



BERJAYA

BERJAYA CORPORATION BERHAD

(Company No. 554790-X)

برجاي كورپوريشن برحد

成功集團有限公司



ANNUAL REPORT 2018



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 maximizes 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.

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CORPORATE PROFILE

The history of the Berjaya Corporation group of companies dates back to 1984 when its Founder, Tan Sri Dato' Seri Vincent Tan Chee Yioun acquired a major controlling stake in Berjaya Industrial Berhad (originally known as Berjaya Kawat Berhad and now known as Reka Pacific Berhad) from the founders, The Broken Hill Proprietary Company Limited, Australia and National Iron & Steel Mills Limited, Singapore. The shareholding change also resulted in a major change in the business, direction and the dynamic growth of a diversified conglomerate under the flagship of Berjaya Corporation Berhad ("BCorp").



The Club Lounge at the Ritz-Carlton Residences, Kuala Lumpur

In October 1988, following a major restructuring, Berjaya Group Berhad (then known as Inter-Pacific Industrial Group Berhad) became the holding company of Reka Pacific Berhad. Inter-Pacific Industrial Group Berhad (formerly known as Raleigh Berhad) was incorporated in 1967 as a bicycle manufacturer. In 1969, Berjaya Group Berhad gained official listing on Bursa Malaysia Securities Berhad ("Bursa Securities").

BCorp assumed the listing status of Berjaya Group Berhad on the Main Market of Bursa Securities upon the completion of the group restructuring exercise in October 2005 and the listing of the new shares on 3 January 2006. The Group is a diversified entity engaged in the following core businesses:

- Consumer Marketing, Direct Selling and Retail;
- Financial Services;
- Hotels, Resorts, Vacation Timeshare and Recreation Development;
- Property Investment and Development;
- Gaming and Lottery Management;
- Environmental Services and Clean Technology Investment;
- Motor Trading and Distribution;
- Food and Beverage;
- Telecommunication and Information Technology-related Services, Solutions and Products;
- Investment Holding and others.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman

Tan Sri Dato' Seri Vincent Tan Chee Yioun

Chief Executive Officer

Dato' Sri Robin Tan Yeong Ching

Executive Directors

Vivienne Cheng Chi Fan

Dato' Sri Azlan Meah Bin Hj Ahmed Meah

Dato' Zurainah Binti Musa

Nerine Tan Sheik Ping

Non-Independent Non-Executive Director

Chan Kien Sing

Independent Non-Executive Directors

Datuk Robert Yong Kuen Loke

Dr Jayanthi Naidu A/P G. Danasamy

Penelope Gan Paik Ling

AUDIT COMMITTEE

Chairman/Independent Non-Executive Director

Datuk Robert Yong Kuen Loke

Independent Non-Executive Directors

Dr Jayanthi Naidu A/P G. Danasamy

Penelope Gan Paik Ling

SECRETARIES

Tham Lai Heng Michelle (MAICSA No. 7013702)

Wong Siew Guek (MAICSA No. 7042922)

Soh Ley Moi (MAICSA No. 7049925)

SHARE REGISTRAR

Berjaya Registration Services Sdn Bhd

Lot 10-04A & 10-04B

Level 10, West Wing

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

Tel: 03 - 7495 8000

Fax: 03 - 5095 9076

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

AmBank (M) Berhad

Affin Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

STOCK SHORT NAME

BJCORP (3395)

PLACE OF INCORPORATION AND DOMICILE

Malaysia

PROFILE OF DIRECTORS



TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN

66 years of age, Malaysian, Male
Executive Chairman

He was previously appointed to the Board of the Company on 15 September 2005 as the Chairman/Chief Executive Officer ("CEO"). Subsequently on 1 January 2011, he relinquished his position as the CEO and remained as the Chairman of the Company until his retirement on 23 February 2012.

On 1 November 2017, Tan Sri Dato' Seri Vincent Tan Chee Yioon was re-appointed as the Executive Chairman of the Company.

He is a businessman and entrepreneur with more than four decades of entrepreneurial experience and has diverse interests 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, Berjaya Retail Berhad, Intan Utilities Berhad, U Mobile Sdn Bhd and MOL Ventures Pte Ltd.

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

His children, Dato' Sri Robin Tan Yeong Ching and Ms Nerine Tan Sheik Ping are also members of the Board.



DATO' SRI ROBIN TAN YEONG CHING

44 years of age, Malaysian, Male
Chief Executive Officer

He was appointed to the Board on 21 December 2006 as an Executive Director. He was later appointed as the Chief Executive Officer ("CEO") of the Company on 1 January 2011 and subsequently as the Chairman/CEO on 23 February 2012. Subsequently on 1 November 2017, he relinquished his position as the Chairman of the Company and continues to remain as the CEO of the Company.

