANCES

The members of the Audit Committee comprises the following:-

Datuk Robert Yong Kuen Loke
- *Chairman/Independent/Non-Executive Director*

Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim
- *Independent/Non-Executive Director*

Datuk Kee Mustafa
- *Independent/Non-Executive Director*

John V Pridjian
- *Independent/Non-Executive Director*

The Audit Committee held six (6) meetings during the FPE 2019. The details of attendance of the Audit Committee members are as follows:-

Name	Attendance
Datuk Robert Yong Kuen Loke	6/6
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	6/6
Datuk Kee Mustafa	6/6
John V Pridjian	6/6

The Audit Committee meetings were convened with proper notices and agenda and these were distributed to all members of the Audit Committee with sufficient notification. The minutes of each of the Audit Committee meetings were recorded and tabled for confirmation at the next Audit Committee meeting and tabled at the Board Meeting for the Directors' review and notation.

The Chief Executive Officer, the Executive Director who is also heading the Group Accounts and Budgets Division and the General Manager of Group Internal Audit were also invited to attend the Audit Committee meetings. The External Auditors were also invited to attend three (3) of these meetings. The Audit Committee also met with the External Auditors without the presence of executive Board members and the Management. In addition, the senior management of the relevant operations were also invited to provide clarification on the follow-up audit review and the adequacy on internal controls of the issues arising from the audit reports.

SUMMARY OF WORK OF THE AUDIT COMMITTEE

The duties and responsibilities of the Audit Committee are set out in its Terms of Reference, a copy of which is available on the Company's website at www.berjaya.com.

In discharging its duties and responsibilities, the Audit Committee had undertaken the following activities and work during the FPE 2019:-

AUDIT COMMITTEE REPORT

Financial Reporting

(a) Reviewed the quarterly financial statements including the draft announcements pertaining thereto and made recommendations to the Board for approval of the same as follows:-

Date of Meetings	Quarterly Financial Statements Reviewed
27 June 2018	Fourth quarter results as well as the unaudited results of the Group for the financial year ended 30 April 2018
25 September 2018	First quarter results for financial period ended 30 June 2019#
20 December 2018	Second quarter results for financial period ended 30 June 2019#
20 March 2019	Third quarter results for financial period ended 30 June 2019#
24 June 2019	Fourth quarter results for financial period ended 30 June 2019#

On 2 May 2019, the Company announced that the Board of Directors approved the change of the Company's financial year end from 30 April to 30 June to coincide with the new financial year end of its ultimate holding company, Berjaya Corporation Berhad. Therefore, the financial year end of the Company shall end on 30 June for each financial year going forward.

The above review is to ensure that BLand's quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and performance and are in compliance with the Malaysian Financial Reporting Standard 134 - Interim Financial Reporting Standards in Malaysia and International Accounting Standard 34 - Interim Financial Reporting as well as the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

(b) Reviewed the audited financial statements of the Company and the Group for the financial year ended 30 April 2018 together with the Management and the External Auditors at its meeting held on 13 August 2018 to ensure that it presented a true and fair view of the Company's financial position and performance for the year and is in compliance with all disclosure and regulatory requirements before recommending the audited financial statements to the Board for approval.

External Audit

(a) Evaluated the performance of the External Auditors for the financial year ended 30 April 2018 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit fees of the External Auditors. The Audit Committee, having been satisfied with the independence, suitability and performance of Messrs Ernst & Young ("EY"), had recommended to the Board for approval of the re-appointment of EY as External Auditors for the ensuing FPE 2019 at its meeting held on 13 August 2018.

(b) Discussed and considered the significant accounting adjustments and auditing issues arising from the interim audit as well as the final audit with the External Auditors. The Audit Committee also had private discussions with EY on 20 June 2018 and 13 August 2018, without the presence of Management during the review of the audited financial statements for the year ended 30 April 2018 to discuss any problems/issues arising from the final audit and the assistance given by the employees during the course of audit by EY.

(c) Reviewed with the External Auditors at the meeting held on 20 March 2019, their audit plan in respect of the FPE 2019, outlining the audit scope, methodology and timetable, audit materiality, areas of focus, fraud consideration and the risk of management override and also the new and revised auditors' reporting standards.

Internal Audit

(a) Reviewed fifteen (15) Internal Audit reports on the various non-listed operating subsidiaries of the Group during the financial period under review. Areas covered by the Internal Audit included the following :-

- Management and internal controls
- Finance and cash handling management
- Human Resource related matters
- Project Management
- Club Memberships
- Sales, Marketing and Tenancy Management
- Information Technology
- Building Maintenance and Safety & Security Controls Management
- Refurbishment/Renovation Exercise
- Purchasing, Inventories & Maintenance
- Administrative control issue

The Audit Committee then deliberated the findings and recommendations made including the Management's responses thereto. The Internal Audit monitored the implementation of management's action plan on outstanding issues through follow up reports to ensure that all key risks and control weaknesses were being properly addressed.

(b) Reviewed and approved the Internal Audit Plan for financial year ending 30 June 2020 to ensure that the scope and coverage of the internal audit on the operations of the BLand Group is adequate and comprehensive and that all the risk areas are audited annually.

Recurrent Related Party Transactions

(a) Reviewed the Circular to Shareholders in connection with the Recurrent Related Party Transactions that arose within the Group to ensure that the transactions are fair and reasonable to, and are not to the detriment of, the minority shareholders.

The framework set up for identifying and monitoring the Recurrent Related Party Transactions includes inter-alia, the following:-

(i) The transaction prices are based on prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;

(ii) The Related Parties and interested Directors will be notified of the method and/or procedures of the Group;

(iii) Records of Recurrent Related Party Transactions will be retained and compiled by the Group Accountant for submission to the Audit Committee for review;

(iv) The Audit Committee is to provide a statement that it has reviewed the terms of the Recurrent Related Party Transactions to ensure that such transactions are undertaken based on terms not more favourable to the Related Parties than those generally available to the public, are not detrimental to the minority shareholders and are in the best interest of the Group;

(v) The Audit Committee also reviewed the procedures and processes with regards to the Recurrent Related Party Transactions on a half yearly basis to ensure that the transactions are within the approved mandate;

(vi) Directors who have any interest in any Recurrent Related Party Transaction shall abstain from Board deliberations and voting and will ensure that they and any Person Connected with them will also abstain from voting on the resolution at the extraordinary general meeting or annual general meeting to be convened for the purpose; and

(vii) Disclosures will be made in the annual report on the breakdown of the aggregate value of the Recurrent Related Party Transactions during the financial period, amongst others, based on the following information:-

- the type of the Recurrent Related Party Transactions made; and

- the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationships with the Group.

Related Party Transactions

(a) The Audit Committee also reviewed transactions with related parties and/or interested persons to ensure that such transactions are undertaken on an arm's length basis, on normal commercial terms consistent with the Company's business practices and policies, not prejudicial to the interests of the Company and its minority shareholders and on terms which are generally no more favourable to the related parties and/or interested persons (pursuant to Chapter 10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad).

During the FPE 2019, the Audit Committee had reviewed among others, the following related party transactions, prior to their recommendations to the Board for approval and to make the relevant announcements thereof:-

(i) Proposed acquisition of such number of ordinary shares in Berjaya Sports Toto Berhad ("BToto") via direct business transactions based on the then prevailing market prices for a total cash consideration of up to RM20.0 million, which had resulted in an increase of BLand Group equity interest in BToto from 40.23% to 40.83%.

(ii) Proposed acquisition of up to 5.0 million ordinary shares representing about 1.39% equity interest in Berjaya Food Berhad ("BFood") in the open market and/or via direct business transactions based on the then prevailing market prices, which had resulted in an increase of BLand Group equity interest in BFood from 1.59% to 2.99%.

(iii) Proposed acquisition of up to 5.0 million ordinary shares representing about 0.44% equity interest in 7-Eleven Malaysia Holdings Berhad ("SEM") in the open market and/or via direct business transactions based on the then prevailing market prices, which had resulted in an increase of BLand Group equity interest in SEM from 2.92% to 3.37%.

(iv) Proposed subscription of 5.0 million new preference shares in Cosway (M) Sdn Bhd ("CMSB") by Cempaka Properties Sdn Bhd ("CPSB"), a wholly-owned subsidiary of the Company, for a total cash subscription price of RM5.00 million or at a nominal sum of RM1.00 per preference share, to enable the BLand Group to subscribe for fixed income/ dividend securities which are redeemable.

(v) Proposed subscription of additional 5.0 million new preference shares in CMSB by CPSB for an aggregate subscription price of RM5.00 million or at the subscription price of RM1.00 per preference share.

Other Activities

(a) Reviewed and recommended to the Board for approval, the Audit Committee Report, Corporate Governance Report, Corporate Governance Overview Statement, Directors' Responsibility Statement in respect of the Audited Financial Statements and Statement on Risk Management and Internal Control for inclusion in the 2018 Annual Report.

(b) Reviewed and discussed with the External Auditors on updates in relation to new changes in accounting standards and regulatory requirements and considered the implications to the financial statements presentation and disclosure arising from the adoption of the new Malaysian Financial Reporting Standards.

(c) Reviewed and assessed the financial literacy of Audit Committee members for the financial year ended 30 April 2018.

(d) Notation of the circular received by the Company from Securities Commission on the importance of timely implementation of the MFRS 16 Leases.

AUDIT COMMITTEE REPORT

SUMMARY OF THE WORK OF THE INTERNAL AUDIT FUNCTION

The Internal Audit Function of Berjaya Land Berhad is outsourced to the Group Internal Audit Division of the ultimate holding company, Berjaya Corporation Berhad, whose primary function is to assist the Audit Committee in discharging its duties and responsibilities. Their role is to undertake independent regular and systematic reviews of the systems of internal controls and procedures of operating units within the Group so as to provide reasonable assurance that such systems continue to operate satisfactorily, effectively and in compliance to the Group's established policies and procedures.

The Internal Audit's activities are guided by the Group's Internal Audit Charter and the Internal Audit Division adopts a risk-based approach focusing on high risk areas. All high risk activities in each auditable area are audited annually.

The activities undertaken by the Internal Audit Division during the FPE 30 June 2019 included the following:

1. Reviewed and endorsed the Internal Audit Plan by Audit Committee.
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 Audit Committee and the respective operations management.
6. Reviewed the internal audit reports by Audit Committee.
7. Followed up review to ensure that the agreed internal audit recommendations are effectively implemented.

For the financial period under review, the Internal Audit Division conducted audit assignments on various operating units of the Group involved in hotels, resorts and golf club operations, vacation timeshare, security guard services, property development, investment and management.

The cost incurred for the Internal Audit function of the Group in respect of the FPE 2019 amounted to RM1,497,647.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The Terms of Reference of the Audit Committee which laid down its duties is accessible via the Company's website at www.berjaya.com.

STATEMENT OF DIRECTORS' RESPONSIBILITY
IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 to prepare financial statements which give a true and fair view of the state of affairs of the Group and of the Company at the end of each financial period/year and of their results and cash flows for the financial period/year then ended.

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable;
- ensured that applicable accounting standards have been complied with; and
- applied the going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep proper accounting records, which disclose with reasonable accuracy on the financial position of the Group and of the Company, and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016.

The Directors are responsible for taking reasonable steps to safeguard the assets of the Group and of the Company and to prevent and detect other irregularities.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial period ended 30 June 2019.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiary companies consist of:
(i) Toto betting operation under Section 5 of the Pool Betting Act, 1967;
(ii) property development and investment;
(iii) development and operation of hotels and resorts, vacation time share and operating of a casino;
(iv) leasing of online lottery equipment and provision of software support;
(v) development, manufacturing and distribution of computerised wagering and voting systems;
(vi) motor retailing, repair and maintenance and provision of aftersales and insurance services; and
(vii) investment holding.

CHANGE OF FINANCIAL YEAR END

During the current financial period, the Company changed its financial year end from 30 April 2019 to 30 June 2019 to be coterminous with that of its ultimate holding company, Berjaya Corporation Berhad. The financial statements of the Group and of the Company are prepared for the financial period of fourteen (14) months from 1 May 2018 to 30 June 2019. As a result, the comparative statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows and the related notes to the financial statements, which were prepared for a twelve (12) month financial period ended 30 April 2018, are not comparable.

RESULTS

	GROUP RM'000	COMPANY RM'000
Profit/(Loss) for the financial period	352,472	(97,852)
Profit/(Loss) attributable to:		
Owners of the Parent	154,083	(97,852)
Non-controlling interests	198,389	-
	352,472	(97,852)

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

In the opinion of the Directors, the results of the Group and of the Company during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in Notes 30 and 31 to the financial statements.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The Board does not recommend the payment of any dividend for the current financial period ended 30 June 2019.

DIRECTORS

The names of the Directors of the Company in office during the financial period and during the period from the end of the financial period to the date of this report are:

Tan Sri Datuk Seri Razman Md Hashim bin Che Din Md Hashim	
Syed Ali Shahul Hameed	(Appointed on 20 March 2019)
Tan Thiam Chai	
Nerine Tan Sheik Ping	
Chryseis Tan Sheik Ling	
Datuk Robert Yong Kuen Loke	
Datuk Kee Mustafa	
Dato' Ng Sooi Lin	
John V Pridjian	
Datuk Pee Kang Seng @ Lim Kang Seng	(Resigned on 8 August 2019)

The names of directors of subsidiary companies are set out in the respective subsidiary companies' statutory accounts and the said information is deemed incorporated herein by such reference and made a part hereof.

DIRECTORS' BENEFITS

Neither at the end of the financial period, nor at any time during that period, 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, other than the Employees' Share Scheme granted by a related corporation as disclosed under Directors' Interests.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as disclosed in Note 34 to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except as disclosed in Note 41 to the financial statements.

The Company maintained a Directors' and Officers' Liability Insurance in respect of any legal action taken against the directors and officers in the discharge of their duties while holding office for the Company and for the Group. The total amount of insurance premium effected for any director and officer of the Company and of the Group for the financial period was RM95,268. The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

DIRECTORS' INTERESTS

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

THE COMPANY

	Number of Ordinary Shares			
Berjaya Land Berhad	**At 1.5.2018**	**Bought**	**Sold**	**At 30.6.2019**
Tan Thiam Chai	40,000	-	-	40,000
Nerine Tan Sheik Ping	2,000,000	-	-	2,000,000
Chryseis Tan Sheik Ling	5,000,000	-	-	5,000,000
Datuk Robert Yong Kuen Loke	360,808	-	-	360,808
Dato' Ng Sooi Lin	224,000	-	-	224,000

ULTIMATE HOLDING COMPANY

	Number of Ordinary Shares			
Berjaya Corporation Berhad	**At 1.5.2018**	**Bought**	**Sold**	**At 30.6.2019**
Tan Thiam Chai	126,992	-	-	126,992
	107,288 ^	-	-	107,288 ^
Chryseis Tan Sheik Ling	202,910	-	-	202,910
Datuk Robert Yong Kuen Loke	1,051,545	-	-	1,051,545
Dato' Ng Sooi Lin	136,681	2,060	-	138,741

	Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value			
	At 1.5.2018	**Bought**	**Sold**	**At 30.6.2019**
Tan Thiam Chai	20,600	-	-	20,600
	17,400 ^	-	-	17,400 ^
Nerine Tan Sheik Ping	132,000	-	-	132,000
Chryseis Tan Sheik Ling	275,000	-	-	275,000
Datuk Robert Yong Kuen Loke	2,516,508	-	-	2,516,508
Dato' Ng Sooi Lin	16,666	-	-	16,666

	Number of 2% Irredeemable Convertible Unsecured Loan Stocks 2016/2026 of RM1.00 nominal value			
	At 1.5.2018	**Bought**	**Sold**	**At 30.6.2019**
Tan Thiam Chai	1,000	-	-	1,000
Dato' Ng Sooi Lin	1,000	-	-	1,000

	Number of Warrants 2012/2022			
	At 1.5.2018	**Bought**	**Sold**	**At 30.6.2019**
Tan Thiam Chai	20,600	-	-	20,600
	17,400 ^	-	-	17,400 ^
Datuk Robert Yong Kuen Loke	170,108	-	-	170,108
Dato' Ng Sooi Lin	16,666	-	-	16,666

DIRECTORS' INTERESTS (CONT'D)

ULTIMATE HOLDING COMPANY (CONT'D)

Berjaya Corporation Berhad (Cont'd)

	Number of Warrants 2016/2026			
	At 1.5.2018	**Bought**	**Sold**	**At 30.6.2019**
Tan Thiam Chai	1,000	-	-	1,000
Dato' Ng Sooi Lin	1,000	-	-	1,000

RELATED COMPANIES

	Number of Ordinary Shares			
Berjaya Sports Toto Berhad	**At 1.5.2018**	**Bought**	**Sold**	**At 30.6.2019**
Tan Thiam Chai	172,284	-	-	172,284
	133,165 ^	-	-	133,165 ^
Datuk Robert Yong Kuen Loke	123,667	-	-	123,667

	Number of Ordinary Shares			
Berjaya Food Berhad	**At 1.5.2018**	**Bought**	**Sold**	**At 30.6.2019**
Tan Thiam Chai	457,800	16,000	-	473,800

	Number of Ordinary Shares under Employees' Share Scheme ("ESS")			
	At 1.5.2018	**Granted**	**Vested**	**At 30.6.2019**
ESS Options				
Tan Thiam Chai	320,000	-	-	320,000
	At 1.5.2018	**Granted**	**Exercised**	**At 30.6.2019**
ESS Shares				
Tan Thiam Chai	68,000	-	16,000	52,000

Note

^ Indirect interests pursuant to Section 59(11)(c) of the Companies Act 2016.

Other than as disclosed above, none of the other Directors in office at the end of the financial period had any interest in shares, warrants, options and debentures in the Company or its related corporations during the financial period.

SHARE CAPITAL AND TREASURY SHARES

During the financial period, the Company did not purchase or sell any treasury shares. The number of treasury shares brought forward and held as at 30 June 2019 was as follows:

	Average price per share (RM)	Number of shares '000	Amount RM'000
Balance as at 30 June 2019/ 30 April 2018	1.89	10,943	20,699

As at 30 June 2019, the number of ordinary shares in issue and fully paid with voting rights was 4,989,394,000 ordinary shares (30 April 2018 : 4,989,394,000 ordinary shares).

SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

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

SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL PERIOD END

Significant events subsequent to the financial period end are disclosed in Note 48 to the financial statements.

OTHER STATUTORY INFORMATION

(a) Before the statements of financial position, statements of profit or loss and statements of 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 all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the amount of the provision for doubtful debts 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.

OTHER STATUTORY INFORMATION (CONT'D)

(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 period which secures the liabilities of any other person; or
- (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial period.

(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 period which will or may affect the ability of the Group or of the Company to meet their obligations as and 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 period 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 period in which this report is made.

AUDITORS

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

The remuneration of the auditors is disclosed in Note 33 to the financial statements.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young during the financial period and since the end of the financial period.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 18 October 2019.

SYED ALI SHAHUL HAMEED

DATUK ROBERT YONG KUEN LOKE

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, SYED ALI SHAHUL HAMEED and DATUK ROBERT YONG KUEN LOKE , being two of the Directors of BERJAYA LAND BERHAD, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 75 to 247 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2019 and of their financial performance and cash flows for the financial period then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 18 October 2019.

SYED ALI SHAHUL HAMEED

DATUK ROBERT YONG KUEN LOKE

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, TAN THIAM CHAI, being the Director primarily responsible for the financial management of BERJAYA LAND BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 75 to 247 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 18 October 2019.

TAN THIAM CHAI
MIA NO. 4719

Before me,

YM TENGKU FARIDDUDIN BIN TENGKU SULAIMAN (W533)
Commissioner for Oaths
Kuala Lumpur

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2019

		GROUP		
	Note	30.6.2019 RM'000	30.4.2018 RM'000 Restated	1.5.2017 RM'000 Restated
NON-CURRENT ASSETS				
Property, plant and equipment	3	1,571,650	1,584,508	1,709,547
Investment properties	4	728,766	760,737	740,057
Inventories -				
Land held for property development	5	861,321	781,438	962,501
Associated companies	7	522,351	533,094	593,567
Joint ventures	8	56,177	55,590	60,161
Investments	9	174,155	106,399	110,020
Intangible assets	10	3,592,282	4,071,572	4,020,046
Receivables	12	1,358,185	1,545,332	1,300,381
Deferred tax assets	24	70,963	77,443	85,963
		8,935,850	9,516,113	9,582,243
CURRENT ASSETS				
Inventories - Property development costs	5	202,270	200,728	244,916
Inventories - Others	5	618,021	554,481	494,513
Contract cost assets	11	97,951	109,518	102,670
Receivables	12	1,138,375	1,411,525	1,871,431
Contract assets	13	58,398	17,180	48,127
Tax recoverable		13,734	15,675	32,029
Short term investments	14	9,691	9,206	9,006
Deposits	15	432,917	431,549	425,993
Cash and bank balances	16	327,861	436,620	318,625
		2,899,218	3,186,482	3,547,310
Assets of disposal group/Non-current assets classified as held for sale	17	230,084	222,880	42,916
		3,129,302	3,409,362	3,590,226
TOTAL ASSETS		12,065,152	12,925,475	13,172,469

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	30.6.2019 RM'000	GROUP 30.4.2018 RM'000 Restated	1.5.2017 RM'000 Restated
EQUITY				
Share capital	18	2,500,168	2,500,168	2,500,168
Reserves	19	1,697,945	1,660,858	1,879,609
Equity funds		4,198,113	4,161,026	4,379,777
Treasury shares	20	(20,699)	(20,699)	(20,699)
Net equity funds		4,177,414	4,140,327	4,359,078
Non-controlling interests		2,080,907	2,279,015	2,345,053
Total Equity		6,258,321	6,419,342	6,704,131
NON-CURRENT LIABILITIES				
Long term borrowings	21	1,742,770	1,888,367	1,782,336
Contract liabilities	13	239,895	264,419	286,410
Long term liabilities	22	29,799	47,241	40,505
Retirement benefit obligations	23	5,124	5,460	10,034
Deferred tax liabilities	24	959,611	1,069,925	1,058,592
		2,977,199	3,275,412	3,177,877
CURRENT LIABILITIES				
Payables	25	1,248,257	1,419,076	1,148,382
Short term borrowings	26	1,238,626	1,531,096	1,931,997
Contract liabilities	13	309,705	243,302	193,178
Retirement benefit obligations	23	251	153	126
Provisions	27	1,771	2,683	2,337
Tax payable		18,929	31,452	11,666
		2,817,539	3,227,762	3,287,686
Liabilities directly associated to disposal group classified as held for sale	17	12,093	2,959	2,775
		2,829,632	3,230,721	3,290,461
Total Liabilities		5,806,831	6,506,133	6,468,338
TOTAL EQUITY AND LIABILITIES		12,065,152	12,925,475	13,172,469

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	30.6.2019 RM'000	COMPANY 30.4.2018 RM'000	1.5.2017 RM'000
NON-CURRENT ASSETS				
Property, plant and equipment	3	2,132	1,452	1,743
Subsidiary companies	6	3,030,156	2,643,695	2,645,550
Associated companies	7	40,591	40,591	40,591
Investments	9	17,487	15,708	23,671
Receivables	12	676,400	1,111,983	1,017,819
		3,766,766	3,813,429	3,729,374
CURRENT ASSETS				
Receivables	12	1,207,918	1,539,411	1,830,941
Tax recoverable		549	-	1,609
Deposits	15	62,062	33,893	27,402
Cash and bank balances	16	11,654	3,076	5,206
		1,282,183	1,576,380	1,865,158
TOTAL ASSETS		5,048,949	5,389,809	5,594,532
EQUITY				
Share capital	18	2,500,168	2,500,168	2,500,168
Reserves	19	504,834	602,745	742,067
Equity funds		3,005,002	3,102,913	3,242,235
Treasury shares	20	(20,699)	(20,699)	(20,699)
Net equity funds		2,984,303	3,082,214	3,221,536
NON-CURRENT LIABILITIES				
Long term borrowings	21	501,294	749,495	596,232
Long term liabilities	22	285,076	297,018	-
		786,370	1,046,513	596,232
CURRENT LIABILITIES				
Payables	25	695,244	678,079	1,024,082
Short term borrowings	26	583,032	578,374	752,682
Tax payable		-	4,629	-
		1,278,276	1,261,082	1,776,764
Total Liabilities		2,064,646	2,307,595	2,372,996
TOTAL EQUITY AND LIABILITIES		5,048,949	5,389,809	5,594,532

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

STATEMENTS OF PROFIT OR LOSS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

		GROUP		COMPANY	
	Note	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000 Restated	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Revenue	28	7,307,221	6,390,405	31,901	54,316
Cost of sales		(5,560,743)	(4,758,099)	-	-
Gross profit		1,746,478	1,632,306	31,901	54,316
Other income	29	152,560	100,560	308	1,434
Administrative expenses		(951,109)	(920,164)	(40,001)	(58,501)
Selling and marketing expenses		(388,167)	(312,038)	-	-
		559,762	500,664	(7,792)	(2,751)
Investment related income	30	286,142	96,721	79,253	48,129
Investment related expenses	31	(64,170)	(298,872)	(33,138)	(50,964)
Finance costs	32	(205,366)	(200,668)	(131,358)	(121,317)
Share of results of associated companies		(27,327)	2,658	-	-
Share of results of joint ventures		(2,644)	(522)	-	-
Profit/(Loss) before tax	33	546,397	99,981	(93,035)	(126,903)
Taxation	36	(193,925)	(193,211)	(4,817)	(11,257)
Profit/(Loss) for the financial period/year		352,472	(93,230)	(97,852)	(138,160)
Attributable to:					
Owners of the Parent		154,083	(167,466)	(97,852)	(138,160)
Non-controlling interests		198,389	74,236	-	-
		352,472	(93,230)	(97,852)	(138,160)
Earnings/(Loss) per share attributable to owners of the Parent (sen)	37				
Basic		3.09	(3.36)		

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

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	GROUP		COMPANY	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000 Restated	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Profit/(Loss) for the financial period/year	352,472	(93,230)	(97,852)	(138,160)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Net change on available-for-sale ("AFS") financial assets:				
- Loss on fair value changes	-	(13,756)	-	(183)
- Transfer to profit or loss upon disposal	-	3,161	-	(979)
- Transfer to profit or loss upon impairment	-	19,260	-	-
Share of associated companies' changes in fair values of AFS investments	-	(2,627)	-	-
Currency translation differences:				
- Movement during the financial period/year	38,902	(176,111)	-	-
- Transfer to profit or loss upon disposal of interests in subsidiary companies	(1,549)	31,710	-	-
Items that will not be reclassified subsequently to profit or loss				
Change in fair value reserve of equity investments classified as fair value through other comprehensive income ("FVTOCI")	(5,867)	-	(59)	-
Share of associated companies' changes in fair values of FVTOCI investments	(2,194)	-	-	-
Change in fair value reserve:				
- (Impairment)/Reversal of impairment of gaming rights	(433,926)	95,080	-	-
- Reversal/(Recognition) of deferred tax liabilities on impairment/reversal of impairment of gaming rights	100,177	(22,819)	-	-
Fair value gain of land and building prior to transfer to investment properties	-	2,952	-	-
Balance carried forward	48,015	(156,380)	(97,911)	(139,322)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	GROUP		COMPANY	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Balance brought forward	48,015	(156,380)	(97,911)	(139,322)
Items that will not be reclassified subsequently to profit or loss (Cont'd)				
Actuarial (loss)/gain recognised in defined benefit pension schemes	(710)	3,534	-	-
Tax effect relating to fair value gain of land and building	-	(502)	-	-
Tax effect relating to defined benefit pension schemes	154	(759)	-	-
Share of associated companies' other comprehensive income	3	2	-	-
Total comprehensive income for the financial period/year	47,462	(154,105)	(97,911)	(139,322)
Attributable to:				
Owners of the Parent	46,152	(218,628)	(97,911)	(139,322)
Non-controlling interests	1,310	64,523	-	-
	47,462	(154,105)	(97,911)	(139,322)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	<---- Attributable to owners of the Parent ---->												
		<---- Non-distributable ---->							Distributable				
GROUP	Share capital RM'000	Foreign currency translation reserve RM'000	Available-for-sale reserve RM'000	Fair value through other com--prehensive income reserve RM'000	Fair value reserve RM'000	Fair value reserve of disposal group classified as held for sale RM'000	Consolidation reserve RM'000	Capital reserve RM'000	Retained earnings RM'000	Treasury shares RM'000	Net equity funds RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 May 2018													
- as previously reported	2,500,168	152,707	4,450	-	1,199,412	-	81,719	116,528	246,328	(20,699)	4,280,613	2,270,645	6,551,258
- effects of adopting MFRS 15	-	-	-	-	-	-	-	-	(140,286)	-	(140,286)	8,370	(131,916)
	2,500,168	152,707	4,450	-	1,199,412	-	81,719	116,528	106,042	(20,699)	4,140,327	2,279,015	6,419,342
- effects of adopting MFRS 9	-	-	(4,450)	(41,068)	-	-	-	-	45,518	-	-	-	-
- as restated	2,500,168	152,707	-	(41,068)	1,199,412	-	81,719	116,528	151,560	(20,699)	4,140,327	2,279,015	6,419,342
Profit for the financial period	-	-	-	-	-	-	-	-	154,083	-	154,083	198,389	352,472
Other comprehensive income	-	28,394	-	(4,420)	(131,892)	-	-	-	(13)	-	(107,931)	(197,079)	(305,010)
Total comprehensive income	-	28,394	-	(4,420)	(131,892)	-	-	-	154,070	-	46,152	1,310	47,462
Effects of amortisation of gaming rights	-	-	-	-	(11,703)	-	-	-	11,703	-	-	-	-
Effects arising from the disposal of FVTOCI investments	-	-	-	494	-	-	-	-	(494)	-	-	-	-
Transfer to disposal group classified as held for sale	-	-	-	-	(877)	877	-	-	-	-	-	-	-
Transactions with owners:													
Non-controlling interests effects arising from:													
- an increase of equity interest in a subsidiary company	-	-	-	-	-	-	(1,655)	-	(7,410)	-	(9,065)	(33,328)	(42,393)
- capital contribution in a subsidiary company	-	-	-	-	-	-	-	-	-	-	-	19	19
- disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	-	(5,451)	(5,451)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(160,658)	(160,658)
	-	-	-	-	-	-	(1,655)	-	(7,410)	-	(9,065)	(199,418)	(208,483)
At 30 June 2019	2,500,168	181,101	-	(44,994)	1,054,940	877	80,064	116,528	309,429	(20,699)	4,177,414	2,080,907	6,258,321

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019 (CONT'D)

	<---------- Attributable to owners of the Parent										---------->
		<---------- Non-distributable				---------->	Distributable				
GROUP	**Share capital RM'000**	**Foreign currency translation reserve RM'000**	**Available-for-sale reserve RM'000**	**Fair value reserve RM'000**	**Consolidation reserve RM'000**	**Capital reserve RM'000**	**Retained earnings RM'000**	**Treasury shares RM'000**	**Net equity funds RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 May 2017											
- as previously reported	2,500,168	234,019	5,215	1,179,509	81,842	116,528	425,604	(20,699)	4,522,186	2,338,819	6,861,005
- effects of adopting MFRS 15	-	-	-	-	-	-	(163,108)	-	(163,108)	6,234	(156,874)
- as restated	2,500,168	234,019	5,215	1,179,509	81,842	116,528	262,496	(20,699)	4,359,078	2,345,053	6,704,131
(Loss)/Profit for the financial year	-	-	-	-	-	-	(167,466)	-	(167,466)	74,236	(93,230)
Other comprehensive income	-	(81,312)	(765)	29,935	-	-	980	-	(51,162)	(9,713)	(60,875)
Total comprehensive income	-	(81,312)	(765)	29,935	-	-	(166,486)	-	(218,628)	64,523	(154,105)
Effects of amortisation of gaming rights	-	-	-	(10,032)	-	-	10,032	-	-	-	-
Transactions with owners:											
Non-controlling interests arising from increase of equity interest in a subsidiary company	-	-	-	-	(123)	-	-	-	(123)	(9,537)	(9,660)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(121,024)	(121,024)
	-	-	-	-	(123)	-	-	-	(123)	(130,561)	(130,684)
At 30 April 2018	2,500,168	152,707	4,450	1,199,412	81,719	116,528	106,042	(20,699)	4,140,327	2,279,015	6,419,342

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

COMPANY	Share capital RM'000	<----- Non-distributable -----> Available-for-sale reserve RM'000	Fair value through other com--prehensive income reserve RM'000	Distributable Retained earnings RM'000	Treasury shares RM'000	Total equity RM'000
At 1 May 2018:						
- as previously reported	2,500,168	712	-	602,033	(20,699)	3,082,214
- effects of adopting MFRS 9	-	(712)	(7,217)	7,929	-	-
- as restated	2,500,168	-	(7,217)	609,962	(20,699)	3,082,214
Loss for the financial period	-	-	-	(97,852)	-	(97,852)
Other comprehensive income	-	-	(59)	-	-	(59)
	-	-	(59)	(97,852)	-	(97,911)
At 30 June 2019	2,500,168	-	(7,276)	512,110	(20,699)	2,984,303
At 1 May 2017	2,500,168	1,874	-	740,193	(20,699)	3,221,536
Loss for the financial year	-	-	-	(138,160)	-	(138,160)
Other comprehensive income	-	(1,162)	-	-	-	(1,162)
	-	(1,162)	-	(138,160)	-	(139,322)
At 30 April 2018	2,500,168	712	-	602,033	(20,699)	3,082,214

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	GROUP	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers/operating revenue	7,654,377	6,882,107
Payment to prize winners, suppliers and other operating expenses	(6,327,869)	(5,509,796)
Payment for pool betting duties, gaming tax, goods and services tax and other government contributions	(702,671)	(634,292)
Payment of development expenditure	(118,647)	(134,104)
Payment of taxes	(209,305)	(154,098)
Refund of taxes	3,179	542
Other receipts	10,691	7,943
Net cash generated from operating activities	309,755	458,302
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property, plant and equipment and other non-current assets	12,790	4,366
Sale of investments	2,883	31,730
Sale of partial equity interest in an associated company	-	58,891
Sale of short term investments	399	1,150
Sale of equity interest in a joint venture	192,374	-
Acquisition of property, plant and equipment (Note a)	(108,892)	(65,793)
Acquisition of properties and other non-current/current assets	(17,007)	(25,396)
Acquisition of treasury shares by subsidiary companies	-	(2,259)
Acquisition of additional equity interest in subsidiary companies	(55,591)	(7,401)
Net cash inflow/(outflow) from disposal of a subsidiary company (Note b)	6,848	(768)
Net cash outflow from the acquisition of a subsidiary company (Note c)	(3,810)	-
Net cash outflow from deemed disposal of subsidiary companies (Note d)	-	(410)
Acquisition of equity interest in associated companies	(11,729)	(22,492)
Advance for subscription/subscription of shares in a joint venture	(1,816)	(5,461)
Acquisition of investments	(66,588)	(59,836)
Acquisition of computer software classified as intangible assets	(321)	(1,272)
Interest received	43,569	29,943
Dividends received	10,645	7,023
Net (repayment to)/advances from related companies	(54,533)	1,387
Net repayment from joint ventures	354,706	13,455
Net withdrawals with fund managers	86,642	26,060
Deposits (refunded)/received for the proposed disposals of foreign ventures	(156,191)	225,510
Other receipts arising from investments	156,586	26,614
Net cash generated from investing activities	390,964	235,041

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	GROUP	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contribution from non-controlling interest in a subsidiary company	19	-
Issuance of medium term notes	678,866	505,000
Drawdown of bank borrowings and other loans	403,746	563,893
Repayment of bank borrowings and other loans	(733,615)	(798,811)
Redemption of medium term notes	(780,000)	(530,000)
Interest paid	(209,029)	(187,824)
Payment of hire purchase/lease liabilities	(9,075)	(8,240)
Dividends paid to non-controlling interests	(156,995)	(88,776)
(Placements with)/withdrawals of securities pledged for borrowings from banks	(10,140)	12,595
Net cash used in financing activities	(816,223)	(532,163)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(115,504)	161,180
EFFECTS OF EXCHANGE RATE CHANGES	8,698	(27,484)
OPENING CASH AND CASH EQUIVALENTS	787,540	653,844
CLOSING CASH AND CASH EQUIVALENTS (Note e)	680,734	787,540

(a) The additions in property, plant and equipment were acquired by way of:

	GROUP	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Cash	108,892	65,793
Hire purchase and leasing	2,007	2,310
	110,899	68,103

(b) The analysis of the effects of the disposal of a subsidiary company on cash flows is disclosed in Note 6.

(c) The analysis of the effects of the acquisition of a subsidiary company on cash flows in the current financial period is disclosed in Note 6.

(d) The analysis of the effects of the deemed disposals of subsidiary companies which were retained as an associated company and an investment respectively on cash flows in the previous financial year were disclosed in Note 6.

(e) The closing cash and cash equivalents comprise the following:

	GROUP	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Deposits (Note 15)	432,917	431,549
Cash and bank balances	327,861	436,620
Bank overdrafts (Note 26)	(9,333)	(10,147)
	751,445	858,022
Less: Cash and cash equivalents restricted in usage		
- Deposits (Note 15)	(79,100)	(64,373)
- Cash and bank balances (Note 16)	(1,566)	(6,153)
	670,779	787,496
Including: Cash and cash equivalents of disposal group classified as held for sale (Note 17)	9,955	44
	680,734	787,540

(f) Reconciliation of liabilities arising from financing activities:

	Medium term notes RM'000	Term loans and other loans RM'000	Hire purchase liabilities RM'000	Total RM'000
At 1 May 2018	1,399,221	1,935,838	74,257	3,409,316
Drawdown of borrowings	678,866	403,746	-	1,082,612
Additional hire purchase liabilities	-	-	2,007	2,007
Repayment of borrowings	(780,000)	(733,615)	(9,075)	(1,522,690)
Charge out of deferred transaction costs	298	4,987	-	5,285
Exchange differences	-	(6,602)	2,135	(4,467)
At 30 June 2019	1,298,385	1,604,354	69,324	2,972,063
At 1 May 2017	1,423,700	2,192,275	90,542	3,706,517
Drawdown of borrowings	505,000	563,893	-	1,068,893
Additional hire purchase liabilities	-	-	2,310	2,310
Repayment of borrowings	(530,000)	(798,811)	(8,240)	(1,337,051)
Reduction upon disposal of a subsidiary company	-	(12,408)	(365)	(12,773)
Charge out of deferred transaction costs	521	4,698	-	5,219
Exchange differences	-	(13,809)	(9,990)	(23,799)
At 30 April 2018	1,399,221	1,935,838	74,257	3,409,316

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	COMPANY	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends received	36,687	50,703
Payment for operating expenses	(53,399)	(48,325)
Payment for taxes	(9,995)	(5,019)
Other receipts	1,817	1,175
Net cash used in operating activities	(24,890)	(1,466)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property, plant and equipment	79	-
Return on capital upon dissolution of an associated company	-	1
Disposal of other investments	-	14,883
Acquisition of property, plant and equipment (Note a)	(597)	(342)
Subscription of additional shares in subsidiary companies	(391,766)	-
Acquisition of investments	-	(8,916)
Interest received	11,375	2,026
Inter-company receipts	831,756	298,035
Inter-company advances	(220,235)	(259,350)
Other receipts arising from investments	171,545	61,335
Net cash generated from investing activities	402,157	107,672
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank borrowings and term loans	253,871	295,687
Issuance of medium term notes	125,000	225,000
Interest paid	(91,966)	(77,861)
Payment of hire purchase liabilities	(335)	(396)
Repayment of bank borrowings and other loans	(399,884)	(270,031)
Repayment of medium term notes	(225,000)	(275,000)
Placements of securities pledged for borrowings with banks	(19,967)	(4,330)
Net cash used in financing activities	(358,281)	(106,931)
NET CHANGE IN CASH AND CASH EQUIVALENTS	18,986	(725)
OPENING CASH AND CASH EQUIVALENTS	(1,782)	(1,057)
CLOSING CASH AND CASH EQUIVALENTS (Note b)	17,204	(1,782)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

(a) The additions in property, plant and equipment were acquired by way of:

	COMPANY	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Cash	597	342
Hire purchase	888	164
	1,485	506

(b) The closing cash and cash equivalents comprise the following:

	COMPANY	
	30.6.2019 RM'000	30.4.2018 RM'000
Deposits (Note 15)	62,062	33,893
Cash and bank balances	11,654	3,076
Bank overdrafts (Note 26)	-	(2,206)
	73,716	34,763
Less: Cash and cash equivalents restricted in usage		
- Deposits (Note 15)	(56,463)	(33,893)
- Cash and bank balances (Note 16)	(49)	(2,652)
	17,204	(1,782)

(c) Reconciliation of liabilities arising from financing activities:

	Medium term notes RM'000	Term loans and other loans RM'000	Hire purchase liabilities RM'000	Total RM'000
At 1 May 2018	599,221	725,844	598	1,325,663
Drawdown of borrowings	125,000	253,871	-	378,871
Additional hire purchase liabilities	-	-	888	888
Repayment of borrowings	(225,000)	(399,884)	(335)	(625,219)
Charge out of deferred transaction costs	298	3,825	-	4,123
At 30 June 2019	499,519	583,656	1,151	1,084,326
At 1 May 2017	648,700	697,934	830	1,347,464
Drawdown of borrowings	225,000	295,687	-	520,687
Additional hire purchase liabilities	-	-	164	164
Repayment of borrowings	(275,000)	(270,031)	(396)	(545,427)
Charge out of deferred transaction costs	521	3,400	-	3,921
Exchange differences	-	(1,146)	-	(1,146)
At 30 April 2018	599,221	725,844	598	1,325,663

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

CORPORATE INFORMATION

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

(i) Toto betting operation under Section 5 of the Pool Betting Act, 1967;
(ii) property development and investment;
(iii) development and operation of hotels and resorts, vacation time share and operating of a casino;
(iv) leasing of online lottery equipment and provision of software support;
(v) development, manufacturing and distribution of computerised wagering and voting systems;
(vi) motor retailing, repair and maintenance and provision of aftersales and insurance services; and
(vii) investment holding.

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 Securities"). 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 principal place of business of the Company is located at Level 12, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur.

During the current financial period, the Company changed its financial year end from 30 April 2019 to 30 June 2019 to be coterminous with that of its ultimate holding company, Berjaya Corporation Berhad. The financial statements of the Group and of the Company are prepared for the financial period of fourteen (14) months from 1 May 2018 to 30 June 2019. As a result, the comparative statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows and the related notes to the financial statements, which were prepared for a twelve (12) month financial period ended 30 April 2018, are not comparable.

The ultimate holding company is Berjaya Corporation Berhad ("BCorp") which is incorporated in Malaysia and is listed on the Main Market of Bursa Securities.

Related companies in these financial statements refer to member companies of the BCorp group of companies other than subsidiary companies of the Company.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 18 October 2019.

SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance to Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared on a historical cost basis unless otherwise indicated in the accounting policies below.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 BASIS OF PREPARATION (CONT'D)

The financial statements of the Group and of the Company for the financial period ended 30 June 2019 are the first set of financial statements prepared in accordance with the MFRS Framework as disclosed in Note 2.3. Subject to certain transition elections as disclosed in Note 2.3, the Group and the Company have consistently applied the same accounting policies in their opening MFRS statements of financial position as at 1 May 2017, being the transition date, and throughout all the financial years presented, as if these policies had always been in effect. The impact of the transition to MFRS Framework on the Group's and the Company's reported financial position and financial performance, are disclosed in Note 2.3.

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

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) 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 period/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, subsidiary companies are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until that date such control ceases.

The cost of acquisition of a subsidiary company depends on whether it is a business combination, in accordance to 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, 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 and the fair value of the Group’s previously held equity interest in the acquiree. For an acquisition that is a business combination, the acquisition-related costs are recognised in profit or loss as incurred.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(1) Basis of Consolidation (Cont'd)

If the business combination is achieved in stages, any previously held equity interests in the acquiree are re-measured to fair value at the acquisition date with any corresponding gain or loss recognised in profit or loss.

Any excess of the cost of business combination, as the case may be, over the net amount of the fair value of identifiable assets acquired and liabilities assumed is recognised as goodwill. For business combinations, provisions are made for the acquiree's contingent liabilities existing at the date of acquisition as the Group deems that it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations.

Any excess in the Group's interest in the net fair value of the identifiable assets acquired and liabilities assumed over the cost of business combination is recognised immediately in profit or loss.

The contingent consideration to be transferred by the acquirer will be recognised at fair value at the date of acquisition. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the date of acquisition) about the facts and circumstances that existed at the date of acquisition. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is re-measured at subsequent reporting dates in accordance with MFRS 9 or MFRS 137 as appropriate with the corresponding gain or loss being recognised in profit or loss.

Uniform accounting policies are adopted in the consolidated financial statements for similar transactions and other events in similar circumstances. In the preparation of the consolidated financial statements, the financial statements of all subsidiary companies are adjusted for the material effects of dissimilar accounting policies. Intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation, except for unrealised losses which are not eliminated when there are indications of impairment.

Profit or loss and each component of other comprehensive income are attributed to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Non-controlling interests represent the equity in subsidiary companies not attributable, direct or indirectly, to the Group which consist of the amount of those non-controlling interests at the date of original combination, and the non-controlling interests' share of changes in the equity since the date of the combination.

Non-controlling interests are presented separately in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent.

Equity instruments and equity components of hybrid financial instruments issued by subsidiary companies but held by the Group will be eliminated on consolidation. Any difference between the cost of investment and the value of the equity instruments or the equity components of hybrid financial instruments will be recognised immediately in equity upon elimination.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(1) Basis of Consolidation (Cont'd)

When there is share buyback by a subsidiary company, the accretion of the Group's interest is recognised as a deemed acquisition of additional equity interest in the subsidiary company. Any differences between the consideration of the share buyback over the Group's revised interest in the net fair value of the identifiable assets acquired and liabilities assumed is recognised directly in equity attributable to owners of the parent.