He graduated with a Bachelor of Social Science degree in Accounting/Law from the University of Southampton, United Kingdom, in 1995. He joined Berjaya Group Berhad in 1995 as an Executive and subsequently became the General Manager, Corporate Affairs in 1997.

Currently, he is the Chairman of Berjaya Media Berhad and Informatics Education Ltd, Singapore and a Director of Atlan Holdings Bhd and KDE Recreation Berhad. He is also an Executive Director of Berjaya Golf Resort Berhad, Bukit Kiara Resort Berhad and Staffield Country Resort Berhad. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

His father, Tan Sri Dato' Seri Vincent Tan Chee Yioon is the Executive Chairman and a major shareholder of the Company and his sister, Nerine Tan Sheik Ping is also a member of the Board.

Dato' Sri Robin Tan Yeong Ching is a member of the Remuneration Committee of the Company.

PROFILE OF DIRECTORS



VIVIENNE CHENG CHI FAN

59 years of age, Malaysian, Female
Executive Director

She was appointed to the Board on 15 September 2005 as an Executive Director.

She obtained her Bachelor degree in Economics (Accounting) from Monash University, Australia in 1982 and was subsequently admitted as a member of the Australian Society of Accountants.

She has over 30 years of working experience in the field of treasury and finance with broad expertise in project finance, debt capital raising, corporate and debt restructuring and treasury cash management. Prior to joining the Treasury Department of Berjaya Group Berhad in 1989, she was attached to Sunway Group of Companies for 6 years and headed its Treasury Division.

Currently, she is also a Director of Berjaya Group Berhad, Cosway Corporation Berhad and several other private limited companies in the Berjaya Corporation group of companies.

Vivienne Cheng Chi Fan is a member of the Risk Management Committee and Sustainability Committee of the Company.



DATO' SRI AZLAN MEAH BIN HJ AHMED MEAH

62 years of age, Malaysian, Male
Executive Director

He was appointed to the Board on 15 September 2005 as an Executive Director.

He furthered his education at Bunker Hill Community College, Boston, United States of America. He began his career in Berjaya Group of Companies ("the Group") in 1986 as Business Development Manager and was the Senior General Manager (Corporate Services & Information) prior to his current appointment.

He has over 30 years of working experience in the Group and is primarily responsible for project coordination mainly in public-private partnerships across all of the Group's industry interest, which includes consumer marketing and retail businesses, automotive licensing, IT infrastructure and products, financial services, green technology and environmental services. He is also actively involved in projects related to privatization, air transportation, tourism infrastructure and recreational development, while concomitantly representing the Group in corporate and governmental relations, networking and negotiations to facilitate new business ventures.

Jointly driving the group's effective engagement, he is also responsible in creating and enhancing value from existing core businesses within the Group.

Currently, he is a Director of Berjaya Hills Resort Berhad, Berjaya Group Berhad, and holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

PROFILE OF DIRECTORS



DATO' ZURAINAH BINTI MUSA

56 years of age, Malaysian, Female
Executive Director

She was appointed to the Board on 13 January 2012 as an Executive Director.

She obtained her MBA from Berjaya University College of Hospitality in year 2016, Post Graduate diploma in Human Resource Management from University of Newcastle, Australia in 1997. She also holds diplomas in Occupational Health And Safety from University of New South Wales, Australia and Secretarial Science from the MARA Institute of Technology.

She started work in 1983 and was working in senior capacities for several organisations, both locally and internationally before she joined Permata Kancil (M) Sdn Bhd in 1995. She was the Managing Director of Permata Kancil (M) Sdn Bhd, a company involved in human resource management and consultancy, when she left in 2010.

She has more than 15 years of experience in the field of Human Resource Management and Development as well as Human Relationship Management. Her experience includes inter-alia, the designing, developing, managing, organising and conducting training programmes, seminars and courses as well as the provision of consulting services relating to the various aspects of human resource development and management for organisations in Malaysia, Australia, United States of America, Indonesia and the Middle East.

Currently, she is a Director of Uzma Berhad, Tioman Island Resort Berhad and several other private limited companies.

She is also an Executive Director of Berjaya Times Square Sdn Bhd and also a Director of several subsidiaries of Berjaya Assets Berhad.



NERINE TAN SHEIK PING

42 years of age, Malaysian, Female
Executive Director

She was appointed to the Board on 1 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, United Kingdom, in 1998.

She has more than 16 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 the 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 Executive Director of Berjaya Hotels & Resorts (S) 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 ("STMSB") and was subsequently promoted as an Executive Director of STMSB in April 2010. She is now overseeing the sales and marketing activities of STMSB including dealings with Government authorities. Currently, she is the Chief Executive Officer of Berjaya Sports Toto Berhad and also an Executive Director of Berjaya Land Berhad and Berjaya Group Berhad. She also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

Her father, Tan Sri Dato' Seri Vincent Tan Chee Yioun is the Executive Chairman and a major shareholder of the Company and her brother, Dato' Sri Robin Tan Yeong Ching is also a member of the Board.