Changes in the Group's ownership interest in a subsidiary company that do not result in the Group losing control over the subsidiary company are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary companies. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to the owners of the parent.

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 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 profit or loss or where applicable, transferred directly to retained earnings. Any investment retained is recognised at fair value.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less impairment losses. The method of assessing impairment of the investments in subsidiary companies is as disclosed in Note 2.2(7).

(2) 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 unquoted associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting based on the latest audited financial statements and supplemented by management accounts of the associated companies and the joint ventures made up to the Group's financial period/year-end.

Investments in quoted associated companies which have the same financial period/year-end as the Group's financial period/year are accounted for in the consolidated financial statements using the equity method of accounting based on the latest audited financial statements announced in the respective stock exchanges.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(2) Associated Companies and Joint Ventures (Cont'd)

Investments in quoted associated companies which have a different financial year-end from the Group's financial period/year are accounted for in the consolidated financial statements using the equity method of accounting based on the latest audited financial statements and latest quarterly financial statements made up to a period-end of no more than one month difference with the Group's financial year-end, announced in the respective stock exchanges.

Uniform accounting policies are adopted for like transactions and events of similar circumstances upon applying equity method of accounting.

After application of the equity method, the Group determines whether it is necessary to recognise impairment loss on its investment in its associated companies. At each reporting date, the Group determines whether there is objective evidence that the investment in the associated companies is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associated company and its carrying value, then recognises the impairment in profit or loss.

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 which is included in the carrying amount of the investment and such goodwill 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 period/year, is included in the consolidated profit or loss from the date that significant influence effectively commences or until the date that significant influence effectively ceases, as appropriate.

Unrealised gains and losses on transactions between the Group and the associated companies or the joint ventures are eliminated to the extent of the Group's interest in the associated companies or the joint ventures.

When the Group's share of losses equals or exceeds its interest in an equity accounted associated company or joint venture, including any long term interest, that, in substance, form part of the Group’s net investment in the associated company or the joint venture, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has legal and constructive obligations or has made payment on behalf of the associated company or the joint venture.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(2) Associated Companies and Joint Ventures (Cont'd)

Upon loss of significant influence over the associated company, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associated company upon loss of significant influence and the fair value of the retained investment and proceeds from the disposals is recognised in profit or loss.

In the Company's separate financial statements, investments in associated companies and joint ventures are stated at cost less impairment losses. The method of assessing impairment of the investment in associated companies and joint ventures is as disclosed in Note 2.2(7).

(3) Property, Plant and Equipment and Depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced item is derecognised. All other repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

Subsequent to initial recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated but is reviewed at each reporting date to determine whether there is an indication of impairment. Capital work-in-progress are also not depreciated as these assets are not available for use. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Leasehold land	Ranging from 50 to 99 years
Buildings	1.25% - 3%
Plant and equipment	10% - 33%
Computer equipment	10% - 50%
Renovation	10% - 33%
Furniture and fittings	5% - 20%
Office equipment	10% - 67%
Motor vehicles	20% - 33%
Aircraft	Ranging from 15 to 20 years or based on flying hours
Golf course development expenditure	1% - 2%
Others	10% - 25%

Others comprise mainly linen, silverware, cutleries, kitchen utensils, gymnasium equipment, recreational livestocks and apparatus.

The residual value, useful life and depreciation method are reviewed at each financial period/year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(3) Property, Plant and Equipment and Depreciation (Cont'd)

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

(4) Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by independent professional valuers.

Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the financial period/year in which they arise.

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

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the financial period/year in which they arise.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in other comprehensive income. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of the investment property, any surplus previously recorded in other comprehensive income is transferred to retained earnings.

When an item of property inventory or property development is transferred to investment properties following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly to profit or loss.

(5) Inventories

(i) Property Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realisable value.

Cost includes the relevant cost of land and land use rights, development and construction costs and overheads, borrowing costs and other related costs. Net realisable value is the estimated selling price less all estimated costs to completion and the estimated costs necessary to make the sale.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(5) Inventories (Cont'd)

(i) Property Inventories (Cont'd)

a) Land Held for Property Development

Inventory properties where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle are referred to as land held for development and classified within non-current assets.

Generally no significant development work would have been undertaken on these lands other than infrastructure work, earth work and landscape work incurred to prepare the land for development and these inventory properties are stated at cost plus incidental expenditure incurred to put the land in a condition ready for development. These inventory properties are classified to current assets at the point when active development project activities have commenced and when it can be demonstrated that the development activities can be completed within the normal operating cycle.

b) Property Development Costs

Inventory properties under construction are referred to as property development costs and comprise the cost of land, direct building costs and a share of development costs common to the entire development project where applicable. Once sold, the cost of these inventories is recognised in profit or loss as and when control passes to the respective customers, either over time or at one point in time.

c) Completed Properties

Costs of units of development properties completed and held for sale comprise costs of acquisition of land, direct building costs and other related costs.

(ii) Vehicles for Demonstration

Vehicles used for demonstration purposes are valued at cost less appropriate charge for use. Vehicles on consignment are included in inventories when substantially all of the principal benefits and inherent risks rest with the Group. The corresponding consignment liability after deducting any deposits is classified as manufacturers' vehicle stocking loans.

(iii) Others

Other inventories are stated at the lower of cost and net realisable value. Cost, in the case of work-in-progress and finished goods, comprises raw materials, direct labour and an attributable proportion of production overheads. Cost is determined on the first-in first-out basis, by weighted average cost method, or by specific identification.

Net realisable value represents the estimated selling price less all estimated costs of completion and the estimated costs necessary to make the sale.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(6) Intangible Assets

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets acquired and liabilities assumed. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Gaming Rights

The costs of gaming rights ("Gaming Rights") acquired in a business combination are their fair values at the date of acquisition. Following the initial recognition, the Gaming Rights are carried at cost less any accumulated impairment losses. The Gaming Rights comprise:

- a licence for Toto betting operations in Malaysia under Section 5 of the Pool Betting Act, 1967 ("Licence") which is renewable annually;
- an equipment lease agreement, maintenance and repair services agreements of online lottery equipment with Philippine Charity Sweepstakes Office, Luzon Island, Philippines ("ELA"); and
- trademarks, trade dress, gaming design and processes and agency network.

The Licence has been renewed annually since 1985.

The Gaming Rights - Licence with indefinite useful life is not amortised but tested for impairment, annually or more frequently, when indications of impairment are identified. The useful life of Gaming Rights - Licence is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. The Gaming Rights - ELA has a finite useful life and is amortised on a straight-line basis over its useful life and tested for impairment when indications of impairment are identified.

(iii) Dealership Rights

The cost of dealership rights ("Dealerships") acquired in a business combination is at its fair value at the date of acquisition. Following the initial recognition, the Dealerships are carried at cost less any accumulated impairment losses. The Dealerships are assessed and recognised based on the dealership agreements signed with the selected luxury brand car manufacturers that satisfied the criteria to be separately identified as intangible assets and highly likely to contribute significant future economic benefits. The Dealerships, which are considered to have indefinite useful lives, are not amortised but tested for impairment, annually or more frequently, when indications of impairment are identified. The useful lives of Dealerships are reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on prospective basis.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(6) Intangible Assets (Cont'd)

(iv) Customer Relationships

The cost of customer relationships acquired in a business combination is at its fair value at the date of acquisition. Following the initial recognition, the customer relationships are carried at cost less accumulated amortisation and any accumulated impairment losses. The customer relationships with finite lives are amortised on a straight-line basis over their useful economic lives and assessed for impairment whenever there is an indication that the customer relationships may be impaired.

(v) Other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is based on their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at each reporting date.

(7) Impairment of Non-Financial Assets

The carrying amounts of the Group's non-financial assets, other than investment properties, inventories, deferred tax assets and non-current assets (or disposal group) held for sale are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, intangible assets that have indefinite useful lives and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date or more frequently when there are indications of impairment.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

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

An impairment loss is recognised in profit or loss in the period in which it arises, except for an asset which is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the asset revaluation reserve for the same asset.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(7) Impairment of Non-Financial Assets (Cont'd)

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for other asset other than goodwill is recognised in profit or loss, unless the assets is carried at revalued amount, in which case, such reversal in treated as a revaluation increase.

(8) Fair Value Measurement

The Group measures financial instruments, such as, investments and derivatives, and certain non-financial assets such as investment properties, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) in the principal market for the asset or liability, or
ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole as described in Note 43.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(9) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

<u>Initial Recognition And Measurement</u>

Financial assets are recognised when, and only when, the entity becomes party to the contractual provisions of the instruments.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The classification of financial assets at initial recognition depends on:
(a) the financial asset's contractual cash flow characteristics; and
(b) the Group's and the Company's business models for managing them.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

Classification of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model. Such changes are expected to be very infrequent.

With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or if the period between performance and payment is 1 year or less under practical expedient of MFRS 15, are measured at the transaction price determined under MFRS 15.

<u>Subsequent Measurement</u>

a) Amortised Cost

This category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the amortised cost of a financial asset is the amount at initial recognition minus principal repayments plus cumulative amortisation using the effective interest method and reduced by any impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(9) Financial Instruments (Cont'd)

(i) Financial Assets (Cont'd)

Subsequent Measurement (Cont'd)

b) Fair Value Through Other Comprehensive Income

Debt Instruments

This category comprises investments in debt instrument, which are held within a business model whose objective is collecting contractual cash flows and selling the debt investments, and its contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment losses or reversals are recognised in profit or loss. Fair value changes are recognised in other comprehensive income.

On derecognition of these financial assets, the fair value changes accumulated in other comprehensive income are recycled to profit or loss.

Equity Instruments

This category comprises investments in equity instrument that are not held for trading, and where the Group and the Company irrevocably elect to account for subsequent changes in the investments' fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividends clearly represent part recovery of the cost of investment. Other net gains and losses are recognised in other comprehensive income.

On derecognition of these financial assets, fair value changes and other net gains and losses accumulated in other comprehensive income are not recycled to profit or loss.

c) Fair Value Through Profit Or Loss

All financial assets not classified as amortised cost or fair value through other comprehensive income as described above are classified as fair value through profit or loss. This includes derivative financial assets (except for derivatives that are designated as effective hedging instruments). On initial recognition, the Group and the Company may irrevocably designate a financial asset that otherwise meets the requirements to be classified as financial asset at amortised cost or at fair value through other comprehensive income, as a financial asset at fair value through profit or loss, if doing so, eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss. Other net gains or losses, including any interest or dividend income, are also recognised in the profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(9) Financial Instruments (Cont'd)

(i) Financial Assets (Cont'd)

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment.

Impairment Of Financial Assets

The Group and the Company recognise loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets and lease receivables.

ECLs are the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are part of the contractual terms.

ECLs are recognised in two stages. For credit exposures where there have not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures where there have been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group and the Company apply the simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established provision matrices that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group and the Company recognise impairment loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in profit or loss and accumulated in the fair value reserve.

In certain cases, the Group or the Company may also consider a financial asset to be in default when internal or external information indicates that the Group or the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group or the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(9) Financial Instruments (Cont'd)

(i) Financial Assets (Cont'd)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

i) The contractual rights to receive cash flows from the asset has expired; or
ii) The Group or the Company has transferred its rights to receive the cash flows from the asset and has transferred substantially all risks and rewards related to the asset; or
iii) The Group or the Company has transferred its rights to receive the cash flows from the asset and has not retained control of the asset; or
iv) The Group or the Company has assumed an obligation to pay the cash flows from the asset in full without material delay to a third party under a ‘pass-through’ arrangement.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement but the Group is not able to derecognise the asset, then the Group has to continue recognising the transferred asset to the extent of its continuing involvement and also to recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

(ii) Financial Liabilities

Initial Recognition And Measurement

Financial liabilities are recognised when, and only when, the entity becomes party to the contractual provisions of the instruments.

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost or financial liabilities at fair value through profit or loss.

The Group and the Company initially measure a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

Subsequent Measurement

The Group and the Company measure the financial liabilities depending on their classification, as described below:

a) Amortised Cost

Financial liabilities are measured at amortised cost using the effective interest method, which allocates interest expenses at a constant rate over the term of the financial liabilities. The effective interest rate is calculated at initial recognition and is the rate that discounts the estimated future cash flows (including all fees and points paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability to the amortised cost of the financial liability.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(9) Financial Instruments (Cont'd)

(ii) Financial Liabilities (Cont'd)

Subsequent Measurement (Cont'd)

a) Amortised Cost (Cont'd)

Subsequent to initial recognition, the amortised cost of a financial liability is the amount at initial recognition minus principal repayments, plus the cumulative amortisation using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

b) Fair Value Through Profit Or Loss

The fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated as fair value through profit or loss to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The changes in fair value of these financial liabilities are recognised in profit or loss.

Derecognition

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

(iii) Offsetting Of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(10) Contract Cost Assets

(i) Incremental Costs Of Obtaining A Contract

The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer which they would not have incurred if the contract had not been obtained. The incremental costs of obtaining a contract with a customer are recognised as contract cost assets when the Group expects those costs to be recoverable.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(10) Contract Cost Assets (Cont'd)

(ii) Costs To Fulfill A Contract

The costs incurred in fulfilling a contract with a customer which are not within the scope of other MFRSs, such as MFRS 102: Inventories, MFRS 116: Property, Plant and Equipment or MFRS 138: Intangible Assets, are recognised as contract cost assets when all of the following criteria are met:

a) the costs relate directly to a contract or to an anticipated contract that can be specifically identified;

b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

c) the costs are expected to be recovered.

Contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108: Accounting Policies, Changes in Accounting Estimate and Errors.

Impairment loss is recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:

a) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less

b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract costs, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with other MFRSs, such as MFRS 102, MFRS 116 and MFRS 138. The Group shall include the resulting carrying amount of the contract costs assets in the carrying amount of the cash-generating unit to which it belongs for the purpose of applying MFRS 136: Impairment of Assets to that cash-generating unit.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

(11) Cash and Cash Equivalents

Cash and deposits in the statements of financial position comprise cash at banks and on hand and deposits with a maturity of 3 months or less, which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and deposits, as defined above, net of outstanding bank amounts, if applicable, as they are considered an integral part of cash management.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(12) Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

(13) Borrowing Costs

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

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

(14) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are approved and declared for payment.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

The consideration paid, including attributable transaction costs on repurchased ordinary shares of the Company that have not been cancelled, are classified as treasury shares and presented as a deduction from equity. Treasury shares may be acquired and held by the Company. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of treasury shares. Consideration paid or received is recognised directly in equity.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(15) Provisions

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

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

(16) Leases

(i) As Lessee

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

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

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

(ii) As Lessor

Leases where the Group and the Company retain substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

When the assets are leased out under an operating lease, the asset is included in the statements of financial position based on the nature of the asset. Lease income is recognised over the term of the lease on a straight-line basis as disclosed in Note 2.2(22)(c).

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(17) Income Taxes

(i) Current Tax

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

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

(ii) Deferred Tax

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

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

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiary companies, associated companies and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiary companies, associated companies and joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(17) Income Taxes (Cont'd)

(ii) Deferred Tax (Cont'd)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

(18) Goods and Services Tax ("GST"), Sales and Service Tax ("SST") or Value Added Tax ("VAT")

Revenue are recognised net of the amount of GST, SST or VAT.

The amount of SST payable to taxation authority is included as part of payables in the statements of financial position.

Where the SST, GST or VAT incurred in a purchase of assets or services is not recoverable from the respective taxation authorities, it is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The net amount of GST or VAT being the difference between output and input of GST or VAT, payable to or receivable from the respective taxation authorities at the reporting date, is included in other payables or other receivables respectively in the statements of financial position.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(19) Employee Benefits

(i) Short Term Benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial period/year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined Contribution Plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current financial period and preceding financial years. Such contributions are recognised as an expense in profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiary companies also make contributions to their respective countries' statutory pension schemes.

(iii) Defined Benefit Plans

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary.

a) Funded Defined Benefit Plan

Certain foreign subsidiary companies of the Group provides funded pension benefits to its eligible employees.

The legal obligation for any benefits from this kind of pension plan remains with the Group even if plan assets for funding the defined benefit plan have been acquired. Plan assets may include assets specifically designated to a long term benefit fund, as well as qualifying insurance policies.

The Group's net obligations in respect of defined benefit plans for certain foreign subsidiary companies are calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior financial periods.

The liability recognised in the consolidated statement of financial position for defined benefit plan is the discounted present value of the defined benefit obligation using an appropriate discount factor at the reporting date less the fair value of plan assets. The discount rate is the market yield at the reporting date on high quality corporate bonds or government bonds. The calculation is performed by independent actuaries using the projected unit credit method.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(19) Employee Benefits (Cont'd)

(iii) Defined Benefit Plans (Cont'd)

a) Funded Defined Benefit Plan (Cont'd)

Re-measurements, comprising actuarial gains and losses, the effect of limiting a net defined benefit asset to the asset ceiling (excluding net interest, if applicable) and the return on plan assets (excluding net interest), are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:
i) the date of the plan amendment or curtailment; and
ii) the date that the Group recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises service costs and net interest expense or income in profit or loss.

b) Unfunded Defined Benefit Plan

Certain local subsidiary companies within the Group operate unfunded defined Retirement Benefit Schemes (“Scheme”) for their eligible employees. The obligation recognised in the consolidated statement of financial position under the Scheme is calculated by independent actuaries using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:
i) the date of the plan amendment or curtailment; and
ii) the date that the Group recognises restructuring-related costs.

The present values of the obligations under the Scheme are determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related post-employment benefit obligation.

(20) Foreign Currencies

(i) Functional And Presentation Currencies

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

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(20) Foreign Currencies (Cont'd)

(ii) Foreign Currency Transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at rates prevailing on the reporting date. Non-monetary items are measured at historical cost in a foreign currency are translated using the exchange rate at the date of initial transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date the fair values were determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of initial transaction.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss.

Exchange differences arising on monetary items that form part of the Company's net investment in foreign operations are recognised in profit or loss of the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

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

(iii) Foreign Operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate prevailing at the reporting date;
- Income and expenses for each profit or loss and other comprehensive income are translated at average exchange rates for the financial period/year, which approximate the exchange rates at the dates of the transactions; and
- All the resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity under foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 May 2006 are treated as assets or liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

Goodwill and fair value adjustments which arose on the acquisition of foreign subsidiary companies before 1 May 2006 are deemed to be assets and liabilities of the parent company and are recorded in RM at the rates prevailing at the date of acquisition.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(21) Contingencies

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

Contingent liabilities and assets are not recognised in the statements of financial position of the Group and the Company except for contingent liabilities assumed in a business combination of which the fair value can be reliably measured.

(22) Revenue Recognition

MFRS 15 establishes a five-step model that will apply to revenue arising from contracts with customers.

The core principle of MFRS 15 is that an entity should recognise revenue which depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Group and the Company recognise revenue from contracts with customers based on the five-step model as set out below:

(i) Identify contract with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.

(ii) Identify performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer goods or services to the customer.

(iii) Determine the transaction price. The transaction price is the amount of consideration to which the Group or the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

(iv) Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Group or the Company needs to allocate the transaction price to each performance obligation in accordance to the amount of consideration for satisfying each performance obligation on a relative stand-alone selling price basis.

(v) Recognise revenue when the Group or the Company satisfies a performance obligation or as the Group or the Company is satisfying a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

Revenue is recognised at the point in time at which the performance obligation is satisfied. However, where the performance obligation is satisfied over time, the Group and the Company shall recognise revenue over time if the Group’s or the Company’s performance:

(i) Provides benefits that the customer simultaneously receives and consumes as the Group or the Company performs; or

(ii) Creates or enhances an asset that the customer controls as the asset is created or enhanced; or

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(22) Revenue Recognition (Cont'd)

(iii) Does not create an asset with an alternative use to the Group or the Company or the Group or the Company has an enforceable right to payment for performance completed to-date.

The Group and the Company recognise revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

The revenue recognition of other classes of revenue that are not within the scope of MFRS 15 are set out below:

a) Dividend Income

Dividend income is recognised when the shareholders' rights to receive the dividend payment are established.

Interest income from short term deposits and advances are recognised on the effective interest method.

b) Interest Income

Interest income is recognised on the effective interest method unless recoverability is in doubt, or where a loan is considered to be non-performing in which case the recognition of interest is suspended. Subsequent to suspension, interest is recognised on receipt basis until all arrears have been paid except for margin accounts where interest is suspended until the account is reclassified as performing.

Interest income from investments in bonds, government securities and loan stocks are recognised on a time proportion basis that takes into account the effective yield of the asset.

c) Lease Income

a) Revenue from the lease of lottery equipment is recognised based on certain percentage of gross receipts from lottery ticket sales, excluding foreign value-added tax and trade discounts.

b) Lease income earned from leasing of investment properties are recognised over the term of the respective leases on a straight-line basis as disclosed in Note 2.2(16)(ii).

d) Other Income

Other than the above, all other income are recognised on an accrual basis.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(23) Contract Assets and Liabilities

A contract asset is the right of the Group or the Company to consideration in exchange for goods or services that it has transferred to the customer when that right is conditional upon future performance but not through the passage of time. If the Group or the Company has performed its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised and presented net of any amounts that has been recognised as receivables. Contract asset is presented as the excess of cumulative revenue earned or recognised in profit or loss over the billings to date to the customer. Contract assets are subject to impairment assessment in accordance of MFRS 9: Financial Instruments.

A contract liability is the obligation of the Group or the Company to transfer goods and services to a customer for which it has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration or the Group or the Company has a right to an amount of consideration that is unconditional before it transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group or the Company performs its obligation under the contract. Contract liability is the excess of the billings to date to the customer over the cumulative revenue earned or recognised in profit or loss. Contract liabilities include advance payment and downpayments received from customers and other amounts where the Group or the Company has billed before the goods are delivered or services are provided to the customers.

(24) Non-Current Assets Held For Sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable MFRSs. Thereafter on initial classification as held for sale, non-current assets or disposal groups (other than investment properties, deferred tax assets, employee benefit assets and financial assets) are measured in accordance with MFRS 5: Non Current Assets Held For Sale and Discontinued Operations, that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in profit or loss.

(25) Segmental Information

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. The Group adopts business segment analysis as its primary reporting format and geographical segment analysis as its secondary reporting format.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(25) Segmental Information (Cont'd)

Segment revenue and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Revenue and expenses do not include items arising on investing or financing activities. Revenue are attributed to geographical segments based on location where sale is transacted.

Segment assets include all operating assets used by a segment and do not include items arising on investing or financing activities. Assets are allocated to a geographical segment based on location of assets.

Segment liabilities comprise operating liabilities and do not include liabilities arising on investing or financing activities such as bank borrowings.

(26) Current and non-current classification

The Group and the Company present assets and liabilities in statements of financial position based on current and non-current classification.

An asset is classified as current when it is:
- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within 12 months after the reporting period; or
- cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:
- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within 12 months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 CHANGES IN ACCOUNTING POLICIES

First time adoption of Malaysian Financial Reporting Standards ("MFRS")

The financial statements of the Group and of the Company for financial period ended 30 June 2019 are the first set of financial statements prepared in accordance with the MFRS Framework, hence MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards has been applied. The MFRS Framework is effective for the Group and for the Company from 1 May 2018 and the date of transition to the MFRS Framework for the purpose of preparation of the MFRS compliant financial report is 1 May 2017. In preparing these financial statements, the Group's and the Company's opening MFRSs statements of financial position were prepared as at 1 May 2017 (the date of transition to MFRS).

For periods up to and including the financial year ended 30 April 2018, the Group and the Company prepared their financial statements in accordance with the Financial Reporting Standards ("FRSs") in Malaysia.

As provided in MFRS 1, first-time adopter of MFRS Framework can elect optional exemptions from full retrospective application of MFRS. The optional exemptions elected in the preparation of the first set of MFRS compliant financial statements of the Group and of the Company are as follows:

(i) The Group has elected not to apply MFRS 3: Business Combinations and MFRS 10: Consolidated Financial Statements retrospectively, that is not to restate any of its business combinations that occurred before the date of transition to MFRS; and

(ii) The Group has elected to apply MFRS 123: Borrowing Costs, prospectively from the date of transition. This provides relief from full retrospective application of MFRS 123 which requires restatement of borrowing costs component capitalised prior to the date of transition to MFRS.

The Group and the Company have also opted to adopt the exemption from the requirement to restate the comparative information for MFRS 9: Financial Instruments, where the comparative information in the Group's and the Company's first MFRS financial statements need not comply with MFRS 7: Financial Instruments: Disclosure or the complete version of MFRS 9, to the extent that the disclosures required by MFRS 7 relate to items within the scope of MFRS 9.

Upon adoption of the MFRS Framework, the standards that had the most impact on the financial statements of the Group and of the Company are MFRS 15: Revenue from Contracts with Customers and MFRS 9, which have resulted in the following changes:

(1) MFRS 9: Financial Instruments

MFRS 9 replaced the guidance of FRS 139: Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment and hedge accounting which the Group does not apply. Retrospective approach application is required, but restatement of comparative information is not compulsory.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

First time adoption of Malaysian Financial Reporting Standards (“MFRS”) (Cont'd)

(1) MFRS 9: Financial Instruments (Cont'd)

As permitted by the transitional provision of MFRS 9, the Group and the Company have elected to apply the modified retrospective approach, that is not to restate the comparative information for prior periods with respect to classification, measurement and impairment requirements. The comparative information continues to be reported under FRS 139. The Group and the Company have recognised any difference between the carrying amounts of financial instruments under FRS 139 and the restated carrying amounts under MFRS 9 in the opening balance of retained earnings (or other equity components) as at 1 May 2018.

Impact of the adoption of MFRS 9

The adoption of MFRS 9 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. Other than the new disclosures relating to financial instruments, which the Group and the Company have complied with in the current financial period, the adoption of this standard does not have any significant effect on the financial statements of the Group and of the Company, except for those discussed below.

(i) Classification and measurement

The following are the changes in the classification of the Group’s and of the Company’s financial assets:

a) Financial assets previously classified as loans and receivables

Trade and other receivables, deposits with financial institutions and cash and bank balances previously classified as Loans and Receivables under FRS 139 as at 30 April 2018 are now referred to as debt instruments at amortised costs as they are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. The assessment of the Group’s and the Company’s business model as disclosed in Note 2.2(9)(i) to ascertain the classification of these financial assets were made as of the date of initial application, 1 May 2018. The Group and the Company analysed the contractual cash flow characteristics of those instruments and concluded that they meet the criteria to be classified and measured at amortised cost under MFRS 9.

b) Financial assets previously classified as available-for-sale financial assets (“AFS”)

Investments in quoted and unquoted equity instruments previously classified as AFS as at 30 April 2018 are classified and measured as equity instruments at fair value through other comprehensive income (“FVTOCI”) beginning 1 May 2018. The Group and the Company irrevocably elected to classify these investments, except for investments in quoted warrants, previously classified as AFS to FVTOCI as they intend to hold these investments for the foreseeable future.

Investments in quoted warrants are derivatives and are now classified as financial assets at fair value through profit or loss ("FVTPL").

2.3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

First time adoption of Malaysian Financial Reporting Standards ("MFRS") (Cont'd)

(1) MFRS 9: Financial Instruments (Cont'd)

(i) Classification and measurement (Cont'd)

b) Financial assets previously classified as available-for-sale financial assets ("AFS") (Cont'd)

Under FRS 139, any changes in fair value of AFS investments were recognised in other comprehensive income, except that impairment losses were recognised in profit or loss. The investments in unquoted AFS instrument whose fair values cannot be measured reliably were measured at cost less accumulated impairment. Under MFRS, all investments at FVTOCI are measured at fair value, and the fair value changes of investments at FVTOCI are still recognised in other comprehensive income, except that impairment assessment is not applicable to investments in equity instruments at FVTOCI, and any gains and losses accumulated in other comprehensive income are not recycled to profit or loss.

As a result of the reclassification, the cumulative impairment losses of AFS investments in the retained earnings prior to the date of initial application of MFRS 9, if any, were reclassified to FVTOCI reserve. The balance of AFS reserve was also reclassified to the FVTOCI reserve on this date. Investments which were previously not measured at fair value, were now remeasured at fair value at the date of initial application, and any remeasurement differences were accounted for in FVTOCI reserve.

c) Impairments on financial assets

In previous financial years, trade and other receivables and/or AFS investments are impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the receivables and/or AFS investments (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the receivables and/or AFS investments ('incurred loss model'). In addition, the AFS equity investments are impaired if, and only if, there is objective evidence of impairment which was determined to be significant (i.e. more than 20%) or prolonged (i.e. 12 months) decline in fair values of investments in equity instruments below its cost.

MFRS 9 replaces the 'incurred loss' model in FRS 139 as described above with the ECL model as described in Note 2.2(9)(i). This new impairment approach is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The changes in the requirement of impairment assessment did not have a significant impact on the financial statements of the Group and of the Company.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

First time adoption of Malaysian Financial Reporting Standards ("MFRS") (Cont'd)

(2) MFRS 15: Revenue from Contracts with Customers

MFRS 15 supersedes MFRS 111: Construction Contracts, MFRS 118: Revenue and related interpretations. It applies, with limited exceptions, to all revenue arising from contracts with customers. MFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

MFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosure.

The Group adopted MFRS 15 using the full retrospective method and apply all the practical expedients available, where applicable, for full retrospective approach.

The key financial effects as a result of adopting this standard on the business activities of the Group are as follows:

<u>Golf and recreational clubs and vacation time share activities</u>

In respect of the revenue recognition on the sales of golf clubs, recreational clubs and vacation time share memberships, the performance obligation is viewed to be satisfied over the tenure of each membership and hence, the revenue from the sale of these memberships are recognised on a straight-line basis over their respective tenures.

<u>Property development activities</u>

(i) in respect of sales of properties that do not come under the purview of the Financial Reporting Standards Implementation Committee ("FRSIC") Consensus 23: Application of MFRS 15 "Revenue from Contracts with Customers" on Sale of Residential Properties issued by the Malaysian Institute of Accountants, the Group has to assess if the property has an alternative use to the Group and whether the sales and purchase arrangement provides the Group with an enforceable right to payment for work completed to date, in determining whether or not the sale of property units should be recognised at a point in time (completion method) or over time (percentage of completion method). As a result of this, it has been assessed that revenue from certain foreign property development projects would only be recognised at a point in time upon completion and handover of the respective projects;

(ii) it requires the identification of separate performance obligations arising from the sale of property units from the various property development projects of the Group, such as the sale of property with complimentary giveaways, and may result in the acceleration or deferment of revenue recognition relating to these separate performance obligations depending on when the related goods and/or services are delivered or satisfied. This would affect the timing of revenue recognition for the property development activities;

2.3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

First time adoption of Malaysian Financial Reporting Standards ("MFRS") (Cont'd)

(2) MFRS 15: Revenue from Contracts with Customers (Cont'd)

Property development activities (Cont'd)

(iii) it views liquidated ascertained damages, payable when the developer fails to deliver vacant possession within the stipulated period, as consideration payable to customers and is presented as a reduction of the transaction price, which would then be accounted for in profit or loss, when there is no obligation to pay such damages either at a point in time or over time, in tandem with the mode of revenue recognition of the affected property development projects, instead of being accounted for as a direct charge to profit or loss when the obligation arises;

(iv) pursuant to the adoption of MFRS 15, the FRSIC Consensus 17: Development of Affordable Housing, which requires the upfront recognition of provision for foreseeable losses on the development of affordable housing on an involuntary basis, is no longer effective and has been effectively withdrawn. This has resulted in the retrospective reversal of the provision for affordable housing previously provided for in the financial statements of the Group; and

(v) upon the withdrawal of FRS 201: Property Development Activities, land held for property development and property development costs are reclassified as inventories and carried at the lower of cost and net realisable value.

Wagering and voting systems activities

It requires the identification of separate performance obligations arising from the wagering and voting systems business of which revenue is derived from long term contracts. Some of these contracts have multiple performance obligations and the Group allocates the contracts' transaction price to each performance obligation and recognise the revenue when the respective performance obligation is satisfied.

With the identification of the separate performance obligation, a certain performance obligation of the wagering contracts is now recognised at point in time, generally upon shipment of terminals rather than previously under the percentage of completion method. In addition, the revenue for annual licence fee is recognised at the inception of the annual renewal period, rather than over the term of the licence. The timing differences in revenue recognition and milestone or progress billings under the cost input method are presented as contract assets and contract liabilities in accordance with MFRS 15.

Deposits received from customers for sale of motor vehicles

Prior to adoption of MFRS 15, the Group recorded deposits received from customers for sale of motor vehicles under other payables. With the adoption of MFRS 15, those deposits received from customers of which the motor vehicles production phase has commenced will be recognised as contract liabilities in the statement of financial position. Customer deposits would be recognised as revenue upon sale of vehicles to the customers.

Apart from the above, MFRS 15 also requires:

(i) that expenses attributable to securing contracts with customers such as commission expense be capitalised as contract cost assets and expensed to profit or loss as cost of sales, by reference to the progress towards complete satisfaction of the performance obligation; and

(ii) separate recognition and presentation of contract cost assets, contract assets and liabilities, as described in Note 2.2(10) and 2.2(23), in the statements of financial position.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

First time adoption of Malaysian Financial Reporting Standards ("MFRS") (Cont'd)

The financial effects of the first-time adoption of the MFRS Framework and the changes in certain comparative amounts to conform with the current financial period's presentation for the Group and the Company are as follows:

Group
Statement of Financial Position
At 30 April 2018

Increase/(decrease) in:	As previously reported RM'000	Effects of adoption of: MFRS 15 and abolishment of FRSIC 17 RM'000	Effects of adoption of: MFRS 123 RM'000	As restated RM'000
Non-current Assets				
Inventories				
- land held for property development	793,759	(12,321)	-	781,438
Receivables	1,504,788	40,544	-	1,545,332
Deferred tax assets	33,607	43,836	-	77,443
Current Assets				
Inventories - property development costs	316,287	(114,692)	(867)	200,728
Contract cost assets	-	109,518	-	109,518
Receivables	1,461,416	(49,891)	-	1,411,525
Contract assets	-	17,180	-	17,180
Equity				
Retained earnings	246,328	(140,424)	138	106,042
Non-controlling interests	2,270,645	8,370	-	2,279,015
Non-current Liabilities				
Contract liabilities	-	264,419	-	264,419
Long term liabilities	113,858	(66,617)	-	47,241
Provisions	21,299	(21,299)	-	-
Deferred tax liabilities	1,071,116	(1,191)	-	1,069,925
Current Liabilities				
Payables	1,672,557	(252,476)	(1,005)	1,419,076
Contract liabilities	-	243,302	-	243,302
Provisions	2,593	90	-	2,683

Group
Statement of Financial Position
At 1 May 2018

Increase/(decrease) in:	As previously reported RM'000	Effects of adoption of MFRS 9 RM'000	As restated RM'000
Equity			
Available-for-sale reserve	4,450	(4,450)	-
Fair value through other comprehensive income reserve	-	(41,068)	(41,068)
Retained earnings *	106,042	45,518	151,560

** This is after the effects of adoption of MFRS 15, MFRS 123 and abolishment of FRSIC 17 at 30 April 2018.*

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

First time adoption of Malaysian Financial Reporting Standards ("MFRS") (Cont'd)

The financial effects of the first-time adoption of the MFRS Framework and the changes in certain comparative amounts to conform with the current financial period's presentation for the Group and the Company are as follows: (Cont'd)

Company
Statement of Financial Position
At 1 May 2018

Increase/(decrease) in:	As previously reported RM'000	Effects of adoption of MFRS 9 RM'000	As restated RM'000
Equity			
Available-for-sale reserve	712	(712)	-
Fair value through other comprehensive income reserve	-	(7,217)	(7,217)
Retained earnings	602,033	7,929	609,962

Group
Statement of Profit or Loss
For the year ended 30 April 2018

Increase/(decrease) in:	As previously reported RM'000	Effects of adoption of MFRS 15 and abolishment of FRSIC 17 RM'000	Effects of adoption of MFRS 123 RM'000	As restated RM'000
Revenue	6,361,198	29,207	-	6,390,405
Cost of sales	4,745,556	14,269	(1,726)	4,758,099
Other income	106,303	(5,743)	-	100,560
Administrative expenses	937,418	(17,254)	-	920,164
Selling and marketing expenses	320,250	(8,212)	-	312,038
Finance costs	194,410	4,670	1,588	200,668
Taxation	188,040	5,171	-	193,211
Loss for the year attributable to:				
- Owners of the Parent	(190,288)	22,684	138	(167,466)
- Non-controlling interests	72,100	2,136	-	74,236

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

First time adoption of Malaysian Financial Reporting Standards ("MFRS") (Cont'd)

The financial effects of the first-time adoption of the MFRS Framework and the changes in certain comparative amounts to conform with the current financial period's presentation for the Group and the Company are as follows: (Cont'd)

Group
Statement of Financial Position
At 1 May 2017

Increase/(decrease) in:	As previously reported RM'000	Effects of adoption of MFRS 15 RM'000	As restated RM'000
Non-current Assets			
Deferred tax assets	38,653	47,310	85,963
Current Assets			
Inventories - property development costs	347,379	(102,463)	244,916
Contract cost assets	-	102,670	102,670
Receivables	1,913,106	(41,675)	1,871,431
Contract assets	-	48,127	48,127
Equity			
Retained earnings	425,604	(163,108)	262,496
Non-controlling interests	2,338,819	6,234	2,345,053
Non-current Liabilities			
Contract liabilities	-	286,410	286,410
Long term liabilities	111,282	(70,777)	40,505
Deferred tax liabilities	1,061,021	(2,429)	1,058,592
Current Liabilities			
Payables	1,343,899	(195,517)	1,148,382
Contract liabilities	-	193,178	193,178
Provisions	2,359	(22)	2,337

The adoption of MFRS Framework has no impact on the Group's and the Company's statements of cash flows and the Company's statement of financial position, statement of profit or loss and statement of comprehensive income.

Accordingly, notes related to the Company's statement of financial position as at date of transition to MFRS Framework are not presented.

2.4 STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the following new MFRSs, Amendments to MFRSs, Annual Improvements to MFRSs and IC Interpretations were issued but not yet effective and have not been applied by the Group and the Company:

Effective for financial periods beginning on or after 1 January 2019

Amendments to MFRS 9: Financial Instruments - Prepayment Features with Negative Compensation
MFRS 16: Leases
Amendments to MFRS 119: Employee Benefits - Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128: Long Term Interests in Associates and Joint Ventures
Annual Improvements to MFRSs 2015 - 2017 Cycle
IC Interpretation 23: Uncertainty over Income Tax Treatments

Effective for financial periods beginning on or after 1 January 2020

Amendments to MFRS 101: Presentation of Financial Statements - Definition of Material ^
Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material ^
Revised Conceptual Framework for Financial Reporting

Effective for financial periods beginning on or after 1 January 2021

MFRS 17: Insurance Contracts ^

Effective date yet to be determined

Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture

^ This resulted in consequential changes in other standards, which makes reference to these standards.

Unless otherwise described below, the new MFRSs, Amendments to MFRSs, Annual Improvements to MFRSs and IC Interpretations above are expected to have no significant impact on the financial statements of the Group and of the Company upon their initial application except for the changes in presentation and disclosures of financial information arising from the adoption of the above new MFRSs, Amendments to MFRSs, Annual Improvements to MFRSs and IC Interpretations.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONT'D)

The Group is currently assessing the impact that the standard below will have on the financial position and performance.

MFRS 16: Leases

MFRS 16 will replace MFRS 117: Leases, IC Interpretation 4: Determining whether an Arrangement contains a Lease, IC Interpretation 115: Operating Lease-Incentives and IC Interpretation 127: Evaluating the Substance of Transactions Involving the Legal Form of a Lease. MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under MFRS 117.

At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. Subject to certain exceptions, the right-of-use asset is initially measured at cost and subsequently measured at cost, less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications.

Classification of cash flows will also be affected as operating lease payments under MFRS 117 are presented as operating cash flows, whereas under MFRS 16, the lease payments will be split into a principal (which will be presented as financing cash flows) and an interest portion (which will be presented as operating cash flows).

Lessor accounting under MFRS 16 is substantially the same as the accounting under MFRS 117. Lessors will continue to classify all leases using the same classification principle as in MFRS 117 and distinguish between two types of leases: operating and finance leases. MFRS 16 also requires lessees and lessors to make more extensive disclosures than under MFRS 117.

MFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group plans to adopt the new standard on the required effective date using the modified retrospective approach. The Group will not restate the comparative information, which continues to be reported under MFRS 117.

The Group and the Company are in the midst of assessing the impact of application of this standard on their existing operating leases where they are lessees and expect to recognise rights-of use assets and their corresponding liabilities in respect of non-cancellable operating leases of properties and equipments upon the initial adoption of this standard.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of MFRS 16 for the financial year ending 30 June 2020.

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES

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

(a) Critical Judgements Made in Applying Accounting Policies

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effects on the amounts recognised in the financial statements.

(i) Useful lives of Gaming Rights, Dealerships and Customer Relationships

The Gaming Rights consist of Licence for the Toto betting operations in Malaysia and Equipment Leasing Agreement ("ELA") for the Philippines.

The Group considers that the Licence and Dealerships have indefinite useful lives because they are expected to contribute to the Group's net cash inflows indefinitely. The Group intends to continue the annual renewal of the Licence and to maintain the Dealerships indefinitely. Historically, there has been no compelling challenge to the Licence and Dealership renewals. The technology used in the gaming activities is supplied and support is provided by a subsidiary company of the Group and is not expected to be replaced by another technology at any time in the foreseeable future.

The Group previously recognised Gaming Rights - ELA as an intangible asset with indefinite life as there was no compelling challenge to the ELA extension by Philippine Gaming Management Corporation ("PGMC") since 1995. Each extension then was for a tenure of at least 5 years. On 13 August 2015, PGMC and Philippine Charity Sweepstakes Office ("PCSO") entered into a supplemental and status quo agreement to extend ELA for a period of 3 years to 21 August 2018, and subsequently on 28 September 2018, another supplemental agreement was entered into between PGMC and PCSO for the extension of the ELA for a period of another 1 year to 22 August 2019. Due to the uncertainty of further extension of the ELA as a result of the circumstances as discussed in Note 40(d), the Gaming Rights - ELA has been fully impaired in the current financial period.

The Customer Relationships are recognised separably from goodwill on acquisition of a subsidiary company. The useful lives of the Customer Relationships are estimated to be 10 years, determined based on customer attrition from the acquired relationships. The estimated useful lives of customer relationships are reviewed periodically.

(ii) Recoverability by Berjaya Jeju Resort Limited ("BJR") of the project costs incurred on property development activities in Jeju, South Korea ("Jeju Project")

As disclosed in Note 40(a), the Group through its subsidiary company BJR, had initiated legal proceedings against Jeju Free International City Development Center ("JDC") seeking compensation for damages incurred which include the costs incurred by BJR in developing the Jeju Project. The outcome of the legal proceedings will determine whether BJR is able to recover the costs of RM584,467,000 (30.4.2018: RM593,253,000) incurred up to the reporting date on this development as disclosed in Note 12(b)(ii).

Based on the recent legal opinion obtained from its lawyers, BJR has determined that it is able to recover the costs incurred on Jeju Project in full as BJR has the legal right to claim for damages under the Land Sale and Purchase Agreement dated 30 March 2009 ('Land SPA") entered into between BJR and JDC, Korean Civil Code and case precedents established in the Korean Courts.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(a) Critical Judgements Made in Applying Accounting Policies (Cont'd)

(iii) Recoverability of balance cash consideration for the disposal of project by Berjaya (China) Great Mall Co Ltd ("GMOC") ("Final Instalment")

As disclosed in Note 40(c), the Group, through its subsidiary company GMOC, has initiated arbitration proceedings at Hong Kong International Arbitration Court ("HKIAC") to seek the recovery the Final Instalment and accrued late payment interests as well as other reliefs from Beijing SkyOcean International Holdings Limited ("Beijing SkyOcean") and the Guarantors who are SkyOcean Holdings Group Limited and Mr Zhou Zheng ("GMOC Arbitration").

Based on the recent legal opinion obtained from its lawyers, it is highly probable that GMOC will prevail against Beijing SkyOcean before the HKIAC. The estimated duration of the arbitration proceedings and the enforcement of arbitral award in the People's Republic of China has been reassessed to be about 3.5 years, which is to be completed by December 2020. Hence, in accordance to MFRS 9: Financial Instruments, GMOC has made a provision for additional impairment of RMB12.93 million (equivalent to approximately RM7.87 million) to account for the revised passage of time to recover the Final Instalment. The Final Instalment has been classified as a non-current receivable as disclosed in Note 12(b)(i).

(iv) Significant influence over Berjaya Assets Berhad ("BAssets")

Although the Group holds less than 20% of the voting shares in BAssets, the Group exercises significant influence by virtue of its ability to participate in the financial and operating policy decisions of BAssets through representation on the board of directors of BAssets. Therefore, the Group continues to regard BAssets as an associated company.

(v) Recoverability of prepayments for the relocation of turf club project

A subsidiary company, Berjaya Tagar Sdn Bhd ("BTSB") had in 2004, entered into a sale and purchase agreement ("SPA") to acquire several parcels of land from a related company, BerjayaCity Sdn Bhd ("BCity"), for the relocation of turf club project as disclosed in Note 40(b). The transaction relating to the relocation of the turf club is still not completed, pending the fulfillment of several of the conditions precedent which are detailed in the same note, of which several of the conditions precedent affect the SPA with BCity.

The amount prepaid is disclosed in Note 12(c). In the event the SPA with BCity is not completed due to non-performance by BCity, BTSB has legal recourse under the SPA to seek relief and/or recover the prepayments made.

(b) Key Sources of Estimation Uncertainty

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

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(b) Key Sources of Estimation Uncertainty (Cont'd)

(i) Impairment of property, plant and equipment

During the current financial period, certain subsidiary companies of the Group have recognised impairment losses in respect of certain of their property, plant and equipment. These subsidiary companies estimated the recoverable amounts of the property, plant and equipment based on the respective assets' or cash generating units' ("CGU") fair value less costs to sell or based on the estimated value-in-use ("VIU") of the CGU. Estimating the VIU requires these subsidiary companies to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the impairment loss recognised are disclosed in Note 3(a). The carrying amount of property, plant and equipment of the Group as at 30 June 2019 is disclosed in Note 3.