Nerine Tan Sheik Ping is a member of the Risk Management Committee and Sustainability Committee of the Company.

PROFILE OF DIRECTORS



CHAN KIEN SING

62 years of age, Malaysian, Male
Non-Independent Non-Executive Director

He was appointed to the Board on 15 September 2005.

He is a member of The Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. Having articulated with Messrs Peat Marwick Mitchell (now known as KPMG) from 1975 to 1981, he subsequently joined Arab-Malaysian Merchant Bank Berhad (now known as AmlInvestment Bank Berhad) specialising in corporate finance until his departure in 1989. He joined Berjaya Group Berhad in 1989 until his retirement as an Executive Director on 31 January 2017 and is currently a Non-Independent Non-Executive Director of the Company.

Currently, he is an Executive Director of Berjaya Media Berhad and a Director of Berjaya Sports Toto Berhad, Berjaya Assets Berhad and 7-Eleven Malaysia Holdings Berhad. He is also the Managing Director of Sun Media Corporation Sdn Bhd and holds directorships in several other private limited companies.



DATUK ROBERT YONG KUEN LOKE

66 years of age, Malaysian, Male
Independent Non-Executive Director

He was appointed to the Board on 15 September 2005.

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 Land Berhad, Berjaya Sports Toto Berhad, Berjaya Assets Berhad and Berjaya Media Berhad.

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

PROFILE OF DIRECTORS



DR JAYANTHI NAIDU A/P G. DANASAMY

42 years of age, Malaysian, Female
Independent Non-Executive Director

She was appointed to the Board on 13 January 2012.

She obtained her LLB (Hons) in 2000 and her LLM (Distinction) in 2004 from University Malaya. She obtained her PhD in the area of sustainable corporate practices from Queen Mary, University of London, United Kingdom in 2008. She is also a member of the Malaysian Bar (non-practising).

Dr Jayanthi started her career as a Prosecuting Officer with the Securities Commission of Malaysia in 2001 before taking up academic positions both in Malaysia and the United Kingdom, from 2002 till 2006. During her tenure in the UK, she also worked with international corporations advising them on their sustainability strategies. She has wide experience working at Board and Senior Management levels with clients and business partners.

She was previously the Executive Director of the Malaysian Centre of Regulatory Studies, University Malaya. As an experienced trainer, she has also conducted training and provided lectures for institutions across Asia, Europe and the Middle East, in various sustainability and community investment areas.

Currently, she is the Managing Director of Synergio Global Sdn Bhd ("Synergio"), a sustainability strategy consultancy. In this role, she is involved in advising companies and institutions across Asia with regards to sustainability strategies. She is also a Director of several companies linked to Synergio.

Dr Jayanthi Naidu A/P G. Danasamy is a member of the Audit Committee, Nomination Committee, Remuneration Committee, Risk Management Committee and Sustainability Committee of the Company.



PENELOPE GAN PAIK LING

42 years of age, Malaysian, Female
Independent Non-Executive Director

She was appointed to the Board on 30 March 2018.

She is a law graduate from University of Sheffield, United Kingdom (LLB Hons). She completed her Malaysian Certificate of Legal Practice in year 2001 and subsequently admitted to the High Court of Malaya as an advocate and solicitor in year 2003.

She has 15 years' of legal practice as an advocate and solicitor as well as in house legal advisor for a multinational company and has gained extensive experience in various areas of law from conveyance of properties to drafting of various corporate and securities agreements.

Currently, she is a Partner in Messrs Amir Toh Francis & Partners, a legal firm.

Ms Penelope Gan Paik Ling is a member of the Audit Committee, Nomination Committee, Remuneration 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 year.

KEY SENIOR MANAGEMENT

TAN THIAM CHAI

59 years of age, Malaysian, Male
Chief Financial Officer
Berjaya Corporation Berhad

He was appointed as the Chief Financial Officer of the Company on 18 July 2008. He is an Executive Director of Berjaya Land Berhad, Director of Atlan Holdings Bhd, Berjaya Food Berhad, Cosway Corporation Berhad, Indah Corporation Berhad, Tioman Island Resort Berhad, Berjaya Vacation Club Berhad, Berjaya Starbucks Coffee Company Sdn Bhd, and Cosway Corporation Limited (Hong Kong). He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

He has been a Fellow member of the Association of Chartered Certified Accountants (UK) since 1990 and also member of the Malaysian Institute of Accountants. He has more than 36 years' working experience in the field of finance, auditing, corporate restructuring and treasury.