(ii) Impairment of investments in subsidiary companies, associated companies and joint ventures

The Group and the Company conduct an annual impairment review of their investments in subsidiary companies, associated companies and joint ventures. The Group and the Company carried out the impairment test based on the assessment of the fair value less costs to sell of the investees' assets or CGU or based on the estimated VIU of the CGU of the investees. Estimating the VIU requires an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. An impairment loss will be recognised if the carrying values of these CGU are assessed to be in excess of their recoverable amounts.

The annual impairment review resulted in the following:

a) the Company recognising an impairment loss in respect of its investments in subsidiary companies as disclosed in Note 31; and
b) the Group recognising a net impairment loss in respect of its investments in associated companies as disclosed in Notes 30 and 31.

The carrying amounts of investments in associated companies and joint ventures of the Group are disclosed in Notes 7 and 8 respectively whilst the carrying amounts of investments in subsidiary companies of the Company are disclosed in Note 6.

(iii) Recoverability of amounts owing by subsidiary companies, joint ventures and associated companies

Based on the expected credit loss ("ECL") model of provision of impairment loss, the Group and the Company assess the credit risk of these debts at each reporting date on an individual basis, to determine whether or not there have been significant increases in credit risk since the initial recognition of these assets.

During the current financial period, the Group and the Company assessed that there were significant increases in credit risks in respect of the amounts owing by an associated company and certain subsidiary companies respectively. Hence, the Group and the Company recognised impairment losses on these balances as disclosed in Note 31.

The Group did not recognise any impairment loss on the amounts owing by the joint ventures in the current financial period, as the Directors have assessed the repayment ability of these investees and determined that these amounts are recoverable as these investees either have assets or sources of income that could generate sufficient cash flows to repay the outstanding debts.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(b) Key Sources of Estimation Uncertainty (Cont'd)

(iii) Recoverability of amounts owing by subsidiary companies, joint ventures and associated companies (Cont'd)

The amounts owing by the subsidiary companies, joint ventures and associated companies are disclosed in Note 12.

(iv) Impairment of Gaming Rights, Dealerships, Customer Relationships and goodwill

The Group performs an impairment test on its Gaming Rights, Dealerships, Customer Relationships and goodwill at least on an annual basis or when there is evidence of impairment. This requires an estimation of the VIU of the CGU to which the Gaming Rights, Dealerships, Customer Relationships and goodwill are allocated. Estimating a VIU amount requires the management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

During the current financial period, the Group recognised an impairment loss in respect of Gaming Rights - Licence in the other comprehensive income as the VIU of the CGU was assessed to be lower than its carrying amount due to the less favourable anticipated cash inflows. The Group also fully impaired its Gaming Rights – ELA due to the uncertainty of renewal of the ELA as a result of the circumstances as discussed in Note 40(d).

The carrying amounts of Gaming Rights, Dealerships, Customer Relationships and goodwill of the Group as at 30 June 2019 are disclosed in Note 10.

(v) Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group engaged independent professional valuers to perform valuations on its investment properties as at 30 June 2019. The valuation methodology commonly used is the comparison method which is based on comparable historical transactions adjusted for specific market factors such as location, size, condition, accessibility and design of the respective properties. Certain properties were valued based on the cost method which is based on current estimates of construction costs less depreciation, obsolescence and existing physical conditions of the respective properties.

The details of the investment properties are disclosed in Note 4 whilst the valuation techniques and key assumptions applied on the determination of the fair values are disclosed in Note 43(a).

(vi) Revenue recognition of property development activities

The Group recognises revenue on certain of its property development activities over time or based on the percentage of completion method using the input method which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(b) Key Sources of Estimation Uncertainty (Cont'd)

(vi) Revenue recognition of property development activities (Cont'd)

Significant judgement is required in determining the progress towards complete satisfaction of the performance obligation and this includes determining the extent of property development costs incurred and the total estimated costs of property development, which in turn is used to determine the percentage of completion and gross profit margin of property development activities undertaken by the Group. In making these judgements, management relies on past experience and the work of specialists.

Details of property development costs are disclosed in Note 5.

(vii) Provision for expected credit losses (“ECL”) of trade and other receivables and contract assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The Company develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information.

Other than trade receivables and contract assets, the Group and the Company assess the credit risk of other receivables at each reporting date on an individual basis, to determine whether or not there have been significant increases in credit risk since the initial recognition of these assets. To determine whether there is a significant increase in credit risks, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtors and default or significant delay in payments. Where there is a significant increase in credit risk, the Group and the Company determine the lifetime expected credit loss by considering the loss given default and the probability of default assigned to each counterparty customer. The financial assets are written off either partially or in full when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-offs.

In assessing credit risks for purposes of applying the ECL model, the Group and the Company consider the need to incorporate forward-looking factors and to estimate the probability of default, which are likely to be judgemental and subject to estimation uncertainties.

The information about the ECLs on the Group’s trade and other receivables and contract assets are disclosed in Notes 12 and 13 respectively.

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(b) Key Sources of Estimation Uncertainty (Cont'd)

(viii) Inventory valuations

The Group holds significant inventories of used cars in the United Kingdom. Trade guides and other publications are used to assist in the assessment of the carrying values of these cars at the reporting date and write-downs are taken as necessary.

(ix) Land value appreciation taxes and other related taxes

In the financial year ended 30 April 2017, the Group completed the disposal of Berjaya (China) Great Mall Recreation Centre ("Great Mall Project"). Consequently, the Group has estimated that the land value appreciation tax and other related tax liabilities in relation to the disposal of the project to be approximately RMB72.74 million (equivalent to approximately RM43.79 million) ("LVAT Estimate"). As of the reporting date, the LVAT Estimate has yet to be agreed with the relevant tax authorities. Where the final outcome of LVAT Estimate is different from the amount initially recognised, such difference will impact profit or loss in the period in which such determination is made.

3 PROPERTY, PLANT AND EQUIPMENT

GROUP

At 30 June 2019	Net carrying amount at 1.5.2018 RM'000	Reclassi-fication RM'000	Transfers/ Adjustments RM'000	Additions RM'000	Fair value gain prior to transfer to investment properties RM'000	Disposal of subsidiary companies RM'000	Impairment losses net of reversals RM'000	Write-off/ Disposals RM'000	Depreciation and amortisation RM'000	Exchange differences RM'000	Net carrying amount at 30.6.2019 RM'000
Freehold land	156,244	-	-	7,655	-	-	-	-	-	3,362	167,261
Long leasehold land	51,429	-	-	-	-	-	-	-	(782)	-	50,647
Short leasehold land	44,771	653	-	915	-	-	-	-	(1,628)	-	44,711
Buildings	963,041	4,904	-	6,651	-	-	(5,000)	(565)	(39,297)	2,616	932,350
Plant and equipment	37,657	-	-	7,378	-	-	-	(3,229)	(11,626)	(778)	29,402
Computer equipment	18,083	668	(1,607)	19,495	-	-	-	(44)	(9,719)	1,807	28,683
Renovation	65,545	118	(23)	8,722	-	-	-	(7,774)	(13,137)	(1,325)	52,126
Furniture and fittings	22,479	(396)	-	4,074	-	-	-	(180)	(7,615)	301	18,663
Office equipment	8,600	134	(314)	2,097	-	-	-	(131)	(2,725)	18	7,679
Motor vehicles	27,815	-	(583)	14,922	-	-	-	(1,585)	(8,574)	50	32,045
Aircraft	94,987	-	-	-	-	-	(4,083)	(21)	(8,173)	529	83,239
Golf course development expenditure	69,569	-	-	-	-	-	-	-	(1,339)	-	68,230
Capital work-in-progress	22,675	(5,761)	-	37,839	-	-	-	-	-	(83)	54,670
Others	1,613	(320)	-	1,151	-	-	-	(5)	(513)	18	1,944
	1,584,508	-	(2,527)	110,899	-	-	(9,083)	(13,534)	(105,128)	6,515	1,571,650

At 30 April 2018	Net carrying amount at 1.5.2017 RM'000	Reclassi-fication RM'000	Transfers/ Adjustments RM'000	Additions RM'000	Fair value gain prior to transfer to investment properties RM'000	Disposal of subsidiary company RM'000	Impairment losses net of reversals RM'000	Write-off/ Disposals RM'000	Depreciation and amortisation RM'000	Exchange differences RM'000	Net carrying amount at 30.4.2018 RM'000
Freehold land	154,221	-	-	6,392	-	-	-	-	-	(4,369)	156,244
Long leasehold land	52,119	-	-	-	-	-	-	-	(690)	-	51,429
Short leasehold land	45,999	-	-	-	-	-	-	-	(1,228)	-	44,771
Buildings	1,052,235	9,382	(20,852)	7,231	2,952	(43,445)	1,463	(469)	(28,673)	(16,783)	963,041
Plant and equipment	39,420	342	-	10,294	-	-	-	(190)	(11,532)	(677)	37,657
Computer equipment	21,568	891	-	3,900	-	(3)	-	(61)	(7,866)	(346)	18,083
Renovation	62,038	10	-	16,824	-	-	-	(10)	(12,274)	(1,043)	65,545
Furniture and fittings	26,446	1,180	(141)	3,657	-	-	-	(450)	(7,080)	(1,133)	22,479
Office equipment	8,574	14	-	2,333	-	-	-	(40)	(2,204)	(77)	8,600
Motor vehicles	26,702	15	-	10,694	-	(695)	-	(1,374)	(7,276)	(251)	27,815
Aircraft	115,610	-	-	-	-	-	(11,818)	-	(7,608)	(1,197)	94,987
Golf course development expenditure	70,759	2	-	-	-	-	-	(40)	(1,152)	-	69,569
Capital work-in-progress	30,142	(9,729)	-	6,158	-	-	-	(1,529)	-	(2,367)	22,675
Others	3,714	(2,107)	-	620	-	-	-	(8)	(424)	(182)	1,613
	1,709,547	-	(20,993)	68,103	2,952	(44,143)	(10,355)	(4,171)	(88,007)	(28,425)	1,584,508

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

GROUP

At 30 June 2019	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Net carrying amount RM'000
Freehold land	170,373	-	3,112	167,261
Long leasehold land	64,373	13,726	-	50,647
Short leasehold land	66,946	22,235	-	44,711
Buildings	1,399,103	457,190	9,563	932,350
Plant and equipment	176,594	147,176	16	29,402
Computer equipment	82,877	54,194	-	28,683
Renovation	152,126	100,000	-	52,126
Furniture and fittings	149,431	130,768	-	18,663
Office equipment	44,951	37,272	-	7,679
Motor vehicles	98,740	66,695	-	32,045
Aircraft	251,483	99,706	68,538	83,239
Golf course development expenditure	105,586	23,519	13,837	68,230
Capital work-in-progress	58,672	-	4,002	54,670
Others	14,976	10,702	2,330	1,944
	2,836,231	1,163,183	101,398	1,571,650

At 30 April 2018	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Net carrying amount RM'000
Freehold land	159,356	-	3,112	156,244
Long leasehold land	64,373	12,944	-	51,429
Short leasehold land	65,213	20,442	-	44,771
Buildings	1,384,917	417,313	4,563	963,041
Plant and equipment	184,763	147,090	16	37,657
Computer equipment	142,182	124,099	-	18,083
Renovation	163,599	98,054	-	65,545
Furniture and fittings	127,934	105,455	-	22,479
Office equipment	47,143	38,543	-	8,600
Motor vehicles	95,600	67,785	-	27,815
Aircraft	302,245	130,221	77,037	94,987
Golf course development expenditure	105,586	22,180	13,837	69,569
Capital work-in-progress	26,677	-	4,002	22,675
Others	14,844	10,383	2,848	1,613
	2,884,432	1,194,509	105,415	1,584,508

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) During the current financial period, the Group conducted a review of the recoverable amounts of certain assets of certain of its subsidiary companies. The review has led to the recognition of impairment losses of RM9,083,000 (30.4.2018 : RM11,818,000) to profit or loss as disclosed in Note 31. Details of the impairment losses are as follows:

(i) An impairment loss of RM5,000,000 was recognised on a clubhouse building residing on a leased land as its recoverable amount determined based on VIU computation was lower than its carrying amount. The recoverable amount of the building was RM35,585,000 (categorised as Level 3 in the fair value hierarchy) based on discounted projected cash flows.

(ii) An impairment loss of RM4,083,000 (30.4.2018 : RM11,818,000) representing the write-down in value of 1 unit (30.4.2018 : 2 units) of aircraft, as a result of a decline in its market value. The recoverable amount of this aircraft was RM57,154,000 (categorised as Level 2 in the fair value hierarchy) (30.4.2018 : RM75,706,000) based on the estimated selling price less costs to sell.

(b) The transfers/adjustments of property, plant and equipment of the current financial period comprised an amount of RM2,527,000 which relates to assets of disposal group classified as held for sale. Further details are disclosed in Note 17.

The transfers/adjustments of property, plant and equipment of the previous financial year ended 30 April 2018 comprised:
(i) the transfer of a unit of property amounting to RM22,412,000 (after fair value gain of RM2,952,000) to investment property;
(ii) the transfer of a unit of property amounting to RM1,560,000 from investment property; and
(iii) the transfer of computer software amounting to RM141,000 to intangible assets.

(c) Properties and aircraft of the Group with carrying amounts totalling RM556,932,000 (30.4.2018 : RM674,234,000) are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.

(d) Carrying amounts of property, plant and equipment of the Group held under finance lease and hire purchase arrangements are as follows:

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000**
Motor vehicles	5,404	5,945
Aircraft	57,154	66,581
	62,558	72,526

COMPANY **At 30 June 2019**	**Net carrying amount at 1.5.2018 RM'000**	**Additions RM'000**	**Disposals RM'000**	**Depreciation RM'000**	**Net carrying amount at 30.6.2019 RM'000**
Furniture and fittings	80	62	-	(21)	121
Office equipment	596	239	(2)	(252)	581
Renovation	269	106	-	(118)	257
Motor vehicles	507	1,078	-	(412)	1,173
	1,452	1,485	(2)	(803)	2,132

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

COMPANY At 30 April 2018	Net carrying amount at 1.5.2017 RM'000	Additions RM'000	Disposals RM'000	Depreciation RM'000	Net carrying amount at 30.4.2018 RM'000
Furniture and fittings	82	10	-	(12)	80
Office equipment	512	301	-	(217)	596
Renovation	359	10	-	(100)	269
Motor vehicles	790	185	-	(468)	507
	1,743	506	-	(797)	1,452

At 30 June 2019	Cost RM'000	Accumulated depreciation RM'000	Net carrying amount RM'000
Furniture and fittings	2,177	2,056	121
Office equipment	7,727	7,146	581
Renovation	3,328	3,071	257
Motor vehicles	7,010	5,837	1,173
	20,242	18,110	2,132

At 30 April 2018	Cost RM'000	Accumulated depreciation RM'000	Net carrying amount RM'000
Furniture and fittings	2,115	2,035	80
Office equipment	7,497	6,901	596
Renovation	3,222	2,953	269
Motor vehicles	6,683	6,176	507
	19,517	18,065	1,452

Motor vehicles of the Company with carrying amounts totalling RM1,173,000 (30.4.2018 : RM507,000) are held under hire purchase arrangements.

4 INVESTMENT PROPERTIES

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017	760,737	740,057
Additions during the financial period/year	2,304	3,179
Net transfer from property, plant and equipment during the financial period/year	-	20,852
Transferred to non-current assets classified as held for sale (Note 17)	(21,749)	-
Disposals during the financial period/year	-	(1,480)
Net fair value adjustments (Note 31)	(11,516)	(1,599)
Exchange differences	(1,010)	(272)
At 30 June 2019/30 April 2018	728,766	760,737

Investment properties comprise a number of commercial and other properties leased under operating leases to third and related parties.

Investment properties with carrying amounts totalling RM36,000,000 (30.4.2018 : RM35,500,000) are held under lease terms.

The transfer of strata title for the freehold land of a subsidiary company with carrying amount of RM3,400,000 was successfully completed during the financial period pursuant to its conversion of leasehold to freehold status.

The carrying amounts of the investment properties were derived based on valuations by independent qualified valuers, who hold recognised qualifications and have relevant experience in valuing these types of properties. Fair value is determined primarily based on the comparison method.

Fair value hierarchy disclosures for investment properties have been provided in Note 43(a).

Investment properties with carrying amounts totalling RM571,071,000 (30.4.2018 : RM603,850,000) are pledged to financial institutions for credit facilities granted to the Company and certain subsidiary companies.

The Group has no restriction on the realisability of its investment properties and no contractual obligation to either purchase, construct or develop the investment properties or for repairs, maintenance and enhancements.

5 INVENTORIES

	Group		
NON-CURRENT	**30.6.2019 RM'000**	**30.4.2018 RM'000 Restated**	**1.5.2017 RM'000 Restated**
Land held for property development, at cost (Note a)	861,321	781,438	962,501
CURRENT			
Property development costs, at cost (Note b)	202,270	200,728	244,916
Other inventories, at cost:			
Vehicles	318,917	282,747	254,427
Completed properties	104,964	139,844	103,892
Stores and consumables	10,958	21,865	20,447
Gaming equipment components and parts	473	1,337	959
Ticket inventories	3,328	4,541	4,741
Work-in-progress	1,202	3,137	4,212
Raw materials	27,896	12,738	13,729
Finished goods and inventories for resale	6,089	5,043	5,622
	473,827	471,252	408,029
At net realisable value:			
Vehicles	104,912	80,923	83,731
Completed properties	19,560	960	960
Stores and consumables	19,722	1,346	1,793
	618,021	554,481	494,513
	1,681,612	1,536,647	1,701,930

The cost of inventories recognised as an expense during the current financial period amounted to RM2,505,265,000 (30.4.2018 : RM2,086,442,000).

The carrying amounts of vehicles inventories pledged for vehicle stocking loans amounted to RM376,443,000 (30.4.2018 : RM331,767,000).

The following inventories are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies:

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000 Restated**
Land held for property development	264,035	105,037
Property development costs	38,227	54,665
Completed properties	39,112	63,761
	341,374	223,463

5 INVENTORIES (CONT'D)

(a) Land held for property development

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000 Restated
At cost:		
At 1 May 2018/2017:		
- freehold land	611,350	606,640
- long leasehold land	24,941	25,042
- land use rights/land lease premium	11,217	172,608
- development costs	133,930	158,211
	781,438	962,501
Additions:		
- freehold land	7,096	15,467
- development costs	13,493	31,166
	20,589	46,633
Transfers/Adjustments during the financial period/year (Note 5(b)):		
- freehold land	54,275	(5,149)
- land use rights/land lease premium	-	6,950
- development costs	(638)	(20,409)
	53,637	(18,608)
Disposal/Write off:		
- freehold land	-	(21)
- long leasehold land	-	(101)
- development costs	-	(949)
- deemed disposal of subsidiary companies		
- land use rights and related development costs	-	(178,836)
	-	(179,907)
Exchange differences:		
- freehold land	4,672	(5,587)
- land use rights/land lease premium	391	(16,728)
- development costs	2,108	(6,866)
	7,171	(29,181)
Total costs at 30 June 2019/30 April 2018	862,835	781,438
Write-down in value	(1,514)	-
Carrying amount at 30 June 2019/30 April 2018	861,321	781,438

5 INVENTORIES (CONT'D)

(b) Property Development Costs

	Group 30.6.2019 RM'000	Group 30.4.2018 RM'000 Restated
At 1 May 2018/2017		
- freehold land	142,226	157,882
- long leasehold land	3	17
- land use rights	10,857	-
- development costs	47,642	87,017
	200,728	244,916
Costs incurred during the financial period/year:		
- freehold land	1,099	3,970
- development costs	71,736	40,151
	72,835	44,121
Transferred during the financial period/year:		
- (to)/from land held for property development (Note 5(a))	(53,637)	18,608
- to inventories	(758)	(45,006)
- to contract cost assets	(17,718)	(59,902)
	(72,113)	(86,300)
Reclassification during the financial period/year:		
- long leasehold land	704	-
- development costs	(704)	-
	-	-
Exchange differences	820	(2,009)
Carrying amount at 30 June 2019/30 April 2018	202,270	200,728

6 SUBSIDIARY COMPANIES

	Company 30.6.2019 RM'000	Company 30.4.2018 RM'000
Quoted shares, at cost	256,583	236,559
Unquoted shares, at cost	3,062,542	2,690,800
	3,319,125	2,927,359
Less: Accumulated impairment losses of unquoted shares	(288,969)	(283,664)
	3,030,156	2,643,695
Market value of quoted shares	524,079	381,580

Details of the subsidiary companies are set out in Note 49.

6 SUBSIDIARY COMPANIES (CONT'D)

At the reporting date, the Company conducted an impairment review of its investments in certain subsidiary companies, principally based on the Company's share of net assets in these subsidiary companies, which represents the directors' estimation of fair value less costs to sell of these subsidiary companies.

The review gave rise to the recognition of impairment losses of investments in subsidiary companies of RM5,305,000 (30.4.2018 : RM1,855,000) as disclosed in Note 31 based on recoverable amounts of RM2,327,000 (categorised as Level 2 in the fair value hierarchy) (30.4.2018 : RM2,563,000).

Certain quoted shares in subsidiary companies of the Group and of the Company with carrying amounts totalling RM977,743,000 and RM189,701,000 (30.4.2018 : RM1,197,181,000 and RM216,257,000) respectively are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.

a) Acquisition of subsidiary companies

<u>For the current financial period ended 30 June 2019</u>

(i) Berjaya Philippines Inc. ("BPI"), a subsidiary company of BToto, acquired an additional 174,180 ordinary shares at GBP1.70 each in its direct subsidiary company, H.R. Owen Plc ("HR Owen"), representing additional 0.7% equity interest in HR Owen for a consideration of GBP298,000 (equivalent to approximately RM1.55 million). Consequently, HR Owen became a wholly-owned subsidiary company of BPI.

(ii) Berjaya Leisure (Cayman) Limited ("BLCL"), a subsidiary company of the Company, acquired an additional 25% equity interest in its direct subsidiary company, Berjaya D2D Company Limited ("BD2D"), for a consideration of USD5.0 million (equivalent to approximately RM20.6 million). Consequently, BD2D became a wholly-owned subsidiary company of BLCL.

(iii) Berjaya Okinawa Investment (S) Pte. Ltd. (“BOIS”) which is a wholly-owned subsidiary company of the Company, acquired 100% specified equity interest comprising 113 specified equity units of Japanese Yen (“JPY”) 50,000 each in Opportunity 24 TMK (“Opportunity 24 TMK”) for a total cash consideration of JPY93.79 million (equivalent to approximately RM3.58 million). Berjaya Okinawa Investment GK (“BOIGK”) has also acquired 100% preferred equity interest comprising 124 preferred equity units of JPY50,000 each in Opportunity 24 TMK for a total cash consideration of JPY6.20 million (equivalent to about RM0.23 million). BOIGK is in turn, a wholly-owned subsidiary company of BOIS.

(iv) Berjaya Myanmar Holdings Sdn Bhd ("BMHSB"), a wholly-owned subsidiary company of the Company, incorporated Berjaya HT Eco Company Limited ("BHTEL") in Myanmar. BMHSB subscribed for 45,000 new ordinary shares of USD1.00 each for a total cash consideration of USD45,000 (equivalent to about RM179,000) and a non-controlling interest subscribed for 5,000 new ordinary shares of USD1.00 each for a total cash consideration of USD5,000 (equivalent to about RM19,000). Consequently, BHTEL became a 90% owned subsidiary company of BMHSB.

(v) Several other new subsidiary companies were acquired or incorporated during the financial period. None of these acquisitions are material to the Group.

6 SUBSIDIARY COMPANIES (CONT'D)

a) Acquisition of subsidiary companies (Cont'd)

For the current financial period ended 30 June 2019 (Cont'd)

The fair values of the identifiable assets and liabilities of the acquisition of Opportunity 24 TMK were as follows:

Group	30.6.2019 RM'000
Current assets	163
Current liabilities	(115)
Total net assets acquired	48
Goodwill on acquisition	3,762
Total cost of acquisition, representing net cash outflow on date of acquisition	3,810

The above fair value of assets and liabilities and the goodwill arising on acquisition of Opportunity 24 TMK are provisional as the Group is undertaking a purchase price allocation exercise to determine the final fair values of identifiable assets (including intangible assets) and liabilities at acquisition. Any adjustments arising therefrom will be adjusted accordingly on a retrospective basis when the purchase price allocation exercise is completed.

For the previous financial year ended 30 April 2018

BPI acquired an additional 230,516 ordinary shares of GBP0.50 each in its direct subsidiary company, HR Owen, representing additional 0.92% equity interest in HR Owen for a consideration of GBP394,000 (equivalent to approximately RM2.18 million) which increased BPI's equity interests in HR Owen from 98.38% to 99.3%.

b) Acquisition of subsidiary companies subsequent to the current financial period end

(i) On 31 July 2019, the Company acquired the entire equity interest in Berjaya Engineering Construction Sdn Bhd ("BESB"), comprising 5.0 million ordinary shares for RM4.82 million.

The financial effects of the acquisition of BESB which qualified as a business combination were as follows:

Group	30.6.2019 RM'000
Property, plant and equipment	26
Current assets	4,829
Current liabilities	(33)
Total net assets acquired	4,822
Goodwill on acquisition	-
Total cost of acquisition, representing net cash outflow on date of acquisition	4,822

(ii) On 22 August 2019, Berjaya Leisure Capital (Cayman) Ltd ("BLCC"), a wholly-owned subsidiary of the Company, subscribed for its entitlement and the excess of rights shares cum free warrants, totalling 100,000,000 new ordinary shares and 33,333,333 free warrants in Informatics Education Ltd ("Informatics") for a total cash consideration of SGD5.0 million (equivalent to approximately RM15.305 million). Consequently, BLCC's equity interest in Informatics increased from 27.09% to 67.42%, thus making Informatics a subsidiary company of BLCC.

6 SUBSIDIARY COMPANIES (CONT'D)

b) Acquisition of subsidiary companies subsequent to the current financial period end (Cont'd)

(ii) The financial effects of the acquisition of Informatics which qualified as a business combination were as follows:

The cost of acquisition comprised the following:

	30.6.2019 RM'000
Purchase consideration satisfied by cash	15,305
Carrying value of investment as an associated company	1,497
Fair value gain on re-measurement of the associated company prior to reclassification to investment in subsidiary company	1,498
	18,300

The fair values of the assets and liabilities of Informatics as at the date of acquisition is as follows:

Group	30.6.2019 RM'000
Property, plant and equipment	9,437
Intangible assets	21
Current assets	23,022
Current liabilities	(20,007)
Non-current liabilities	(6,575)
Total net assets acquired	5,898
Less: Non-controlling interests	(1,922)
Net assets acquired	3,976
Goodwill on acquisition	14,324
Total cost of acquisition, representing net cash outflow on date of acquisition	18,300

(iii) Several other new subsidiary companies were acquired or incorporated subsequent to the financial period end. None of these acquisitions are material to the Group.

The above fair value of assets and liabilities and the goodwill arising on acquisition of BESB and Informatics are provisional as the Group is undertaking purchase price allocation exercises to determine the final fair values of identifiable assets (including intangible assets) and liabilities at acquisition. Any adjustments arising therefrom will be adjusted accordingly when the purchase price allocation exercises are completed.

c) Disposal of subsidiary companies

<u>For the current financial period ended 30 June 2019</u>

BLCL completed the disposal of its entire 70.0% equity interest in Berjaya Long Beach Limited Liability Company ("BLong Beach") for a cash consideration of about VND333.25 billion (equivalent to approximately RM65.32 million), including the waiver of all amounts owing by BLong Beach to BLCL which was about VND87.50 billion (or about RM17.15 million) as at 31 January 2017.

As a result of the disposal, BLCL received net proceeds of VND278.83 billion (equivalent to approximately RM52.44 million) after deducting related taxes and incidental costs.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

6 SUBSIDIARY COMPANIES (CONT'D)

c) Disposal of subsidiary companies (Cont'd)

For the current financial period ended 30 June 2019 (Cont'd)

The effects of the disposal of BLong Beach on cash flows were as follows:

Group	30.6.2019 RM'000
Assets and liabilities previously classified as disposal group	38,457
Non-controlling interests disposed	(5,451)
	33,006
Excluding: Cash and cash equivalents of disposed subsidiary company	(44)
Gain on disposal recognised in profit or loss (Note 30)	19,480
Part of disposal proceeds received in the previous financial years	(45,594)
Net cash inflow from disposal of a subsidiary company	6,848

For the previous financial year ended 30 April 2018

In the previous financial year ended 30 April 2018, the major disposals of subsidiary companies were as follows:

(i) BLCL disposed of its 100% equity interest in Berjaya Investment Holdings Pte Ltd ("BIH") to Singapore Institute of Advance Medicine Holdings Pte Ltd ("SIAMH") for a consideration of SGD2.97 million (equivalent to approximately RM9.02 million) satisfied via an issuance of new SIAMH shares. SIAMH is an existing associated company of BLCL.

(ii) The dissolution of Berjaya Nhon Trach New City Center ("BNTC") which was previously a wholly subsidiary of BLCL. BNTC was a dormant company.

In the same financial year, the following investments which met the criteria of disposal groups were classified accordingly:

(i) BLCL's equity interest in Berjaya Vietnam Financial Center Limited ("BVFC") was diluted from 100% to 32.5% after the injection of fresh capital contribution amounting to VND2,008.69 billion (equivalent to approximately RM352 million) into BVFC by Vinhomes Joint Stock Company Limited ("Vinhomes") following the conditions imposed by the Vietnamese authorities.

(ii) BLCL's equity interest in Berjaya Vietnam International University Town One Member Limited Liability Company ("BVIUT") was diluted from 100% to 0.8% after the injection of fresh capital contribution amounting to VND11,904 billion (equivalent to approximately RM2.0 billion) into BVIUT by Vinhomes and its affiliates following the conditions imposed by the Vietnamese authorities.

6 SUBSIDIARY COMPANIES (CONT'D)

c) Disposal of subsidiary companies (Cont'd)

For the previous financial year ended 30 April 2018 (Cont'd)

The effects of the disposals of the subsidiary companies on cash flows of the previous financial year ended 30 April 2018 were as follows:

(i) The effects of the disposal of BIH:

Group	30.4.2018 RM'000
Property, plant and equipment	43,445
Net other liabilities disposed	(46,418)
	(2,973)
Excluding: Cash and cash equivalents of disposed subsidiary company	(768)
Gain on disposal recognised in profit or loss (Note 30)	11,994
Disposal proceeds	(9,021)
Net cash outflow from disposal of a subsidiary company	(768)

(ii) The effects of the dilution of BVFC to an associated company:

Group	30.4.2018 RM'000
Property, plant and equipment	698
Net other assets disposed	135,889
Add: Loss on remeasurement (Note 31)	(10,172)
Less: Reclassification to associated company at fair value	(145,373)
	(18,958)
Excluding: Cash and cash equivalents of a subsidiary company deemed disposed	(393)
Add: Gain on deemed disposal (Note 30)	18,958
Net cash outflow from deemed disposal of a subsidiary company	(393)

(iii) The effects of the dilution of BVIUT to an investment:

Group	30.4.2018 RM'000
Net other assets disposed	9,194
Add: Loss on remeasurement (Note 31)	(11,202)
Less: Reclassification to investment at fair value	(5,376)
	(7,384)
Excluding: Cash and cash equivalents of a subsidiary company deemed disposed	(17)
Add: Gain on deemed disposal (Note 30)	7,384
Net cash outflow from deemed disposal of a subsidiary company	(17)

d) Disposal of a subsidiary company subsequent to the current financial period end

On 3 July 2019, BPI's equity interest in its wholly-owned subsidiary company, Philippine Gaming Management Corporation ("PGMC"), had diluted to 39.99% arising from the disposal of 20% equity interest in PGMC by BPI, as well as, the waiver of BPI's right to subscribe for additional new shares issued by PGMC as disclosed in Note 48(a). Consequently, PGMC ceased to be a subsidiary company and became an associated company of BPI.

6 SUBSIDIARY COMPANIES (CONT'D)

e) Subsidiary companies with material non-controlling interests

Set out below are the non-controlling interests of the subsidiary companies which the Group regards as material. The equity interests held by non-controlling interests are as follows:

Name	Equity interest held by non-controlling interests 30.6.2019 %	30.4.2018 %
BToto (on a consolidated basis)	59.17	59.77
Berjaya (China) Great Mall Co Ltd ("GMOC")	49.00	49.00
Berjaya Jeju Resort Limited ("BJeju")	27.40	27.40

Summarised financial information in respect of material subsidiary companies of the Group is set out below. These financial information are the amounts before inter-company elimination and after fair value adjustments arising from business combination, where applicable.

Group At 30 June 2019	BToto RM'000	GMOC RM'000	BJeju RM'000	Total RM'000
Non-current assets	4,162,725	507,764	587,608	5,258,097
Current assets	1,425,002	1,219	2,825	1,429,046
Non-current liabilities	(1,599,898)	-	-	(1,599,898)
Current liabilities	(1,115,314)	(107,536)	(111,885)	(1,334,735)
Net assets	2,872,515	401,447	478,548	3,752,510
Equity attributable to:				
- owners of the Parent	1,150,853	204,738	347,426	1,703,017
- non-controlling interests	1,721,662	196,709	131,122	2,049,493
Total equity	2,872,515	401,447	478,548	3,752,510
At 30 April 2018				
Non-current assets	4,603,651	474,008	595,711	5,673,370
Current assets	1,319,922	3,882	1,953	1,325,757
Non-current liabilities	(1,494,656)	-	-	(1,494,656)
Current liabilities	(1,288,467)	(107,631)	(101,958)	(1,498,056)
Net assets	3,140,450	370,259	495,706	4,006,415
Equity attributable to:				
- owners of the Parent	1,240,182	188,832	359,883	1,788,897
- non-controlling interests	1,900,268	181,427	135,823	2,217,518
Total equity	3,140,450	370,259	495,706	4,006,415

6 SUBSIDIARY COMPANIES (CONT'D)

e) Subsidiary companies with material non-controlling interests (Cont'd)

Group	**BToto RM'000**	**GMOC RM'000**	**BJeju RM'000**	**Total RM'000**
Period ended 30 June 2019				
Revenue	6,693,389	-	-	6,693,389
Profit/(Loss) for the financial period	285,971	41,192	(6,176)	320,987
Other comprehensive income	(309,742)	(10,274)	(10,762)	(330,778)
Total comprehensive income	(23,771)	30,918	(16,938)	(9,791)
Profit/(Loss) for the financial period attributable to:				
- owners of the Parent	104,157	21,008	(4,484)	120,681
- non-controlling interests	181,814	20,184	(1,692)	200,306
	285,971	41,192	(6,176)	320,987
Total comprehensive income attributable to:				
- owners of the Parent	(16,637)	15,768	(12,297)	(13,166)
- non-controlling interests	(7,134)	15,150	(4,641)	3,375
	(23,771)	30,918	(16,938)	(9,791)
Net cash generated from/(used in):				
- operating activities	362,800	(5,454)	(5,904)	351,442
- investing activities	(4,662)	8	(1,068)	(5,722)
- financing activities	(352,190)	2,727	7,404	(342,059)
Net change in cash and cash equivalents	5,948	(2,719)	432	3,661
Dividends paid to non-controlling interests	160,658	-	-	160,658
Year ended 30 April 2018				
Revenue	5,660,587	-	-	5,660,587
Profit/(Loss) for the financial year	231,235	(120,248)	(5,068)	105,919
Other comprehensive income	5,987	(6,124)	(19,476)	(19,613)
Total comprehensive income	237,222	(126,372)	(24,544)	86,306
Profit/(Loss) for the financial year attributable to:				
- owners of the Parent	97,573	(61,326)	(3,680)	32,567
- non-controlling interests	133,662	(58,922)	(1,388)	73,352
	231,235	(120,248)	(5,068)	105,919

6 SUBSIDIARY COMPANIES (CONT'D)

e) Subsidiary companies with material non-controlling interests (Cont'd)

Group	BToto RM'000	GMOC RM'000	BJeju RM'000	Total RM'000
Year ended 30 April 2018				
Total comprehensive income attributable to:				
- owners of the Parent	98,522	(64,450)	(17,819)	16,253
- non-controlling interests	138,700	(61,922)	(6,725)	70,053
	237,222	(126,372)	(24,544)	86,306
Net cash generated from/(used in):				
- operating activities	309,518	(846)	(744)	307,928
- investing activities	(66,758)	98	(608)	(67,268)
- financing activities	(188,888)	(6,836)	1,488	(194,236)
Net change in cash and cash equivalents	53,872	(7,584)	136	46,424
Dividends paid to non-controlling interests	120,789	-	-	120,789

7 ASSOCIATED COMPANIES

	Group		Company	
	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Quoted shares in Malaysia, at cost	124,855	120,664	40,591	40,591
Quoted shares outside Malaysia, at cost	101,490	101,490	-	-
Unquoted shares, at cost	283,920	279,636	-	-
Exchange differences	12,088	(1,851)	-	-
	522,353	499,939	40,591	40,591
Share of post-acquisition reserves	93,431	123,439	-	-
	615,784	623,378	40,591	40,591
Less: Accumulated impairment losses				
- quoted shares outside Malaysia	(47,395)	(49,602)	-	-
- unquoted shares	(46,038)	(40,682)	-	-
	(93,433)	(90,284)	-	-
Total investments in associated companies	522,351	533,094	40,591	40,591
Represented by:				
Carrying amount of:				
- quoted shares in Malaysia	196,277	195,022	40,591	40,591
- quoted shares outside Malaysia	1,497	3,752	-	-
- unquoted shares	324,577	334,320	-	-
	522,351	533,094	40,591	40,591
Fair value of quoted shares:				
- in Malaysia	68,620	101,089	19,625	30,603
- outside Malaysia	1,497	3,764	-	-

7 ASSOCIATED COMPANIES (CONT'D)

Details of the associated companies are set out in Note 49.

During the current financial period, the Group recognised:

(i) a full impairment loss amounting to RM5,356,000 (30.4.2018 : RMNil) disclosed in Note 31, in respect of one of its unquoted associated company which had ceased operations during the current financial period; and

(ii) a reversal of impairment loss amounting to RM2,207,000 (30.4.2018 : impairment loss of RM32,000) as disclosed in Note 30 (30.4.2018 : Note 31), in respect of one of its quoted associated companies with recoverable amount of RM1,497,000 (based on observable market prices) (30.4.2018 : RM3,752,000).

During the current financial period, the significant changes to associated companies of the Group were:

(i) the increase of the Group's equity interest in an associated company, Berjaya Assets Berhad ("BAssets") to 9.09% following the acquisition of 12.85 million BAssets shares by the Group; and

(ii) the dilution of BLCL's equity interest in Singapore Institute of Advance Medicine Holdings Pte Ltd ("SIAMH") from 34.27% to 22.51% as BLCL did not subscribe for its entitlement to SIAMH's renounceable rights issue of 17,500,000 new ordinary shares in SIAMH on the basis of one (1) rights share for every 2 existing ordinary SIAMH shares held at an issue price of SGD1.20 per right share.

During the previous financial year ended 30 April 2018, the significant changes to associated companies of the Group were:

(i) the decrease of the Group's equity interest in an associated company, BAssets, to 8.59% following the disposal of 57.0 million BAssets shares by the Group and the conversion of 157.1 million BAssets warrants to 157.1 million BAssets ordinary shares by other BAssets warrant holders; and

(ii) an increase of BLCL's equity interest in SIAMH from 21.14% to 34.27%.

The Group and the Company did not recognise any impairment in value of an associated company, BAssets of which its shares are quoted in Malaysia, as the Directors have determined its recoverable amount to approximate its carrying value. The recoverable amount of BAssets is based on the Group's share of its net assets after accounting for the fair values less costs to sell of BAssets' investment properties, which are its principal assets.

Certain key associated companies of the Group, namely Informatics Education Limited and SIAMH, have financial year end of 31 March and 30 September respectively, which are not coterminous with the financial period/year end of the Group. For the purpose of applying the equity method of accounting for these associates, with financial year ends of 31 March and 30 September, the last audited financial statements available, the latest quarterly financial statements announced in the respective stock exchange and management accounts, made up to a period of no more than 1 month difference from the Group’s financial period/year end have been used. Management has assessed that this would be the most practical method of applying the equity method of accounting for these entities.

Certain quoted shares of the Group and of the Company with carrying amounts of RM68,813,000 and RM17,284,000 (30.4.2018 : RM102,544,000 and RM40,469,000) respectively are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.

BAssets has contingent liabilities amounting to RM250.36 million in relation to disputed income taxes assessments raised by the Inland Revenue Board of Malaysia. The Group's share of these contingent liabilities is approximately RM22,760,000 (30.4.2018 : RM15,520,000).

7 ASSOCIATED COMPANIES (CONT'D)

The Group regards Berjaya Kyoto Development (S) Pte Ltd ("BKDS"), BAssets, Bermaz Auto Philippines Inc. ("BAPI"), SIAMH and Neptune Properties, Incorporated ("Neptune") as its material associated companies.

Summarised financial information in respect of material associated companies of the Group is set out below. These financial information represent the amounts in the financial statements of the associated companies after fair value adjustments and not the Group's share of those amounts.

Group At 30 June 2019	BKDS RM'000	BAssets RM'000	BAPI RM'000	Neptune RM'000	SIAMH RM'000	Total RM'000
Non-current assets	1,111,103	3,147,684	28,216	81,520	321,766	4,690,289
Current assets	522,504	366,332	176,592	15,977	37,485	1,118,890
Non-current liabilities	(948,295)	(994,332)	(10,954)	(14)	(27,007)	(1,980,602)
Current liabilities	(179,972)	(326,560)	(74,435)	(79,872)	(126,774)	(787,613)
Capital contribution of fellow shareholder not proportionate of its equity interest	(106,094)	-	-	-	-	(106,094)
Net assets	399,246	2,193,124	119,419	17,611	205,470	2,934,870
Equity attributable to:						
Owners of the associated companies	399,246	2,183,608	119,419	17,611	202,895	2,922,779
Non-controlling interests of the associated companies	-	9,516	-	-	2,575	12,091
	399,246	2,193,124	119,419	17,611	205,470	2,934,870
At 30 April 2018						
Non-current assets	1,105,124	3,186,403	16,495	69,875	181,234	4,559,131
Current assets	383,957	410,794	195,720	20,748	52,087	1,063,306
Non-current liabilities	(517,222)	(975,943)	(11,793)	(13)	(923)	(1,505,894)
Current liabilities	(500,967)	(318,595)	(77,423)	(70,481)	(59,114)	(1,026,580)
Capital contribution of fellow shareholder not proportionate of its equity interest	(102,589)	-	-	-	-	(102,589)
Net assets	368,303	2,302,659	122,999	20,129	173,284	2,987,374
Equity attributable to:						
Owners of the associated companies	368,303	2,295,762	122,999	20,129	170,443	2,977,636
Non-controlling interests of the associated companies	-	6,897	-	-	2,841	9,738
	368,303	2,302,659	122,999	20,129	173,284	2,987,374
Financial Period ended 30 June 2019						
Revenue	394,186	379,223	363,646	1,676	38,018	1,176,749
Profit/(Loss) for the financial period	8,454	(88,643)	7,884	(3,625)	(42,750)	(118,680)
Other comprehensive income	9,896	(21,867)	11	-	(624)	(12,584)
Total comprehensive income	18,350	(110,510)	7,895	(3,625)	(43,374)	(131,264)

7 ASSOCIATED COMPANIES (CONT'D)

Group Financial Period ended 30 June 2019	BKDS RM'000	BAssets RM'000	BAPI RM'000	Neptune RM'000	SIAMH RM'000	Total RM'000
Profit/(Loss) for the financial period attributable to:						
- owners of the associated companies	8,454	(91,041)	7,884	(3,625)	(42,869)	(121,197)
- non-controlling interests of the associated companies	-	2,398	-	-	119	2,517
	8,454	(88,643)	7,884	(3,625)	(42,750)	(118,680)
Total comprehensive income attributable to:						
- owners of the associated companies	18,350	(112,154)	7,895	(3,625)	(43,493)	(133,027)
- non-controlling interests of the associated companies	-	1,644	-	-	119	1,763
	18,350	(110,510)	7,895	(3,625)	(43,374)	(131,264)
Group's share of profit/(loss) for the financial period attributable to owners of the associated companies	4,227	(1,615)	2,230	(1,503)	(13,773)	(10,434)
Dividends received during the financial period	-	-	20,244	-	-	20,244
Year ended 30 April 2018						
Revenue	320,786	350,026	519,675	1,365	26,967	1,218,819
Profit/(Loss) for the financial year	33,357	(22,857)	27,592	(2,585)	5,384	40,891
Other comprehensive income	(16,625)	(29,481)	9	-	-	(46,097)
Total comprehensive income	16,732	(52,338)	27,601	(2,585)	5,384	(5,206)
Profit/(Loss) for the financial year attributable to:						
- owners of the associated companies	33,357	(22,089)	27,592	(2,585)	5,588	41,863
- non-controlling interests of the associated companies	-	(768)	-	-	(204)	(972)
	33,357	(22,857)	27,592	(2,585)	5,384	40,891
Total comprehensive income attributable to:						
- owners of the associated companies	16,732	(51,774)	27,601	(2,585)	5,588	(4,438)
- non-controlling interests of the associated companies	-	(564)	-	-	(204)	(768)
	16,732	(52,338)	27,601	(2,585)	5,384	(5,206)
Group's share of profit/(loss) for the financial year attributable to owners of the associated companies	16,766	(12,096)	7,178	(1,071)	(3,769)	7,008
Dividends received during the financial year	-	-	13,664	-	-	13,664

7 ASSOCIATED COMPANIES (CONT'D)

Reconciliation of the summarised financial information presented above to the carrying value of the Group's interest in associated companies

Group 30 June 2019	**BKDS RM'000**	**BAssets RM'000**	**BAPI RM'000**	**Neptune RM'000**	**SIAMH RM'000**	**Total RM'000**
Attributable to owners of the associated companies:						
Net assets at 1 May 2018	368,303	2,295,762	120,460	20,129	170,443	2,975,097
Increase in paid-up capital	-	-	-	-	69,378	69,378
Profit/(Loss) for the financial period	8,454	(91,041)	7,884	(3,625)	(42,869)	(121,197)
Other comprehensive income	9,896	(21,113)	11	-	(624)	(11,830)
Dividend paid during the financial period	-	-	(20,244)	-	-	(20,244)
Exchange differences	12,593	-	8,328	1,107	6,567	28,595
	399,246	2,183,608	116,439	17,611	202,895	2,919,799
Equity contribution	-	-	3,170	-	-	3,170
Exchange differences	-	-	(190)	-	-	(190)
Net assets at 30 June 2019	399,246	2,183,608	119,419	17,611	202,895	2,922,779
Group's equity interest	50%	9.09%	28.28%	41.46%	22.51%	
Interest in net assets of the associated companies	199,623	198,490	32,929	7,302	45,672	484,016
Less: Intragroup adjustments	922	(2,213)	-	-	(3,727)	(5,018)
Goodwill (net of impairment)	-	-	2,208	3,829	3,703	9,740
Carrying amount of Group's interest in the associated companies	200,545	196,277	35,137	11,131	45,648	488,738

30 April 2018	**BKDS RM'000**	**BAssets RM'000**	**BAPI RM'000**	**Neptune RM'000**	**SIAMH RM'000**	**Total RM'000**
Attributable to owners of the associated companies:						
Net assets at 1 May 2017	370,156	2,181,443	123,966	25,921	44,086	2,745,572
Increase in paid-up capital	-	166,093	-	-	123,186	289,279
Profit/(Loss) for the financial year	33,357	(22,089)	27,592	(2,585)	5,588	41,863
Other comprehensive income	(16,625)	(29,685)	9	-	-	(46,301)
Dividend paid during the financial year	-	-	(13,664)	-	-	(13,664)
Exchange differences	(18,585)	-	(17,443)	(3,207)	(2,417)	(41,652)
	368,303	2,295,762	120,460	20,129	170,443	2,975,097
Equity contribution	-	-	2,897	-	-	2,897
Exchange differences	-	-	(358)	-	-	(358)
Net assets at 30 April 2018	368,303	2,295,762	122,999	20,129	170,443	2,977,636
Group's equity interest	50%	8.59%	28.28%	41.46%	34.27%	
Interest in net assets of the associated companies	184,152	197,206	34,066	8,345	58,411	482,180
Less: Intragroup adjustments	(473)	(2,184)	-	-	(3,971)	(6,628)
Goodwill	-	-	2,073	3,552	3,703	9,328
Carrying amount of Group's interest in the associated companies	183,679	195,022	36,139	11,897	58,143	484,880

7 ASSOCIATED COMPANIES (CONT'D)

Aggregate information of associated companies that are not individually material

Group	30.6.2019 RM'000		30.4.2018 RM'000
The Group's share of loss for the financial period/year, representing total comprehensive income	(16,893)	*	(4,350)
Aggregate carrying amount of the Group's interests in these associated companies	33,613		48,214

* Included in these amounts are share of losses of associated companies, Berjaya Lottery Vietnam Limited and Informatics Education Limited of RM6,154,000 (30.4.2018 : RM6,434,000) and RM4,564,000 (30.4.2018 : RM4,671,000) respectively. The carrying values of these investments are RM3,677,000 (30.4.2018: RM8,693,000) and RM1,497,000 (30.4.2018: RM3,752,000) respectively.

The Group has discontinued recognition of its share of losses of certain associated companies because the share of losses of these associated companies has exceeded the Group's interests in these associated companies. As such, during the current financial period, the Group did not recognise its share of the current financial period losses of these associated companies amounting to RM6,528,000 (30.4.2018 : RM3,937,000) and the Group's cumulative share of unrecognised losses of these associated companies amounted to RM31,395,000 (30.4.2018 : RM24,867,000).

8 JOINT VENTURES

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000**
Contributed legal capital/cost of investment	158,211	279,015
Share of post-acquisition reserves	(98,826)	(200,760)
Exchange differences	3,641	5,979
	63,026	84,234
Less: Accumulated impairment losses	(6,849)	(28,644)
	56,177	55,590

Details of the joint ventures are as follows:

Name of Joint Ventures	Country of Incorporation	Principal Activities	Equity Interest Held 30.6.2019 %	Equity Interest Held 30.4.2018 %
Berjaya-Handico12 Co Ltd	Socialist Republic of Vietnam	Property investment and development	80	80
Berjaya Hotay Joint Venture Company Limited	Socialist Republic of Vietnam	Developer and operator of an international standard five star hotel and provision of related services	50	50
T.P.C. Nghi Tam Village Ltd	Socialist Republic of Vietnam	Developer and operator of an international standard five star hotel	-	75
Asia Jet Partners Malaysia Sdn Bhd	Malaysia	Aircraft charter services and related business	51	51
Pasdec Cempaka Sdn Bhd	Malaysia	Property development and investment	51	51

During the current financial period, T.P.C Development Ltd ("TPCD"), a wholly-owned subsidiary of BLCL, completed the disposal of its entire equity interest of 75% of the capital contribution in T.P.C Nghi Tam Village Ltd. Further details of the disposal are disclosed in Note 47(d).

The Group has discontinued recognition of its share of losses of certain joint ventures because the share of losses of these joint ventures have exceeded the Group's interest in these joint ventures. As such, during the current financial period, the Group did not recognise its share of the current financial period's net profit of these joint ventures amounting to RM3,701,000 (30.4.2018 : net losses of RM7,463,000) and the Group's cumulative share of unrecognised losses of these joint ventures amounted to RM28,463,000 (30.4.2018 : RM47,991,000). The profit for the current financial period of a joint venture was not recognised as it still had net accumulated unrecognised losses.

8 JOINT VENTURES (CONT'D)

Summarised financial information in respect of Berjaya Hotay Joint Venture Company Limited ("BHotay"), a material joint venture of the Group is set out below. These financial information represents the amounts in the financial statements of the joint venture after fair value adjustments arising from business combination and not the Group's share of those amounts.

Group	BHotay	
	30.6.2019 RM'000	30.4.2018 RM'000
Non-current assets	202,628	211,344
Current assets	8,186	14,201
Non-current liabilities	(107,230)	(113,961)
Current liabilities	(22,289)	(29,919)
Net assets	81,295	81,665
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	5,378	8,324
Current financial liabilities (excluding trade and other payables and provision)	13,219	21,784
Non-current financial liabilities (excluding trade and other payables and provision)	97,575	104,956
Revenue	69,207	70,771
(Loss)/Profit for the financial period/year, representing total comprehensive income for the financial period/year	(3,202)	8
The above (loss)/profit for the financial period/year include the following:		
Depreciation and amortisation	19,289	16,270
Finance costs	6,484	5,062
Dividends received from the joint venture during the financial period/year	-	-

Reconciliation of the summarised financial information presented above to the carrying value of the Group's interest in the joint venture

Group	BHotay	
	30.6.2019 RM'000	30.4.2018 RM'000
Net assets at 1 May 2018/2017	81,665	90,678
(Loss)/Profit for the financial period/year, representing total comprehensive income for the financial period/year	(3,202)	8
Exchange differences	2,832	(9,021)
Net assets at 30 June 2019/30 April 2018	81,295	81,665
Group's equity interest	50%	50%
Carrying amount of Group's interest in the joint venture	40,648	40,833

8 JOINT VENTURES (CONT'D)

Aggregate information of joint ventures that are not individually material

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
The Group's share of loss for the financial period/year, representing total comprehensive income for the financial period/year	(1,043)	(526)
Aggregate carrying amount of the Group's interests in these joint ventures	15,529	14,757

9 INVESTMENTS

	Group		Company	
	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Quoted shares at fair value:				
- in Malaysia	107,136	70,651	10,032	9,750
- outside Malaysia	1,687	3,146	-	-
	108,823	73,797	10,032	9,750
Quoted warrants in Malaysia at fair value	5,157	423	1,497	-
Quoted loan stocks in Malaysia at fair value	5,467	3,656	-	-
Malaysian Government Securities at fair value	3,186	2,996	-	-
	122,633	80,872	11,529	9,750
Unquoted shares at fair value/at cost:				
- in Malaysia	12,459	15,288	5,958	13,887
- outside Malaysia	39,063	32,845	-	-
	51,522	48,133	5,958	13,887
Less: Accumulated impairment losses				
- unquoted shares in Malaysia	-	(9,329)	-	(7,929)
- unquoted shares outside Malaysia	-	(13,871)	-	-
	-	(23,200)	-	(7,929)
Total unquoted equity investments	51,522	24,933	5,958	5,958
Club memberships	-	594	-	-
Total investments	174,155	106,399	17,487	15,708

The investment in Malaysian Government Securities is deposited with the Malaysian Government in accordance with the Pool Betting Act, 1967 in connection with the issue of the pool betting licence and yields interest at 4.50% (30.4.2018 : 4.50%) per annum.

During the current financial period, the Group recognised the fair value changes of investments classified as FVTOCI, amounting to RM5,867,000 to the FVTOCI reserve.

9 INVESTMENTS (CONT'D)

In the previous financial year, the Group recognised in profit or loss, an impairment loss amounting to RM19,260,000 of certain quoted investments which was then designated as available-for-sale financial assets due to significant decline of more than 20% in the fair values of these investments.

Further details on fair value hierarchy and classification of equity investments are disclosed in Notes 43 and 44 respectively.

Certain quoted shares of the Group and of the Company with carrying amount of RM10,032,000 (30.4.2018 : RM9,750,000) are pledged to a financial institution for credit facilities granted to the Company.

10 INTANGIBLE ASSETS

Group	Gaming rights RM'000	Dealerships RM'000	Goodwill RM'000	Customer relationships RM'000	Computer software RM'000	Total RM'000
30.6.2019						
Cost:						
At 1 May 2018	4,676,411	56,220	971,602	3,217	7,568	5,715,018
Addition during the financial period	-	-	3,762	-	338	4,100
Deferred tax liability recognised	-	-	(1,091)	-	-	(1,091)
Write-off during the financial period	(278,626)	-	(73,469)	-	-	(352,095)
Exchange differences	2,215	(1,663)	(1,071)	(67)	68	(518)
At 30 June 2019	4,400,000	54,557	899,733	3,150	7,974	5,365,414
Accumulated amortisation/impairment:						
At 1 May 2018	(774,535)	-	(862,762)	(786)	(5,363)	(1,643,446)
Impairment for the financial period	(439,531)	-	(11,344)	-	-	(450,875)
Write-off during the financial period	278,626	-	73,469	-	-	352,095
Amortisation for the period	(29,877)	-	-	(368)	(661)	(30,906)
At 30 June 2019	(965,317)	-	(800,637)	(1,154)	(6,024)	(1,773,132)
Carrying amount at 30 June 2019	3,434,683	54,557	99,096	1,996	1,950	3,592,282
30.4.2018						
Cost:						
At 1 May 2017	4,685,784	57,487	978,429	3,272	6,205	5,731,177
Addition during the financial year	-	-	-	-	1,272	1,272
Deferred tax liability recognised	-	-	(517)	-	-	(517)
Transfer from property, plant and equipment	-	-	-	-	141	141
Write-off during the financial year	-	-	-	-	(34)	(34)
Exchange differences	(9,373)	(1,267)	(6,310)	(55)	(16)	(17,021)
At 30 April 2018	4,676,411	56,220	971,602	3,217	7,568	5,715,018
Accumulated amortisation/impairment:						
At 1 May 2017	(843,174)	-	(862,762)	(459)	(4,736)	(1,711,131)
Reversal of impairment for the financial year	95,080	-	-	-	-	95,080
Amortisation for the financial year	(26,441)	-	-	(327)	(627)	(27,395)
At 30 April 2018	(774,535)	-	(862,762)	(786)	(5,363)	(1,643,446)
Carrying amount at 30 April 2018	3,901,876	56,220	108,840	2,431	2,205	4,071,572

10 INTANGIBLE ASSETS (CONT'D)

Impairment test on Gaming Rights, Dealerships, Customer Relationships and Goodwill

Allocation of Gaming Rights

Gaming Rights are allocated to the Group's toto betting business segment in Malaysia ("Gaming Rights - Licence") and the leasing of online lottery equipment business segment in the Philippines ("Gaming Rights - ELA").

Allocation of Dealerships and Customer Relationships

Dealerships and Customer Relationships are allocated solely to the Group's motor vehicle dealerships business segment.

Allocation of goodwill

Goodwill has been allocated to the Group's CGUs identified according to business segments as follows:

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000**
Motor vehicle dealerships	71,571	73,733
Property development and property investment	4,102	14,679
Hotels and resorts	23,423	20,428
	99,096	108,840

During the current financial period, the Group has assessed that the carrying amounts of the CGUs of Gaming Rights - Licence and Gaming Rights - ELA were in excess of their recoverable amounts. Consequently, the Group recognised an impairment loss of RM417,406,000 in respect of Gaming Rights - Licence based on the recoverable amount of RM3,262,598,000, whilst the Gaming Rights - ELA amounting to RM22,125,000 was fully impaired.

The recoverable amount for Gaming Rights - Licence as compared to the previous financial year was lower mainly attributed to the unanticipated changes in applicable taxes as well as regulatory changes affecting the gaming business operations.

In the previous financial year, the Group assessed that the recoverable amount of Gaming Rights - Licence was in excess of the carrying amounts of its CGU. Consequently, the Group recognised a reversal of impairment loss of RM95,080,000. The recoverable amount of Gaming Rights - Licence was RM3,699,600,000.

With regard to the impairment review of the CGUs for Dealerships and Customer Relationships, the Group has assessed that their recoverable amounts are sufficiently above the carrying amounts of these CGUs.

Key assumptions used in VIU calculations and fair values less costs to sell of CGUs

The recoverable amount of a CGU is determined based on the higher of VIU or fair value less costs to sell of the respective CGUs. VIU is calculated using cash flow projections based on financial budgets covering a five-year period. Fair value less costs to sell is estimated based on the best information available in an active market to reflect the amount obtainable in an arm's length transaction, less costs of disposal.

10 INTANGIBLE ASSETS (CONT'D)

Key assumptions used in VIU calculations and fair values less costs to sell of CGUs (Cont'd)

The following describes each key assumption on which management has based its cash flow projections for VIU calculations or fair value less costs to sell of the CGUs:

(i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the financial period/year before the budgeted year, adjusted for market and economic conditions, internal resource efficiency and the expected stages of completion of property development projects, where applicable.

(ii) Growth rates

The weighted average growth rates used ranges between 1.0% and 3.0% (30.4.2018 : 1.0% and 5.0%) are consistent with the long-term average growth rates for the relevant industries, including the gaming business segment whilst growth rates for contract based operations may vary depending on the type of contracts entered into.

(iii) Discount rates

The discount rates used for identified CGUs are on a basis that reflect specific risks relating to the relevant business segments. The significant post-tax discount rates, applied to post-tax cash flows, used for identified CGUs are in the range of 6.0% to 11.8% (30.4.2018 : 6.0% to 11.8%), of which 9.0% (30.4.2018 : 9.0% to 11.5%) have been applied to the gaming business segment.

(iv) Terminal growth rates

The terminal growth rates used for identified CGUs are estimated with reference to published research and do not exceed the long term growth rate for the countries relevant to the CGUs. The applicable terminal growth rate is in the range of 1.0% to 1.5% (30.4.2018 : 1.0% to 1.5%), of which 1.5% (30.4.2018 : 1.5%) has been applied to the gaming business segment.

(v) Fair value less costs to sell

The fair value is estimated based on observable market prices of similar CGUs/assets within the same industry and similar locations. This is applicable principally for the property development and investment, and hotels and resorts business segments.

Sensitivity to changes in assumptions

For the Malaysian toto betting business segment, which goodwill has been fully impaired, the recoverable amount of Gaming Rights - Licence based on VIU computation, remains sensitive towards possible negative changes in terminal and revenue growth rates due to the unanticipated regulatory and economic changes.

Should the terminal growth rate decrease by 0.5% with all other variables held constant, the carrying amount of the gaming rights of the Malaysian toto betting business segment is expected to be impaired by RM150,349,000. Similarly, if no growth in revenue is anticipated in 2020, with all other variables remaining constant, the carrying amount of the gaming rights of the Malaysian toto betting business segment is expected to be impaired by RM36,582,000.

Management believes that there are no reasonable possible change in any of the above key assumptions which would cause the carrying amounts of the CGUs allocated to Dealerships and Customer Relationships to materially exceed their recoverable amounts.

11 CONTRACT COST ASSETS

	Group 30.6.2019 RM'000	30.4.2018 RM'000 Restated	1.5.2017 RM'000 Restated
Costs to obtain contracts with customers	4,510	741	207
Costs to fulfill contracts with customers	93,441	108,777	102,463
	97,951	109,518	102,670

(a) Costs to obtain contracts with customers

	Group 30.6.2019 RM'000	30.4.2018 RM'000 Restated
At 1 May 2018/2017	741	207
Additions during the financial period/year	4,289	737
Amortisation for the financial period/year	(520)	(203)
At 30 June 2019/30 April 2018	4,510	741

(b) Costs to fulfill contracts with customers

Property development activities:

	Group 30.6.2019 RM'000	30.4.2018 RM'000 Restated
At cost:		
At 1 May 2018/2017		
- freehold land	156,724	131,855
- long leasehold land	68	54
- development costs	58,681	205,573
	215,473	337,482
Costs incurred during the financial period/year:		
- freehold land	-	3,710
- development costs	49,389	84,403
	49,389	88,113
Costs recognised in profit or loss:		
- at 1 May 2018/2017	(106,696)	(235,019)
- recognised during the financial period/year	(83,683)	(141,701)
- eliminated during the financial period/year due to completion of project	14,567	270,024
- at 30 June 2019/30 April 2018	(175,812)	(106,696)
Transferred during the financial period/year:		
- from property development costs	17,718	59,902
- from inventories	1,240	-
	18,958	59,902
Costs eliminated during the financial period/year due to completion of project:		
- freehold land	-	(3,120)
- long leasehold land	(739)	-
- development costs	(13,828)	(266,904)
	(14,567)	(270,024)
Carrying amount as at 30 June 2019/30 April 2018	93,441	108,777

12 RECEIVABLES

	Group		
	30.6.2019 RM'000	30.4.2018 RM'000 Restated	At 1.5.2017 RM'000 Restated
NON-CURRENT			
Trade receivables			
Third parties	-	40,544	-
Other receivables			
Amount receivable from disposal of Great Mall Project (Note b(i))	507,621	473,862	-
Compensation receivable for Jeju Project (Note b(ii))	584,467	593,253	604,255
Stakeholders' sum	621	8,140	-
Amounts owing by joint ventures	265,476	429,533	696,126
Total non-current receivables	1,358,185	1,545,332	1,300,381
CURRENT			
Trade receivables			
Third parties	188,626	161,388	181,709
Related company	86,603	69,403	72,897
	275,229	230,791	254,606
Less: Allowance for impairment	(15,874)	(12,378)	(12,212)
	259,355	218,413	242,394
Other receivables			
Sundry receivables	100,866	196,566	222,431
Amount receivable from disposal of Great Mall Project (Note b(i))	-	-	598,884
Refundable deposits	25,400	18,952	14,233
Amounts owing by :			
- related companies	46,115	27,736	10,447
- associated companies	274,049	398,753	443,385
- joint ventures	60,783	207,560	-
	507,213	849,567	1,289,380
Less: Allowance for impairment:			
- Sundry receivables	(6,501)	(7,082)	(6,231)
- Amounts owing by associated companies	(7,660)	(449)	(444)
	493,052	842,036	1,282,705
Total receivables at amortised cost	2,110,592	2,605,781	2,825,480
Other current assets			
Sundry receivables	42,044	54,651	39,368
Prepayments	302,183	291,884	299,942
Deposits for acquisition of assets	40,741	4,541	6,552
Dividend receivable	1,000	-	470
	385,968	351,076	346,332
Total current receivables	1,138,375	1,411,525	1,871,431
Total receivables	2,496,560	2,956,857	3,171,812

12 RECEIVABLES (CONT'D)

	Company	
	30.6.2019	30.4.2018
	RM'000	RM'000
NON-CURRENT		
Other receivables		
Amounts owing by subsidiary companies	715,505	1,156,574
Less: Allowance for impairment	(39,105)	(44,591)
Total non-current receivables	676,400	1,111,983
CURRENT		
Other receivables		
Sundry receivables	329	302
Refundable deposits	380	864
Amounts owing by :		
- subsidiary companies	1,250,304	1,368,065
- related companies	328	316
- associated companies	39,067	210,671
	1,290,408	1,580,218
Less: Allowance for impairment:		
- Sundry receivables	(299)	(166)
- Amounts owing by:		
- subsidiary companies	(86,092)	(52,773)
- associated companies	(9)	(9)
	1,204,008	1,527,270
Total receivables at amortised cost	1,880,408	2,639,253
Other current assets		
Sundry receivables	24	272
Prepayments	2,886	4,566
Dividend receivable	1,000	7,303
	3,910	12,141
Total current receivables	1,207,918	1,539,411
Total receivables	1,884,318	2,651,394

(a) Trade receivables

The Group's trade receivables are non-interest bearing with credit term ranging from 1 to 60 (30.4.2018 : 1 to 60) days. They are recognised at their original invoice amounts which represent their fair values on initial recognition. As at 30 June 2019, the Group has no significant concentration of credit risk that may arise from exposure to a single trade receivable or to groups of trade receivables, except for an amount due from a related company amounting to RM86,603,000 (30.4.2018 : RM69,403,000).

12 RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)

Ageing analysis of trade receivables

The ageing analysis of trade receivables is as follows:

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000 Restated**
Neither past due nor impaired	99,061	83,408
1 to 30 days past due not impaired	12,830	27,618
31 to 60 days past due not impaired	13,342	11,697
61 to 90 days past due not impaired	5,410	10,114
91 to 365 days past due not impaired	32,385	75,015
More than 365 days past due not impaired	95,295	50,640
	159,262	175,084
Impaired	16,906	12,843
	275,229	271,335

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment track records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial period/year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM159,262,000 (30.4.2018 : RM175,084,000) that are past due at the reporting date but not impaired as there is no concern on the credit-worthiness of the counterparties and the recoverability of these debts.

Receivables that are impaired

The Group's trade receivables that are individually assessed and impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000**
Trade receivables	16,906	12,843
Less: Allowance for impairment	(15,874)	(12,378)
	1,032	465

The Group measures allowance for impairment losses of trade receivables based on lifetime ECLs.

12 RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)

The expected credit losses on trade receivables are estimated by reference to historical loss experience of the debtors and an analysis of the debtor's current financial position, adjusted for forward-looking factors specific to the debtors and the general economic conditions, where applicable. The Group generally performs impairment assessment on trade receivables on an individual basis or on an account-by-account basis. However, for certain sectors, the Group has established provision matrices to facilitate the measurement of the expected credit losses by applying provision rates based on the days past due of the debtor balances. As for the property development activities, the Group has assessed that these debts should be realised in full without material losses in the ordinary course of business as the legal title to the properties sold remains with the Group until the purchase consideration is fully settled/paid.

Movement in allowance accounts

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017	12,378	12,212
Charge for the financial period/year (Note 33)	4,381	1,256
Reversal of impairment loss (Note 29)	(772)	(651)
Written off	(64)	(324)
Exchange differences	(49)	(115)
At 30 June 2019/30 April 2018	15,874	12,378

(b) Other receivables: current and non-current

Movement in allowance accounts

	Group		Company	
	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017	7,531	6,675	97,539	66,317
Charge for the financial period/year (Notes 31, 33)	7,515	865	27,966	31,222
Reversal of impairment loss (Note 29)	(881)	(7)	-	-
Written off	(5)	-	-	-
Exchange differences	1	(2)	-	-
At 30 June 2019/30 April 2018	14,161	7,531	125,505	97,539

12 RECEIVABLES (CONT'D)

(b) Other receivables: current and non-current (Cont'd)

(i) This represents the Final Instalment claimed by GMOC from Beijing SkyOcean in respect of the GMOC Arbitration, details of which are disclosed in Notes 2.5(a)(iii) and 40(c).

(ii) This represents the Jeju Project costs claimed by BJR from JDC in respect of the lawsuit against JDC. Details of this lawsuit are disclosed in Note 40(a).

The Jeju Project has been placed under lien by its main contractor. The outstanding amount due to the main contractor as at the reporting date amounted to RM84,938,000 (30.4.2018 : RM81,789,000) as disclosed in Note 25(a). The main contractor has also placed a lien on potential compensation receivable pending a positive judgement over the lawsuit.

The Group has no significant concentration of credit risk that may arise for exposures to a single debtor or a group of debtors except for RM507,621,000 (30.4.2018 : RM473,862,000) being the Final Instalment of the disposal of the Great Mall Project, RM584,467,000 (30.4.2018 : RM593,253,000) being costs claimed in JDC Lawsuit and the amounts owing by joint ventures and associated companies. The Company has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of receivables except for the amounts owing by subsidiary companies.

The amounts owing by subsidiary companies, associated companies and related companies of the Company are unsecured, repayable on demand and interest bearing except for a gross amount totalling RM805,211,000 (30.4.2018 : RM1,410,044,000) which are non interest bearing.

The amounts owing by certain subsidiary companies have been classified as non-current assets as the Company has reassessed that it does not intend to call for the payments of these amounts within the next 12 months.

The amounts owing by associated companies and related companies of the Group and of the Company are unsecured, repayable on demand and non-interest bearing except for a gross amount totalling RM276,218,000 (30.4.2018 : RM95,198,000) and RM38,728,000 (30.4.2018 : RM307,000) respectively, which are interest bearing.

The amounts owing by joint ventures are unsecured, non-interest bearing with schedule of repayments ranging from 2 to 20 (30.4.2018 : 2 to 20) years, except for a gross amount of RM240,319,000 (30.4.2018 : RM297,507,000) which is interest bearing.

(c) Other current assets

Included in sundry receivables of the Group are advance payments of RM41,733,000 (30.4.2018 : RM38,533,000) made in respect of property development project of the Group's foreign venture.

Included in prepayments of the Group is an amount of RM230,724,000 (30.4.2018 : RM230,724,000) which relates to a proposed project for the relocation of a turf club. The amount was prepaid to a related company as disclosed in Note 40(b).

Included in deposit for acquisition of assets is an amount of RM30,782,000 (30.4.2018 : RMNil) relating to the proposed acquisition of an investee as disclosed in Note 47(c).

13 CONTRACT ASSETS/(LIABILITIES)

	Group		
	30.6.2019 RM'000	30.4.2018 RM'000 Restated	At 1.5.2017 RM'000 Restated
NON-CURRENT			
Contract liabilities	(239,895)	(264,419)	(286,410)
CURRENT			
Contract assets	58,398	17,180	48,127
Contract liabilities	(309,705)	(243,302)	(193,178)
	(251,307)	(226,122)	(145,051)
Total	(491,202)	(490,541)	(431,461)

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000 Restated
Contract assets by business segments:		
Property development activities (Note a)	49,799	14,732
Wagering and voting systems contracts (Note c)	8,599	2,448
	58,398	17,180
Contract liabilities by business segments:		
Property development activities (Note a)	(139,593)	(99,475)
Club and vacation time share memberships (Note b)	(252,000)	(278,289)
Wagering and voting systems contracts (Note c)	(1,197)	(979)
Sale of motor vehicles contracts (Note d)	(151,098)	(124,399)
Hotel operations activities (Note e)	(5,712)	(4,579)
	(549,600)	(507,721)
Total	(491,202)	(490,541)

(a) Contract assets and contract liabilities from property development activities

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000 Restated
Contract assets	49,799	14,732
Contract liabilities	(139,593)	(99,475)
	(89,794)	(84,743)
At 1 May 2018/2017	(84,743)	(25,327)
Consideration payable to the customer	3,754	13,531
Revenue recognised during the financial period/year	152,223	284,384
Progress billings during the financial period/year	(161,028)	(357,331)
At 30 June 2019/30 April 2018	(89,794)	(84,743)

13 CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(a) Contract assets and contract liabilities from property development activities (Cont'd)

Revenue from property development activities in Malaysia are recognised over time using the input method, which is based on actual costs incurred to date on the property development project as compared to the total budgeted costs for the respective property development projects.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2019 is RM487,790,000. The remaining performance obligations are expected to be recognised as follows:

	Group 30.6.2019 RM'000
Within 1 year	460,456
More than 1 year	27,334
	487,790

(b) Contract liabilities from club and vacation time share memberships

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000 Restated
Contract liabilities	(252,000)	(278,289)
At 1 May 2018/2017	(278,289)	(299,260)
Revenue recognised during the financial period/year	26,289	20,971
At 30 June 2019/30 April 2018	(252,000)	(278,289)

Revenue from club and vacation time share membership activities are recognised over time using the input method. These revenue are recognised on a straight line basis over the tenure of each respective membership as services in the form of provision of usage of facilities of the clubs and time share operations are rendered in that manner.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2019 is RM252,000,000. The remaining performance obligations are expected to be recognised as follows:

	Group 30.6.2019 RM'000
Within 1 year	12,105
More than 1 year	239,895
	252,000

13 CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(c) Contract assets and contract liabilities from wagering and voting systems contracts

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000 Restated
Contract assets	8,599	2,448
Contract liabilities	(1,197)	(979)
	7,402	1,469
At 1 May 2018/2017	1,469	2,555
Revenue recognised during the financial period/year	12,787	6,890
Progress billings during the financial period/year	(7,049)	(7,406)
Exchange differences	195	(570)
At 30 June 2019/30 April 2018	7,402	1,469

In the case of wagering and voting systems contracts, contract assets are the excess of cumulative revenue earned over cumulative billings to-date. Contract liabilities are recorded when the cumulative billings to-date exceeds the revenue recognised under the cost input method.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2019 is RM1,197,000. The remaining performance obligations are expected to be recognised as follows:

	Group 30.6.2019 RM'000
Within 1 year	1,197

(d) Contract liabilities from sale of motor vehicles contracts

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000 Restated
Contract liabilities	(151,098)	(124,399)
At 1 May 2018/2017	(124,399)	(104,052)
Revenue recognised during the financial period/year	122,332	103,679
Deferred during the financial period/year	(151,095)	(124,399)
Exchange differences	2,064	373
At 30 June 2019/30 April 2018	(151,098)	(124,399)

Contract liabilities represent the obligations to deliver the motor vehicles to the customers for which the Group has received the considerations from the customers.

13 CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(d) Contract liabilities from sale of motor vehicles contracts (Cont'd)

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2019 is RM151,098,000. The remaining performance obligations are expected to be recognised as follows:

	Group 30.6.2019 RM'000
Within 1 year	151,098

(e) Contract liabilities from hotels operations activities

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000 Restated
Contract liabilities	(5,712)	(4,579)
At 1 May 2018/2017	(4,579)	(5,377)
Revenue recognised during the financial period/year	241,357	225,167
Progress billings during the financial period/year	(242,490)	(224,369)
At 30 June 2019/30 April 2018	(5,712)	(4,579)

Contract liabilities represent the obligations to perform services relating to hotel operations for which the Group has received the considerations from the customers.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2019 is RM5,712,000. The remaining performance obligations are expected to be recognised as follows:

	Group 30.6.2019 RM'000
Within 1 year	5,712

In adopting MFRS 15 retrospectively, the Group has applied certain expedients including not restating contracts that have been completed at the beginning of the earliest period presented in these financial statements which is 1 May 2017, and not disclosing the transaction price allocated to remaining unsatisfied performance obligation prior to the date of initial application on 1 May 2018.

14 SHORT TERM INVESTMENTS

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
Unit trust funds in Malaysia, at fair value	9,691	9,206

15 DEPOSITS

	Group		Company	
	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Deposits with:				
- Licensed banks	430,281	412,811	62,062	33,893
- Other financial institutions	2,636	18,738	-	-
	432,917	431,549	62,062	33,893

Included in deposits are:

(a) amounts which are restricted in usage:
   (i) RM66,266,000 (30.4.2018 : RM44,235,000) and RM56,463,000 (30.4.2018 : RM33,893,000) held in debt service reserve accounts for the Group and the Company respectively;
   (ii) RM7,322,000 (30.4.2018 : RM6,414,000) pledged for credit and other facilities granted to certain subsidiary companies of the Group; and
   (iii) RM5,512,000 (30.4.2018 : RM13,724,000) being deposits with maturity more than 3 months held by the Group.

(b) RM16,288,000 (30.4.2018 : RM23,347,000) held in sinking funds and trust accounts of the Group, for the operations of recreational clubs and time share operations.

The weighted average effective interest rates of deposits as at reporting date are as follows:

	Group		Company	
	30.6.2019 %	30.4.2018 %	30.6.2019 %	30.4.2018 %
Licensed banks	2.98	3.29	3.10	3.29
Other financial institutions	0.90	1.68	-	-

The weighted average maturities of deposits as at the end of financial period/year are as follows:

	Group		Company	
	30.6.2019 Days	30.4.2018 Days	30.6.2019 Days	30.4.2018 Days
Licensed banks	24	23	29	29
Other financial institutions	365	26	-	-

16 CASH AND BANK BALANCES

Included in cash and bank balances are:

(a) amounts which are restricted in usage:
  (i) RM899,000 (30.4.2018 : RM5,027,000) and RM49,000 (30.4.2018 : RM2,652,000) held in debt service reserve accounts for the Group and the Company respectively;
  (ii) RM667,000 (30.4.2018 : RM1,079,000) pledged for credit facilities granted to foreign subsidiary companies of the Group; and
  (iii) RMNil (30.4.2018 : RM47,000) held in an escrow account of the Group for credit facility granted to a subsidiary company.

(b) amounts totalling RM48,912,000 (30.4.2018 : RM146,300,000) held by the Group pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966.

(c) monies held for the operations of recreational clubs and time share operations of the Group amounting to RM356,000 (30.4.2018 : RM495,000).

17 DISPOSAL GROUP/NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

During the current financial period, BLCL completed the disposal of the entire 70% equity interest of its subsidiary company, Berjaya Long Beach Limited Liability Company ("BLong Beach") for VND333.25 billion (equivalent to about RM65.32 million). As a result of the disposal, BLCL received net proceeds of VND278.83 billion (equivalent to approximately RM52.44 million) after deducting related taxes and incidental costs.

The disposal group/non-current assets classified as held for sale of the current financial period comprises:

(a) the carrying amount of an associated company, Berjaya Vietnam Financial Center Limited ("BVFC") of RM145,373,000. During the previous financial year, BLCL received a refundable deposit of USD15.0 million (equivalent to about RM58.734 million). Subsequently, during the current financial period, BLCL entered into a Capital Transfer Agreement ("CTA") to dispose of its entire 32.5% equity interest in BVFC. Details of the proposed disposal are disclosed in Note 47(a).

(b) the net carrying amount of an investment in Berjaya Vietnam International University Town One Member Limited Liability Company ("BVIUT"). As disclosed in Note 47(a), BLCL intended to dispose of BVIUT to the buyers of BVFC or their affiliates. The investment with carrying amount of RM5,376,000 was fully impaired due to uncertainties of its recoverability.

(c) the carrying amount of the assets and liabilities of a subsidiary company of BToto, Philippine Gaming Management Corporation ("PGMC"). BToto completed the disposal of 20% of its equity interest in PGMC which is deemed disposed upon the dilution of its remaining equity interest in PGMC to 39.99% subsequent to the financial period end as disclosed in Note 48(a).

(d) the carrying amount of an investment property of RM21,749,000. A foreign subsidiary of BToto entered into an agreement to dispose of the investment property during the financial period and the disposal was completed subsequent to the financial period end.

As of reporting date, the proposed disposals of items (a) and (b) are pending completion as certain conditions imposed by the authorities, which were beyond the control and anticipation of the Group and the prospective buyers. Both parties remained committed to the disposal plans and are taking necessary actions to address these conditions. The Group is of the view that this matter will be satisfactorily resolved in its favour.

17 DISPOSAL GROUP/NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE (CONT'D)

Details of disposal group/non-current assets classified held for sale are as follows:

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
Assets		
Property, plant and equipment (Note 3)	2,527	36,666
Associated company	145,373	145,373
Investments	-	5,376
Deferred tax assets (Note 24)	1,120	-
Inventories	1,956	92
Receivables	47,404	35,329
Cash and bank balances	9,955	44
Assets of disposal group classified as held for sale	208,335	222,880
Non-current asset classified as held for sale:		
Investment property (Note 4)	21,749	-
	230,084	222,880
Liabilities		
Payables	3,900	2,959
Tax payable	608	-
Provisions	5,182	-
Retirement benefit obligation (Note 23(a))	2,403	-
	12,093	2,959
Analysed as follows:		
Assets		
Relating to the disposal of BLong Beach	-	37,603
Investment in BVFC and BVIUT	145,373	150,749
Amounts due from BVFC and BVIUT	35,631	34,528
Relating to the disposal of PGMC	27,331	-
Investment property	21,749	-
	230,084	222,880
Liabilities		
Payables relating to the disposal of BLong Beach	-	2,959
Payables relating to the disposal of PGMC	12,093	-

18 SHARE CAPITAL

	Group and Company			
	No. of ordinary shares		Amount	
	30.6.2019 '000	30.4.2018 '000	30.6.2019 RM'000	30.4.2018 RM'000
Issued and fully paid:				
At beginning and the end of the financial period/year	5,000,337	5,000,337	2,500,168	2,500,168

	Group and Company	
	30.6.2019 No. of shares '000	30.4.2018 No. of shares '000
Issued ordinary shares with voting rights:		
Total number of issued ordinary shares	5,000,337	5,000,337
Less: Number of ordinary shares held as treasury shares (Note 20)	(10,943)	(10,943)
	4,989,394	4,989,394

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

19 RESERVES

	Group		Company	
	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Non-distributable:				
Foreign currency translation reserve (Note a)	181,101	152,707	-	-
Fair value reserve (Note b)	1,054,940	1,199,412	-	-
Consolidation reserve (Note c)	80,064	81,719	-	-
Available-for-sale reserve (Note d)	-	4,450	-	712
Fair value through other comprehensive income reserve (Note e)	(44,994)	-	(7,276)	-
Capital reserve (Note f)	116,528	116,528	-	-
Fair value reserve of disposal group classified as held for sale (Note g)	877	-	-	-
Distributable:				
Retained earnings (Note h)	309,429	106,042	512,110	602,033
	1,697,945	1,660,858	504,834	602,745

19 RESERVES (CONT'D)

(a) Foreign currency translation reserve

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017	152,707	234,019
Current financial period/year movement	29,943	(113,022)
Transfer to profit or loss upon disposal/dilution of subsidiary companies	(1,549)	31,710
At 30 June 2019/30 April 2018	181,101	152,707

(b) Fair value reserve

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017	1,199,412	1,179,509
Share of (impairment)/reversal of impairment of gaming rights	(172,794)	38,251
Share of deferred tax liability arising from impairment/(reversal of impairment) of gaming rights	40,902	(9,180)
Arising from transfer of property, plant and equipment to investment properties	-	864
Effects of amortisation of gaming rights	(11,703)	(10,032)
Transfer to disposal group classified as held for sale (Note g)	(877)	-
At 30 June 2019/30 April 2018	1,054,940	1,199,412

This reserve represents mainly the Group's share of post acquisition fair value and other adjustments arising from the business combination of BToto Group in prior financial years.

(c) Consolidation reserve

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017	81,719	81,842
Arising from increase in equity interest in a subsidiary company	(1,655)	(123)
At 30 June 2019/30 April 2018	80,064	81,719

This reserve represents the effects arising from changes in the Group's ownership interest in a subsidiary company that does not result in loss of control.

19 RESERVES (CONT'D)

(d) Available-for-sale reserve

	Group		Company	
	30.6.2019 RM'000	**30.4.2018 RM'000**	**30.6.2019 RM'000**	**30.4.2018 RM'000**
At 1 May 2018/2017:				
- as previously restated	4,450	5,215	712	1,874
- effects of adopting MFRS 9	(4,450)	-	(712)	-
- as restated	-	5,215	-	1,874
Changes in fair values of available-for-sale financial assets during the financial period/year	-	(9,171)	-	(183)
Transfer to profit or loss upon:				
- disposal	-	459	-	(979)
- impairment	-	7,947	-	-
At 30 June 2019/30 April 2018	-	4,450	-	712

Available-for-sale reserve represents the cumulative fair value changes, net of tax, if applicable, of available-for-sale financial assets until they are disposed of or impaired.

(e) Fair value through other comprehensive income reserve

	Group		Company	
	30.6.2019 RM'000	**30.4.2018 RM'000**	**30.6.2019 RM'000**	**30.4.2018 RM'000**
At 1 May 2018/2017:				
- as previously restated	-	-	-	-
- effects of adopting MFRS 9	(41,068)	-	(7,217)	-
- as restated	(41,068)	-	(7,217)	-
Changes in fair values				
of FVTOCI financial assets				-
during the financial period/year	(4,420)	-	(59)	-
Transfer to retained earnings on the disposal of FVTOCI investments	494	-	-	-
At 30 June 2019/30 April 2018	(44,994)	-	(7,276)	-

Fair value through other comprehensive income ("FVTOCI") reserve represents the cumulative fair value changes, net of tax, if applicable, of FVTOCI financial assets until they are disposed of or impaired.

19 RESERVES (CONT'D)

(f) Capital reserve

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
At beginning and the end of the financial period/year	116,528	116,528

This reserve represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.

(g) Fair value reserve of disposal group classified as held for sale

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017	-	-
Transfer from fair value reserve	877	-
At 30 June 2019/30 April 2018	877	-

(h) Retained earnings

Subject to Section 131 of the Companies Act 2016, the retained earnings of the Company is available for distribution as single tier dividends.

20 TREASURY SHARES

	Group and Company			
	30.6.2019 No. of shares '000	30.4.2018 No. of shares '000	30.6.2019 RM'000	30.4.2018 RM'000
At beginning and the end of the financial period/year	10,943	10,943	20,699	20,699

The renewal of the Company's plan and mandate relating to the share buyback was approved by the shareholders of the Company on 17 October 2018 granting the Directors of the Company the authority to buyback its own shares up to 10% of the existing total number of issued shares, inclusive of all treasury shares that have been bought back.

The shares bought back are held as treasury shares and none of these shares were cancelled or distributed during the current financial period/year.

21 LONG TERM BORROWINGS

	Group		Company	
	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Secured:				
Term loans	640,596	969,820	74,814	310,704
Amount repayable within 12 months included in short term borrowings (Note 26)	(203,319)	(393,799)	(25,730)	(253,211)
	437,277	576,021	49,084	57,493
Medium term notes (Note a)	1,298,385	1,399,221	499,519	599,221
Amount repayable within 12 months included in short term borrowings (Note 26)	(459,687)	(524,701)	(399,687)	(224,701)
	838,698	874,520	99,832	374,520
Other bank borrowings	408,078	373,673	351,582	317,141
	1,684,053	1,824,214	500,498	749,154
Hire purchase and finance lease liabilities (Note b)	69,324	74,257	1,151	598
Amount repayable within 12 months included in short term borrowings (Note 26)	(10,607)	(10,104)	(355)	(257)
	58,717	64,153	796	341
	1,742,770	1,888,367	501,294	749,495

The long term borrowings of the Group and of the Company are secured by quoted shares, properties, deposits and cash and bank balances of the Group and of the Company as mentioned in Notes 3, 4, 5, 6, 7, 9, 15 and 16. The term loans and other bank borrowings bear floating interest at rates ranging from 3.11% to 7.83% (30.4.2018 : 2.81% to 8.03%) per annum for the Group and from 4.82% to 6.80% (30.4.2018 : 4.82% to 6.55%) per annum for the Company.

Details of the outstanding long term borrowings (excluding hire purchase and finance lease liabilities) are as follows:

	Group		Company	
Long term borrowings	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Amounts repayable within :				
More than 1 year but not later than 2 years	407,836	1,001,500	267,395	372,185
More than 2 years but not later than 5 years	749,400	646,765	233,103	376,969
More than 5 years	526,817	175,949	-	-
	1,684,053	1,824,214	500,498	749,154

21 LONG TERM BORROWINGS (CONT'D)

(a) Medium term notes

The facility amounts of the medium terms notes ("MTN") programme are as follows:

	Group		Company	
	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
STM MTN	800,000	800,000	-	-
BLB MTN	650,000	650,000	650,000	650,000
	1,450,000	1,450,000	650,000	650,000

(i) Sports Toto Malaysia Sdn Bhd ("STM"), a wholly-owned subsidiary company of BToto undertook a MTN programme of up to RM800,000,000 in nominal value ("STM MTN"). As at 30 June 2019, STM MTN totalling RM800,000,000 (30.4.2018 : RM800,000,000) in nominal value remains outstanding.

STM MTN is secured by a third party first equitable charge over the entire issued and paid-up share capital of STM which is the issuer and a corporate guarantee provided by BToto.

(ii) The Company undertook a MTN programme of up to RM650,000,000 in nominal value ("BLB MTN"). As at 30 June 2019, BLB MTN totalling to RM500,000,000 (30.4.2018 : RM600,000,000) in nominal value remains outstanding.

BLB MTN is secured by a financial guarantee insurance facility granted by Danajamin Nasional Berhad to the Company for the principal redemption of up to RM500,000,000 in nominal value and a bank guarantee facility granted by OCBC Bank (Malaysia) Berhad to the Company for the principal redemption of up to RM150,000,000 in nominal value.