DATUK PEE KANG SENG @ LIM KANG SENG

67 years of age, Malaysian, Male
Executive Director
Berjaya Land Berhad

He was appointed to the Board of Berjaya Land Berhad on 4 August 2016 as an Executive Director and subsequently appointed as the Chief Executive Officer on 18 January 2017. He holds a Bachelor of Civil Engineering (Honours) Degree from University of Glasgow, Scotland. He also holds professional qualification of Chartered Engineer C. Eng (UK) and Professional Engineer P.Eng (Malaysia).

Upon graduation in 1976, he joined Public Works Department until 1980 when he was appointed as the Chief Engineer of Kuantan Port Authority. He left the Government Services in 1984 and joined Syarikat ISDA Sdn Bhd as a Project Director for 6 years. From 1990 to 2000, he worked for Hong Leong Group holding various capacities including his appointment as the Group Managing Director of Hume Industries Berhad and C.I Holdings Berhad. In 2001, he joined Amsteel Corporation Berhad as the Group Managing Director until his retirement in 2005. Upon his retirement, he worked in senior positions for various other companies and also in the property development and construction industry.

He has accumulated over 40 years of professional experience in managing companies and creating business values. He has a host of construction and property development experience that includes the construction of high rise buildings, commercial and residential building as well as roads and bridges.

SEOW SWEE PIN

61 years of age, Malaysian, Male
Executive Director
Berjaya Sports Toto Berhad

He was appointed to the Board of Berjaya Sports Toto Berhad on 17 December 2007 as an Executive Director. He is a member of the Malaysian Institute of Certified Public Accountants, the Malaysian Institute of Accountants and Certified Practising Accountants, Australia. He has extensive working experience in auditing, accounting, financial management and corporate finance.

He worked with Messrs Ernst & Young from 1976 to 1984 and was appointed as an Audit Manager in 1982. Between 1984 and 1990, he held senior management positions in several major public listed groups including Group Financial Controller of Island & Peninsular Berhad, Group Chief Accountant of Sime Darby Berhad and Group Chief Accountant of Lion Corporation Berhad. He joined Berjaya Land Berhad as General Manager (Finance) in 1991. In 1994, he was appointed as General Manager (Finance & Operations) of Sports Toto Malaysia Sdn Bhd and was subsequently promoted to Senior General Manager in 1996.

Currently, he is also an Executive Director of Sports Toto Malaysia Sdn Bhd, Chairman of Philippine Gaming Management Corporation, and a Director of Berjaya Philippines Inc. and several other private limited companies.

Seow Swee Pin is a member of the Risk Management Committee and Sustainability Committee of Berjaya Sports Toto Berhad.

SYDNEY LAWRENCE QUAYS

50 years of age, Malaysian, Male
Chief Executive Officer
Berjaya Food Berhad

He was appointed to the Board of Berjaya Food Berhad on 12 January 2017 as an Executive Director and subsequently appointed as the Chief Executive Officer on 1 June 2017. He is also the Chairman of the Employees' Share Scheme Committee and a member of the Sustainability Committee for Berjaya Food Berhad.

He graduated with Honors from the American Hotel and Lodging Association, United States of America majoring in Hospitality Management and Marketing in 1988. He started his career in the hotel industry, moving through different divisions and subsequently joined the Quick Service Restaurant industry, working for McDonald's Malaysia as a trainee manager in 1989.

He was a pioneer with Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks") holding the position as Marketing and Merchandise Manager when he joined in 1998. Subsequently, he was appointed as Managing Director of BStarbucks on 31 October 2012 and Berjaya Food Supreme Sdn Bhd ("BFood Supreme") on 24 September 2013. He has been awarded "The Asia Pacific Entrepreneurship Award" in years 2014 and 2016 respectively and "The Asia Responsible Entrepreneur" in 2016.

Currently, he is overseeing the day-to-day operational decisions for BStarbucks, Berjaya Roasters (M) Sdn Bhd ("BRoasters"), Jollibean Foods Pte Ltd and BFood Supreme. He is also responsible for developing the business strategies and direction for business growth and new market expansion as well as preparing and implementing comprehensive business and marketing plans, bringing new and innovative ideas to build sales and elevate brand status. In addition, he is also responsible for the financial performance, profitability and future prospects of the business.

He is also a Director of Berjaya Food Trading Sdn Bhd ("BFood Trading") and is responsible for the growth of BFood Trading, which operates the fast-moving consumer goods ("FMCG") business, overseeing the expansion of the FMCG business into different channels and other retail sections as well as the implementation of new products. He is also a Director of BRoasters, Berjaya Jollibean (M) Sdn Bhd, Berjaya Food (International) Sdn Bhd and holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

HANLEY CHEW

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

He was appointed as the Chief Executive Officer of Berjaya Hotels and Resorts Division on 1 April 2016 to oversee the operations of the Division. He brings with him over 26 years of experience within the hospitality, travel and time-share industries.