The maturities of the MTNs as at the reporting date are as follows:

CURRENT		Group		Company	
	Maturity	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Secured with fixed rate:					
4.30% p.a.	June 2018	-	50,000	-	-
4.47% p.a.	June 2018	-	30,000	-	-
4.73% p.a.	June 2018	-	95,000	-	-
4.40% p.a.	July 2018	-	125,000	-	-
4.55% p.a.	December 2018	-	174,767	-	174,767
4.38% p.a.	December 2018	-	49,934	-	49,934
4.95% p.a.	December 2019	199,844	-	199,844	-
4.85% p.a.	December 2019	74,941	-	74,941	-
4.55% p.a.	December 2019	124,902	-	124,902	-
4.65% p.a.	June 2020	60,000	-	-	-
Amount repayable within 12 months included in short term borrowings (Note 26)		459,687	524,701	399,687	224,701

21 LONG TERM BORROWINGS (CONT'D)

(a) Medium term notes (Cont'd)

The maturities of the MTNs as at the reporting date are as follows:

NON-CURRENT		**Group**		**Company**	
	Maturity	**30.6.2019 RM'000**	**30.4.2018 RM'000**	**30.6.2019 RM'000**	**30.4.2018 RM'000**
Secured with fixed rate:					
4.82% p.a.	June 2019	-	200,000	-	-
4.53% p.a	June 2019	-	55,000	-	-
4.88% p.a.	July 2019	-	145,000	-	-
4.95% p.a.	December 2019	-	199,744	-	199,744
4.85% p.a.	December 2019	-	74,904	-	74,904
4.75% p.a.	June 2021 *	25,000	-	-	-
Amount repayable more than 1 year but not later than 2 years		25,000	674,648	-	274,648
4.65% p.a.	June 2020	-	60,000	-	-
4.90% p.a.	September 2021	30,000	-	-	-
5.35% p.a.	December 2021	99,832	99,872	99,832	99,872
4.90% p.a.	June 2022 *	65,000	-	-	-
4.95% p.a.	June 2022 *	80,000	-	-	-
4.82% p.a.	June 2022	40,000	40,000	-	-
4.95% p.a.	June 2022	114,678	-	-	-
5.14% p.a.	January 2024	25,000	-	-	-
5.05% p.a.	June 2024 *	40,000	-	-	-
Amount repayable more than 2 years but not later than 5 years		494,510	199,872	99,832	99,872
Amount repayable more than 5 years					
5.25% p.a.	June 2026	139,188	-	-	-
5.45% p.a.	June 2028 *	55,000	-	-	-
5.55% p.a.	June 2029 *	125,000	-	-	-
		319,188	-	-	-
Total non-current MTNs		838,698	874,520	99,832	374,520

* At reporting date, STM has secured and executed the subscription agreements for the new issuance from the 15-year Medium Term Notes Programme ("New STM MTNs") to refinance the total STM MTNs amounting of RM390.0 million which were due in July 2019. As such, the repayment terms of these New STM MTNs issuance are reflected in the above note.

(b) Hire purchase and finance lease liabilities

Approximately RM2,085,000 (30.4.2018 : RM1,972,000) and RM796,000 (30.4.2018 : RM341,000) included in the hire purchase and finance lease liabilities of the Group and of the Company respectively are owing to a related company.

The hire purchase and finance lease liabilities bear interest at rates ranging from 2.35% to 8.80% (30.4.2018 : 2.35% to 8.80%) per annum.

21 LONG TERM BORROWINGS (CONT'D)

(b) Hire purchase and finance lease liabilities (Cont'd)

The commitment terms under the hire purchase and finance lease liabilities are summarised as follows:

	Group		Company	
	30.6.2019 RM'000	**30.4.2018 RM'000**	**30.6.2019 RM'000**	**30.4.2018 RM'000**
Future minimum lease payments:				
1 year after reporting date	13,790	14,402	438	313
More than 1 year but not later than 2 years	11,665	13,483	311	240
More than 2 years but not later than 5 years	55,078	31,915	674	179
More than 5 years	-	31,972	-	-
	80,533	91,772	1,423	732
Unexpired interests	(11,209)	(17,515)	(272)	(134)
	69,324	74,257	1,151	598
Amount repayable within 12 months included in short term borrowings (Note 26)	(10,607)	(10,104)	(355)	(257)
	58,717	64,153	796	341
Analysis of hire purchase and finance lease liabilities:				
1 year after reporting date	10,607	10,104	355	257
More than 1 year but but not later than 2 years	8,982	9,785	251	196
More than 2 years but not later than 5 years	49,735	24,053	545	145
More than 5 years	-	30,315	-	-
	69,324	74,257	1,151	598

22 LONG TERM LIABILITIES

	Group		
	30.6.2019 RM'000	**30.4.2018 RM'000 Restated**	**1.5.2017 RM'000 Restated**
Club members' deposits (Note a)	1,283	1,138	10,371
Other deferred income (Note b)	19,428	20,978	21,524
Retention sum - property development projects	2,457	6,839	5,998
Rental deposits	1,170	2,694	2,612
Payable for acquisition of an associated company (Note c)	4,143	7,814	-
Other payables (Note d)	1,318	7,778	-
	29,799	47,241	40,505

22 LONG TERM LIABILITIES (CONT'D)

	Company	
	30.6.2019 RM'000	30.4.2018 RM'000
Amount owing to subsidiary companies (Note e)	285,076	297,018

(a) Club members' deposits represent amounts paid by members to certain subsidiary companies for membership licences issued to use and enjoy the facilities of the subsidiary companies' recreational clubs. The monies are refundable to the members upon expiry of prescribed terms from the dates of issuance of the licences.

(b) Other deferred income represents the difference between the carrying amount and fair value of financial liabilities upon initial recognition which is recognised systematically on a straight-line basis over the tenure of the memberships or tenancy period.

(c) The payable for the acquisition of an associated company is in respect of subscription of additional shares in SIAMH to be settled on deferred payment terms.

(d) Other payables represents a loan granted by a related party to a foreign subsidiary company amounting to RM1,318,000 (30.4.2018 : RM1,359,000) and the provision of legal claims of another foreign subsidiary company of RMNil (30.4.2018 : RM4,857,000).

(e) The amounts owing to certain subsidiary companies which are interest bearing, have been classified as long term liabilities as these subsidiary companies do not intend to call for the payments of these amounts within the next 12 months.

23 RETIREMENT BENEFIT OBLIGATIONS

Retirement benefit obligations recognised by the Group is analysed into:

		Group	
		30.6.2019 RM'000	30.4.2018 RM'000
Current	- unfunded defined benefit plans	251	153
Non-current	- funded defined benefit plan	(2,254)	(1,732)
	- unfunded defined benefit plans	7,378	7,192
		5,124	5,460
		5,375	5,613

(a) Funded Defined Benefit Plan

Certain foreign subsidiary companies of the Group maintain separate funded retirement plans for its eligible employees. Actuarial valuations are made regularly to update the retirement benefit costs.

The movements in the funded defined benefit obligation recognised are as follows:

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017	(1,732)	3,231
Recognised in profit or loss	2,044	697
Recognised in other comprehensive income	1,002	(3,534)
Employer's contribution	(1,385)	(1,701)
Transfer to disposal group classified as held for sale (Note 17)	(2,403)	-
Exchange differences	220	(425)
At 30 June 2019/30 April 2018	(2,254)	(1,732)
Presented after appropriate offsetting as follows:		
Retirement benefit assets	(2,667)	(3,506)
Retirement benefit liabilities	413	1,774
	(2,254)	(1,732)

The amounts of funded defined benefit obligation recognised in the statement of financial position are determined as follows:

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
Present value of the obligation	72,563	73,321
Fair value of plan assets	(74,817)	(75,053)
Surplus over plan assets	(2,254)	(1,732)

23 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Funded Defined Benefit Plan (Cont'd)

The movements in present value of the funded defined benefit obligation recognised are as follows:

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000**
At 1 May 2018/2017	73,321	80,711
Current service cost and interest cost	3,101	2,784
Actuarial loss/(gain)	5,069	(2,930)
Benefits paid by the plan	(4,167)	(1,656)
Past service costs	1,277	-
Liabilities extinguished on settlements	-	(3,357)
Transfer to disposal group classified as held for sale (Note 17)	(4,067)	-
Exchange differences	(1,971)	(2,231)
At 30 June 2019/30 April 2018	72,563	73,321

The movements in fair value of plan assets are presented below:

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000**
At 1 May 2018/2017	75,053	77,480
Interest income	2,334	2,047
Return on plan assets	4,067	604
Employer's contribution	1,385	1,701
Benefits paid by the plan	(4,167)	(1,656)
Assets distributed on settlements	-	(3,317)
Transfer to disposal group classified as held for sale (Note 17)	(1,664)	-
Exchange differences	(2,191)	(1,806)
At 30 June 2019/30 April 2018	74,817	75,053

The plan assets consist of the following:

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000**
Fixed income assets	74,599	74,717
Cash in bank	218	336
	74,817	75,053

The components of amounts recognised in profit or loss and in other comprehensive income in respect of the funded defined benefit retirement plan are as follows:

Reported in profit or loss:

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000**
Current service costs recognised in directors' remuneration and employee benefit expenses (Notes 34 and 35)	2,025	596
Net interest costs (Note 32)	19	101
Retirement benefits recognised in profit or loss	2,044	697

23 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Funded Defined Benefit Plan (Cont'd)

Reported in other comprehensive income:

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
Remeasurement (losses)/gain arising from:		
Actuarial changes in financial assumptions	(5,569)	2,648
Actuarial changes in demographic assumptions	572	382
Return on plan assets	4,067	604
Experience adjustments arising from defined benefit obligations	(72)	(100)
	(1,002)	3,534
Deferred tax benefit/(expense)	154	(759)
Retirement benefits recognised in other comprehensive income	(848)	2,775

The current service and net interest costs are charged to profit or loss and presented as part of the employee benefit expenses and finance costs respectively.

The amounts recognised in other comprehensive income were included within items that will not be reclassified subsequently to profit or loss.

Presented below is the historical information related to the present value of the funded defined benefit obligation, fair value of the plan assets and (surplus)/deficit in the plan.

	30.6.2019 RM'000	30.4.2018 RM'000	30.4.2017 RM'000	30.4.2016 RM'000	30.4.2015 RM'000
Present value of the obligation	72,563	73,321	80,711	70,183	71,452
Fair value of the plan assets	(74,817)	(75,053)	(77,480)	(66,798)	(67,634)
(Surplus)/ Deficit in the plan	(2,254)	(1,732)	3,231	3,385	3,818

For the determination of the funded defined benefit obligation, the following principal actuarial assumptions were used:

	Group	
	30.6.2019	30.4.2018
Discount rate	2.30% - 6.09%	2.70% - 6.84%

Sensitivity analysis for retirement benefit obligation

The management is of the view that any reasonably possible changes to the principal actuarial assumptions will not have significant impact to the Group.

23 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) Unfunded Defined Benefit Plans

Certain subsidiary companies in Malaysia operate unfunded, defined retirement benefit schemes and provision is made at contracted rates for benefits that would become payable on retirement of eligible employees. Under the scheme, eligible employees are entitled to retirement benefits varying between 15 days and 26 days per year of final salary on attainment of the retirement age of 60.

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017	7,345	6,929
Recognised in profit or loss	996	715
Benefits paid by the plans	(420)	(299)
Actuarial gain recognised in other comprehensive income	(292)	-
At 30 June 2019/30 April 2018	7,629	7,345
Analysed as follows:		
Current	251	153
Non-current	7,378	7,192
	7,629	7,345

The amounts recognised in the statement of financial position are determined based on the present value of unfunded defined benefit obligations.

The amounts recognised in profit or loss are as follows:

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
Current service cost (Note 35)	521	337
Interest cost (Note 32)	475	378
Retirement benefits recognised in profit or loss	996	715

	Group	
	30.6.2019	30.4.2018
Principal actuarial assumptions to determine benefit obligations:		
Discount rate in Malaysia (%)	4.90	5.50
Expected rate of salary increases (%)	6.00	6.00

23 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) Unfunded Defined Benefit Plans (Cont'd)

A quantitative sensitivity analysis of the change in the rate is shown below:

	Increase / (decrease)		Impact on unfunded defined benefit obligations	
	30.6.2019 %	30.4.2018 %	30.6.2019 RM'000	30.4.2018 RM'000
Discount rate	1	1	(1,105)	(882)
Future salary increase	1	1	1,349	1,131
Discount rate	(1)	(1)	1,331	1,051
Future salary decrease	(1)	(1)	(1,140)	(958)

The duration of the unfunded defined benefit obligations as at 30 June 2019 is between 11 and 17 (30.4.2018 : 11 and 15) years.

24 DEFERRED TAX (ASSETS)/LIABILITIES

	Group		Company	
	30.6.2019 RM'000	30.4.2018 RM'000 Restated	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017 - as restated	992,482	972,629	-	-
Effects of changes in real property gains tax rates (Note 36)	14,356	-	-	-
Recognised in profit or loss (Note 36)	(17,967)	(3,694)	-	-
Recognised in other comprehensive income	(100,331)	24,080	-	-
Recognised in intangible assets	(1,091)	(517)	-	-
Transfer to disposal group classified as held for sale	1,120	-	-	-
Exchange differences	79	(16)	-	-
At 30 June 2019/30 April 2018	888,648	992,482	-	-
Presented after appropriate offsetting as follows:				
Deferred tax assets	(70,963)	(77,443)	-	-
Deferred tax liabilities	959,611	1,069,925	-	-
	888,648	992,482	-	-

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

24 DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The components and movements of deferred tax liabilities and assets during the financial period/year are as follows:

Deferred Tax Liabilities of the Group:	Property, plant and equipment RM'000	Gaming rights/ Goodwill RM'000	Undistributed profits of an associated company RM'000	Land held for development RM'000	Receivables/ Payables/ Others RM'000	Development properties and contract cost assets RM'000	Investment properties RM'000	Property inventories RM'000	Total RM'000
At 1 May 2018 - as restated	110,702	952,903	2,754	8,233	1,142	7,299	31,727	8,491	1,123,251
Effect of changes in real property gains tax rates	-	-	-	-	-	-	14,356	-	14,356
Recognised in profit or loss	(55,365)	(17,467)	(654)	(189)	1,599	(55)	47,332	(268)	(25,067)
Recognised in intangible assets	-	(1,091)	-	-	-	-	-	-	(1,091)
Recognised in other comprehensive income	-	(100,177)	-	-	-	-	-	-	(100,177)
Exchange differences	130	-	-	1	448	(100)	(503)	-	(24)
	55,467	834,168	2,100	8,045	3,189	7,144	92,912	8,223	1,011,248
Less: Set-off of deferred tax assets									(51,637)
At 30 June 2019									959,611
At 1 May 2017 - as restated	113,463	938,533	4,475	9,951	1,602	6,746	31,154	8,719	1,114,643
Recognised in profit or loss	(2,110)	(7,932)	(1,721)	(1,717)	2	698	69	(226)	(12,937)
Recognised in intangible assets	-	(517)	-	-	-	-	-	-	(517)
Recognised in other comprehensive income	-	22,819	-	-	-	-	502	-	23,321
Exchange differences	(651)	-	-	(1)	(462)	(145)	2	(2)	(1,259)
	110,702	952,903	2,754	8,233	1,142	7,299	31,727	8,491	1,123,251
Less: Set-off of deferred tax assets									(53,326)
At 30 April 2018									1,069,925

24 DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The components and movements of deferred tax liabilities and assets during the financial period/year are as follows (Cont'd):

Deferred Tax Assets of the Group:	Other payables RM'000	Unused tax losses and unabsorbed capital allowances RM'000	Unabsorbed investment tax allowances RM'000	Contract liabilities RM'000	Others RM'000	Total RM'000
At 1 May 2018 - as restated	(41,475)	(35,397)	(293)	(49,911)	(3,693)	(130,769)
Recognised in profit or loss	4,929	(1,244)	(64)	4,492	(1,013)	7,100
Recognised in other comprehensive income	-	-	-	-	(154)	(154)
Transferred to disposal group classified as held for sale	-	(3)	-	-	1,123	1,120
Exchange differences	(495)	(318)	9	-	907	103
	(37,041)	(36,962)	(348)	(45,419)	(2,830)	(122,600)
Less: Set-off of deferred tax liabilities						51,637
At 30 June 2019						(70,963)
At 1 May 2017 - as restated	(41,035)	(40,188)	(22)	(53,829)	(6,940)	(142,014)
Recognised in profit or loss	(1,061)	4,493	(279)	3,918	2,172	9,243
Recognised in other comprehensive income	-	-	-	-	759	759
Exchange differences	621	298	8	-	316	1,243
	(41,475)	(35,397)	(293)	(49,911)	(3,693)	(130,769)
Less: Set-off of deferred tax liabilities						53,326
At 30 April 2018						(77,443)

24 DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The components and movements of deferred tax liabilities and assets during the financial period/year are as follows (Cont'd):

Deferred Tax Liabilities of the Company:	Property, plant and equipment RM'000	Total RM'000
At 1 May 2018	-	-
Recognised in profit or loss	-	-
	-	-
Less: Set-off of deferred tax assets		-
At 30 June 2019		-
At 1 May 2017	191	191
Recognised in profit or loss	(191)	(191)
	-	-
Less: Set-off of deferred tax assets		-
At 30 April 2018		-

Deferred Tax Assets of the Company:	Unabsorbed capital allowances RM'000	Other payables RM'000	Total RM'000
At 1 May 2018	-	-	-
Recognised in profit or loss	-	-	-
	-	-	-
Less: Set-off of deferred tax liabilities			-
At 30 June 2019			-
At 1 May 2017	(72)	(119)	(191)
Recognised in profit or loss	72	119	191
	-	-	-
Less: Set-off of deferred tax liabilities			-
At 30 April 2018			-

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	30.6.2019 RM'000	**30.4.2018 RM'000**	**30.6.2019 RM'000**	**30.4.2018 RM'000**
Unutilised tax losses	630,425	552,772	-	-
Unabsorbed capital allowances	248,255	230,367	-	207
Investment tax allowances	93,581	93,542	-	-
Others	184,187	162,073	-	-
	1,156,448	1,038,754	-	207

Deferred tax assets have not been recognised in respect of the unutilised tax losses, unabsorbed capital allowances, investment tax allowances and other deductible temporary differences as it is not probable that future taxable profits from a business source as defined by the Malaysian tax legislature will be available against which the unutilised tax losses, unabsorbed capital allowances, investment tax allowances and other deductible temporary differences can be utilised.

24 DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The Malaysia Finance Act gazetted on 27 December 2018 has imposed a time limitation to restrict the carry forward of the unutilised tax losses. The unutilised tax losses accumulated up to the year of assessment 2018 are allowed to be carried forward for 7 consecutive years of assessment (i.e. from years of assessment 2019 to 2025) and any balance of the unutilised losses thereafter shall be disregarded.

However, for any unutilised tax losses that originated from the year of assessment 2019 onwards, these are allowed to be carried forward for a maximum period of 7 consecutive years of assessment immediately following that originating year of assessment and any balance of the unutilised tax losses thereafter shall be disregarded.

The foreign unutilised losses and unabsorbed capital allowances applicable to foreign incorporated subsidiary companies are pre-determined by and subject to the tax legislations of the respective countries.

25 PAYABLES

	Group		
	30.6.2019 RM'000	**30.4.2018 RM'000 Restated**	**1.5.2017 RM'000 Restated**
Trade payables	280,790	244,586	272,508
Other payables			
Other payables	131,444	107,017	144,860
Accruals	307,060	301,401	266,030
Payable for acquisition of assets	161,929	161,870	162,881
Agency deposits	37,373	37,750	37,841
Payable for acquisition of associated company	3,086	2,034	-
Refundable deposits received for disposal of investments	60,782	253,153	35,020
Refundable deposits	77,480	58,969	37,677
Amounts owing to:			
- related companies	12,420	71,063	52,387
- associated companies	2	61	107
	791,576	993,318	736,803
Total payables at amortised cost	1,072,366	1,237,904	1,009,311
Other current liabilities			
Deposits	26,914	37,687	14,858
Deferred income	5,985	4,639	6,394
Pool betting duty payables	25,604	20,413	19,757
Other duties and taxes payable	81,340	86,185	97,555
Dividend payable to non-controlling interests	36,048	32,248	507
	175,891	181,172	139,071
Total payables	1,248,257	1,419,076	1,148,382

25 PAYABLES (CONT'D)

	Company	
	30.6.2019	**30.4.2018**
	RM'000	**RM'000**
Other payables	2,000	1,185
Accruals	4,118	15,564
Amounts owing to:		
- subsidiary companies	688,022	660,577
- related companies	1,102	692
- associated companies	2	61
Total payables at amortised cost	695,244	678,079

(a) Trade payables

These amounts are non-interest bearing. The normal trade credit terms granted to the Group range from 1 to 183 (30.4.2018 : 1 to 183) days.

Included in the trade payables is an amount of RM84,938,000 (30.4.2018 : RM81,789,000) due to the main contractor of the Jeju Project as referred to in Notes 2.5(a)(ii) and 40(a). The main contractor has a lien over the amount recoverable from the Jeju Project as disclosed in Note 12(b)(ii).

(b) Other payables

Included in other payables are advances from certain directors of subsidiary companies amounting to RM2,306,000 (30.4.2018 : RM2,153,000) which are non-interest bearing and repayable on demand.

Included in accruals of the Group are accrued contributions to the National Sports Council.

Payable for acquisition of assets relates to the balance purchase price of several parcels of freehold land acquired by a subsidiary company.

Agency deposits represent deposits obtained from agents for operating toto betting outlets. These deposits are refundable upon termination of operation contracts.

The payable for the acquisition of an associated company is in respect of subscription of additional shares in SIAMH to be settled on deferred payment terms.

Refundable deposits received for the disposal of investments are in relation to the proposed disposals of several foreign ventures as disclosed in Note 17.

The amounts owing to subsidiary, related and associated companies are unsecured, repayable on demand and interest bearing except for amounts totalling RM11,757,000 and RM86,431,000 (30.4.2018 : RM70,408,000 and RM63,538,000) which are non-interest bearing in respect of the Group and the Company respectively.

26 SHORT TERM BORROWINGS

	Group		Company	
	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Secured:				
Amount repayable within 12 months:				
- Term loans (Note 21)	203,319	393,799	25,730	253,211
- Medium term notes (Note 21)	459,687	524,701	399,687	224,701
Other short term borrowings	269,279	278,641	157,260	97,999
Vehicle stocking loans	286,401	313,704	-	-
Bank overdrafts	9,190	10,147	-	2,206
	1,227,876	1,520,992	582,677	578,117
Unsecured:				
Bank overdraft	143	-	-	-
	1,228,019	1,520,992	582,677	578,117
Secured:				
Hire purchase and finance lease liabilities (Note 21)	10,607	10,104	355	257
	1,238,626	1,531,096	583,032	578,374

The secured borrowings are secured by certain quoted shares, properties, vehicles, deposits and cash and bank balances of the Company and its subsidiary companies as mentioned in Notes 3, 4, 5, 6, 7, 9, 15 and 16.

The short term borrowings bear floating interest at rates ranging from 1.88% to 9.31% (30.4.2018 : 1.73% to 10.50%) per annum for the Group and from 4.82% to 8.90% (30.4.2018 : 4.82% to 10.50%) per annum for the Company.

The vehicle stocking loans obtained by foreign subsidiary companies bear interest at the rate of 2.80% to 4.75% (30.4.2018 : 2.75% to 4.75%) per annum.

Approximately RM1,104,000 (30.4.2018 : RM1,188,000) and RM355,000 (30.4.2018 : RM257,000) included in the hire purchase and finance lease liabilities of the Group and of the Company respectively represent amounts owing to a related company.

27 PROVISIONS

Group **30.6.2019**	Sales warranty RM'000	Restoration costs RM'000	Total RM'000
At 1 May 2018 - as restated	1,712	971	2,683
Reversal of provision during the financial period	(864)	-	(864)
Utilised during the financial period	(66)	-	(66)
Exchange differences	18	-	18
At 30 June 2019	800	971	1,771
Analysed as follows:			
Current	800	971	1,771

27 PROVISIONS (CONT'D)

Group	Sales warranty RM'000	Restoration costs RM'000	Total RM'000
30.4.2018			
At 1 May 2017 - as restated	1,366	971	2,337
Additional provision during the financial year	571	-	571
Utilised during the financial year	(59)	-	(59)
Exchange differences	(166)	-	(166)
At 30 April 2018	1,712	971	2,683
Analysed as follows:			
Current	1,712	971	2,683

(a) Sales warranty

A foreign subsidiary company provides 3 to 12 (30.4.2018 : 3 to 12) months warranties on certain products and undertakes to provide repairs or replacement of items that fail to perform satisfactorily. Provision for warranties is recognised for all products under warranty at the reporting date based on past experience on the level of repairs and returns.

(b) Restoration costs

Provision for restoration costs is the estimated cost of dismantlement, removal or restoration of property, plant and equipment arising from the acquisition and use of such assets, which are capitalised and included in the cost of property, plant and equipment.

28 REVENUE

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	**1.5.2017 to 30.4.2018 RM'000 Restated**	**1.5.2018 to 30.6.2019 RM'000**	**1.5.2017 to 30.4.2018 RM'000**
Revenue from contracts with customers	7,158,851	6,219,009	1,176	1,180
Revenue from other sources:				
- Lease income from:				
- investment properties	34,636	38,998	-	-
- lottery equipment	113,734	132,398	-	-
- Gross dividends				
- from unquoted subsidiary companies	-	-	-	25,000
- from a quoted subsidiary company	-	-	28,300	27,386
- from quoted investments	-	-	675	-
- from unquoted investments	-	-	1,750	750
	7,307,221	6,390,405	31,901	54,316
Disaggregation of the revenue from contracts with customers:				
By major goods and services:				
Toto betting income	3,643,071	3,119,563	-	-
Sales of motor vehicles, charges for aftersales services, repairs and maintenance services rendered	2,841,502	2,341,470	-	-
Income from supply of goods and services from hotels, resorts and casino operations	349,663	327,075	-	-
Sale of property inventories	152,223	284,384	-	-
Income from chartered flights	604	2,898	-	-
Membership fees and subscriptions	94,418	87,419	-	-
Sale of wagering and voting systems, spare parts and licensing fees	73,914	53,025	-	-
Management fees income	3,456	3,175	1,176	1,180
	7,158,851	6,219,009	1,176	1,180
By geographical location:				
Malaysia	4,163,753	3,743,158	1,176	1,180
Outside Malaysia	2,995,098	2,475,851	-	-
	7,158,851	6,219,009	1,176	1,180
Timing of revenue recognition:				
At a point in time	6,835,077	5,809,506	1,176	1,180
Over time	323,774	409,503	-	-
	7,158,851	6,219,009	1,176	1,180

29 OTHER INCOME

Included in other income are the following:

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Operating lease income, other than those relating to investment properties	18,976	14,250	-	-
Reversal of impairment loss on receivables	1,653	658	-	-
Bad debts recovered	299	64	-	-
Finance income - loans and receivables and other liabilities at amortised costs	61,829	38,215	-	-
Gain on disposal of property, plant and equipment	1,466	1,497	77	-
Gain on foreign exchange - realised	7,925	3,757	231	1,434
- unrealised	40,439	24,835	-	-

30 INVESTMENT RELATED INCOME

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Interest income on loans and receivables:				
- fixed and other deposits	21,011	19,572	3,364	2,009
- inter-company				
- subsidiary companies	-	-	66,358	45,123
- related companies	9,852	223	23	17
- joint ventures	26,450	19,969	-	-
- others	689	12,749	8,011	-
	58,002	52,513	77,756	47,149
Dividend income (gross) from fair value through other comprehensive income/available-for-sale investments				
- quoted in Malaysia	4,062	1,768	-	-
- quoted outside Malaysia	244	171	-	-
- unquoted in Malaysia	1,750	750	-	-
Fair value gains of fair value through profit or loss investments quoted in Malaysia	4,654	736	1,497	-
Net fair value gain on available-for-sale equity investment transferred from equity upon disposal	-	979	-	979
Net gain on deemed disposal of subsidiary companies	-	26,342	-	-
Gain on disposal of a subsidiary company	19,480	11,994	-	-
Balance carried forward	88,192	95,253	79,253	48,128

30 INVESTMENT RELATED INCOME (CONT'D)

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Balance brought forward	88,192	95,253	79,253	48,128
Gain on disposal of:				
- investment properties	-	4	-	-
- an associated company	-	1	-	1
- a joint venture	195,743	-	-	-
Reversal of impairment of an associated company	2,207	-	-	-
Reversal of impairment of property, plant and equipment	-	1,463	-	-
	286,142	96,721	79,253	48,129

31 INVESTMENT RELATED EXPENSES

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Impairment of gaming rights	5,605	-	-	-
Impairment of goodwill	11,344	-	-	-
Impairment of assets of disposal group held for sale	5,376	-	-	-
Loss on remeasurement on retained interests of former subsidiary companies	-	21,374	-	-
Foreign exchange reserves of foreign subsidiary companies transferred from equity upon deemed disposal	-	31,710	-	-
Impairment of available-for-sale quoted equity investments	-	19,260	-	-
Net fair value loss on available-for-sale equity investment transferred from equity upon disposal	-	4,140	-	-
Fair value loss of fair value through profit or loss investments quoted in Malaysia	-	7,506	-	1,813
Impairment in value of investment in an associated company	5,356	32	-	-
Loss on disposal of partial equity interest in an associated company	-	48,578	-	-
Balance carried forward	27,681	132,600	-	1,813

31 INVESTMENT RELATED EXPENSES (CONT'D)

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Balance brought forward	27,681	132,600	-	1,813
Impairment of property, plant and equipment	9,083	11,818	-	-
Fair value adjustment on investment properties (Note 4)	11,516	1,599	-	-
Impairment loss on balance sale proceeds of Great Mall Project	7,875	152,652	-	-
Impairment loss on amounts owing by an associated company	7,204	-	-	-
Impairment loss on amounts owing by subsidiary companies	-	-	27,833	31,222
Write-off of unquoted investments	811	-	-	-
Write-off of amounts owing by subsidiary companies	-	-	-	16,074
Write-off of amount owing by a joint venture	-	203	-	-
Impairment in value of investments in subsidiary companies	-	-	5,305	1,855
	64,170	298,872	33,138	50,964

32 FINANCE COSTS

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000 Restated	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Interest expense on financial liabilities at amortised cost:				
- bank and other borrowings	102,319	108,562	50,271	45,586
- hire purchase and finance lease	5,891	4,362	74	81
- inter-companies				
- subsidiary companies	-	-	44,672	40,697
- related companies	87	44	7	6
- medium term notes	75,091	68,044	31,607	30,611
- loan related expenses	1,556	2,337	604	415
- manufacturers' vehicle stocking loans	12,821	10,150	-	-
- defined benefit plans (Note 23)	494	479	-	-
- unwinding of discount and charge out of deferred transaction costs	7,107	6,690	4,123	3,921
	205,366	200,668	131,358	121,317

33 PROFIT/(LOSS) BEFORE TAX

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Profit/(Loss) before tax is stated after charging/(crediting):				
Depreciation of property, plant and equipment	105,128	88,007	803	797
Auditors' remuneration				
- statutory audit				
- auditors of the Company				
- current financial period/year	1,484	1,402	153	150
- underprovision in previous financial year	81	46	4	2
- other auditors (other than Ernst & Young)				
- current financial period/year	1,715	1,581	-	-
- overprovision in previous financial year	(34)	(94)	-	-
- other services				
- auditors of the Company	519	471	418	396
Directors' remuneration (Note 34)				
- fees	1,846	1,608	266	210
- salaries, bonus and other emoluments	43,480	38,522	1,560	1,059
- defined contribution/benefit plans	4,982	4,827	102	71
Impairment loss on receivables	4,692	2,121	133	-
Receivables written off	87	287	-	-
Minimum operating lease payments:				
- premises	49,950	48,532	81	79
- plant and machinery	3,387	2,803	-	-
Contribution to National Sports Council	50,366	40,338	-	-
Property, plant and equipment written off	1,524	2,324	-	-
Inventories written down	4,078	327	-	-
Computer software written down	-	34	-	-
Amortisation of:				
- gaming rights	29,877	26,441	-	-
- customer relationships	368	327	-	-
- computer software	661	627	-	-
(Reversal)/Provision for sales warranty	(864)	571	-	-
Management fees payable to ultimate holding company	1,326	1,120	487	400
Loss on foreign exchange - realised	4,130	12,068	-	485
- unrealised	10,319	80,144	-	21,111
Loss on disposal of property, plant and equipment	665	462	-	-

33 PROFIT/(LOSS) BEFORE TAX (CONT'D)

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Profit/(Loss) before tax is stated after charging/(crediting) (Cont'd):				
Direct operating expenses of investment properties *	6,702	8,273	-	-
Employee benefit expenses (Note 35)	497,238	411,837	19,151	15,285
Management fees receivable from an associated company	80	240	-	-

* It is not practicable to segregate the direct operating expenses of investment properties in respect of revenue and non-revenue generating properties due to periodic changes in the occupancy rates during the financial period/year.

34 DIRECTORS' REMUNERATION

The aggregate Directors' remuneration paid or payable to all Directors of the Company and of the Group, categorised into appropriate components for the financial period/year are as follows:

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Directors of the Company:				
Executive Directors				
Salaries, bonuses and other emoluments	5,005	3,391	1,477	1,002
Defined contribution plan	604	418	102	71
Benefits-in-kind	63	53	49	39
Non-Executive Directors				
Fees	319	268	266	210
Salaries, bonuses and other emoluments	402	319	83	57
Defined contribution plan	10	10	-	-
Benefits-in-kind	48	50	21	25
	6,451	4,509	1,998	1,404
Other Directors of the Group:				
Fees	1,527	1,353	-	-
Salaries, bonuses and other emoluments	38,073	34,799	-	-
Retirement benefits				
- defined benefit plan (Note 23)	304	258	-	-
- defined contribution plan	4,064	4,141	-	-
Benefits-in-kind	598	549	-	-
	44,566	41,100	-	-

35 EMPLOYEE BENEFIT EXPENSES

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Wages, salaries, bonuses and allowances (excluding directors' remuneration)	420,821	351,038	16,476	13,072
Social security costs and employee insurance	23,143	19,277	309	322
Retirement benefits				
- defined benefit plans (Note 23)	2,242	675	-	-
- defined contribution plan	27,687	21,777	1,880	1,505
Short term accumulating compensated absences	(190)	(145)	(27)	3
Other staff related expenses	23,535	19,215	513	383
	497,238	411,837	19,151	15,285

36 TAXATION

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000 Restated	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Income tax:				
Malaysian income tax	163,124	157,391	4,900	3,000
Foreign tax	31,765	29,461	-	-
Under/(Over)provision in prior financial years:				
- Malaysian income tax	2,500	8,897	(83)	8,257
- Foreign tax	147	1,156	-	-
	197,536	196,905	4,817	11,257
Deferred tax (Note 24):				
Relating to origination and reversal of temporary differences	(23,020)	(2,766)	-	-
Effects of real property gains tax	1,859	(424)	-	-
Effects of changes in real property gains tax rates	14,356	-	-	-
Under/(Over)provision in prior financial years	3,194	(504)	-	-
	(3,611)	(3,694)	-	-
	193,925	193,211	4,817	11,257

Malaysian income tax is calculated at the Malaysian statutory income tax rate of 24% (30.4.2018: 24%) of the estimated assessable profit for the financial period/year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

36 TAXATION (CONT'D)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax of the Group and of the Company is as follows:

Group	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000 Restated
Profit before tax	546,397	99,981
Tax at Malaysian statutory tax rate of 24% (2018 : 24%)	131,135	23,995
Effect of different tax rates in other countries/tax regimes	(6,187)	2,431
Effect of changes in real property gains tax rates	14,356	-
Effect of income not subject to tax	(74,558)	(31,344)
Effect of income subject to real property gains tax	1,859	(424)
Effect of expenses not deductible for tax purposes	87,094	170,977
Effect of utilisation of previously unrecognised tax losses, unabsorbed capital allowances and unabsorbed investment tax allowances	(981)	(4,757)
Effect of share of associated companies' and joint ventures' results	7,193	(513)
Effect of reduction in tax rate on incremental chargeable income	-	(3,280)
Deferred tax assets not recognised in respect of current financial period/year's tax losses, unabsorbed capital allowances and other deductible temporary differences	29,282	28,792
Deferred tax assets recognised on previously unrecognised tax losses, unabsorbed capital allowances, unabsorbed investment tax allowances and other deductible temporary differences	(455)	(494)
Deferred tax liability recognised on undistributed profits of an associated company	(654)	(1,721)
Under/(Over)provision of deferred tax in prior financial years	3,194	(504)
Underprovision of income tax expense in prior financial years	2,647	10,053
Taxation for the financial period/year	193,925	193,211

Company	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Loss before tax	(93,035)	(126,903)
Tax at Malaysian statutory tax rate of 24% (2018 : 24%)	(22,328)	(30,457)
Effect of expenses not deductible for tax purposes	39,398	47,030
Effect of income not subject to tax	(12,170)	(13,336)
Effect of utilisation of unabsorbed capital allowances	-	(237)
(Over)/Underprovision of income tax in prior financial year	(83)	8,257
Taxation for the financial period/year	4,817	11,257

36 TAXATION (CONT'D)

Tax savings during the financial period/year arising from:

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000 Restated	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Utilisation of current financial period/year tax losses	1,294	1,549	-	-
Utilisation of previously unrecognised tax losses	-	1,985	-	-

37 EARNINGS/(LOSS) PER SHARE

The earnings/(loss) per share is calculated as follows:

	Group	
	1.5.2018 to 30.6.2019	1.5.2017 to 30.4.2018
Profit/(Loss) attributable to the equity holders of the Parent (RM'000)	154,083	(167,466)
Weighted average number of ordinary shares with voting rights in issue (excluding treasury shares) ('000)	4,989,394	4,989,394
Basic earnings/(loss) per share (sen)	3.09	(3.36)

There are no potential ordinary shares outstanding as at 30 June 2019 and at 30 April 2018. As such, the fully diluted earnings/(loss) per share of the Group is equivalent to the basic earnings/(loss) per share.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

38 FINANCIAL GUARANTEES

The Company provided corporate guarantees to certain financial institutions for credit facilities granted to its subsidiary companies. The Company has assessed and regarded that the financial impact of these guarantees are minimal as the credit facilities granted to its subsidiary companies are secured against the properties, investment properties, investments and inventories as disclosed in Notes 21 and 26.

39 COMMITMENTS

(a) Other Commitments

	Group	
	30.6.2019 RM'000	**30.4.2018 RM'000**
Capital expenditure:		
- approved and contracted for	295,173	15,541
- approved but not contracted for	236,661	12,267
Group's share of a joint venture's land use rights fees	19,270	19,111
Proposed investment in a joint venture	8,000	8,000
Proposed investment in several foreign investees	67,476	-
	626,580	54,919

(b) Non-Cancellable Operating Lease Commitments - Group and Company as Lessees

	Group		Company	
	30.6.2019 RM'000	**30.4.2018 RM'000**	**30.6.2019 RM'000**	**30.4.2018 RM'000**
Future minimum rental payable:				
Not later than 1 year	43,613	36,065	1,098	1,776
Later than 1 year and not later than 5 years	131,150	102,508	546	1,178
More than 5 years	403,249	322,339	-	-
	578,012	460,912	1,644	2,954

The Group and the Company entered into operating leases which represent rental payable for the use of land and buildings, vehicles and plant and equipment. Leases are negotiated for a period of between 1 and 70 years and rentals fixed for between 1 and 70 years.

A foreign subsidiary company has entered into land lease contracts for operating lease terms of 100 years. These leases are non-cancellable upon the foreign subsidiary company obtaining property development approval from the foreign authorities.

39 COMMITMENTS (CONT'D)

(c) Non-Cancellable Operating Lease Commitments - Group as Lessor

	Group	
	30.6.2019 RM'000	30.4.2018 RM'000
Future minimum rental receivable:		
Not later than 1 year	16,592	16,099
Later than 1 year and not later than 5 years	13,879	17,667
More than 5 years	-	1,969
	30,471	35,735

The Group entered into commercial property leases on its investment properties portfolio consisting of commercial and office space.

A foreign subsidiary company has entered into a lease for provision of online lottery equipment for a stipulated period. Revenue from the leasing of lottery equipment is recognised based on certain percentage of the gross receipts from the lottery ticket sales of the lottery operator subject to an annual minimum fee as prescribed in the lease agreement. The lease income is recognised as revenue during the current financial period/year as disclosed in Note 28.

40 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS

(a) JDC Lawsuit

On 6 November 2015, the Company announced that its 72.6% subsidiary, Berjaya Jeju Resort Limited ("BJR"), has instituted legal proceedings in the Republic of Korea against Jeju Free International City Development Center ("JDC") for breach of certain terms and conditions set out in the Land Sale and Purchase Agreement dated 30 March 2009 ("Land SPA") entered into between BJR and JDC in relation to the proposed mixed development of an international themed village known as "Jeju Airest City" in Jeju Island, Republic of Korea and to claim for incurred losses and damages as a result thereof ("JDC Lawsuit"). JDC holds a 19% stake in BJR.

Pursuant to the Land SPA, JDC is obligated to transfer the land acquired thereunder to BJR, free from all liens, security interests and encumbrances. However, on 20 March 2015 the Supreme Court of the Republic of Korea ("Korean Supreme Court") ruled that the expropriation by JDC of certain parcels of lands which were then subsequently sold to BJR pursuant to the Land SPA was invalid. Hence JDC was deemed to have breached the terms of the Land SPA as it had failed to transfer good and unencumbered title to the said lands to BJR. Under the circumstances, the on-going development works on the Jeju Project were suspended pending the resolutions of the lawsuits. A consequence of the Korean Supreme Court decision is that certain other former owners of the said lands had filed lawsuits against JDC and BJR, seeking the cancellation of registration of land titles ("Landowners Lawsuits").

Pursuant to the financing arrangement for Phase 1 of the Jeju Project and following the suspension of the development work thereon, JDC had repurchased part of the lands (under Phases 2 to 9) for KRW107.0 billion (about RM374.5 million) and the cash proceeds were used to fully settle the loan outstanding with the financiers, and to partially settle the Phase 1 construction costs due and owing to the main contractor.

40 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(a) JDC Lawsuit (Cont'd)

On completion of the land repurchased by JDC, BJR gave notice to terminate the Land SPA in respect of the remaining land under Phase 1 of the Jeju Project. BJR has grounds to terminate the Land SPA following court decisions rendered in certain of the Landowner Lawsuits to cancel the registration of land titles.

At the sixth court hearing on 14 October 2016, the presiding judge had agreed to BJR's application to conduct a land price appraisal of the Jeju Project to quantify the amount of damages. The presiding judge had also made an inspection of the Jeju Project site on 25 November 2016. The land price appraisal report of the Jeju Project has been completed by the court-appointed land appraisal company and the land price appraisal report has been submitted directly to the court.

On 13 September 2017, Jeju District Court rendered a judgement against JDC and Seogwipo City in the Administrative Lawsuit. The judgement rendered all of the development approvals issued in connection with the Jeju Project null and void. JDC and Seogwipo City have filed an appeal against the Administrative Lawsuit judgement. On 1 February 2019, the Korean Supreme Court dismissed JDC and Seogwipo City's appeal.

In view of the nullification of all the development approvals issued in connection with the Jeju Project, BJR made an application to the court in the JDC Lawsuit for a supplementary land price appraisal report, to be prepared with respect to the Jeju Project site subject to a revised assumption that no development approval had been issued on the Jeju Project site. In February 2018, the presiding judge in the JDC Lawsuit was re-assigned to another court, and another judge was appointed as the new presiding judge in the JDC Lawsuit.

In July 2018, BJR made an application to the court in the JDC Lawsuit to conduct a second supplementary land price appraisal report, as BJR was dissatisfied with the first supplementary land appraisal report which was based on disputable land reference. The court in the JDC Lawsuit granted BJR's application to conduct a second supplementary appraisal, to be undertaken by a different appraiser. The second supplementary land price appraisal report has been completed and a preparatory hearing was held on 20 June 2019. The presiding judge closed the preparatory proceedings for pleading and stated that the formal hearing will commence on 25 July 2019.

At the formal hearing held on 25 July 2019, the presiding judge requested BJR to submit evidentiary evidence with respect to the total claims by BJR and fixed 19 September 2019 as the next hearing date. On 19 September 2019, the presiding judge fixed 31 October 2019 as the final hearing before the court decides on the JDC Lawsuit.

Based on the legal opinion obtained from its lawyers, BJR has determined that it has the legal right to claim for damages under the Land SPA, Korean Civil Code and case precedents established in the Korean Courts. BJR's lawyers have also opined that it is probable that BJR will prevail in the lawsuit against JDC on the claim for costs incurred. Hence, BJR has determined that it is able to recover the costs incurred for Jeju Project in full.

40 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(b) STC Proposals Proceedings

On 19 July 2004, the Company announced that Berjaya Tagar Sdn Bhd ("BTSB"), then a subsidiary company of Berjaya Land Development Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, had on even date entered into a conditional sale and purchase agreement with Selangor Turf Club ("STC") for the acquisition of 3 parcels of leasehold land measuring a total area of approximately 244.7926 acres located in Sungai Besi together with all existing buildings and fixtures erected thereon from STC ("Sungai Besi Land") for a total consideration of RM640.0 million to be settled by way of cash of RM35.0 million payable to STC and the balance of RM605.0 million to be satisfied with a transfer of 750 acres of land located in Sungai Tinggi ("Sungai Tinggi Land") with a newly built turf club thereon ("STC Proposals") ("SPA"). BTSB proposed to acquire Sungai Tinggi Land from BerjayaCity Sdn Bhd ("BCity"), a wholly-owned subsidiary company of BCorp and to appoint BCity as the turnkey contractor of the new turf club.

The Company had on 13 October 2004 and 14 November 2004 announced that the approvals from the Foreign Investment Committee ("FIC") and shareholders respectively have been obtained for the STC Proposals.

Subsequently, on 28 June 2010, the Company announced the status of the conditions precedent ("CP") of the STC Proposals as follows:

1. approval of the FIC for the STC Proposals was obtained on 12 October 2004;
2. approval of the FIC for the acquisition of the Sungai Tinggi Land by STC was obtained on 21 October 2004;
3. approvals of the shareholders of BTSB, the Company, BCity and Berjaya Group Berhad for the STC Proposals was obtained in 4 November 2004;
4. approvals of the State Authority Consent for the transfer of the portion of Sungai Besi Land in favour of BTSB was obtained on 11 January 2005. However, the consent had lapsed and application will be re-submitted after item 6 of the CP below is fulfilled;
5. the agreement between STC and BTSB on the layout plans, building plans, designs, drawings and specifications for the new turf club is still pending the fulfillment of item 6 of the CP below;

6a. the approval for the master layout plan for Sungai Tinggi Land which was obtained on 11 February 2008 is to be re-tabled due to the change of the Selangor State government and BTSB is awaiting the decision from the Selangor State government;

6b. the approval for the Majlis Daerah Hulu Selangor ("MDHS") for the Development Order, Earthworks and Infrastructure and Building Plan pertaining to the construction of the new turf club is pending as MDHS is unable to process the application until item 6a of the CP above is fulfilled; and

6c. the approval of the State Exco of Selangor for the conversion and sub-division of Sungai Tinggi Land is pending as the application will only be tabled at the State Exco of Selangor after approvals for items 6a and 6b are obtained.

As announced on 16 August 2010, CP no. 4, 5, 6a, 6b and 6c above have yet to be fulfilled.

On 29 January 2010, the Company announced that STC and BTSB have mutually agreed to an extension of time to 18 January 2011 to fulfil the CP in the abovementioned conditional sale and purchase agreement. This extension of time was further extended by STC to 18 January 2012. Subsequently, on 22 December 2011, the Company announced that STC granted an extension of time from 19 January 2012 to 18 January 2013.

40 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(b) STC Proposals Proceedings (Cont'd)

On 13 August 2012, the Company announced that BTSB and STC had entered into a supplemental agreement to mutually vary certain terms of the SPA ("Supplemental Agreement"), details of which are as follows:
- if there is any CP remaining outstanding, BTSB shall be entitled to request from STC further extension of time to fulfil the CPs pursuant to the proposed acquisition of Sungai Besi Land. STC shall grant an extension of one year subject to a cash payment of RM3.0 million by BTSB for such extension; and
- upon signing the Supplemental Agreement, BTSB shall pay STC an advance part payment of RM7.0 million which will be deducted from the cash portion of the consideration of RM35.0 million. The balance of the purchase consideration shall be paid within 33 months from the date of the last CP is fulfilled or such other date as mutually extended.

Pursuant to the aforesaid Supplemental Agreement, BTSB paid a sum of RM3.0 million to extend the period for another year to 18 January 2020 to fulfil the conditions precedent below:
1. renewal of consent by Land and Mines Department (Federal) for the transfer to BTSB of the portion of Sungai Besi Land (held under H.S.(D) 61790 No. P.T. 2872 in the Mukim of Petaling, District and State of Wilayah Persekutuan) that resides in Wilayah Persekutuan, Kuala Lumpur which had expired on 11 January 2006; and
2. the approvals, permits or consents of any other relevant authorities as may be required by applicable laws include inter-alia the following:
   (i) approval from the Town and Country Planning Department of the State of Selangor on the re-tabling of the amended master layout plan which was re-submitted on 19 August 2008;
   (ii) approval from the Majlis Daerah Hulu Selangor for the Development Order and building plan pertaining to the construction of the new turf club after approval under item 2(i) above is obtained; and
   (iii) approval from the State Exco of Selangor for the conversion and sub-division of Sungai Tinggi Land after approvals under items 2(i) and (ii) above are obtained.

On 10 November 2017, the Company announced that further to the legal proceedings instituted by the Company, BTSB and BCity (the "Applicants") in March 2016 against the (1) Selangor State Government, (2) MDHS, (3) Majlis Daerah Kuala Selangor, (4) Pengarah Pejabat Tanah & Galian Negeri Selangor, (5) Pengarah Jabatan Perancangan Bandar dan Desa Negeri Selangor, (6) Pengarah Jabatan Kerja Raya Negeri Selangor, (7) Pengarah Jabatan Alam Sekitar Negeri Selangor and (8) Pengarah Jabatan Geosains Negeri Selangor (the "Respondents") by way of an application for judicial review in the Shah Alam High Court, the Shah Alam High Court had on 9 November 2017 decided on the judicial review in favour of the Applicants.

The judgement rendered on 9 November 2017 was as follows:
1. The Applicants' application against the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents are dismissed with costs of RM2,000.00 awarded to the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents respectively.
2. The Applicants are allowed to proceed with the development.
3. The Applicants are required to submit the relevant documents to the relevant technical departments for comments.
4. The technical departments are directed to respond within 3 months from the receipt of these documents, and failing which it is deemed that they have no objection to these documents.
5. Pursuant to an order in the nature of mandamus, the 1st and 5th Respondents are directed to re-table the Applicants' proposal papers to relocate and construct the Selangor Turf Club before the National Physical Planning Council within 3 months after the receipt of the proposal papers from the Applicants.

40 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(b) STC Proposals Proceedings (Cont'd)

6. The Applicants are directed to submit the said proposal papers within 1 month upon receipt of the fair order, failing which the Applicants shall forfeit the benefit of the order of mandamus pursuant to paragraph 5.
7. The 1st and 5th Respondents are ordered to pay the Applicants compensation for any loss suffered by the Applicants. The amount of such compensation will be assessed in subsequent proceedings.

Further to the above, on 14 December 2017, the Company announced that the Selangor State Government and several other respondents have filed a Notice of Appeal to the Court of Appeal to appeal against the decision of the Shah Alam High Court made on 9 November 2017.

The 1st and 5th Respondents have also applied to stay the ongoing proceedings in the Shah Alam High Court and the execution of the Shah Alam High Court judgement in the judicial review proceedings (“Stay of Proceedings Application”). The Applicants have applied to the Shah Alam High Court for an extension of time to submit the proposal papers to the the 1st and 5th respondents ("Extension of Time Application"). In addition, the Applicants have also filed an application for assessment of compensation pursuant to the aforesaid Shah Alam High Court judgement ("Assessment Proceedings").

The Court of Appeal has granted a stay of execution of the High Court judgement and the Assessment Proceedings pending the disposal of the main appeal at the Court of Appeal.

The hearing of the Selangor State Government’s appeal at the Court of Appeal which was previously fixed on 24 October 2019 has been vacated by the Court of Appeal. The Court of Appeal will instead hear a motion by the Selangor State Government to adduce further evidence in this matter. The Court of Appeal has fixed 22 November 2019 to hear the main appeal by the Selangor State Government.

The STC Proposals proceedings are still ongoing.

(c) GMOC Project Arbitration Proceedings

In the financial year ended 30 April 2017, the Company had announced that Berjaya (China) Great Mall Co. Ltd ("GMOC") had completed the disposal of the Berjaya (China) Great Mall Recreation Centre to Beijing SkyOcean International Holdings Limited ("Beijing SkyOcean") for a revised total cash consideration of RMB2.039 billion (equivalent to approximately RM1.23 billion). GMOC had received the first instalment of RMB1.065 billion (equivalent to approximately RM641.28 million) and the balance cash consideration of RMB974.07 million (equivalent to approximately RM586.53 million) ("Final Instalment") was to be received by November 2017. The Final Instalment is secured by a guarantee granted by SkyOcean Holdings Group Limited, the holding company of Beijing SkyOcean and its major shareholder, Mr. Zhou Zheng ("Guarantors").

On 8 December 2017, the Company announced Beijing SkyOcean had not remitted the Final Instalment to GMOC by the appointed time. Hence, GMOC after seeking legal advice, had on 7 December 2017, issued a notice of demand to Beijing SkyOcean and the Guarantors to pay to GMOC the Final Instalment and accrued late payment interest within 3 days upon receipt of the said notice, failing which GMOC will take all relevant legal measures, including commencing legal proceeding in Hong Kong against Beijing SkyOcean and the Guarantors to protect and enforce GMOC's legitimate rights.

40 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(c) GMOC Project Arbitration Proceedings (Cont'd)

On 19 January 2018, the Company announced that GMOC submitted a Notice of Arbitration to the Hong Kong International Arbitration Centre ("HKIAC") against Beijing SkyOcean and the Guarantors ("Respondents") to seek recovery of the Final Instalment and accrued late payment interests ("Outstanding Payment") as well as other reliefs ("GMOC Project Arbitration Proceedings").

The arbitral tribunal has since been constituted and the procedural timetable has been determined by the tribunal for pre-trial preparations, including closing of pleadings, discovery of documents and exchange of witness statements, etc. The arbitration hearing which was originally scheduled to take place in the week of 14 October 2019 has been postponed to a date to be determined by the tribunal, which is expected to be in November or December of 2019.

Based on the legal opinion obtained from its lawyers, it is highly probable that GMOC will prevail against Beijing SkyOcean before the HKIAC.

(d) PGMC Proceedings

Philippine Gaming Management Corporation ("PGMC"), an indirect subsidiary of BToto, commenced arbitration proceedings against the Philippine Charity Sweepstakes Office ("PCSO") on 12 March 2014 at the International Chamber of Commerce, International Court of Arbitration, pursuant to an interim settlement agreement between PGMC and PCSO whereby the parties agreed to resort to arbitration in order to settle issues regarding PGMC's exclusivity as an online lottery lessor of PCSO in Luzon, Philippines.

On 1 March 2018, Berjaya Philippines Inc. ("BPI"), the immediate holding company of PGMC, released an announcement to Philippine Stock Exchange ("PSE") that the Arbitral Tribunal Court had ruled in favour of PCSO. PGMC has filed a petition with the Makati Regional Trial Court to appeal on all aspects of the Final Award issued by the Arbitral Tribunal Court. The appeal process is still on-going. In spite of the above, on 28 September 2018, BPI announced the execution of a Supplemental Equipment Lease Agreement ("ELA") between PGMC and PCSO for an extension of the ELA for a period of one (1) year to August 2019.

In March 2019, PGMC submitted its proposal for its extension of ELA for a period of three (3) years commencing 23 August 2019. On 3 June 2019, PGMC expressed its intention to bid and take part in the bidding for the five (5) years lease of the PCSO lottery system. On 9 July 2019, during the opening of the submitted bids, only PGMC was declared eligible subject to evaluation. However, subsequently PGMC was informed by PCSO that it failed the qualifications set. PGMC filed a motion with PCSO for reconsideration asserting its claim that it did not fail the bid. The motion was denied.

The ELA expired on 22 August 2019 and PCSO has agreed to extend the ELA up to 22 August 2020 on a month-to-month basis pending the bidding process. PGMC has withdrawn its petition to vacate the final award pertaining to the appeal made against the ruling of the arbitration proceedings and it has also paid the earlier legal claims awarded by the Arbitral Tribunal Court per the judgement made in March 2018.

41 SIGNIFICANT RELATED PARTY DISCLOSURES

		Group		Company	
	Note	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Repayment from subsidiary companies		-	-	831,756	298,035
Repayments from/(Advances to):					
- subsidiary companies		-	-	(220,235)	(259,350)
- joint ventures	b	354,706	13,455 *	-	-
- related companies	a	(54,533)	1,387	-	-
Rental of premises and related services receivable from:					
- Singer (Malaysia) Sdn Bhd	c	(566)	(485)	-	-
- Inter-Pacific Securities Sdn Bhd	a	(1,163)	(1,092)	-	-
- Berjaya Higher Education Sdn Bhd	a	(3,328)	(2,876)	-	-
Rental of premises and related services receivable from:					
- Sun Media Corporation Sdn Bhd	d	(544)	(573)	-	-
- 7-Eleven Malaysia Sdn Bhd	c	(2,330)	(1,961)	-	-
- Berjaya Starbucks Coffee Company Sdn Bhd	a	(1,744)	(1,535)	-	-
- U Mobile Sdn Bhd ("UMSB")	h	(1,721)	(1,557)	-	-
- BerjayaCity Sdn Bhd	a	(1,620)	(1,921)	-	-
- Berjaya Assets Food (BAF) Sdn Bhd ("BAF")	e	(835)	(706)	-	-
Provision of security guard services to:					
- subsidiary companies of BCorp	a	(567)	(484)	-	-
- subsidiary companies of Berjaya Food Berhad	a	(402)	(317)	-	-
- subsidiary companies of BAssets	e	(108)	(307)	-	-
- UMSB	h	(100)	(120)	-	-
- Singer (Malaysia) Sdn Bhd	c	(241)	(189)	-	-
Supply of computerised lottery systems and related services to:					
- Berjaya Gia Thinh Investment Technology Joint Stock Company	a	(25,030)	(28,910)	-	-
- Natural Avenue Sdn Bhd ("NASB")	e	(764)	(631)	-	-

41 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

		Group		Company	
	Note	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Aircraft leasing charges receivable from Cosway (M) Sdn Bhd	a	-	(960)	-	-
Rental of premises payable to Berjaya Times Square Sdn Bhd ("BTSSB")	e	158	447	-	63
Rental of premises payable to Ambilan Imej Sdn Bhd	a	4,231	3,627	-	-
Rental of premises payable to Berjaya Sompo Insurance Berhad	g	656	561	-	-
Purchase of consumables from Graphic Press Group Sdn Bhd	a	6,193	12,814	-	-
Share registration services rendered by Berjaya Registration Services Sdn Bhd	a	728	590	30	60
Advertising and publishing services charged by Sun Media Corporation Sdn Bhd	d	1,466	927	103	21
Information technology consultancy and management related services as well as purchase of hardware, software, network equipment from Qinetics Solutions Sdn Bhd and Qinetics Services Sdn Bhd	f	4,683	4,666	1,208	1,997

* Included in the previous financial year was an amount of RM156,203,000 advanced to a joint venture, Berjaya Handico-12 Co Ltd ("BH12"), by BLCL's wholly-owned subsidiary company, T.P.C Development Limited. Thereafter, BH12 repaid the said amount to BLCL as a repayment of its debts due to BLCL.

Nature of Relationships

(a) Related companies/member companies of BCorp Group other than subsidiary companies of the Company.

(b) Joint ventures of the Group as disclosed in Note 8.

(c) A company in which Tan Sri Dato' Seri Vincent Tan Chee Yioun ("Tan Sri Vincent Tan") has deemed interests.

(d) A subsidiary company of Berjaya Media Berhad ("BMedia"). The Group and related companies of BCorp Group have interests in BMedia. Tan Sri Vincent Tan is a substantial shareholder of BMedia. He is the father of Nerine Tan Sheik Ping and Chryseis Tan Sheik Ling ("CTSL"), Executive Directors of the Company.

41 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

(e) BTSSB and BAF are wholly owned subsidiary companies of BAssets whilst NASB is effectively 65%-owned by BAssets. Tan Sri Vincent Tan is a substantial shareholder of BAssets and CTSL is an Executive Director of BAssets.
(f) Subsidiary companies of MOL.com Sdn Bhd ("MOL"). Tan Sri Vincent Tan is a deemed major shareholder of Qinetics Solutions Sdn Bhd and Qinetics Services Sdn Bhd by virtue of his interest in MOL.
(g) Associated company of BCorp Group.
(h) A company in which Tan Sri Vincent Tan has interests.

All transactions have been fully settled as at 30 June 2019 except for those disclosed in Notes 12 and 25.

Certain professional fees amounting to RM4,790,000 (30.4.2018 : RM5,777,000) were incurred by a foreign subsidiary company for management and consultancy services contracted with a corporate entity, of which the Chief Executive Officer of the foreign subsidiary company has an interest.

As at 30 April 2018, a foreign subsidiary company had placements inclusive of interest receivable amounting to RM58,939,000 with a foreign asset management firm of which a director of the foreign subsidiary company has an interest. The placements together with the interest receivable were fully redeemed during the current financial period.

All other significant intercompany transactions have been disclosed in Notes 28, 30, 31, 32 and 33 and in the statements of cash flows.

The compensation of the key management personnel of the Group and of the Company are as follows:

	Group		Company	
	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Short-term benefits	47,704	42,684	1,896	1,333
Post-employment benefits	5,203	5,064	102	71
	52,907	47,748	1,998	1,404

42 SEGMENTAL INFORMATION

For management purposes, the Group is organised into business segments based on their products and services, and has reportable operating segments as follows:

(i) toto betting and related activities - toto betting operations under Section 5 of the Pool Betting Act and leasing of online lottery equipment;
(ii) motor vehicle dealership - motor vehicle retailer, repairs and maintenance and provider of related aftersales services;
(iii) property development and property investment - development of residential and commercial properties and operations and letting of properties;
(iv) hotels and resorts - management and operations of hotels and resorts; and
(v) club, recreation and others - operations of recreational clubs, vacation time share and air charter business.

Management monitors the operating results of its business segments separately for performance assessment and makes strategic decisions based on the operating results. Segment performance is evaluated based on operating profit or loss which is measured similar to the operating profit or loss in the consolidated financial statements. Group financing (including finance costs) are managed on a group basis and not allocated to operating segments.

The geographical segment information is prepared based on the locations of assets. The segment revenue by geographical location of customers does not differ materially from segment revenue by geographical location of assets.

Unallocated assets/liabilities include items relating to investing and financing activities and items that cannot be reasonably allocated to individual segment. These include mainly corporate assets, tax recoverable/liabilities, borrowings, hire purchase and lease obligations.

Other non-cash expenses include mainly unrealised loss on foreign exchange, write-off of property, plant and equipment, write-down of inventories and impairment loss on receivables.

42 SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments:

Revenue	1.5.2018 to 30.6.2019 External RM'000	1.5.2018 to 30.6.2019 Inter-segment RM'000	1.5.2018 to 30.6.2019 Total RM'000	1.5.2017 to 30.4.2018 External RM'000 Restated	1.5.2017 to 30.4.2018 Inter-segment RM'000	1.5.2017 to 30.4.2018 Total RM'000 Restated
Toto betting and related activities	3,830,719	-	3,830,719	3,304,986	-	3,304,986
Motor vehicle dealership	2,841,502	-	2,841,502	2,341,470	-	2,341,470
Property development and property investment	190,315	10,791	201,106	326,557	9,395	335,952
Hotels and resorts	347,313	2,664	349,977	322,945	5,831	328,776
Club, recreation and others	97,372	21,253	118,625	94,447	19,307	113,754
Inter-segment eliminations	-	(34,708)	(34,708)	-	(34,533)	(34,533)
	7,307,221	-	7,307,221	6,390,405	-	6,390,405

Inter-segment revenue are eliminated on consolidation.

Results	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000 Restated
Toto betting and related activities	525,131	439,610
Motor vehicle dealership	61,258	42,696
Property development and property investment	30,580	102,455
Hotels and resorts	9,567	57,376
Club, recreation and others	(16,400)	19,130
Segment results	610,136	661,267
Unallocated corporate income	(50,374)	(160,603)
	559,762	500,664
Investment related income (Note 30)		
- toto betting and related activities	23,879	23,066
- property development and property investment	4,665	33,748
- hotels and resorts	967	2,527
- club, recreation and others	1,439	1,295
- unallocated	255,192	36,085
	286,142	96,721
Investment related expenses (Note 31)		
- toto betting and related activities	(20,784)	(13,655)
- property development and property investment	(33,056)	(195,859)
- hotels and resorts	-	(14,281)
- club, recreation and others	(10,330)	(14,130)
- unallocated	-	(60,947)
	(64,170)	(298,872)
	781,734	298,513
Finance costs	(205,366)	(200,668)
Share of results of associated companies	(27,327)	2,658
Share of results of joint ventures	(2,644)	(522)
Profit before tax	546,397	99,981
Taxation	(193,925)	(193,211)
Profit/(Loss) for the financial period/year	352,472	(93,230)
Non-controlling interests	(198,389)	(74,236)
Profit/(Loss) attributable to owners of the Parent	154,083	(167,466)

42 SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments (Cont'd):

Assets and Liabilities	30.6.2019 Assets RM'000	30.6.2019 Liabilities RM'000	30.4.2018 Assets RM'000 Restated	30.4.2018 Liabilities RM'000 Restated
Toto betting and related activities	3,914,278	315,123	4,352,577	265,246
Motor vehicle dealership	911,699	336,648	894,674	298,574
Property development and property investment	3,919,014	750,748	3,890,206	789,504
Hotels and resorts	1,446,077	298,339	1,452,107	432,289
Club, recreation and others	783,870	840,418	945,325	854,162
Inter-segment eliminations	(822,396)	(811,658)	(880,409)	(959,696)
Segment assets/liabilities	10,152,542	1,729,618	10,654,480	1,680,079
Investment in associated companies	522,351	-	533,094	-
Investment in joint ventures	56,177	-	55,590	-
Assets classified as held for sale	230,084	-	222,880	-
Unallocated corporate assets/liabilities	1,103,998	4,077,213	1,459,431	4,826,054
Consolidated assets/liabilities	12,065,152	5,806,831	12,925,475	6,506,133

Inter-segment assets and liabilities are eliminated on consolidation.

Other Information	1.5.2018 to 30.6.2019 Capital expenditure RM'000	1.5.2018 to 30.6.2019 Depreciation/ Amortisation RM'000	1.5.2018 to 30.6.2019 Other non-cash expenses RM'000	1.5.2017 to 30.4.2018 Capital expenditure RM'000	1.5.2017 to 30.4.2018 Depreciation/ Amortisation RM'000	1.5.2017 to 30.4.2018 Other non-cash expenses RM'000
Toto betting and related activities	23,375	43,740	616	11,117	38,961	412
Motor vehicle dealership	29,028	17,873	6,278	18,132	17,976	1,017
Property development and property investment	21,403	6,267	2,437	2,946	5,374	3,794
Hotels and resorts	23,103	42,886	2,281	16,264	31,386	4,706
Club, recreation and others	9,544	21,708	8,328	5,769	19,729	2,346
Unallocated	4,446	3,560	760	13,875	1,976	73,385
	110,899	136,034	20,700	68,103	115,402	85,660

Capital expenditure consists of additions to property, plant and equipment as disclosed in Note 3.

Impairment Losses	1.5.2018 to 30.6.2019 RM'000	1.5.2017 to 30.4.2018 RM'000
Toto betting and related activities	18,457	15,985
Property development and property investment	23,828	154,845
Hotels and resorts	-	1,532
Club, recreation and others	9,850	12,900
Unallocated	-	6,209
	52,135	191,471

(b) Geographical Locations:

	30.6.2019 Revenue RM'000	30.6.2019 Segment assets RM'000	30.6.2019 Capital expenditure RM'000	30.4.2018 Revenue RM'000 Restated	30.4.2018 Segment assets RM'000 Restated	30.4.2018 Capital expenditure RM'000
Malaysia	4,198,389	7,277,819	92,691	3,782,156	7,886,246	54,062
Outside Malaysia	3,108,832	2,874,723	18,208	2,608,249	2,768,234	14,041
	7,307,221	10,152,542	110,899	6,390,405	10,654,480	68,103

The Group operates principally in Malaysia. Outside Malaysia mainly comprises the Republic of Seychelles, United Kingdom, the Republic of Korea, Sri Lanka, the Philippines, the Socialist Republic of Vietnam, Japan and United States of America.

43 FAIR VALUE MEASUREMENT

The Group and the Company measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(a) Non financial assets that are measured at fair value

(i) The table below analyses the Group's non financial assets measured at fair value at the reporting date, according to the level in the fair value hierarchy:

Investment Properties

Group **30.6.2019**	**Level 1** **RM'000**	**Level 2** **RM'000**	**Level 3** **RM'000**	**Total** **RM'000**
Commercial properties	-	129,434	524,695	654,129
Other properties	-	43,697	30,940	74,637
	-	173,131	555,635	728,766
30.4.2018				
Commercial properties	-	145,637	538,701	684,338
Other properties	-	46,264	30,135	76,399
	-	191,901	568,836	760,737

(ii) Description of valuation techniques used and key inputs to valuation on non financial assets

Comparison method

Under the comparison method, a property’s fair value is estimated based on comparable transactions. This approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold. Investment properties valued under the comparison method, with insignificant adjustments factors, are categorised as Level 2 in the fair value hierarchy.

Certain other investment properties valued using the comparison method with significant adjustments made for differences such as location, size, condition, accessibility and design (“adjustment factors”) are categorised as Level 3 in the fair value hierarchy. The significant unobservable inputs for this category of investment properties, which are the adjustment factors, range generally between 99% and -34% (30.4.2018 : 110% and -51%) of the respective properties' fair value. Larger properties of the Group which are owned en-bloc may contain adjustment factors outside this range.

43 FAIR VALUE MEASUREMENT (CONT'D)

(a) Non financial assets that are measured at fair value (Cont'd)

(ii) Description of valuation techniques used and key inputs to valuation on non financial assets (cont'd)

Comparison/Depreciable Replacement Cost Method

The comparison/cost method of valuation entails separate valuations of the land and buildings to arrive at the market value of the subject property.

The land is valued by reference to transactions of similar lands in the surrounding vicinity with adjustments made for differences in location, terrain, size and shape of the land, tenure, title restrictions, if any and other relevant characteristics.

Completed buildings are valued by reference to the current estimates on constructional costs to erect equivalent buildings, taking into consideration of similar accommodation in terms of size, construction and profits. Appropriate adjustments are then made for the factors of age, obsolescence and existing physical condition of the building.

The investment properties valued using this method is categorised as Level 3 in the fair value hierarchy.

The significant unobservable inputs for this category of assets are the land and replacement cost per square foot which ranges from RM80 to RM5,336 per square foot (30.4.2018 : RM80 to RM5,336 per square foot), and the depreciation rate of 2% (30.4.2018 : 2%).

Sensitivity analysis

An increase in the price per square feet of comparable properties in the surrounding vicinity will result in an increase of fair value of these properties.

(iii) Fair value reconciliation of non financial assets measured at Level 3

	Group	
Investment Properties	30.6.2019 RM'000	30.4.2018 RM'000
At 1 May 2018/2017	568,836	570,336
Transfer to property, plant and equipment	-	(1,560)
Disposal during the financial period/year	-	(1,480)
Net fair value adjustments	(13,201)	1,540
At 30 June 2019/30 April 2018	555,635	568,836

43 FAIR VALUE MEASUREMENT (CONT'D)

(b) Financial assets that are disclosed at fair value

The table below analyses the Group's financial assets disclosed at fair value at the reporting date, according to the level in the fair value hierarchy:

30.6.2019	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Subsidiary companies				
Company	524,079	-	-	524,079
Associated companies				
Group	70,117	-	-	70,117
Company	19,625	-	-	19,625
30.4.2018				
Subsidiary companies				
Company	381,580	-	-	381,580
Associated companies				
Group	104,853	-	-	104,853
Company	30,603	-	-	30,603

(c) Financial instruments that are measured at fair value

The table below analyses the financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy:

30.6.2019	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Financial assets - Investments				
Group	122,633	-	51,522	174,155
Company	11,529	-	5,958	17,487
Financial assets - Short term investments				
Group	-	9,691	-	9,691
30.4.2018				
Financial assets - Investments				
Group	80,872	-	-	80,872
Company	9,750	-	-	9,750
Financial assets - Short term investments				
Group	-	9,206	-	9,206

43 FAIR VALUE MEASUREMENT (CONT'D)

(c) Financial instruments that are measured at fair value (Cont'd)

The Level 3 investments consist certain equity securities inside and outside Malaysia of which their market values are not quoted in an active market. The fair values of unquoted equity securities inside Malaysia are determined to be the Group's and the Company's share of the net assets of the respective investees. Whilst the fair values of unquoted equity securities outside Malaysia are determined through discounted cash flow valuation technique ("DCF"). The Group used assumption that are mainly based on market conditions and historical performance of the entity such as discount rate and expected growth rate in the DCF.

Fair value reconciliation of financial assets measured at Level 3

Investments	Group 30.6.2019 RM'000	Company 30.6.2019 RM'000
At 1 May 2018 - as previously reported	-	-
Effects of adoption of MFRS 9	24,933	5,958
At 1 May 2018 - as restated	24,933	5,958
Additions during the financial period	29,230	-
Net fair value changes through other comprehensive income	(4,420)	-
Exchange differences	1,779	-
At 30 June 2019	51,522	5,958

44 FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured either at fair value or at amortised cost. The principal accounting policies in Note 2.2 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

		Group		Company	
	Note	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Financial assets					
Fair value through other comprehensive income					
Investments	9	168,998	-	15,990	-
Fair value through profit or loss					
Investments	9	5,157	-	1,497	-
Short term investments	14	9,691	9,206	-	-
		14,848	9,206	1,497	-
Available-for-sale					
Investments	9	-	105,805	-	15,708

44 FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (Cont'd)

		Group		Company	
	Note	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Financial assets					
At amortised cost					
Receivables	12	2,110,592	-	1,880,408	-
Deposits	15	432,917	-	62,062	-
Cash and bank balances	16	327,861	-	11,654	-
		2,871,370	-	1,954,124	-
Loans and receivables					
Receivables	12	-	2,605,781	-	2,639,253
Deposits	15	-	431,549	-	33,893
Cash and bank balances	16	-	436,620	-	3,076
		-	3,473,950	-	2,676,222
Total financial assets		3,055,216	3,588,961	1,971,611	2,691,930
Financial liabilities					
At amortised cost					
Long term borrowings	21	1,742,770	1,888,367	501,294	749,495
Long term liabilities	22	10,371	26,263	285,076	297,018
Payables	25	1,072,366	1,237,904	695,244	678,079
Short term borrowings	26	1,238,626	1,531,096	583,032	578,374
Total financial liabilities		4,064,133	4,683,630	2,064,646	2,302,966

(b) Fair values

(i) Financial instruments that are measured at fair value

Information of financial instruments of the Group and of the Company that are measured at fair values are as disclosed in Note 43.

(ii) Financial instruments that are not measured at fair value and whose carrying amounts are reasonable approximation of fair value

Included in these classes of financial instruments are certain financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Receivables	12
Deposits	15
Cash and bank balances	16
Payables	25
Short term borrowings	26
Long term borrowings	21
Long term liabilities	22

44 FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair values (cont'd)

(ii) Financial instruments that are not measured at fair value and whose carrying amounts are reasonable approximation of fair value (cont'd)

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due either to the insignificant impact of discounting or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The fair values of fixed rate bank loans, Medium Term Notes and finance lease obligations are estimated by discounting expected future cash flows at market incremental lending rates for similar types of lending, borrowing or leasing arrangements at reporting date.

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its market risk (including interest rate risk, foreign currency risk and market price risk), liquidity risk and credit risk. The Group operates within clearly defined guidelines and the Group's policy is not to engage in speculative transactions.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market prices.

(i) Interest Rate Risk

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

Interest rate exposure of the Group arises mainly from the Group's interest-bearing borrowings and deposits. Deposits are generally short term in nature and are mostly short term deposits with licensed banks and other financial institutions.

The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio to mitigate the impact of interest rate risk. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculation purposes.

All of the Group’s and the Company’s financial assets and liabilities at floating rates are contractually re-priced at intervals of less than 6 months (2018 : less than 6 months) from the reporting date.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(i) Interest Rate Risk (Cont'd)

At the reporting date, the interest rate profile of the interest-bearing financial instruments is as follows:

	Group		Company	
	30.6.2019 RM'000	30.4.2018 RM'000	30.6.2019 RM'000	30.4.2018 RM'000
Fixed rate instruments				
Financial assets	715,056	698,873	62,062	33,893
Financial liabilities	1,367,709	1,473,478	500,670	599,819
Floating rate instruments				
Financial assets	234,398	125,381	1,119,792	1,297,686
Financial liabilities	1,614,350	1,946,640	1,471,430	1,623,517

Fair value sensitivity analysis for fixed rate instruments

The Group does not measure any fixed rate instruments at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis for floating rate instruments

A change of 25 basis points in interest rates at the reporting date would result in the profit before tax of the Group to be lower/higher by RM3,450,000 (30.4.2018 : RM4,553,000), and the loss before tax of the Company to be higher/lower by RM879,000 (30.4.2018 : RM815,000) respectively, assuming that all other variables remain constant.

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates.

The Group operates internationally and is exposed to various currencies, mainly United States Dollar, Euro, Seychelles Rupees, Singapore Dollar, Chinese Renminbi, Vietnam Dong, Thai Baht, Great Britain Pound, Korean Won, Philippine Peso, Hong Kong Dollar and Japanese Yen.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located.

The unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

	Financial Assets/Liabilities Held in Non-Functional Currencies						
Functional Currency of Group Companies	**Thai Baht RM'000**	**Euro RM'000**	**United States Dollar RM'000**	**Singapore Dollar RM'000**	**Japanese Yen RM'000**	**Vietnam Dong RM'000**	**Total RM'000**
Receivables							
Ringgit Malaysia	84,585	-	245,790	38,401	-	60,783	429,559
Seychelles Rupees	-	2,288	323	-	-	-	2,611
At 30 June 2019	84,585	2,288	246,113	38,401	-	60,783	432,170
Ringgit Malaysia	72,569	-	134,770	209,742	-	58,733	475,814
United States Dollar	-	-	-	-	-	148,827	148,827
Seychelles Rupees	-	4,981	888	-	-	-	5,869
At 30 April 2018	72,569	4,981	135,658	209,742	-	207,560	630,510
Cash and bank balances and deposits							
Chinese Renminbi	-	-	141	-	-	-	141
Seychelles Rupees	-	9,328	7,157	-	-	-	16,485
Vietnam Dong	-	-	286	-	-	-	286
Ringgit Malaysia	-	-	11,501	125	-	-	11,626
At 30 June 2019	-	9,328	19,085	125	-	-	28,538
Chinese Renminbi	-	9	422	-	-	-	431
Seychelles Rupees	-	8,146	5,934	-	-	-	14,080
Vietnam Dong	-	-	48	-	-	-	48
Singapore Dollar	-	-	-	-	6	-	6
Ringgit Malaysia	-	5	5,302	747	10	-	6,064
At 30 April 2018	-	8,160	11,706	747	16	-	20,629
Payables							
Ringgit Malaysia	-	-	1,994	7,229	577	60,783	70,583
Singapore Dollar	-	-	-	-	18	-	18
Seychelles Rupees	-	26	137	-	-	-	163
At 30 June 2019	-	26	2,131	7,229	595	60,783	70,764
Ringgit Malaysia	-	-	701	9,848	539	58,733	69,821
Vietnam Dong	-	-	1,338	-	-	-	1,338
Seychelles Rupees	-	50	155	-	-	-	205
At 30 April 2018	-	50	2,194	9,848	539	58,733	71,364

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(ii) Foreign Currency Risk (Cont'd)

	Financial Assets/Liabilities Held in Non-Functional Currencies						
Functional Currency of Group Companies	**Thai Baht RM'000**	**Euro RM'000**	**United States Dollar RM'000**	**Singapore Dollar RM'000**	**Japanese Yen RM'000**	**Vietnam Dong RM'000**	**Total RM'000**
Borrowings							
Seychelles Rupees	-	21,975	-	-	-	-	21,975
Ringgit Malaysia	-	-	82,379	15,165	-	-	97,544
At 30 June 2019	-	21,975	82,379	15,165	-	-	119,519
Seychelles Rupees	-	31,291	-	-	-	-	31,291
Ringgit Malaysia	-	-	92,757	24,620	-	-	117,377
At 30 April 2018	-	31,291	92,757	24,620	-	-	148,668

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD, EUR, SCR, SGD, THB and JPY exchange rates against the respective major functional currencies of the Group entities, with all other variables remaining constant:

Group Increase/(decrease) to profit before tax		**30.6.2019 RM'000**	**30.4.2018 RM'000**
USD/RM	- strengthened 7% (30.4.2018 : 10%)	12,104	4,661
	- weakened 7% (30.4.2018 : 10%)	(12,104)	(4,661)
USD/SCR	- strengthened 1% (30.4.2018 : 1%)	73	67
	- weakened 1% (30.4.2018 : 1%)	(73)	(67)
EUR/SCR	- strengthened 7% (30.4.2018 : 8%)	(727)	(1,457)
	- weakened 7% (30.4.2018 : 8%)	727	1,457
SGD/RM	- strengthened 3% (30.4.2018 : 1%)	484	1,760
	- weakened 3% (30.4.2018 : 1%)	(484)	(1,760)
THB/RM	- strengthened 8% (30.4.2018 : 2%)	6,767	1,451
	- weakened 8% (30.4.2018 : 2%)	(6,767)	(1,451)
JPY/RM	- strengthened 7% (30.4.2018 :1%)	(40)	(5)
	- weakened 7% (30.4.2018 : 1%)	40	5

The impact of sensitivity analysis of the rest of the foreign currencies is not material to the Group.

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(iii) Market Price Risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of quoted investments.

The Group is exposed to market price risk arising from its investments in quoted instruments. The quoted instruments in Malaysia are listed on Bursa Securities and other foreign stock exchanges. These instruments are designated as fair value through other comprehensive income or fair value through profit or loss financial assets. The Group does not have exposure to commodity price risk. To manage its market price risk arising from investments in quoted instruments, the Group diversifies and manages its portfolio in accordance with established guidelines and policies.

Sensitivity analysis for market price risk

At the reporting date, if the index of the stock exchanges had been 1% higher/lower, with all other variables held constant, the Group's profit before tax would have been RM52,000 (30.4.2018 : RMNil) higher/lower, arising as a result of higher/lower fair value gains on investments classified at fair value through profit or loss. The Group's equity would also have been RM1,143,000 (30.4.2018 : RM779,000) higher/lower, arising as a result of higher/lower fair value gains on investments classified at fair value through other comprehensive income/available-for-sale.

(b) Liquidity Risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to the shortage of funds.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funds so as to ensure that refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and prudently balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

Analysis of undiscounted financial instruments by remaining contractual maturities

Financial liabilities Group	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
30.6.2019				
Trade and other payables	1,072,366	-	-	1,072,366
Hire purchase and finance lease liabilities	13,790	66,743	-	80,533
Long term liabilities	-	10,438	27,090	37,528
Loans and borrowings	1,390,148	1,384,532	603,819	3,378,499
	2,476,304	1,461,713	630,909	4,568,926

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity Risk (Cont'd)

Analysis of undiscounted financial instruments by remaining contractual maturities (Cont'd)

Financial liabilities Group	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
30.4.2018				
Trade and other payables	1,237,904	-	-	1,237,904
Hire purchase and finance lease liabilities	14,402	45,398	31,972	91,772
Long term liabilities	-	27,961	27,587	55,548
Loans and borrowings	1,685,035	1,832,575	203,421	3,721,031
	2,937,341	1,905,934	262,980	5,106,255
Company				
30.6.2019				
Other payables	695,244	-	-	695,244
Hire purchase and finance lease liabilities	438	985	-	1,423
Long term liabilities	-	307,276	-	307,276
Loans and borrowings	647,327	539,030	-	1,186,357
	1,343,009	847,291	-	2,190,300
30.4.2018				
Other payables	678,079	-	-	678,079
Hire purchase and finance lease liabilities	313	419	-	732
Long term liabilities	-	321,866	-	321,866
Loans and borrowings	653,851	834,376	-	1,488,227
	1,332,243	1,156,661	-	2,488,904

(c) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

Credit risk is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored by limiting the Group's association to business partners with high creditworthiness. Trade and other receivables are monitored on an ongoing basis via Group management reporting procedures to reduce the Group's exposure to bad debts.

Exposure to credit risk

At reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amounts of the financial assets recorded on the statements of financial position. The major classes of the Group's and the Company's financial assets are trade and other receivables including amounts owing by joint ventures, associated, related and subsidiary companies. The Group and the Company do not have significant concentration of credit risks except as disclosed in Note 12.

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Credit Risk (Cont'd)

Credit risk concentration profile of trade receivables

The Group determines concentrations of credit risk by monitoring the business segment profile of its trade receivables as follows:

Group	30.6.2019 RM'000	30.6.2019 %	30.4.2018 RM'000 Restated	30.4.2018 % Restated
Toto betting and related activities	135,849	52	110,181	42
Motor vehicle dealerships	61,815	24	49,093	19
Property development and property investment	40,453	16	72,607	28
Hotels and resorts	15,068	6	20,487	8
Club, recreation and others	6,170	2	6,589	3
	259,355	100	258,957	100

46 CAPITAL MANAGEMENT

The primary objective of the Group’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The financial management function is carried out by the Group's Treasury Division. The Treasury Division manages the Group's funds and financial resources and all its loans and borrowings on a "pool basis". No changes were made in the objectives, policies or processes during the financial period ended 30 June 2019 and the financial year ended 30 April 2018.

The Group monitors capital using a gearing ratio, which is debt divided by total equity. The Group's total debt includes bank borrowings, medium term notes, vehicle stocking loans, hire purchase and finance lease obligations. Total equity represents net equity attributable to the owners of the parent plus non-controlling interests.

The gearing ratios as at 30 June 2019 and 30 April 2018 were as follows:

	Note	Group 30.6.2019 RM'000	Group 30.4.2018 RM'000
Short term borrowings	26	1,238,626	1,531,096
Long term borrowings	21	1,742,770	1,888,367
Total debt		2,981,396	3,419,463
Total equity		6,258,321	6,419,342
Gearing ratio (%)		48	53

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/company to another.

47 SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

(a) On 4 June 2018, the Company announced that BLCL had entered into a Capital Transfer Agreement for the proposed disposal by BLCL of the entire remaining 32.5% of the capital contribution in Berjaya Vietnam Financial Center Limited ("BVFC") to Vinhomes Joint Stock Company ("Vinhomes") and Can Gio Tourist City Corporation for a cash consideration of VND884.93 billion (equivalent to approximately RM154.86 million) ("Proposed BVFC Disposal"). The Proposed BVFC Disposal is pending completion.

Initially, BLCL's capital contribution of VND967.31 billion comprised and represented 100% of the charter capital of BVFC. However, following the conditions imposed by the Vietnamese authorities, BVFC was required to increase its charter capital and Vinhomes had in March 2018 injected fresh capital contribution amounting to VND2,008.69 billion (equivalent to approximately RM352 million) into BVFC to fulfill the above requirement which accordingly resulted in a dilution of BLCL's holding in the charter capital of BVFC to 32.5%.

In conjunction with the Proposed BVFC Disposal, Vinhomes and its affiliates are also being considered as potential purchasers of Berjaya Vietnam International University Town One Member Limited Liability Company ("BVIUT") and have in December 2017 also injected a cash sum of VND11,904 billion (equivalent to approximately RM2.08 billion) as fresh capital contribution into BVIUT in order to meet certain similar conditions imposed by the Vietnamese authorities which require BVIUT to increase its charter capital to VND12,000 billion (RM2.10 billion). Accordingly, BLCL's initial stake in BVIUT has also been diluted from 100% to 0.8%. It is the intention of BLCL to dispose of its 0.8% stake in BVIUT in the near future ("Proposed BVIUT Disposal").

(b) On 11 February 2019, BToto announced that its wholly-owned subsidiary, FEAB Equities Sdn Bhd had on even date entered into a shareholders' agreement with PP Cylabs (M) Sdn Bhd on a 50:50 joint venture basis to set up a joint-venture company, namely FEAB Cylabs Sdn Bhd, to explore business opportunities as well as undertake projects in Sri Lanka.

(c) On 18 February 2019, the Company announced the incorporation of Berjaya Reykjavik Investment Limited ("BRIL") in the Republic of Ireland for a cash subscription of €1.00 (about RM4.69) comprising 1 ordinary share of €1.00 each. BRIL has entered into an agreement with Fiskitangi EHF ("FEHF") and Utgerdarfelag Reykjavikur HF (ÜRHF") to undertake the following:

(i) BRIL to acquire 100% of the shares of Geirsgata 11 EHF ("GE11") for a cash consideration of USD1,399,000 (equivalent to approximately RM5.75 million) from FEHF ("Proposed Acquisition"); and

(ii) BRIL to repay the outstanding loan of USD12,591,000 (equivalent to approximately RM51.79 million) obtained by GE11 from URHF to purchase a piece of leasehold land in Iceland ("Proposed Settlement").

GE11 is a company incorporated in Reykjavik, Iceland and owns the leasehold real estate at Geirsgata 11, Reykjavik, Iceland, ("Land"). The lease of the Land expires on 31 October 2037, with remaining unexpired term of about 18 years subject to extension. The Land measures in area about 4,805 square meters (approximately 51,721 square feet or 1.19 acres).

On 14 October 2019, the Company announced the completion of The Proposed Acquisition and Proposed Settlement.

(d) On 27 June 2019, the Company announced T.P.C Development Ltd ("TPCD"), a wholly-owned subsidiary of BLCL, had completed the disposal of its entire equity interest of 75% of the capital contribution in T.P.C Nghi Tam Village Ltd. ("TPC Village") to Hanoi Hotel Tourism Development Limited Liability Company HHT for a cash consideration of VND1,244.59 billion (equivalent to approximately RM222.18 million). In conjunction with the disposal, all amounts owing by TPC Village to TPCD totalling USD71.63 million (equivalent to approximately RM298.20 million) was also fully settled. TPC Village was previously regarded as a joint venture of the Group.

48 SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL PERIOD END

(a) On 8 July 2019, BToto announced that BPI, had on 1 July 2019, disposed of 1,000,000 ordinary shares, representing 20% equity interest, in its wholly-owned subsidiary, Philippine Gaming Management Corporation ("PGMC") for a consideration of Philippine Peso ("PHP") 117.15 million (equivalent to approximately RM9.49 million). Subsequently on 3 July 2019, PGMC issued additional 5,000,000 ordinary shares with par value of PHP100 each ("Share Subscription"). BPI waived its right to subscribe for the additional shares issued by PGMC. Upon completion of PGMC's Share Subscription, BPI's equity interest was further diluted to 39.99% from 79.99% and PGMC ceased as a subsidiary and became an associated company of BPI.

(b) On 15 July 2019, the Company announced that its wholly-owned Irish incorporated subsidiary, Berjaya Property Ireland Limited ("BPIL") has on 13 July 2019 in Reykjavik, Iceland entered into a Share Purchase Agreement (“SPA”) with Icelandair Group hf. (“Seller”) for the proposed acquisition of 75% stake in Icelandair Hotels ehf, which will acquire 100% of Hljomalindarreitur ehf and certain hotels and real estate assets in Iceland ("New Icelandair Hotels Group") for a total cash consideration of approximately USD53.63 million (equivalent to approximately RM222.22 million). Besides the SPA, BPIL also entered into a Shareholders Agreement and a Put and Call Option Agreement with the Seller. The remaining 25% stake in the New Icelandair Hotels Group which will continue to be owned by the Seller will be subject to the Put and Call Option Agreement, whereby upon the exercise of the put or call option, BPIL will eventually own 100% stake in the New Icelandair Hotels Group.