Having held key portfolios within local and international hotel chains in Malaysia, Myanmar, Indonesia and China, his extensive experience in the industry spans a multitude of operational and strategic positions including Chief Executive Officer of Destination Resorts & Hotels, Chief Executive Officer of Hotel Integrations, Chief Executive Officer of Sunway International Hotels & Resorts, Sunway International Vacation Club, Sunway Healthy Lifestyle and Sunway Travel as well as the Director of Marketing of the Renaissance and Marriott Hotel Group.

He is a member of the Institute of Chartered Secretaries and Administrators ("ICSA").

KEY SENIOR MANAGEMENT

KHOR POH WAA

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

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 Berjaya Vacation Berhad 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 is the Chairman of the Malaysian Golf & Recreational Owners Association for the period from 2015 to 2018. He was also the Chairman of the Malaysian Holiday Timeshare Developer's Federation from 1995 to 2015.

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.

CHOCK ENG TAH

60 years of age, Malaysian, Male
Managing Director
KUB-Berjaya Enviro Sdn Bhd

He was appointed to the Board of KUB-Berjaya Enviro Sdn Bhd as the Managing Director on 28 September 2005. He is also the Managing Director of KUB Berjaya Energy Sdn Bhd, Executive Director of Berjaya Project Management Sdn Bhd, the Chairman and Managing Director of Amita KUB-Berjaya Kitar Sdn Bhd, Managing Director of Berjaya Engineering Construction Sdn Bhd and Director of several local and overseas subsidiaries of Berjaya Corporation Berhad.

He graduated with a Bachelor of Civil Engineering and has 35 years of working experience in the civil engineering and construction industry.

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 year.

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Berjaya Corporation Berhad ("BCorp"), I am pleased to present the Annual Report and Financial Statements for the financial year ended 30 April 2018.



View of the Main Dining Hall from the Main Lobby - Four Seasons Hotel and Hotel Residences Kyoto, Japan.

FINANCIAL RESULTS

The Group registered a lower revenue of RM8.67 billion as compared to the revenue of RM9.18 billion in the previous year, mainly due to lower contribution from the property investment and development segment and marketing of consumer products and services segment.

The marketing of consumer products and services segment reported a lower revenue in the current financial year as compared to the previous year as the retail distribution business was affected by weak consumer spending sentiment particularly in the local market. In addition, the intense competition in Mainland China also contributed to the decrease in revenue in the current financial year. The motor distribution business recorded a marginal drop in revenue mainly due to the drop in sales volume of its new car sector in the current financial year. The property investment and development segment registered lower revenue in the current year as the remaining units of a property project in China were disposed of in the previous financial year. Though the marketing of consumer products and service segment were significantly impacted, the other segments showed improvement in revenue. The restaurants and cafes segment reported a higher revenue mainly due to additional Starbucks cafes operating in the current year as well as same-store-sales growth. The hotels and resorts segment reported a higher revenue mainly due to higher occupancy rates and room rates in the current financial year as well as the full year's revenue contribution from the Four Seasons Hotel and Hotel Residences Kyoto, Japan which started operations in the second quarter of the previous financial year. The higher revenue from the gaming operations was mainly due to the full year's revenue contribution from the Vietnam operations which started its operations in the second quarter of the previous financial year.

The Group incurred a pre-tax loss of RM115.90 million in the financial year under review as compared to the pre-tax profit of RM662.63 million reported in the previous year, mainly due to the lower profit contribution from the various business segments as well as some exceptional items. The lower profit contribution from the business segments was mainly due to challenging operating environments. The exceptional items are in relation to impairment provision of various assets of the Group due to market conditions. Excluding the impairment of various assets and unfavourable foreign exchange difference totalling about RM329.90 million, the pre-tax profit would have been about RM214.0 million. I am confident that a substantial portion of the impairment provision losses can be reversed in the future. The pre-tax profit in the previous financial year included the substantial gain from the disposal of an associate company of about RM98.63 million as well as the gain on settlement for surrendering certain assets and lease interests to the relevant authorities of about RM184.64 million.

DIVIDEND

The Board did not recommend any payment of dividend for the financial year ended 30 April 2018.

SIGNIFICANT CORPORATE DEVELOPMENTS

Following the previous year's report, the Group proposed and completed several corporate exercises and I wish to highlight the following significant corporate developments:

1. On 6 March 2018, BCorp announced that it had, together with the other shareholders of DSG Holdings Limited ("DSG"), namely Earthlodge Investments Limited and Elque Resources Sdn Bhd, entered into a Share Purchase Agreement with

CHAIRMAN'S STATEMENT

Besino Environment Limited ("Besino") for the disposal of a total of 100% equity interest comprising 10.00 million ordinary shares in DSG to Besino for a total cash consideration of RMB508.00 million. The disposal was completed on 25 June 2018 whereby BCorp disposed of its entire investment of 85% equity interest comprising 8.50 million DSG shares for a cash consideration of RMB431.80 million (equivalent to about RM265.99 million).