(c) On 14 March 2019, Informatics Education Limited ("Informatics"), a 27.09% associated company of Berjaya Leisure Capital (Cayman) Limited ("BLCC") had announced on the Singapore Stock Exchange of its proposed renounceable non-underwritten rights issue of up to 216,646,401 new ordinary shares ("Right Shares") in the capital of Informatics with up to 72,215,467 free detachable and transferable warrants ("Warrants") at an issue price of S$0.05 per Rights Share ("Rights cum Warrants Issue"). BLCC, in turn, is a wholly owned subsidiary of the Company.

On 22 August 2019, BLCC subscribed to its entitlement of the Rights cum Warrants Issue and applied for the excess Right Shares with Warrants, amounting to 100,000,000 Rights Shares with 33,333,333 Warrants, for a total consideration of SGD5.0 million (equivalent to approximately RM15.30 million). As such, BLCC's equity interest in Informatics increased to 67.42%, and Informatics became a subsidiary company of BLCC.

(d) On 3 September 2019, the Company announced that it had on 30 August 2019, received a Certificate of Award from the Yangon Region Government for the proposed development of a public housing and mixed development project on a land measuring approximately 183 acres located along Myanandar Road and Shweli Road, Dagon Seikkan Township, Yangon Region, Myanmar (“Proposed Development”). The Proposed Development comprises 14 parcels of mixed development including inter alia affordable housing, mid to high end condominiums, shop houses, retail spaces, the farmer’s market, community hall, schools and infrastructure to be built over 3 phases. Based on the preliminary plan of the Proposed Development, the estimated gross development value is about USD624.00 million (equivalent to approximately RM2.63 billion).

Further announcement of the details of the Proposed Development will be made once the definitive agreements are entered into with the relevant parties.

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
	Subsidiary Companies				
(a)	**Subsidiaries of Berjaya Land Berhad**				
*	Alam Baiduri Sdn Bhd	Malaysia	Property investment	100	100
	Amat Muhibah Sdn Bhd	Malaysia	Dormant	52.60	52.60
*	Amat Teguh Sdn Bhd	Malaysia	Property development	100	100
*	AM Prestige Sdn Bhd	Malaysia	Ceased operations	100	100
	Angsana Gemilang Sdn Bhd	Malaysia	Property investment	100	100
*	Awan Suria Sdn Bhd	Malaysia	Provision of landscaping service, selling and renting of ornament plants	100	100
	Bahan Cendana Sdn Bhd	Malaysia	Property investment	100	100
	Berjaya Air Capital (Cayman) Limited	Cayman Islands	Investment holding	100	100
*	Berjaya Enamelware Sdn Bhd	Malaysia	Dormant	100	100
*	Berjaya Fukuoka Development (S) Pte Ltd	Singapore	Investment holding	100	100
	Berjaya Guard Services Sdn Bhd	Malaysia	Provision of security services	100	100
*	Berjaya Holiday Cruise Sdn Bhd	Malaysia	Investment holding	86.36	86.36
*	Berjaya Hotels and Resorts (Seychelles) Limited	Republic of Seychelles	Management and operation of hotel resorts in Seychelles	100	100
	Berjaya Hotels & Resorts Vietnam Sdn Bhd	Malaysia	Investment holding	100	100
	Berjaya Jet Charter Sdn Bhd	Malaysia	Jet charter	100	100
	Berjaya Kawat Industries Sdn Bhd	Malaysia	Property investment and rental of properties	100	100

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(a)	**Subsidiaries of Berjaya Land Berhad (Cont'd)**				
	Berjaya Land (Labuan) Limited	Malaysia	Investment holding	100	100
	Berjaya Leasing (Labuan) Limited	Malaysia	Provision of aircraft leasing services and undertaking of offshore financial related business	100	100
	Berjaya Land Development Sdn Bhd	Malaysia	Property development and investment holding	100	100
	Berjaya Leisure Capital (Cayman) Limited	Cayman Islands	Investment holding	100	100
	Berjaya Leisure (Cayman) Limited	Cayman Islands	Investment holding	100	100
*	Berjaya Megamall Management Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
	Berjaya Myanmar Holdings Sdn Bhd	Malaysia	Investment holding	100	100
*	Berjaya North Asia Holdings Pte Ltd	Singapore	Investment holding	100	100
*	Berjaya Okinawa Investment (S) Pte Ltd	Singapore	Investment holding	100	100
	Berjaya Project Management Sdn Bhd	Malaysia	Project management	100	100
	Berjaya Property Management Sdn Bhd	Malaysia	Investment holding	100	100
*	Berjaya Property Ireland Limited	Ireland	Investment holding	100	-
a *	Berjaya Racing Management Sdn Bhd	Malaysia	Dormant	60	60
*	Berjaya Reykjavik Investment Limited	Ireland	Investment holding	100	-

a *Additional 20% being held by Berjaya Sports Toto Berhad.*

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(a)	**Subsidiaries of Berjaya Land Berhad (Cont'd)**				
	Berjaya Sports Toto Berhad	Malaysia	Investment holding	40.83	40.23
	Berjaya Tagar Sdn Bhd	Malaysia	Property development and investment holding	100	100
*	Berjaya Theme Park Management Sdn Bhd	Malaysia	Dormant	100	100
	Berjaya Vacation Club Berhad	Malaysia	Time sharing vacation operator, property investment and investment holding	100	100
	B.L. Capital Sdn Bhd	Malaysia	Investment holding	100	100
*	B.T. Properties Sdn Bhd	Malaysia	Property development, temporarily ceased operations	100	100
	BTS Leaseback Management Sdn Bhd	Malaysia	Coordination of pool-profit sharing of owner-owned suites	100	100
*	Budi Impian Sdn Bhd	Malaysia	Ceased operations	100	100
	Cempaka Properties Sdn Bhd	Malaysia	Property development and investment	100	100
	Cerah Bakti Sdn Bhd	Malaysia	Property development	70	70
	Cerah Tropika Sdn Bhd	Malaysia	Investment holding	70	70
*	Cergas Jati Sdn Bhd	Malaysia	Property investment	100	100
*	Flexiwang Sdn Bhd	Malaysia	Dormant	100	100
	Gateway Benefit Sdn Bhd	Malaysia	Investment holding	100	100
*	Gemilang Cergas Sdn Bhd	Malaysia	Property investment	100	100
	Immediate Capital Sdn Bhd	Malaysia	Investment holding	100	100

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(a)	**Subsidiaries of Berjaya Land Berhad (Cont'd)**				
	Junjung Delima Sdn Bhd	Malaysia	Investment holding	100	100
	Klasik Mewah Sdn Bhd	Malaysia	Property investment	100	100
	Kota Raya Development Sdn Bhd	Malaysia	Investment and rental of property	100	100
*	Leisure World Sdn Bhd	Malaysia	Investment holding	100	100
	Marvel Fresh Sdn Bhd	Malaysia	Trading	100	100
	Nada Embun Sdn Bhd	Malaysia	Property investment	100	100
	Nural Enterprise Sdn Bhd	Malaysia	Investment and rental of property	100	100
	Noble Circle (M) Sdn Bhd	Malaysia	Investment and rental of property	100	100
	One Network Hotel Management Sdn Bhd	Malaysia	Hotel and charter flight operator	100	100
	Pakar Angsana Sdn Bhd	Malaysia	Property development	80	80
	Portal Access Sdn Bhd	Malaysia	Investment holding	100	100
*	Pembinaan Stepro Sdn Bhd	Malaysia	Dormant	100	100
	Punca Damai Sdn Bhd	Malaysia	Property investment	100	100
b	Regnis Industries (Malaysia) Sdn Bhd	Malaysia	Investment and rental of property	87.12	87.12
	Securiservices Sdn Bhd	Malaysia	Property development	100	100
*	Semakin Sinar Sdn Bhd	Malaysia	Dormant	51	51
	Semangat Cergas Sdn Bhd	Malaysia	Property development	100	100
*	Stephens Properties Plantations Sdn Bhd	Malaysia	Dormant	100	100
*	Taaras Spa Sdn Bhd	Malaysia	Spa management	100	100

b *Inclusive of 30% being held by B.L. Capital Sdn Bhd.*

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(a)	**Subsidiaries of Berjaya Land Berhad (Cont'd)**				
*	Aces Property Management Sdn Bhd (formerly known as Tekun Permata Sdn Bhd)	Malaysia	Property development	100	100
	Tioman Island Resort Berhad	Malaysia	Property development and operator of resort hotel	86.25	86.25
*	Tiram Jaya Sdn Bhd	Malaysia	Property development	100	100
*	Wangsa Sejati Sdn Bhd	Malaysia	Dormant	52.63	52.63
*	Wisma Stephens Management Co Sdn Bhd	Malaysia	Investment holding	100	100
(b)	**Subsidiaries of Berjaya Fukuoka Development (S) Pte Ltd**				
*	Hakata Waterfront Development Godo Kaisha	Japan	Hotel and resort operation	100	100
*	Seikou Okinawa Construction Co. Ltd	Japan	Construction, interior design, electrical work, sales of building material and machinery, development and consultation of hotel business, food and beverage, tourism, retail and publicity	100	-
(c)	**Subsidiaries of Berjaya Land Development Sdn Bhd**				
	Indra Ehsan Sdn Bhd	Malaysia	Property development	100	100
*	Kim Rim Enterprise Sdn Bhd	Malaysia	Property development, temporarily ceased operations	100	100
	Sri Panglima Sdn Bhd	Malaysia	Property development	100	100
(d)	**Subsidiaries of Berjaya Leisure (Cayman) Limited**				
	Berjaya Asset (Cayman) Limited	Cayman Islands	Investment holding	100	100
*	Berjaya (China) Great Mall Co Ltd	People's Republic of China	Property investment and development, temporarily ceased operations	51	51

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(d)	**Subsidiaries of Berjaya Leisure (Cayman) Limited (Cont'd)**				
#	Berjaya-D2D Company Limited	Socialist Republic of Vietnam	Property investment and development	100	75
	Berjaya FC (Cayman) Limited	Cayman Islands	Investment holding	100	-
*	Berjaya International Casino Management (Seychelles) Limited	Republic of Seychelles	Casino operations	60	60
	Berjaya IUT (Cayman) Limited	Cayman Islands	Investment holding	100	-
*	Berjaya Jeju Resort Limited	Republic of Korea	Property development and investment	72.60	72.60
#	Berjaya Long Beach Limited Liability Company	Socialist Republic of Vietnam	Disposed	-	70
#	Berjaya Mount Royal Beach Hotel Limited	Sri Lanka	Owner and operator of hotel	92.60	92.60
#	Berjaya Properties (HK) Limited	Hong Kong	Dormant	60	60
	BHR (Cayman) Limited	Cayman Islands	Property investment and investment holding	100	100
*	Mahameru Consultancy d.o.o. Visoko	Bosnia and Herzegovina	Property investment	100	100
#	Natural Gain Investment Limited	Hong Kong	Dormant	100	100
#	T.P.C Development Limited	Hong Kong	Investment holding	100	100
(e)	**Subsidiary of Berjaya Myanmar Holdings Sdn Bhd**				
*	Berjaya HT Eco Company Limited	Myanmar	Provision of consultation and technical services for property development projects	90	-

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(f)	**Subsidiary of Berjaya North Asia Holdings Pte Ltd**				
*	Berjaya Okinawa Development Co Ltd	Japan	Resort hotel and residence development	100	100
(g)	**Subsidiaries of Berjaya Okinawa Investment (S) Pte Ltd**				
*	Berjaya Okinawa Hospitality Asset TMK	Japan	Property investment and development	100	100
*	Berjaya Okinawa Investment Godo Kaisha	Japan	Investment holding	100	100
*	Opportunity 24 TMK	Japan	Acquisition, management and disposition of asset	100	-
	(i) Subsidiary of Opportunity 24 TMK				
	LAC ML2 GK	Japan	Sale and purchase, leasing and management of real estate	100	-
(h)	**Subsidiary of Berjaya Property Management Sdn Bhd**				
	Taman TAR Development Sdn Bhd	Malaysia	Property development	100	100
	(i) Subsidiary of Taman TAR Development Sdn Bhd				
*	Aces Parking Sdn Bhd (formerly known as The Peak Property Management Sdn Bhd)	Malaysia	Provision for operations of parking services for motor vehicles	100	100
(i)	**Subsidiaries of Berjaya Sports Toto Berhad**				
#	Berjaya-ILTS Limited	Hong Kong	Dormant	100	100
	FEAB Equities Sdn Bhd	Malaysia	Investment holding	100	100
	FEAB Land Sdn Bhd	Malaysia	Property development and property investment	100	100
	FEAB Properties Sdn Bhd	Malaysia	Property investment and investment holding	100	100
	Magna Mahsuri Sdn Bhd	Malaysia	Property investment and investment holding	100	100

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(i)	**Subsidiaries of Berjaya Sports Toto Berhad (Cont'd)**				
	Sports Toto Malaysia Sdn Bhd	Malaysia	Toto betting operations	100	100
	STM Resort Sdn Bhd	Malaysia	Property investment	100	100
	Sports Toto Fitness Sdn Bhd	Malaysia	Operation of health and fitness centre	100	100
	(i) Subsidiary of FEAB Land Sdn Bhd				
	FEAB Realty Sdn Bhd	Malaysia	Dormant	100	100
	(ii) Subsidiaries of Magna Mahsuri Sdn Bhd				
	Berjaya Sports Toto (Cayman) Limited ("BSTC")	Cayman Islands	Investment holding	100	100
	Sports Toto Apparel Sdn Bhd	Malaysia	Dormant	100	100
	Sports Toto Computer Sdn Bhd	Malaysia	Computer consultancy services	100	100
	Sports Toto Products Sdn Bhd	Malaysia	Dormant	100	100
	(iii) Subsidiary of Berjaya Sports Toto (Cayman) Limited				
#	Berjaya Lottery Management (HK) Limited	Hong Kong	Investment holding	100	100
	(iv) Subsidiaries of Berjaya Lottery Management (HK) Limited				
c *	Berjaya Philippines Inc.	Philippines	Investment holding	74.20	74.20
*	International Lottery & Totalizator Systems, Inc.	United States of America	Development, manufacturing, distribution of computerised wagering systems and provision of software licences and support	100	100
	(v) Subsidiaries of Berjaya Philippines Inc. ("BPI")				
*d**	eDoc Holdings Limited	United Kingdom	Investment holding	100	-

c *Additional 14.06% being held by BSTC.*
d *BPI acquired eDoc Holdings from H.R. Owen Plc pursuant to an internal restructuring exercise.*

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2019

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(i)	**Subsidiaries of Berjaya Sports Toto Berhad (Cont'd)**				
	(v) Subsidiaries of Berjaya Philippines Inc. ("BPI") (Cont'd)				
*	Floridablanco Enviro Corporation	Philippines	Service business of protecting and cleaning the environment	100	100
*	H.R. Owen Plc	United Kingdom	Investment holding	100	99.30
*	Perdana Hotel Philippines Inc.	Philippines	Operation of a hotel in the Philippines	100	100
*	Philippine Gaming Management Corporation	Philippines	Leasing of on-line lottery equipment and provision of software support	100	100
	(vi) Subsidiaries of H.R. Owen Plc				
*	Bradshaw Webb (Chelsea) Limited	United Kingdom	Dormant	100	100
*	Bodytechnics Limited	United Kingdom	Maintenance and repair of motor vehicles	100	100
*	Broughtons of Cheltenham Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100
*	eDoc Holdings Limited	United Kingdom	Investment holding	-	100
*	Heathrow Limited	United Kingdom	Dormant	100	100
*	Holland Park Limited	United Kingdom	Provision of aftersales services	100	100
*	H.R. Owen Dealerships Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100
*	HR Owen Insurance Services Limited	United Kingdom	Provision of insurance agents and brokers services	60	60

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(i)	**Subsidiaries of Berjaya Sports Toto Berhad (Cont'd)**				
	(vi) Subsidiaries of H.R. Owen Plc (Cont'd)				
*	H.R. Owen Investments Limited	United Kingdom	Dormant	100	100
*	H.R. Owen Leasing Limited	United Kingdom	Dormant	100	100
*	H.R. Owen Motor Dealerships Limited	United Kingdom	Dormant	100	100
*	H.R. Owen Motor Properties Limited	United Kingdom	Dormant	100	100
*	H.R. Owen Vehicle Leasing Company Limited	United Kingdom	Dormant	100	100
*	Hatfield 6939 Limited	United Kingdom	Dormant	100	-
*	Jack Barclay Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100
*	London Lotus Centre Limited	United Kingdom	Dormant	100	100
*	Malaya Dealerships Limited	United Kingdom	Dormant	100	100
e *	Netprofit.com Limited ("Netprofit")	United Kingdom	Dormant	100	100
*	Pangbourne 6939 Limited	United Kingdom	Dormant	100	-
*	Shepperton 6939 Limited	United Kingdom	Dormant	100	-
*	Upbrook Mews Limited	United Kingdom	Letting and operating of own or leased real estate	100	100

e H.R. Owen Plc and Bradshaw Webb (Chelsea) Limited each holds 50% equity interest in Netprofit.

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(i)	**Subsidiaries of Berjaya Sports Toto Berhad (Cont'd)**				
	(vii) Subsidiaries of International Lottery & Totalizator Systems, Inc.				
*	ILTS Vietnam Company Limited	Socialist Republic of Vietnam	Provision of lottery technical support services	100	100
*	Unisyn Voting Solutions, Inc.	United States of America	Development, manufacturing, distribution of voting systems and provision of software, licences and support	100	100
(j)	**Subsidiaries of Berjaya Vacation Club Berhad ("BVC")**				
f *	ANSA Hotels & Resorts Sdn Bhd ("ANSA")	Malaysia	Dormant	100	-
	Berjaya Air Sdn Bhd	Malaysia	Charter flight operator	100	100
	Berjaya Beau Vallon Bay (Cayman) Limited	Cayman Islands	Investment holding	100	100
	Berjaya Golf Resort Berhad	Malaysia	Property development and investment and operator of golf and recreation club	100	100
	Berjaya Hospitality Services Sdn Bhd	Malaysia	Hotel operator	100	100
#	Berjaya Hotels and Resorts (HK) Limited	Hong Kong	Investment holding	60	60
	Berjaya Hotels & Resorts (M) Sdn Bhd	Malaysia	Resort management	100	100
#	Berjaya International Casino Management (HK) Limited	Hong Kong	Investment holding	100	100
	Berjaya Langkawi Beach Resort Sdn Bhd	Malaysia	Hotel and resort operation	100	100
	Berjaya Praslin Beach (Cayman) Limited	Cayman Islands	Investment holding	100	100

f *BVC acquired ANSA from Tioman Island Resort Berhad in an internal restructuring.*

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	2018 %
(j)	**Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)**				
	Berjaya Vacation Club (Cayman) Limited	Cayman Islands	Investment holding	100	100
*	Berjaya Vacation Club (Philippines) Inc.	Philippines	Dormant	100	100
#	Berjaya Vacation Club (HK) Limited	Hong Kong	Dormant	100	100
*	Berjaya Vacation Club (S) Pte Ltd	Singapore	Vacation time sharing	100	100
	Bukit Kiara Resort Berhad	Malaysia	Developer and operator of equestrian and recreational club	100	100
	BTS Hotel Sdn Bhd	Malaysia	Owner of hotel	100	100
	Georgetown City Hotel Sdn Bhd	Malaysia	Hotel operator	100	100
*	Hotel Integrations Sdn Bhd	Malaysia	Provision of hotel consultancy and related services	70	70
	Indah Corporation Berhad	Malaysia	Developer and operator of golf resort and property development	100	100
	KDE Recreation Berhad	Malaysia	Developer and operator of golf and recreational club	100	100
*	Redang Village Resort Sdn Bhd	Malaysia	Dormant	51	51
*	Redang Development Sdn Bhd	Malaysia	Airport development, property development, hotel and resort operation	100	-
	Sinar Merdu Sdn Bhd	Malaysia	Investment and rental of property	100	100
	Staffield Country Resort Berhad	Malaysia	Developer and operator of golf resort	80	80

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(j)	**Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)**				
	The Taaras Beach & Spa Resort (Redang) Sdn Bhd	Malaysia	Hotel and resort operation	99.80	99.50
	The Taaras Luxury Group Sdn Bhd	Malaysia	Management of hotel operations	100	100
*	Tioman Pearl Sdn Bhd	Malaysia	Development of hotel and resort	70	70
	Tioman Travel & Tours Sdn Bhd	Malaysia	Property investment	100	100
	(i) Subsidiary of Berjaya Air Sdn Bhd				
	Berjaya Air Cargo Sdn Bhd	Malaysia	Dormant	100	100
	(ii) Subsidiary of Berjaya Beau Vallon Bay (Cayman) Limited				
*	Berjaya Beau Vallon Bay Beach Resort Limited	Republic of Seychelles	Operation of hotel resort in Seychelles	100	100
	(iii) Subsidiary of Berjaya Praslin Beach (Cayman) Limited				
*	Berjaya Praslin Limited	Republic of Seychelles	Operation of hotel resort in Seychelles	100	100
	(iv) Subsidiary of Berjaya Vacation Club (Cayman) Limited				
*	Berjaya Vacation Club (UK) Limited	United Kingdom	Hoteliers and hotel management	100	100
	(v) Subsidiaries of Georgetown City Hotel Sdn Bhd				
	Berjaya Georgetown Sharksfin Restaurant Sdn Bhd	Malaysia	Dormant	100	100
	BG Karaoke Sdn Bhd	Malaysia	Dormant	68.97	68.97
	(vi) Subsidiary of KDE Recreation Berhad				
	Infinity Worth Creation Sdn Bhd	Malaysia	Dormant	100	100

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	2018 %
(j)	**Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)**				
	(vii) Subsidiary of Redang Development Sdn Bhd				
*	Redang Infra Sdn Bhd	Malaysia	Infrastructure development	100	-
	(viii) Subsidiary of Sinar Merdu Sdn Bhd				
*	ANSA Hotel KL Sdn Bhd	Malaysia	Property investment and hoteliers	100	100
	(ix) Subsidiary of The Taaras Beach & Spa Resort (Redang) Sdn Bhd				
*	Redang Island Golf and Country Club Berhad	Malaysia	Dormant	100	100
(k)	**Subsidiary of Cerah Tropika Sdn Bhd**				
	Penstate Corp. Sdn Bhd	Malaysia	Property development	100	100
(l)	**Subsidiary of Kota Raya Development Sdn Bhd**				
*	Kota Raya Complex Management Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
(m)	**Subsidiary of Noble Circle (M) Sdn Bhd**				
*	Noble Circle Management Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
(n)	**Subsidiary of Nural Enterprise Sdn Bhd**				
*	Aras Klasik Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
(o)	**Subsidiaries of Tioman Island Resort Berhad ("TIRB")**				
g *	ANSA Hotels & Resorts Sdn Bhd ("ANSA")	Malaysia	Dormant	-	100
*	Berjaya Hotels & Resorts (Singapore) Pte Ltd	Singapore	Hotel booking, marketing agent and investment holding	100	100
*	Ever Perpetual Growth Sdn Bhd	Malaysia	Dormant	100	100

g TIRB disposed of its entire equity interest in ANSA to BVC in an internal restructuring.

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
(o)	**Subsidiaries of Tioman Island Resort Berhad (Cont'd)**				
*	Ever Revenue Sdn Bhd	Malaysia	Dormant	100	100
*	Tioman Golf Management Sdn Bhd	Malaysia	Dormant	100	100
	(i) Subsidiary of Berjaya Hotels & Resorts (Singapore) Pte Ltd				
*	BHR Okinawa Management Godo Kaisha	Japan	Hotel management	100	100
(p)	**Subsidiary of Wisma Stephens Management Co Sdn Bhd**				
*	Wujud Jaya Sdn Bhd	Malaysia	Dormant	100	100
	Associated Companies				
*	Asian Atlantic Holdings Limited	British Virgin Islands	Investment holding	24.46	24.46
*	AM Automotive (S) Pte Ltd	Singapore	Ceased to be dealer of "Aston Martin" vehicles	49.90	49.90
*	Bermaz Auto Philippines Inc.	Philippines	Selling and distribution of Mazda brand cars within the territory of the Philippines	28.28	28.28
h *	Berjaya Assets Berhad	Malaysia	Investment holding	9.09	8.59
*	Berjaya Kyoto Development (S) Pte Ltd	Singapore	Investment holding	50	50
*	Berjaya Land (Thailand) Company Ltd	Thailand	Property development and investment	40	40
	Berjaya Lottery Vietnam Limited	Malaysia	Investment holding	20	20
*	Berjaya Property (Thailand) Company Ltd	Thailand	Dormant	40	40

h *The Group regards Berjaya Assets Berhad as an associated company as disclosed in Note 2.5(a)(iv).*

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	Equity Interest Held 2018 %
	Associated Companies (Cont'd)				
*	Berjaya Pizza (Philippines) Inc.	Philippines	Development and operation of "Papa John's Pizza" chain of restaurants in the Philippines	48.38	48.38
#	Berjaya Vietnam Financial Center Limited	Socialist Republic of Vietnam	Property development and investment	32.50	32.50
*	Cashsystems Asia Technology Sdn Bhd	Malaysia	Dormant, under liquidation	30	30
*	Centreplus Sdn Bhd	Malaysia	Dormant	30	30
*	Chailease Berjaya Finance Corporation	Philippines	Provision of hire purchase and loan financing services	25	25
*	Cosway Philippines Inc.	Philippines	Dormant	40	40
*	Focus Equity Sdn Bhd	Malaysia	Dormant, under liquidation	32.50	32.50
#	Informatics Education Limited	Singapore	Investment holding, franchisor and licensor for computer and commercial training centres and examination facilitators	27.09	27.09
*	Inter-Capital Holdings Pte Ltd	Singapore	Investment holding	50	50
*	Nubaru Tochi Kanri Godo Kaisya	Japan	Investment holding	33	33
*	Neptune Properties, Incorporated	Philippines	Engage in real estate business	41.46	41.46
*	Perdana Land Philippines Inc.	Philippines	Acquire, develop and lease real estate	40	40
*	Resort Cruises (S) Pte Ltd	Singapore	Dormant	49	49
*	Singapore Institute of Advanced Medicine Holdings Pte Ltd	Singapore	Provision of medical laboratory services, clinic and other general medical services, sale of pharmaceuticals, surgical and consumables	22.51	34.27

49 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2019 %	2018 %
	Associated Companies (Cont'd)				
*	Ssangyong Berjaya Motor Philippines Inc.	Philippines	Selling and distribution of Ssangyong brand vehicles within the territory of the Philippines	21.67	20
*	Tioman Ferry Services Sdn Bhd	Malaysia	Dormant	20	20
*	VideoDoc Limited	United Kingdom	Provision of general and specialists medical practice services	20.15	20.15

\# Audited by member firms of Ernst & Young Global
* Not audited by Ernst & Young or a member firm of Ernst & Young Global

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERJAYA LAND BERHAD
(INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Berjaya Land Berhad, which comprise the statements of financial position as at 30 June 2019 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 75 to 247.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2019, and of their financial performance and their cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group

Impairment assessment of gaming rights with indefinite useful life

(Refer to summary of significant accounting policies in Note 2.2(6), significant judgements and accounting estimates in Note 2.5(b)(iv), and the disclosure of gaming rights in Note 10 to the financial statements.)

Gaming rights with indefinite useful life amounting to RM3.43 billion is in respect of gaming rights held by the gaming segment in Malaysia. This represents 38% and 28% of the non-current assets and total assets of the Group as at 30 June 2019 respectively.

The Group's gaming rights are subject to annual impairment test. The Group estimates the recoverable amount of the cash generating unit ("CGU") based on value-in-use ("VIU"). Estimating the VIU involves management making estimates on the future cash inflows and outflows from the CGU, and discounting them at an appropriate rate.

The cash flow forecasts contain a number of significant judgements and estimates including estimates on revenue growth rate, payout ratio, discount rate and terminal growth rate.

We consider this to be an area of focus for our audit as the amounts involved are significant, the assessment process is complex and involved significant management's judgements about future market and economic conditions and changes in these assumptions may lead to a significant change in the recoverable amount of the CGU.

Arising from the impairment assessment, the Group has recognised an impairment loss of RM417 million in respect of the Malaysian gaming operations.

Our procedures to address this area of focus include, amongst others, the following:

- obtained an understanding of the relevant internal controls over the process of estimating the recoverable amount of the CGU;
- evaluated the appropriateness of the methodology and approach applied, and considered whether they are commonly used in the industry;
- checked the basis of preparing the cash flow forecasts taking into consideration management's historical budgeting accuracy;
- involved our internal valuation experts in reviewing the impairment assessment performed by management;
- evaluated whether key assumptions which comprise the revenue growth rate, payout ratio and terminal growth rate are reasonable by making comparisons to historical trends, taking into consideration the current and expected outlook of economic growth;
- assessed whether the rate used in discounting the future cash flows to its present value was appropriate. This included an assessment of the specific inputs to the discount rate, including the risk-free rate, equity risk premium and beta, along with gearing and cost of debt. Such inputs were benchmarked either against risk rates or equivalent data for peer companies; and
- analysed the sensitivity of the key assumptions by assessing the impact of changes in the key assumptions to the recoverable amount.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group (Cont'd)

Impairment assessment of gaming rights with indefinite useful life (Cont'd)

We have also evaluated the adequacy of the note disclosures concerning those key assumptions to which the outcome of the impairment test is most sensitive. The disclosures on key assumptions and sensitivities are included in Note 10 to the financial statements.

Litigation relating to the property development project in Jeju Island, South Korea

(Refer to significant judgements and accounting estimates in Note 2.5(a)(ii), the disclosure of receivables in Note 12, and material litigation in Note 40(a) to the financial statements.)

As disclosed in Note 40(a) to the financial statements, the Group has initiated legal proceedings against Jeju Free International City Development Center ("JDC") for breaches of certain terms and conditions stipulated in the Sale & Purchase Agreement entered into with JDC ("Land SPA") while claiming for losses and damages arising from those breaches (the "Litigation"). The Group has incurred approximately RM585 million up to 30 June 2019 and has classified these costs as compensation receivable, which represents approximately 7% and 5% of the non-current assets and total assets of the Group respectively. Recoverability of these costs is dependent on the favourable outcome of the Litigation against JDC.

We consider this to be an area of focus for our audit as the eventual outcome of the Litigation is uncertain and the position taken by the directors involved significant judgement and estimation. In addition, the amounts involved are significant and may result in significant adjustments to the financial statements should the eventual outcome becomes unfavourable to the Group.

Our procedures to address this area of focus include, amongst others, the following:
- perused through the significant contract terms and conditions, including that of the Land SPA;
- interviewed the directors and management to understand the basis of their conclusion in respect of this Litigation;
- assessed the legal counsels' objectivity and independence; and reviewed their credentials, qualifications, experience and reputation; and
- evaluated the rationale and basis for the legal counsels' opinion by interviewing them to gain an understanding of the basis of their opinion including their knowledge relating to such litigations/claims in general.

We have also reviewed and assessed the completeness and accuracy of the Group's disclosures pertaining to the said Litigation as disclosed in Note 2.5(a)(ii) and Note 40(a) to the financial statements.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group (Cont'd)

Recoverability of debts due from the purchaser of the Berjaya (China) Great Mall Co. Ltd. development project

(Refer to significant judgement and accounting estimates in Note 2.5(a)(iii), the disclosure of receivables in Note 12, and arbitration proceedings in Note 40(c) to the financial statements.)

As disclosed in Note 40(c) to the financial statements, the Group has initiated an arbitration proceedings against Beijing SkyOcean International Holdings Limited ("Beijing SkyOcean") to recover a debt receivable from Beijing SkyOcean arising from the disposal of a property located in Beijing, China (the "Great Mall Property") (collectively, the "Arbitration Proceedings"). The Group disposed the Great Mall Property in October 2016 to Beijing SkyOcean for a total consideration of RMB2.039 billion (equivalent to RM1.228 billion) and has collected RMB1.065 billion (equivalent to RM0.641 billion) from Beijing SkyOcean. The holding company of Beijing SkyOcean and one of its shareholders have provided guarantees for the outstanding debt. The Group, having reassessed the timeframe required to complete the Arbitration Proceedings and the recovery of the debt, has recognised a further impairment loss of approximately RM7.9 million to account for the time value of money of the debt receivable. As at 30 June 2019, the debt receivable from Beijing SkyOcean net of further impairment loss amounting to RM508 million, has been included under non-current receivables in the financial statements of the Group.

We consider this to be an area of focus for our audit as the eventual outcome of the Arbitration Proceedings is uncertain and the position taken by the directors involved significant judgement and estimation. In addition, the amount involved is significant and may result in significant adjustments to the financial statements should the eventual outcome becomes unfavourable to the Group.

Our procedures to address this area of focus include, amongst others, the following:

- engaged our global firm counterparts in Beijing, People's Republic of China, and collaborated with them to perform the procedures included below;
- perused through the significant terms and conditions of the contract with Beijing SkyOcean;
- interviewed the directors and management to understand the basis of their conclusion in respect of this Arbitration Proceedings and their assessment of the probability of the recoverability of this debt;
- assessed the legal counsels' objectivity and independence; and reviewed their credentials, qualifications, experience and reputation; and
- evaluated the rationale and basis for the legal counsels' opinion by interviewing them to gain an understanding of the basis of their opinion including their knowledge relating to such litigations/claims in general, and reviewed the appropriateness of the impairment loss provided for in respect of this debt based on this basis.

We have also reviewed and assessed the completeness and accuracy of the Group's disclosures pertaining to the said Arbitration Proceedings as disclosed in Note 2.5(a)(iii) and Note 40(c) to the financial statements.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group (Cont'd)

Toto betting revenue and related cost of sales

(Refer to summary of significant accounting policies in Note 2.2(22), and the disclosure of revenue in Note 28 to the financial statements.)

The Group is involved in the toto betting operations where revenue is derived from a large volume of individually insignificant transactions. The Group relies heavily on its information technology system ("IT System") to account for such revenue. During the financial period, the Group recognised revenue of approximately RM3.64 billion from toto betting operations, which accounted for 50% of the Group's revenue. The related cost of sales from toto betting operations was RM2.90 billion, which accounted for 52% of the Group's cost of sales for the financial period.

The amounts recognised for revenue and cost of sales from toto betting operations is a key audit matter because the amounts recognised are significant to the financial statements of the Group and they involve large volume of transactions which are processed by the Group's IT System.

Our procedures to address this area of focus include, amongst others, the following:

- obtained an understanding of the relevant internal controls over the process of recording of revenue and cost of sales;
- evaluated the operating effectiveness of the automated controls over revenue and cost of sales processes by involving our internal experts in testing the operating effectiveness of the automated controls over the revenue and cost of sales processes. We also tested the accuracy of interface between the sales terminal system and the betting operating system, and related calculation of prize payment in the financial information system;
- evaluated the effectiveness of the non-automated controls in place to ensure the accuracy of revenue and cost of sales recognised, including the timely posting of revenue and cost of sales to the general ledger in the financial information system;
- evaluated transactions recorded close to the financial period end, including draw sales after financial period end, to establish whether those transactions were recorded in the correct accounting period; and
- performed reconciliation of cash receipts to revenue recorded in the financial statements.

We have also reviewed and assessed the adequacy of the Group's disclosure relating to revenue and cost of sales.

Valuation of investment properties

(Refer to summary of significant accounting policies in Note 2.2(4), significant judgements and accounting estimates in Note 2.5(b)(v), the disclosure of investment properties in Note 4, and fair value measurement in Note 43(a) to the financial statements.)

As at 30 June 2019, the carrying amount of investment properties amounted to RM729 million representing 8% and 6% of the Group's total non-current assets and total assets respectively.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group (Cont'd)

Valuation of investment properties (Cont'd)

Investment properties are stated at fair value and any gain or loss arising from changes in the fair value are included in profit or loss in the financial period in which they arise. The Group has appointed independent professional valuers to perform valuation on its investment properties. The valuations are based on assumptions, amongst others, comparable historical transactions and adjustments factors to comparable transactions including location, size, condition, accessibility and design and market knowledge.

We consider the valuation of the investment properties as an area of audit focus as such valuation involves significant judgement and estimates that are highly subjective.

Our procedures to address this area of focus include, amongst others, the following:

- assessed the objectivity, independence, reputation, experience and expertise of the independent valuers;
- obtained an understanding of the methodology adopted by the independent valuers in estimating the fair value of the investment properties and assessed whether such methodology is consistent with those used in the industry; and
- evaluated the appropriateness of the data used by the independent valuers as input into their valuations. We interviewed the external valuers, discussed and challenged the significant estimates and assumptions applied in their valuation process.

We also reviewed and assessed the Group's disclosures relating to investment properties.

Key audit matters in respect of audit of the financial statements of the Company

Impairment assessment of investment in subsidiary companies

(Refer to summary of significant accounting policies in Note 2.2(1), significant judgement and accounting estimates in Note 2.5(b)(ii) and the disclosure of investment in subsidiary companies in Note 6 to the financial statements.)

As at 30 June 2019, the carrying amount of the investment in subsidiary companies of the Company amounted to RM3.03 billion, representing 80% and 60% of the Company's total non-current assets and total assets respectively.

At the reporting date, the Company reviewed its investment in subsidiary companies for indications of impairment and where such indications exist, the Company performed an impairment assessment to determine the recoverable amounts of such investments. The Company estimated the recoverable amount of the respective cash generating units ("CGUs") based on their fair value less cost to sell or their respective value-in-use ("VIU") whichever is higher. Estimating the VIU of the CGUs involved estimates made by management relating to the future cash inflows and outflows that will be derived from the CGU, and discounting them at the appropriate rate. The cash flow forecasts included a number of significant judgements and estimates such as the revenue growth rate, discount rate and terminal growth rate.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Company (Cont'd)

Impairment assessment of investment in subsidiary companies (Cont'd)

We consider this to be an area of focus for our audit as the amounts involved are significant, the assessment process is complex and involves significant management's judgements about future market and economic conditions and changes in assumptions may lead to a significant change in the recoverable amount of the investment in subsidiary companies.

Our procedures to address this area of focus included, amongst others, the following:

- obtained an understanding of the relevant internal controls over the process of estimating the recoverable amounts of the CGUs;
- evaluated the appropriateness of the methodology and approach applied;
- checked the basis of preparing the cash flow forecasts taking into consideration the assessment of management's historical budgeting accuracy and also the basis of determining fair value less cost to sell;
- evaluated whether key assumptions which comprised the revenue growth rate, discount rate and terminal growth rate, as well as the fair value less cost to sell, were reasonable by making comparisons to historical trends, taking into consideration the current and expected outlook of the economic growth;
- where fair value less cost to sell is applied, evaluated whether the assumptions applied in determining the fair value less cost to sell of the respective investments and their underlying assets were reasonable, and to obtain an understanding of the related data used as input to the valuation models; and
- analysed the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions on the recoverable amount.

We also reviewed and assessed the Company's disclosures relating to the impairment of assessment of investment in subsidiary companies in Note 2.5(b)(ii) and Note 6 to the financial statements.

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control;

Auditors' responsibilities for the audit of the financial statements (Cont'd)

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation; and

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BERJAYA LAND BERHAD
(INCORPORATED IN MALAYSIA)

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 49 to the financial statements.

Other matters

1. As stated in Note 2.3 to the financial statements, Berjaya Land Berhad adopted Malaysian Financial Reporting Standards and International Financial Reporting Standards on 1 May 2018 with a transition date of 1 May 2017. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statements of financial position of the Group and of the Company as at 30 April 2018 and 1 May 2017, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year ended 30 April 2018 and related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and of the Company for the financial period ended 30 June 2019, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 May 2018 do not contain misstatements that materially affect the financial position as at 30 June 2019 and financial performance and cash flows for the financial period then ended.

2. This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ERNST & YOUNG
AF: 0039
Chartered Accountants

KUA CHOO KAI
No. 02030/03/2020 J
Chartered Accountant

Kuala Lumpur, Malaysia
18 October 2019

LIST OF MAJOR PROPERTIES
AS AT 30 JUNE 2019

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net Carrying Amount RM'000
Lot 28 (GRN 20366) Lot 403 (GRN 20428) Lot 728 (GRN 18054) Seksyen 2 Bandar Georgetown Daerah Timor Laut Pulau Pinang	Freehold	55.37 acres	Land for mixed development	N/A	31.03.2014	541,983
Lot 352 Seksyen 20 Bandar Kuantan District of Kuantan Pahang Darul Makmur	Freehold	5.46 acres	Shopping mall for rental	21 years	05.02.1991	255,618
14th, 15th Floors and Service Suites at Tower B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	345,773 sq ft	327 units of service suite	16 years	06.01.1998 }	187,558
Service Suites at Tower A & B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	136,497 sq ft	181 units of service suite	16 years	13.03.2007 }	
Service Suites at Tower A Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	21,765 sq ft	32 units of service suite	16 years	01.07.2008 }	
B-35-013, Tower B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	624 sq ft	1 unit of service suite	16 years	01.07.2008 }	
Premises at Ground Floor 14th & 16th Floors Tower A & B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	30,957 sq ft	Hotel lobby, function rooms and storage area	16 years	10.02.2010 }	
B44-04, Tower B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	3,821 sq ft	Penthouse	16 years	08.05.2012 }	
HS(D) 52466-68, PT 4625-27 HS(D) 52471-75, PT 4630-34 Mukim Sungai Tinggi Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	871.1 acres	Land for mixed development	N/A	31.03.2017	156,200

LIST OF MAJOR PROPERTIES
AS AT 30 JUNE 2019

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net Carrying Amount RM'000
361 parcels of land at Onna-Son Okinawa Island, Japan	Freehold	116,932 sq m	Land held for development	N/A	Since 15.07.2009	123,419
HS(D) 4/94, PT 278	Leasehold expiring on 30.04.2069	85.83 acres	Beach resort (424 guest rooms/chalets)	26 years	27.05.1994	121,546
HS(D) 1017, PT 140	Leasehold expiring on 29.03.2070				30.03.2010	
HS(D) 1018, PT 141 Mukim Padang Matsirat Daerah Langkawi Pulau Langkawi Kedah Darul Aman	Leasehold expiring on 29.03.2070				30.03.2010	
Lot 558	Freehold	613.68 acres	Beach resort (189 guest rooms and a villa)	> 23 years	Year 1990	118,746
Lot 705 Lot 50000 Lot 50001 Lot 50002	Leasehold 60 years expiring in year 2070				Year 2010	
Lot 239, 240-242 PT 925, 926, 927 PT 928, 929 Teluk Dalam and Teluk Siang, Pulau Redang Terengganu Darul Iman	Leasehold 60 years expiring in year 2051				16.10.1993	
Geran No. 29726 Lot 1261, Seksyen 67 Daerah Kuala Lumpur (Plaza Berjaya, 12 Jalan Imbi Kuala Lumpur)	Freehold	158,154 sq ft	Land with office, residential block and shopping complex for rental	33 years	27.11.1989	104,560
Lot 5001 to 5005 Lot 5007 to 5020 PN 14706 to 14710 PN 14712 to 14714 PN 14721 to 14731 Daerah Rompin Bandar Tioman Pulau Tioman Pahang Darul Makmur	Leasehold 99 years expiring on 02.05.2107	201.39 acres	Land for hotel and resort operations	32 years	30.12.1985	99,653
GM931 Lot 57 GM841 Lot 58. Geran 26066 Lot 1 Geran 26067 Lot 2 GM 1772 Lot 49 Seksyen 94B Mukim Kuala Lumpur	Freehold	387,920 sq ft	Vacant development land	N/A	03.05.2012	87,808

LIST OF MAJOR PROPERTIES
AS AT 30 JUNE 2019

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net Carrying Amount RM'000
Lot PT 4805, 4806 HS(D) 81319, 81320 Mukim Petaling Kuala Lumpur	Freehold	7,129,260 sq ft	Club house and golf course	> 27 years	05.09.1991	82,814
Plot 65, 267, 562 Thong Nhat Ward Bien Hoa City Dong Nai Province Vietnam	Plot 65 - Freehold Plot 267 - Leasehold expiring on 22.04.2058 Plot 562 - Leasehold expiring on 29.08.2058	22,885 sq m	Land for mixed development	N/A	01.09.2009	81,311
10 parcels of land at Uruma-shi Okinawa Island, Japan	Freehold	57,479 sq m	Land with hotel building (123 guest rooms)	25 years	30.03.2017	80,400
11th Floor Berjaya Times Square No. 1, Jalan Imbi Kuala Lumpur	Freehold	104,844 sq ft	1 floor of office space of an integrated commercial development for rental	16 years	06.01.1998	65,556
13th Floor Berjaya Times Square No. 1, Jalan Imbi Kuala Lumpur	Freehold	106,315 sq ft	1 floor of office space of an integrated commercial development for rental	16 years	06.01.1998	53,404
ANSA Kuala Lumpur No. 101 Jalan Bukit Bintang Kuala Lumpur	Leasehold 60 years expiring on 30.04.2062	22,852 sq ft	Hotel (167 guest rooms)	> 40 years	05.05.2008	50,158
HS(D) 11814, Lot 11527 Lots 1 to 8, Lots 49 to 55 Taman Tun Abdul Razak Ampang Selangor Darul Ehsan	Freehold	351,903 sq ft	Land held for development	N/A	22.12.1990	50,119

Note:
The Group does not adopt a policy of regular revaluation of its properties except for investment properties which are stated at fair value.

MATERIAL CONTRACTS

Other than as disclosed in Notes 12, 25, 30, 31, 32, 33, 34, 39, 41, 47 and 48 to the financial statements, there are no subsisting material contracts entered into by Berjaya Land Berhad and its subsidiaries involving Directors and major shareholders.

ADDITIONAL INFORMATION

The amount of non-audit fees incurred for services rendered to the Group for the financial period ended 30 June 2019 amounted to RM764,000 (30.4.2018 : RM699,000).