- On 2 April 2018, BCorp announced the completion of the disposal of its entire 100% equity interest in Berjaya Green Resources Environmental Engineering (Foshan) Co Ltd to Foshan Water & Environmental Investment Co Ltd for a cash consideration of about RMB78.50 million (equivalent to about RM50.87 million).
- On 15 February 2017, Berjaya Leisure (Cayman) Limited ("BLCL") entered into a capital contribution transfer agreement 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 (equivalent to about RM65.32 million). The said disposal is pending completion.
- On 4 June 2018, Berjaya Land Berhad announced that BLCL had entered into a Capital Transfer Agreement for the proposed disposal by BLCL of the entire resultant 32.5% of the capital contribution in Berjaya Vietnam Financial Center Limited ("BVFC") to Vinhomes Joint Stock Company and Can Gio Tourist City Corporation for a cash consideration of

VND884.93 billion (equivalent to about RM154.86 million). The said disposal is pending completion.

SUSTAINABILITY

In line with the reporting requirements from Bursa Malaysia Securities Berhad ("Bursa Malaysia"), BCorp will present its maiden Sustainability Statement for the financial year ended 30 April 2018. The Sustainability Statement (available on pages 36 to 56) highlights the Group's commitment to undertaking business in a responsible and sustainable manner and focuses primarily on the operations and management of the economic, environmental and social sustainability aspects of the Group's principal business activities in Malaysia.

From the Group's key sustainability initiatives to the community support and development programmes reaching out to various communities, the statement outlines the various practices that have been embedded into the Group's processes with the ultimate aim of bringing more value to our businesses, society and stakeholders.

FUTURE PROSPECTS

The country's gross domestic product ("GDP") is projected to grow between 5.5% to 5.6% in the second quarter of the financial year from 5.4% in the first quarter of this year, a sign that Malaysia's economy is gaining momentum under the new Government's economic policy, supported by the strengthening of private consumption and the Goods and Services Tax ("GST") being zero-rated.



Artist impression of Timur Bayu, Berjaya Park, Shah Alam, Selangor



The grand launch of Cosway's first Experience Centre in Berjaya Times Square, Kuala Lumpur

Our consumer marketing and direct-selling business, Cosway Corporation Berhad ("Cosway"), will continue to focus its efforts on revenue growth in profitable and potential markets, particularly in Malaysia and Mainland China. Cosway will focus on using digital marketing strategies to engage with and market its products to target the younger consumer group who are geared towards digital media. Cosway will also launch more high value and premium quality imported products, as well as more Halal products to target the growing market demand of Muslim consumers, with the aim of increasing profit margin and enhancing the sales performance of the Group. In addition to various cost-cutting measures such as shutting down unproductive stores, the Group is converting physical stores to online virtual stores to improve the overall profitability of the Group. This is also in line with the changing consumer behavior of the younger generation who prefer making purchases online. High achievers will also be rewarded with recognition awards and annual incentive trips.

The outlook for the property market appears to be on recovery with the new Government machinery in place. The country's property market, which has been on a downtrend over the past three years, is expected to return to growth following the implementation of the zero-rated GST and the Government's measure to look into improving the current lending guidelines. These factors will encourage buyers who have been holding back on their decision to purchase or invest in the property segment. In view of this, our Property Development Division will plan appropriate marketing strategies to capture the different segments of the market for its various projects which are currently being developed and coming on-stream.

It is expected that the zero-rated Goods and Services Tax ("GST") effective 1 June 2018 and the three-month tax holiday before the introduction of the Sales and Services Tax in September 2018 will increase discretionary income and boost consumer spending to a significant multiplier effect within the domestic economy. Against this scenario, the Group expects the hotels and resorts business segment to benefit from the positive trends within the tourism industry and make good progress in terms of profitability. The hotels and resorts business segment will continue to develop its marketing strategies to further expand its market reach and enhance guests' experiences with greater levels of hospitality.

With the intense competition from the illegal gaming activities coupled with rising costs and weaker consumer sentiments, our Number Forecast Operators ("NFO") business is expected to be challenging moving into the next financial year. Notwithstanding this, Sports Toto Malaysia Sdn Bhd ("Sports Toto") has taken a few measures to increase the efficiency of its product delivery and improve customer service. During the financial year, Sports Toto purchased eight hundred units of new lottery terminals to be deployed nationwide throughout 2018. In February this year, Sports Toto opened its first concept store in Johor Bahru which provides enhanced customer service and experience. With these enhanced measures in place, it is expected that the Group will maintain its market share in the NFO business.

In Vietnam, our lottery operations have rolled out 3,500 terminals spread over 34 provinces throughout Vietnam, offering 3 different lottery games. We will continue to expand the lottery operations to more provinces and introduce more new games progressively throughout the next financial year.

CHAIRMAN'S STATEMENT



Beach Brasserie at The Taaras Beach and Spa Resort, Redang Island



Wendy's outlet at Kota Kinabalu International Airport, Sabah

The food and beverage industry in Malaysia has become increasingly competitive due to the saturated market of food and beverage players. Consumers are also more discerning and health-conscious in their tastes and choice of food options. The Group will leverage on the strength of Starbucks' brand position as a leading premium coffee chain in Malaysia and continue with its expansion plan of opening more outlets in strategic locations across Malaysia. The Group has also introduced a new walkthrough dining concept for Kenny Rogers Roasters ("KRR") which enables customers to view and select the meal of their choice from the wide variety of KRR's menu items, providing guests with a more flexible dining experience while enabling more efficient management of resources. The Group will continue to expand further from the current 4 stores offering this walkthrough concept, moving forward.

Besides store expansion, our food and beverage companies, Starbucks Coffee, KRR, Wendy's and Krispy Kreme Doughnuts will continue to leverage on the wide reach and strong engagement power of digital platforms to interact with their customers and build a stronger customer base especially with the younger generation. This will help to enrich the respective brands' marketing initiatives and strengthen brand affiliation among customers. They will also continue to improve on their menu offerings, and increase revenue through more innovative marketing and promotional activities.

Our motor trading and distribution business is also expected to continue to contribute towards the Group's growth and revenue. Locally, our China Car Division will widen its sales network and explore opportunities to bring in new models to increase its market share. In the United Kingdom, H.R. Owen, which operates a number of vehicle franchises in the prestige and specialist car market predominantly in the London area, is also expected to drive the Group's business growth further.

APPRECIATION

On behalf of the Board, I would like to convey our sincere thanks and deepest appreciation to Datuk Mohd Zain bin Ahmad who resigned as Independent Non-Executive Director effective 18 April 2018 and Dato' Hj Md Yusoff @ Mohd Yusoff bin Jaafar who resigned as Independent Non-Executive Director on 28 June 2018. Both of them have been dedicated members of the Board since 15 September 2005 and have made valuable contributions towards the growth and success of the Group throughout the years.

I would like to welcome Ms Penelope Gan Paik Ling, who joined the Board as Independent Non-Executive Director on 30 March 2018.

To my fellow colleagues on the Board, I would like to express my gratitude for your dedication and commitment, and I look forward to your continued active participation on the Board.

To all our loyal customers, business partners, financiers, and regulatory authorities, I thank you for your support and confidence towards our Group. To the management and staff of the various operating companies within the Group, thank you for your dedicated efforts and hard work throughout the year.

After being away for five years, I am pleased to be back on the Board, participating in the deliberation and decision-making for the Group. I am working together with Dato' Sri Robin Tan and my fellow Board members to capitalise on business development opportunities in order to unlock more value for our shareholders and drive the Group forward in achieving sustainable growth and profitability.

TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN

Executive Chairman

15 August 2018

MANAGEMENT DISCUSSION AND ANALYSIS



Cosway Experience Store in Berjaya Times Square, Kuala Lumpur



Cosway's range of Diamond Royale skincare products

MARKETING OF CONSUMER PRODUCTS AND SERVICES

Cosway Corporation Berhad ("Cosway")

For the financial year ended April 2018, Cosway's revenue saw a decrease of 25.6% to RM641 million compared to RM861 million in the previous financial year. A major contributing factor for this decline is the intense competition in the direct selling environment, including unfair competition from illegal schemes or money games. This resulted in suppressed purchasing appetite amongst consumers, especially for Cosway's new high value products in key markets. In addition, a range of products which were no longer attractive with Cosway's member base were discontinued. The company's cost-saving exercise of closing non-performing stores also contributed to the decline in sales revenue.

Cosway recorded a gross profit of RM198 million for the financial year under review as compared to RM261 million in the previous financial year. The gross profit margin for the financial year however, improved to 30.8% as compared to 30.3% in the previous financial year due to better results achieved in the individual country sales, which recorded a higher percentage of sales contributions from markets with better profit margins.

Operating losses increased from RM20 million to RM90 million in the financial year under review, primarily due to lower revenue, an unfavourable exchange difference of RM 20 million, expenses for recognition and incentive trips introduced during the year for members, and impairment losses of RM14 million on stock. The company managed to mitigate its pre-tax losses by ceasing the unprofitable pharmacy store model, and aggressively undertaking cost-cutting initiatives such as the closure of 265 non-performing free franchise stores, relocating high rental stores away from shopping malls, reducing catalogue printing through online alternatives, and revamping and reviewing its existing delivery network.