The total number of employees of the Group at 30 June 2019 is 4,744 (30.4.2018 : 4,724).

GROUP ADDRESSES

BERJAYA HOTELS & RESORTS

Corporate Office
Level 15 (West Wing)
Berjaya Times Square Hotel
No. 1, Jalan Imbi
55100 Kuala Lumpur, Malaysia
Tel : 603-2142 9611
Fax : 603-2144 2527
Email : bhr@berjayahotel.com
Website: www.berjayahotel.com

MALAYSIAN HOTELS & RESORTS

Berjaya Tioman Resort
P.O. Box 4, 86807 Mersing
Johor Darul Takzim
Tel : 609-419 1000
Fax : 609-419 1718
Email : tioman.rsvn@berjayahotel.com
Website: www.berjayahotel.com/tioman

Berjaya Langkawi Resort
Karong Berkunci 200
Burau Bay
07000 Langkawi
Kedah Darul Aman
Tel : 604-959 1888
Fax : 604-959 1886
Email : langkawi.rsvn@berjayahotel.com
Website: www.berjayahotel.com/langkawi

The Taaras Beach & Spa Resort
P.O. Box 126, Main Post Office
20928 Kuala Terengganu
Terengganu Darul Iman
Tel : 609-630 8888
Fax : 609-630 8880
Email : reservation@thetaaras.com
Website: www.thetaaras.com

Berjaya Penang Hotel
1-Stop Midlands Park
Jalan Burmah, Georgetown
10350 Pulau Pinang
Tel : 604-227 7111
Fax : 604-226 7111
Email : pg.reservation@berjayahotel.com
Website: www.berjayahotel.com/penang

Berjaya Times Square Hotel, Kuala Lumpur
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2117 8000
Fax : 603-2143 3352
Email : bth.rsvn@berjayahotel.com
Website : www.berjayahotel.com/kualalumpur

ANSA Kuala Lumpur
101, Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 603-2146 5000
Fax : 603-2146 5001
Email : reservation@ansahotels.com
Website : www.ansahotels.com/kualalumpur

Redang Island Resort
Teluk Siang, Redang Island
21090 Kuala Terengganu
Terengganu Darul Iman
Tel : 609-630 8787
Fax : 609-630 8788
Email : reservation@redangislandresort.com
Website : www.redangislandresort.com

OVERSEAS HOTELS & RESORTS

Berjaya Beau Vallon Bay Resort & Casino – Seychelles
P.O. Box 550, Victoria
Mahe, Seychelles
Tel : 248-4287-287
Fax : 248-4247-943
Email : mahe.inquiry@berjayahotel.com
Website : www.berjayahotel.com/mahe

Berjaya Praslin Resort – Seychelles
Anse Volbert, Praslin, Seychelles
Tel : 248-4286-286
Fax : 248-4232-244
Email : praslin.rsvn@berjayahotel.com
Website : www.berjayahotel.com/praslin

Berjaya Eden Park London Hotel – United Kingdom
35-39, Inverness Terrace
Bayswater, London W2 3JS
United Kingdom
Tel : 44-20-7221-2220
Fax : 44-20-7221-2286
Email : reservation.london@berjayahotel.com
Website : www.berjayahotel.com/london

Berjaya Hotel Colombo – Sri Lanka
36, College Avenue, Mount Lavinia
Sri Lanka
Tel : 94-11-273 9610
Fax : 94-11-273 3030
Email : colombo.rsvn@berjayahotel.com
Website : www.berjayahotel.com/colombo

Sheraton Hanoi Hotel – Vietnam
K5 Nghi Tam
11, Xuan Dieu Road
Tay Ho District, Hanoi
Vietnam
Tel : 84-24-3719 9000
Fax : 84-24-3719 9001
Email : reservations.hanoi@sheraton.com
Website : www.sheratonhanoi.com

Four Seasons Hotel Kyoto - Japan
445-3 Myohoin Maekawa-Cho
Higashiyama-Ku
Kyoto 605-0932
Japan
Tel : 81-75 541 8288
Website : www.fourseasons.com/kyoto

Hakkoda Resort Hotel - Japan
Arakawa Kansuizawa, 1-58 Aomori
City Japan
Tel : 81-17-738-2233
Fax : 81-17-738-2531
Email : hakkouda-resort@adagio.ocn.ne.jp
Website : www.hakkouda-resort.jp

ANSA Okinawa Resort
1468 Yamashiro, Ishikawa
Uruma, Okinawa, Japan, 904-113
Tel : 81 (0) 98 963 0123
Fax : 81 (0) 98 963 0111
Email : aor.rsvn@ansahotels.com

Berjaya Makati Hotel – Philippines
7835, Makati Avenue, Corner Eduque Street
Makati City, Philippines 1209
Tel : 632-750 7500
Fax : 632-750 6783
Email : manila.inquiry@berjayahotel.com
Website : www.berjayahotel.com/makati

The Castleton Hotel, London – United Kingdom
164-166 Sussex Gardens
London W2 1UD, England
Tel : 44-20-7706-4666
Fax : 44-20-7706-2288
Email : info@castletonhotel.com
Website : www.thecastletonhotel.com

GROUP ADDRESSES

CLUBS & RECREATION

Tioman Island Golf Club, Pahang
P.O. Box 4
86807 Mersing
Johor Darul Takzim
Tel : 609-419 1000 (Ext 1631)
Email : tioman.golf@berjayahotel.com

Bukit Banang Golf & Country Club, Johor
1, Persiaran Gemilang
Bandar Banang Jaya
83000 Batu Pahat
Johor Darul Takzim
Tel : 607-428 6001
Email : banang@berjayaclubs.com

Staffield Country Resort, Negeri Sembilan
Batu 13, Jalan Seremban-Kuala Lumpur
71700 Mantin
Negeri Sembilan Darul Khusus
Tel : 603-8766 6117
Email : staffield@berjayaclubs.com

Bukit Kiara Equestrian & Country Resort, Kuala Lumpur
Jalan Bukit Kiara
Off Jalan Damansara
60000 Kuala Lumpur
Tel : 603-2093 1222
Email : kiara@berjayaclubs.com

Bukit Jalil Golf & Country Resort, Kuala Lumpur
Jalan Jalil Perkasa 3, Bukit Jalil
57000 Kuala Lumpur
Tel : 603-8994 1600
Email : jalil@berjayaclubs.com

Kelab Darul Ehsan, Selangor
Taman Tun Abdul Razak
Jalan Kerja Air Lama
68000 Ampang Jaya
Selangor Darul Ehsan
Tel : 603-4257 2333
Email : kde@berjayaclubs.com

VACATION TIMESHARE & TRAVEL

Berjaya Vacation Club Berhad – Kuala Lumpur
Lot 5-04, 5th Floor, Fahrenheit 88
179, Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 603-2116 9999
Fax : 603-2141 9288/2148 6879
Email : bvc@berjaya.com.my

Berjaya Air Sdn Bhd
Asia Jet Partners Malaysia Sdn Bhd
Lot AM1, Skypark Terminal
Sultan Abdul Aziz Shah Airport
47200 Subang
Selangor Darul Ehsan, Malaysia
Tel : 603-7847 1338
Fax : 603-7842 2038

PROPERTY INVESTMENT & DEVELOPMENT

Main Office:
Level 12 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2149 1999/2142 8028
Fax : 603-2143 2028/2145 2126
Email : property@berjaya.com.my

Vietnam Office:
Berjaya – D2D Co., Ltd
6th Floor, Bao Viet Tower
233 Dong Khoi Street
Ben Nghe Ward, District 1
Ho Chi Minh City
Socialist Republic of Vietnam
Tel : 84-28-3521 0038 (General)
84-28-3521 0001 (Marketing)
Fax : 84-28-3521 0039

Berjaya – Handico12 Co., Ltd.
The Pavilion
Hanoi Garden City
Khu DTM Thach Ban
Phuong Thach Ban
Long Bien District, Hanoi
Socialist Republic of Vietnam
Tel : 84-24-3652 6666
Fax : 84-24-3652 6668

China Office:
Berjaya (China) Great Mall Co. Ltd.
38, Xinggong West Street
Yanjiao Development Zone
065201 Sanhe City
Hebei Province
People's Republic of China
Tel : 86-01-61597200/
86-316-3338182

Korea Office:
Berjaya Jeju Resort Limited
8, Yerae-ro 141 Beon-Gil
Seogwipo City
Jeju Special Self-Governing Province
697-301 Republic of Korea
Tel : 82-64-738 5038

Myanmar Office:
Berjaya HT Eco Co. Ltd.
Suite No. #10-10
Junction City Tower
No. 3/A Bogyoke Aung San Rd
& Corner of 27th St. Pebedan
11141 Yangon
Myanmar
Tel : 95 (0) 1 9253455/56/66

GROUP ADDRESSES

PROPERTY INVESTMENT & DEVELOPMENT (CONT'D)

Property Management:

Level 12 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2149 1591/92
Fax : 603-2143 8028
Email : propmgmt@berjaya.com.my

Property Addresses:

Indah UPC Shops
3½ Miles, Jalan Klang Lama
58000 Kuala Lumpur

Kelang Lama New Business Centre
Gemilang Indah Apartments
Jalan 2/110A
Batu 3½, Jalan Klang Lama
58200 Kuala Lumpur

Pines Condominiums
Jalan 116, Jalan Sultan Abdul Samad
Brickfields, 50470 Kuala Lumpur

Ixora Apartments
Jalan Rusa, Off Jalan Tun Razak
50400 Kuala Lumpur

Robson Condominiums
Jalan 2/87D, Robson Heights
Persiaran Syed Putra 2
50470 Kuala Lumpur

1 Petaling Residences & Commerz @ Sg. Besi
Jalan 1C/149, Off Jalan Sungai Besi
57100 Kuala Lumpur

Petaling Indah Condominiums
Jalan 1C/149
Off Jalan Sungai Besi
57100 Kuala Lumpur

Sri Pelangi Condominiums
Sri Pelangi Shops & Apartments
Jalan Genting Kelang, Setapak
53300 Kuala Lumpur

Taman Cemerlang
Cemerlang Heights
Cemerlang Court
Cemerlang Apartment
Cemerlang Shop/Office/Apartment
Jalan TC 1/5
Taman Cemerlang Gombak
53100 Kuala Lumpur

Berjaya Park
Seksyen 32, 40460 Shah Alam
Selangor Darul Ehsan

Vasana 25
Seputeh Heights
Jalan Bukit Seputeh 3
Taman Seputeh Heights
58000 Kuala Lumpur

Subang Heights
Jalan SHT/SHB
Taman Subang Heights
47500 Subang Jaya
Selangor Darul Ehsan

The Peak @ Taman TAR
Off Jalan Sultan
Taman Tun Abdul Razak
68000 Ampang
Selangor Darul Ehsan

Greenfields Apartments
Green Avenue Condominiums
Jalan 1/155B, Bukit Jalil
57000 Kuala Lumpur

Arena Green Apartments
Lanai Residences
Jalan 1/55A, Bukit Jalil
57000 Kuala Lumpur

Savanna Bukit Jalil Condominiums
Jalan 1/155A, Bukit Jalil
57000 Kuala Lumpur

Savanna 2 Bukit Jalil
Covillea Bukit Jalil
Jalan Jalil Perkasa 7, Bukit Jalil
57000 Kuala Lumpur

Jalil Link @ Bukit Jalil
Jalan 1/155B, Bukit Jalil
57000 Kuala Lumpur

The Link 2 @ Bukit Jalil
The Tropika
Jalan Jalil Perkasa 1, Bukit Jalil
57000 Kuala Lumpur

KM1 East & West Condominiums @ Bukit Jalil
Jalan Jalil Perkasa, Bukit Jalil
57000 Kuala Lumpur

Kinrara Ria Apartments
Jalan TK 4/11
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kinrara Putri Apartments
Jalan TK 4/12
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kinrara Low Cost Shops & Apartments
Jalan TK 4/13
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kinrara Mas Shops & Apartments
Jalan TK 4/14
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

GROUP ADDRESSES

PROPERTY INVESTMENT & DEVELOPMENT (CONT'D)

Kinrara Mas Low Cost Shops
Jalan TK 4/13
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kinrara Shops, Offices & Apartments
Jalan TK 4/5
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kuantan Perdana Shop Office
Jalan Tun Ismail
25000 Kuantan
Pahang Darul Makmur

Batu Pahat Office:
Berjaya Land Development Sdn Bhd
74 & 75, Jalan Gemilang
Taman Banang Jaya
83000 Batu Pahat
Johor Darul Takzim
Tel : 607-428 8678

Penang Office:
88 Jalan Masjid Negeri
11600 Pulau Pinang
Tel : 604-658 2828

Singapore Office:
Berjaya Corporation (S) Pte. Ltd.
680 Upper Thomson Road
#01-13 Singapore 787103
Tel : 602-6227 3688
Fax : 602-6225 4966

COMPLEXES

Berjaya Megamall, Pahang
Lot 3-18, 3rd Floor
Sri Dagangan Kuantan
Business Centre, Jalan Tun Ismail
25000 Kuantan
Pahang Darul Makmur
Tel : 609-508 8188

Plaza Berjaya, Kuala Lumpur
Lot 2.05, 2nd Floor
Podium Block Plaza Berjaya
No. 12, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2141 2818

Kota Raya Complex, Kuala Lumpur
Lot 5.0A-1, Level 5
Kota Raya Complex
Jalan Tun Tan Cheng Lock
50000 Kuala Lumpur
Tel : 603-2072 2562

GAMING & LOTTERY MANAGEMENT

Sports Toto Malaysia Sdn Bhd
Lot 13-01, Level 13 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2148 9888
Fax : 603-2141 9581
Email : webmaster@sportstoto.com.my
Website : www.sportstoto.com.my

Natural Avenue Sdn Bhd
Lot 8189 & 8190
Town East, Pending Road
93450 Kuching, Sarawak
Tel : 6082-333 666
Fax : 6082-330 188
Website : www.cashsweep.com.my

International Lottery & Totalizator Systems, Inc., USA
2310 Cousteau Court
Vista (San Diego)
California 92081 – 8346
USA
Tel : 1-760-598-1655
Fax : 1-760-598-0219
Email : mktg@ilts.com
Website : www.ilts.com

Berjaya Philippines Inc.
Philippine Gaming Management Corporation
9th Floor, Rufino Pacific Tower
6784 Ayala Ave., cor V.A. Rufino Street
Makati City
Metro Manila, Philippines
Tel : 632-8811 0668
Fax : 632-8811 2293
Website : www.berjaya.com.ph

EDUCATION

Informatics Education Ltd
100 Victoria Street
#13-01/02 National Library Building
Singapore 188064
Tel : 65-6580 4555
Fax : 65-6565 1371
Website : www.informaticseducation.com

MOTOR RETAILER

H.R. Owen Plc
Melton Court
25-27 Old Brompton Road
London SW7 3TD
Tel : 44-20-7245 1122
Website : www.hrowen.co.uk

RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE OR TRADING NATURE
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial period ended 30 June 2019 (RM'000)
Berjaya Corporation Berhad ("BCorp") and its unlisted subsidiary companies:-		
BCorp	Management fees payable by BLand for services rendered that include, inter-alia, the provision of finance, secretarial and general administrative services	471
Berjaya Registration Services Sdn Bhd	Receipt of share registration, printing and mailing services by BLand Group	91
Berjaya Education Sdn Bhd	Receipt of education and staff training services by BLand Group	74
Berjaya Higher Education Sdn Bhd	Rental receivable by Nural Enterprise Sdn Bhd ("NESB") for renting of Units 5.1, 5.2, 5.3, 5.6, 6.1, 6.6, 7.1, 7.2, 7.4, 7.5, 7.6, 8.1, 8.2, 8.6, 9.6, 10.6, 11.2, 11.3, 11.4, 12.1, 12.2, 12.3, 13.1, 13.3 and 13.4 of Apartment Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	575
	Rental receivable by Tiram Jaya Sdn Bhd for renting of Unit 8.5, 8th Floor of Apartment Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	33
Changan Berjaya Auto Sdn Bhd	Rental income receivable by Klasik Mewah Sdn Bhd ("KMSB") for renting of premises at Lot 3, Jalan 225, Section 51A, Petaling Jaya, Selangor	168
Berjaya Krispy Kreme Doughnuts Sdn Bhd	Rental income receivable by Sri Panglima Sdn Bhd ("SPSB") for renting of shoplots at No. 1 & 9, Jalan Kinrara TK 4/13, Taman Kinrara, Seksyen 4, Puchong, Selangor	50
	Rental income receivable by SPSB for renting of shoplot at No. 3, Jalan Kinrara TK 4/13, Taman Kinrara, Seksyen 4, Puchong, Selangor	22
Inter-Pacific Trading Sdn Bhd	Rental income receivable by NESB for renting of office at Lot 1.35A, 1st Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	8
	Purchase of stationery products by BLand Group	70
Inter-Pacific Securities Sdn Bhd	Provision of security guard services by BGSSB	103
	Rental income receivable by Nada Embun Sdn Bhd ("NEmbun") for renting of office at Lot 13-02, Level 13, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	1,163
Prime Credit Leasing Sdn Bhd	Receipt of leasing and hire purchase facilities by BLand Group	449
Ambilan Imej Sdn Bhd	Rental payable by BLand for renting of office at Level 12, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	1,274
Cosway (M) Sdn Bhd	Rental income receivable by Cempaka Properties Sdn Bhd ("CPSB") for renting of shoplot at Lot G-67, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan.	72
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products by the various hotels and resorts in BLand Group	369
Berjaya Hills Berhad	General marketing charges payable to Berjaya Hotels & Resorts (Singapore) Pte Ltd	61
BLoyalty Sdn Bhd	Loyalty reward charges payable by BLand Group	11

RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE OR TRADING NATURE
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial period ended 30 June 2019 (RM'000)
Berjaya Corporation Berhad ("BCorp") and its unlisted subsidiary companies:- (Cont'd)		
Stephens Properties Sdn Bhd	Rental payable by:	
	1. Berjaya Golf Resort Bhd ("BGolf") for renting of storage space at Lots 20F, 22C, 22D, 22E, 26B & 26C, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	17
	2. Berjaya Land Development Sdn Bhd for renting of storage space at Lot 20E, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	2
	3. Pakar Angsana Sdn Bhd for renting of storage space at Lots 20B, C & D, 21D, 22B, 23F & 26D, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	16
	4. BLand for renting of storage space at Lots 19D, E & F, 25B, D & E and shoplot at Lot 6.07, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	26
	5. BGSSB for renting of offices at Lots 6.01, 6.02 & 6.03, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	53
	6. Berjaya Hotel & Resort (M) for renting of storage space at Lot 22F, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	3
	Provision of security guard services by BGSSB	278
Graphic Press Sdn Bhd	Provision of security guard services by BGSSB	186
E.V.A Management Sdn Bhd	Human resources management service fees payable by BLand Group	56
Berjaya City Sdn Bhd	Rental income receivable by Alam Baiduri Sdn Bhd for renting of land at Lot 35, Sungai Tinggi, Ulu Selangor.	1,620
Total		7,321
Berjaya Assets Berhad ("BAssets") and its unlisted subsidiary companies:-		
Berjaya Times Square Sdn Bhd	Rental payable by:	
	1. Marvel Fresh Sdn Bhd for renting of storage space at G-31, Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	44
	2. Berjaya Hotel & Resort (M) Sdn Bhd for renting of office at Lot 15-04, 15th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	114
	Provision of security guard services by BGSS	87
BAssets	Management fees receivable by BLand for services rendered include inter-alia the provision of finance, corporate, secretarial and general administrative services	80
Berjaya Times Square Theme Park Sdn Bhd	Provision of security guard services by BGSSB	21
BTS Car Park Sdn Bhd	Parking charges paid by BLand Group for leasing of parking bays at Berjaya Times Square, Jalan Imbi, Kuala Lumpur.	203
Berjaya Assets Food (BAF) Sdn Bhd	Rental receivable by ANSA Hotel KL Sdn Bhd for renting of premise at Lot No.0.2, Ground Floor, 101, Jalan Bukit Bintang, Kuala Lumpur	835
Total		1,384

RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE OR TRADING NATURE
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial period ended 30 June 2019 (RM'000)
Berjaya Media Berhad and/or its unlisted subsidiary company:-		
Sun Media Corporation Sdn Bhd	Rental income receivable by Regnis Industries (M) Sdn Bhd ("Regnis") for renting of office at part of Ground Floor and whole of 4th Floor and store room at basement level, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	544
	Provision of security guard services by Regnis	45
	Receipt of advertising and publishing services by BLand Group	108
Total		697
Berjaya Food Berhad and/or its unlisted subsidiary companies:-		
Berjaya Starbucks Coffee Company Sdn Bhd	Rental income receivable by:	
	1. Kota Raya Development Sdn Bhd ("KRaya") for renting of Kiosk G1 at Ground Floor, Kota Raya Complex, Jalan Tun Tan Cheng Lock, Kuala Lumpur	138
	2. NESB for renting of Kiosk I at Ground Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	18
	3. NESB for renting of shoplots at Lot 1.07 & 1.08, 1st Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	58
	4. CPSB for renting of shoplot at Lot G15, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	230
	5. CPSB for renting of storage space at Lot S2.B, 2nd Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	4
	6. NESB for renting of shoplot at Lot 3.04, 3rd Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	18
	7. ANSA Hotel KL Sdn Bhd for renting of premise at Lot 03, Ground Floor, 101, Jalan Bukit Bintang, Kuala Lumpur	1,263
	Provision of security guard services by BGSSB	402
Berjaya Roasters (M) Sdn Bhd	Rental income receivable by CPSB for renting of shoplot at Lot G-83, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	80
	Rental income receivable by CPSB for renting of shoplot at Lot G-29D, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	13
Total		2,224

RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE OR TRADING NATURE
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial period ended 30 June 2019 (RM'000)
7-Eleven Malaysia Holdings Berhad ("SEM") and its unlisted subsidiary company:-		
7-Eleven Malaysia Sdn Bhd *(a)*	Rental income receivable by:	
	1. Angsana Gemilang Sdn Bhd ("AGSB") for renting of shoplot at No.32G, Jalan Sultan Ismail, Kuala Lumpur	396
	2. NESB for renting of shoplot at Kiosk II at Lower Ground Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	78
	3. NESB for renting of offices at Lots 3.05, 3.12, 3.35 & 3.36, 3rd Floor and Lot 4.01, 4th Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	881
	4. NESB for renting offices at Lots 5.01A&B, 5B, 5C, 5D & 5E, 5th Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	420
	5. NESB for renting of office at Lot 1.05, 1st Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	117
	6. NESB for renting office at Lots 5A, 5th Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	26
	7. NESB for renting office at suite 5F, Office Tower, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	28
	8. CPSB for renting of shoplots at G21, G22 & G22A, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	365
Total		2,311
Other Related Parties:-		
Singer (Malaysia) Sdn Bhd ("Singer") *(a)*	Rental income receivable by Regnis for renting of:	
	1. offices at Part of G/F, 1/F and 2/F, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	471
	2. offices at Part of 3/F, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	95
	Provision of security guard services by BGSSB	241
	Purchase of products and services by the BLand Group	833
Berjaya Sompo Insurance Berhad *(b)*	Rental income payable by BHSSB for renting of service suites at A-18-18, 18th Floor, B-26-19, 26th Floor, B-30-12, 30th Floor and B-42-10, 42nd Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	113
	Rental income payable by BHSSB for renting of service suites at A-22-04 & A-22-07, 22nd Floor, B-26-20, 26th Floor and B-27-10, 27th Floor, B-28-08 & B-28-10, 28th Floor, B-29-08, 29th Floor, B-32-18, 32nd Floor and B-39-18, 39th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	469
	Rental income payable by BHSSB for renting of service suites at A-17-08, 17th Floor and B-30-21, 30th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	73

RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE OR TRADING NATURE
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial period ended 30 June 2019 (RM'000)
Other Related Parties:- (cont'd)		
U Mobile Sdn Bhd *(c)*	Rental income receivable by:	
	1. Regnis for renting of rooftop at Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	34
	2. BGolf for renting of watchtower at Bukit Jalil Golf & Country Resort, Jalan 3/155B, Kuala Lumpur	61
	3. Bukit Kiara Resort Bhd ("BKiara") for renting of broadcasting facility at Bukit Kiara Equestrian & Country Resort, Off Jalan Damansara, Kuala Lumpur	63
	4. Georgetown City Hotel Sdn Bhd for renting of rooftop at Georgetown City Hotel, Jalan Burmah, Pulau Pinang	98
	Parking charges received by NESB for leasing of parking at basement of Plaza Berjaya, Jalan Imbi, Kuala Lumpur	14
	Provision of security guard services by BGSSB	100
Qinetics Solutions Sdn Bhd *(d)*	Receipt of information technology consultancy and management related services and purchase of networking equipment by BLand Group	73
Qinetics Services Sdn Bhd *(d)*	Receipt of information technology consultancy and management related services and purchase of networking equipment by BLand Group	2,988
UPC Management Services Sdn Bhd *(e)*	Rental income receivable by NEmbun for renting of office at part of Level 13, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	118
Total		5,844
Grand Total		**19,781**

Notes:

a. A wholly-owned subsidiary of SEM. SEM is deemed a related party by virtue of Tan Sri Dato' Seri Vincent Tan Chee Yioun's ("TSVT") direct and indirect interests in SEM.
b. Associated company of BCorp.
c. Deemed a related party by virtue of TSVT's deemed interests in U Mobile Sdn Bhd ("UMSB").
d. Qinetics Services Sdn Bhd is a wholly owned subsidiary of Qinetics Solution Sdn Bhd, which in turn is an 83.97%-owned subsidiary of MOL.com. TSVT and BCorp are major shareholders of MOL.com
e. UPC is a wholly owned subsidiary of B&B Enterprise Sdn Bhd ("B&B"). TSVT is deemed interest in UPC by virtue of his interest in B&B.

STATEMENT OF DIRECTORS' SHAREHOLDINGS
AS AT 1 OCTOBER 2019

THE COMPANY

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Dato' Ng Sooi Lin	224,000	0.01	-	-
Tan Thiam Chai	40,000	0.00	-	-
Datuk Robert Yong Kuen Loke	360,808	0.01	-	-
Nerine Tan Sheik Ping	2,000,000	0.04	-	-
Chryseis Tan Sheik Ling	5,000,000	0.10	-	-

ULTIMATE HOLDING COMPANY
BERJAYA CORPORATION BERHAD

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Dato' Ng Sooi Lin	138,741	0.00	-	-
Tan Thiam Chai	126,992	0.00	107,288 #	0.00
Datuk Robert Yong Kuen Loke	1,051,545	0.02	-	-
Chryseis Tan Sheik Ling	202,910	0.00	-	-

	No. of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each			
	Direct Interest	%	Deemed Interest	%
Datuk Robert Yong Kuen Loke	2,516,508	0.39	-	-
Dato' Ng Sooi Lin	16,666	0.00	-	-
Tan Thiam Chai	20,600	0.00	17,400 #	0.00
Nerine Tan Sheik Ping	132,000	0.02	-	-
Chryseis Tan Sheik Ling	275,000	0.04	-	-

	No. of 2% Irredeemable Convertible Unsecured Loan Stocks 2016/2026 of RM1.00 nominal value each			
	Direct Interest	%	Deemed Interest	%
Dato' Ng Sooi Lin	1,000	0.00	-	-
Tan Thiam Chai	1,000	0.00	-	-

	Number of Warrants 2012/2022			
	Direct Interest	%	Deemed Interest	%
Datuk Robert Yong Kuen Loke	170,108	0.02	-	-
Dato' Ng Sooi Lin	16,666	0.00	-	-
Tan Thiam Chai	20,600	0.00	17,400 #	0.00

	Number of Warrants 2016/2026			
	Direct Interest	%	Deemed Interest	%
Dato' Ng Sooi Lin	1,000	0.00	-	-
Tan Thiam Chai	1,000	0.00	-	-

STATEMENT OF DIRECTORS' SHAREHOLDINGS
AS AT 1 OCTOBER 2019

RELATED COMPANIES
BERJAYA SPORTS TOTO BERHAD

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Tan Thiam Chai	172,284	0.01	133,165 #	0.01
Datuk Robert Yong Kuen Loke	123,667	0.01	-	-

BERJAYA FOOD BERHAD

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Tan Thiam Chai	473,800	0.13	-	-

	No. of Ordinary Shares under Employees' Share Scheme ("ESS")			
	Direct Interest	%	Deemed Interest	%
Number of ESS Options				
Tan Thiam Chai	320,000	0.09	-	-
Number of ESS Shares				
Tan Thiam Chai	52,000	0.01	-	-

Note:
# Denotes indirect interest held pursuant to Section 59(11)(c) of the Companies Act 2016.

Save as disclosed, none of the other Directors of the Company has any interests in the shares, warrants and debentures of the Company or its related corporations as at 1 October 2019.

STATISTICS ON SHAREHOLDINGS
AS AT 1 OCTOBER 2019

ANALYSIS OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF ORDINARY SHARES	%
less than 100	350	4.48	7,183	0.00
100 - 1,000	1,307	16.73	629,318	0.01
1,001 - 10,000	2,509	32.12	13,810,374	0.28
10,001 - 100,000	2,789	35.71	106,610,739	2.14
100,001 - 249,469,699	855	10.95	4,609,758,290	92.39
249,469,700* and above	1	0.01	258,578,096	5.18
Total	**7,811**	**100.00**	**4,989,394,000**	**100.00**

Note: Each share entitles the holder to one vote.

* Denotes 5% of total number of issued shares with voting rights.

THIRTY (30) LARGEST SHAREHOLDERS

NO.	NAME OF SHAREHOLDERS	NO. OF ORDINARY SHARES	%
1	**RHB Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn. Bhd.	258,578,096	5.18
2	**Amsec Nominees (Tempatan) Sdn Bhd** Pledged Securities Account - Ambank (M) Berhad For Teras Mewah Sdn Bhd	243,602,984	4.88
3	**Teras Mewah Sdn Bhd**	215,000,000	4.31
4	**Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd** IPM For Juara Sejati Sdn Bhd	180,000,000	3.61
5	**Amsec Nominees (Tempatan) Sdn Bhd** Pledged Securities Account - Ambank (M) Berhad For Bizurai Bijak (M) Sdn Bhd	151,800,000	3.04
6	**RHB Nominees (Tempatan) Sdn Bhd** OSK Capital Sdn Bhd For Juara Sejati Sdn Bhd	134,000,000	2.69
7	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn Bhd	130,070,000	2.61
8	**BBL Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn Bhd	120,000,000	2.41
9	**CIMB Group Nominees (Tempatan) Sdn Bhd** Pledged Securities Account - CIMB Investment Bank Berhad For Bizurai Bijak (M) Sdn Bhd (SSCA-BGT)	117,000,000	2.34
10	**Juara Sejati Sdn Bhd**	112,500,000	2.25
11	**MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn Bhd (MGN-BCB0001M)	103,000,000	2.06
12	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (51401172844C)	95,900,000	1.92
13	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn Bhd (01408432026D)	87,900,000	1.76

STATISTICS ON SHAREHOLDINGS
AS AT 1 OCTOBER 2019

THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

NO.	NAME OF SHAREHOLDERS	NO. OF ORDINARY SHARES	%
14	**Affin Hwang Nominees (Tempatan) Sdn. Bhd.** Pledged Securities Account For Berjaya Corporation Berhad	86,236,220	1.73
15	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Berjaya Bright Sdn. Bhd. (41408491163A)	78,000,000	1.56
16	**RHB Nominees (Tempatan) Sdn Bhd** Industrial And Commercial Bank Of China (Malaysia) Berhad Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd	76,000,000	1.52
17	**CIMB Group Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (Berjaya Group)	75,200,000	1.51
18	**RHB Nominees (Tempatan) Sdn Bhd** Bank Of China (Malaysia) Berhad Pledged Securites Account For Inter-Pacific Capital Sdn. Bhd.	75,000,000	1.50
19	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd	74,813,930	1.50
20	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (51435681347A)	72,000,000	1.44
21	**RHB Nominees (Tempatan) Sdn Bhd** OSK Capital Sdn Bhd For Bizurai Bijak (M) Sdn Bhd	72,000,000	1.44
22	**ABB Nominee (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (BGroup OD Facility)	67,950,000	1.36
23	**RHB Nominees (Tempatan) Sdn Bhd** Bank Of China (Malaysia) Berhad Pledged Securities Account For Juara Sejati Sdn Bhd	66,000,000	1.32
24	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (51401114879C)	65,980,000	1.32
25	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn Bhd (51408445822C)	65,500,000	1.31
26	**RHB Nominees (Tempatan) Sdn Bhd** Industrial And Commercial Bank Of China (Malaysia) Berhad Pledged Securities Account For Berjaya Hills Resort Berhad	64,000,000	1.28
27	**CIMB Group Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (CBD-BerjayaBASB)	58,000,000	1.16
28	**RHB Nominees (Tempatan) Sdn Bhd** Bank Of China (Malaysia) Berhad Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd	56,500,000	1.13
29	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Berjaya Times Square Sdn Bhd	55,881,000	1.12
30	**CIMB Group Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Berjaya Corporation Berhad (BCB CBM-C2-SBLC)	55,063,780	1.10
		3,113,476,010	62.36

SUBSTANTIAL SHAREHOLDERS
AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 1 OCTOBER 2019

	No. of Shares				
Names of Substantial Shareholder	**Direct**	**%**	**Indirect**	**%**	**Notes**
Teras Mewah Sdn Bhd	1,175,288,914	23.56	0	0.00	
Juara Sejati Sdn Bhd	1,454,341,000	29.15	277,652,612	5.56	(a)
Bizurai Bijak (M) Sdn Bhd	654,486,220	13.12	277,652,612	5.56	(a)
Berjaya Capital Berhad	0	0.00	277,652,612	5.56	(b)
Berjaya Group Berhad	64,286,400	1.29	3,561,768,746	71.39	(c)
Berjaya Corporation Berhad	188,064,000	3.77	3,690,374,996	73.96	(d)
Tan Sri Dato' Seri Vincent Tan Chee Yioun	92,700,000	1.86	4,156,086,872	83.30	(e)

Notes:

(a) Deemed interested by virtue of its interest in Berjaya Capital Berhad.

(b) Deemed interested by virtue of its interests in Berjaya Sompo Insurance Berhad, Prime Credit Leasing Berhad, Inter-Pacific Securities Sdn Bhd, Inter-Pacific Capital Sdn Bhd and Rantau Embun Sdn Bhd.

(c) Deemed interested by virtue of its 100% interests in Teras Mewah Sdn Bhd, Juara Sejati Sdn Bhd, Bizurai Bijak (M) Sdn Bhd and its interests in the related companies, namely Prime Credit Leasing Berhad, Inter-Pacific Securities Sdn Bhd, Inter-Pacific Capital Sdn Bhd and Rantau Embun Sdn Bhd as well as its interests in Berjaya Sompo Insurance Berhad.

(d) Deemed interested by virtue of its 100% interests in Berjaya Group Berhad and Berjaya Hills Resort Berhad.

(e) Deemed interested by virtue of his interests in Berjaya Corporation Berhad, Hotel Resort Enterprise Sdn Bhd, B&B Enterprise Sdn Bhd, Berjaya VTCY Sdn Bhd, MOL.com Sdn Bhd, Berjaya Assets Berhad (the holding company of Berjaya Times Square Sdn Bhd and Berjaya Bright Sdn Bhd), HQZ Credit Sdn Bhd (the ultimate holding company of Desiran Unggul Sdn Bhd) and his deemed interest in Berjaya Retail Sdn Bhd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Ninth Annual General Meeting of the Company will be held at Perdana Ballroom, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 9 December 2019 at 10.00 a.m. for the following purposes:-

AGENDA

1. To receive and adopt the Audited Financial Statements of the Company for the financial period ended 30 June 2019 and the Directors' and Auditors' Reports thereon.

2. To approve the payment of the following Directors' Fees:

   a) additional payment of Directors' Fees amounting to RM26,000.00 to the Non-Executive Directors of the Company for the period from 1 July 2019 to the Twenty-Ninth Annual General Meeting of the Company to be held in 2019. Ordinary Resolution 1

   b) payment of Directors' Fees of RM7,000.00 per month to each Non-Executive Director of the Company for the period from 10 December 2019 until the next Annual General Meeting of the Company to be held in 2020. Ordinary Resolution 2

3. To approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company up to an amount of RM425,100.00 for the period from 10 December 2019 until the next Annual General Meeting of the Company to be held in 2020. Ordinary Resolution 3

4. To re-elect the following Directors retiring pursuant to Article 101 of the Company's Articles of Association:-

   a) Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim Ordinary Resolution 4
   b) Datuk Robert Yong Kuen Loke Ordinary Resolution 5
   c) Chryseis Tan Sheik Ling Ordinary Resolution 6

5. To re-elect Mr Syed Ali Shahul Hameed who retires pursuant to Article 106 of the Company's Articles of Association. Ordinary Resolution 7

6. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. Ordinary Resolution 8

7. As special business:-

   (a) To consider and, if thought fit, pass the following Ordinary Resolutions:-

   (i) Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

   "THAT, subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Constitution and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." Ordinary Resolution 9

(ii) Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.3 of the Circular to Shareholders dated 25 October 2019 ("Proposed Mandate") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution." Ordinary Resolution 10

(iii) Proposed Renewal of Authority for the Company to Purchase Its Own Shares

"THAT, subject always to the Companies Act 2016 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Exchange") and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company ("B-Land Shares") through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;

2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;

3. the authority shall commence immediately upon passing of this ordinary resolution until:-

   (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or

   (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or

   (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

   whichever occurs first;

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

(a) cancel all the B-Land Shares so purchased; or

(b) retain all the B-Land Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); 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." Ordinary Resolution 11

(iv) Proposed Retention of Independent Non-Executive Directors

(a) "THAT Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim 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 an Independent Director on the Board of the Company for a cumulative term of more than nine years." Ordinary Resolution 12

(b) "THAT Datuk Robert Yong Kuen Loke 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 an Independent Director on the Board of the Company for a cumulative term of more than nine years." Ordinary Resolution 13

(b) To consider and, if thought fit, pass with or without modifications, the following Special Resolution:-

(i) Proposed Adoption of A New Constitution

"THAT the proposed new Constitution as set out in Appendix II of Part C of the Circular to Shareholders dated 25 October 2019 be and is hereby approved and adopted as the Constitution of the Company to replace the whole of the existing Memorandum and Articles of Association of the Company with immediate effect AND THAT the Board of Directors and/or Secretary of the Company be and are hereby authorised to do all acts and things in any manner as they may deem necessary and/or expedient in order to give full effect to the aforesaid with full powers to assent to any conditions, modifications and/or amendments as may be required or permitted by any relevant authorities." Special Resolution

By Order of the Board
THAM LAI HENG MICHELLE
(MAICSA 7013702)
Secretary

Kuala Lumpur
25 October 2019

NOTES:

1. **Audited Financial Statements**

   The Audited Financial Statements are meant for discussion only as it does not require shareholders' approval pursuant to the provisions of Section 340(1)(a) of the Companies Act 2016 ("CA 2016"). Hence, this item on the Agenda is not put forward for voting.

2. **Directors' Fees and Directors' Remuneration**

   Section 230(1) of the CA 2016 provides that "fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval shall be sought at this Annual General Meeting ("AGM") for the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company under Ordinary Resolutions 1 to 3.

   The current Directors' remuneration (excluding Directors' fees) payable to the Non-Executive Directors of the Company comprises of meeting allowances, benefits-in-kind and other emoluments.

   In August 2019, the Remuneration Committee ("RC") had conducted a review of the remuneration levels of the Non-Executive Directors and in view of the increasing responsibilities of Directors, time commitment required and the heightened regulatory and compliance requirements under the various laws and regulations, the Board, upon the recommendation of RC, is proposing an increase in the Directors' fees from RM3,000.00 per month to RM7,000.00 per month for each of the Non-Executive Directors of the Company.

   The proposed Ordinary Resolution 1 is to allow the payment of the shortfall of Directors' Fees amounting to RM26,000.00 arising from the revision in Directors' Fees computations.

   The proposed Ordinary Resolutions 2 and 3, if passed, is to facilitate the payment of Directors' fees and Directors' remuneration on a monthly basis and/or as and when incurred. The Board opined that it is just and equitable for the Non-Executive Directors to be paid such payment on such basis upon them discharging their responsibilities and rendering their services to the Company.

   In determining the estimated remuneration payable to the Non-Executive Directors, the Board considered various factors including the number of scheduled meetings for the Board of Directors ("Board"), Board Committees and general meetings of the Company, assuming full attendance by all of the Non-Executive Directors. The estimated amount of remuneration also caters for unforeseen circumstances, for example, the appointment of additional Directors and additional unscheduled Board meetings and/or Board Committees meetings as well as the provisions for an increase in meeting allowances.

   In the event, where the payment of Directors' fees and Directors' remuneration (excluding Directors' fees) payable during the above period exceeded the estimated amount sought at this AGM, a shareholders' approval will be sought at the next AGM.

3. **Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

   Ordinary Resolution 9 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot new shares in the Company from time to time at such price provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares 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 last Annual General Meeting held on 17 October 2018 and which will lapse at the conclusion of the Twenty-Ninth 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.

4. Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Ordinary Resolution 10, if passed, will allow the Company and its subsidiaries to enter into Recurrent Related Party Transactions in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Proposed Shareholders' Mandate"). Detailed information on the Proposed Shareholders' Mandate is set out under Part A of the Circular/ Statement to Shareholders dated 25 October 2019 which is despatched together with the Company's 2019 Annual Report.

5. Proposed Renewal of Authority for the Company to Purchase its Own Shares

Ordinary Resolution 11, if passed, will provide the mandate for the Company to buy back its own shares up to a limit of 10% of the total number of issued shares of the Company ("Proposed Share Buy-Back Renewal"). Detailed information on the Proposed Share Buy-Back Renewal is set out under Part B of the Circular/Statement to Shareholders dated 25 October 2019 which is despatched together with the Company's 2019 Annual Report.

6. Proposed Retention of Independent Non-Executive Directors

Ordinary Resolutions 12 and 13 are proposed pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance and if passed, will allow Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim and Datuk Robert Yong Kuen Loke to be retained and continue to act as Independent Non-Executive Directors. The full details of the Board's justifications for the retention of Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim and Datuk Robert Yong Kuen Loke are set out in the Corporate Governance Overview Statement in the Company's 2019 Annual Report.

7. Proposed Adoption of New Constitution

The Special Resolution, if passed, will align the Constitution of the Company with the provisions of the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The relevant information on the Special Resolution is set out in Part C of the Circular to Shareholders dated 25 October 2019 which is despatched together with the Company's 2019 Annual Report.

The Constitution shall take effect once the Special Resolution has been passed by a majority of not less than 75% of such members who are entitled to vote and do vote in person or by proxy at the AGM.

8. Proxy and Entitlement of Attendance

i) A member of the Company who is entitled to attend, speak and vote at the meeting is entitled to appoint a proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member.

ii) A member, other than an authorised nominee or an exempt authorised nominee, may appoint only one (1) proxy.

iii) 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.

iv) An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), may appoint multiple proxies in respect of each of its omnibus account.

v) An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.

vi) The duly executed Form of Proxy must be deposited at the Company's Registered Office at 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.

vii) Only members whose names appear in the Record of Depositors as at 2 December 2019 shall be entitled to attend and vote at the meeting.

9. Poll Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

BERJAYA LAND BERHAD (Company No. 201765-A) (Incorporated in Malaysia)

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 LAND 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 Twenty-Ninth Annual General Meeting of the Company to be held at Perdana Ballroom, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 9 December 2019 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
ORDINARY RESOLUTION 1	- To approve additional payment of Directors' fees for the period from 1 July 2019 to the Twenty-Ninth Annual General Meeting of the Company		
ORDINARY RESOLUTION 2	- To approve payment of Directors' fees to each Non-Executive Director for the period from 10 December 2019 until the next Annual General Meeting of the Company		
ORDINARY RESOLUTION 3	- To approve payment of Directors' remuneration (excluding Directors' fees) for the period from 10 December 2019 until the next Annual General Meeting of the Company		
ORDINARY RESOLUTION 4	- To re-elect Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim as Director		
ORDINARY RESOLUTION 5	- To re-elect Datuk Robert Yong Kuen Loke as Director		
ORDINARY RESOLUTION 6	- To re-elect Chryseis Tan Sheik Ling as Director		
ORDINARY RESOLUTION 7	- To re-elect Syed Ali Shahul Hameed as Director		
ORDINARY RESOLUTION 8	- To re-appoint Auditors		
ORDINARY RESOLUTION 9	- To approve authority to issue and allot shares		
ORDINARY RESOLUTION 10	- To renew and to seek shareholders' mandate for Recurrent Related Party Transactions		
ORDINARY RESOLUTION 11	- To renew authority for the Company to purchase its own shares		
ORDINARY RESOLUTION 12	- To approve the proposed retention of Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim as an Independent Non-Executive Director		
ORDINARY RESOLUTION 13	- To approve the proposed retention of Datuk Robert Yong Kuen Loke as an Independent Non-Executive Director		
SPECIAL RESOLUTION	- To approve the proposed adoption of a new Constitution		

No. of shares held

____
Signature(s) /Common Seal of Member(s)

Dated this ______________day of________________, 2019.

Notes:

1. A member of the Company who is entitled to attend, speak and vote at the meeting is entitled to appoint a proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member.
2. A member, other than an authorised nominee or an exempt authorised nominee, may appoint only one (1) proxy.
3. 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.
4. An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), may appoint multiple proxies in respect of each of its omnibus account.
5. An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.
6. The duly executed Form of Proxy must be deposited at the Company's Registered Office at 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.
7. Only members whose names appear in the Record of Depositors as at 2 December 2019 shall be entitled to attend and vote at the meeting.
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

Fold this flap for sealing

Affix
Stamp

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

2nd fold here

1st fold here

For further information, please contact:

The Company Secretary
Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur.
Tel: (6)03-2149 1999 Fax: (6)03-2143 1685

www.berjaya.com

BERJAYA LAND BERHAD (201765-A)

LAPORAN TAHUNAN 2019 ANNUAL REPORT