Moving forward, Cosway aims to improve on its revenue by focusing more on its e-Commerce Platform to capture younger members/consumers whilst still actively engaging with its loyal consumers. Wider and more encompassing digital marketing experiences and platforms will be used to promote Cosway products and create excitement to this new group. Cosway plans to launch new attractive products with higher margins during the financial year 2019. Cosway has recently launched a new range of products such as *Diamond Royale*, a premium, high quality and scientifically proven range of anti-aging skincare products from Switzerland, and *Dignita*, a new lifestyle range of hijab products developed in collaboration with famous local celebrity Neelofa. In addition, a Halal range of products will be launched to meet the increasing market demand of Muslim consumers.

Cosway will also introduce a Gift Card that will facilitate and reward members when introducing products to prospects. To assist and guide more members to achieve bonuses consistently, a new training programme called the Smart Earner Training has been recently developed and rolled out in certain markets. With more members expected to achieve bonuses, a tiered monthly qualification which commensurate with the levels of bonus earned by members will be introduced. This will increase monthly revenue through higher personal sales from members.

To drive efficiency and improve profitability, more cost-saving measures will be carried out which will not impact members' experience with the company, such as internal process reviews and improvement, and right-sizing of resources. Cosway will also enhance its store profitability where the previous store model of Leader Centre, which does not bind or burden the company with rentals and lease agreements, will be re-introduced more aggressively with an attractive package for the operator.

MANAGEMENT DISCUSSION AND ANALYSIS



Inter-Pacific Securities' Principal Office at Berjaya Times Square, Kuala Lumpur



Swimming pool at the Four Seasons Hotel and Hotel Residences, Kyoto, Japan

FINANCIAL SERVICES

Inter-Pacific Capital Sdn Bhd ("IPC")

The financial year ended 30 April 2018 started on a positive note with the FBMKLCI rallying from 1,768.06 points at the end of the previous financial year ended 30 April 2017 to 1,870.37 points on 30 April 2018, an increase of 5.8%. The stock market rally was broad-based, with almost all sectors increasing to varying degrees. A late November 2017 statement by Bank Negara Malaysia that a reassessment of the level of monetary accommodation needed was underway sparked a resumption of foreign fund inflows in December 2017. Due to their traditional focus on large capitalisation stocks, these funds triggered a rally in heavyweight sector stocks lasting until April 2018. Reflecting the increased market velocity, the overall value of transactions traded on Bursa Malaysia increased by 20.7% to RM635 billion as compared to the traded value of RM526 billion in the previous financial year.

During the year under review, Inter-Pacific Capital Sdn Bhd ("IPC") recorded operating revenue of RM47.5 million as compared to RM41.8 million in the previous financial year, an increase of 13.6% due mainly to the increased brokerage income arising from an improvement in the company's market share.

Pre-tax operating profit was RM31.7 million, an increase of 22.9% over the RM25.8 million in the previous financial year. However, the company recorded a pre-tax loss of RM7.5 million for the financial year as compared to a pre-tax profit of RM9.9 million in the previous financial year mainly due to impairments of RM39.2 million on investments during the financial year. Operating expenditure was maintained at approximately the same level as in the previous year.

Just ahead of the 14th General Elections ("GE14") on 9 May 2018, a wave of selling by foreign funds began, triggered by their withdrawal from emerging markets. The GE14 delivered a stunning victory to the Pakatan Harapan coalition and this led to further sell down in the stock market especially on stocks which are perceived

to be politically-linked to the previous Government. A sense of unease also weighed on the stock market over questions about how the policies of the new Government would impact the ongoing large infrastructure and other projects. However, IPC believes that the wave of foreign selling will eventually tail off and with the new Government's emphasis on transparency and good governance, the groundwork is being laid for a stable economy poised for growth. In view of this, IPC expects its results to improve for the financial year ending 30 April 2019.

HOTELS AND RESORTS

Berjaya Hotels and Resorts Division ("BHR")

BHR owns and operates 16 hotels and resorts locally and internationally.

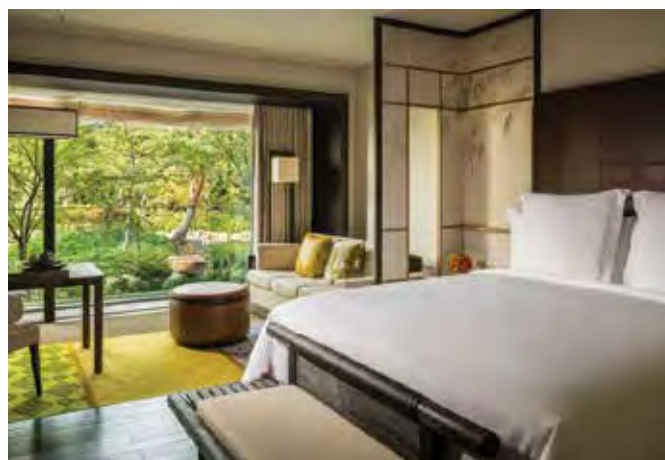
For the financial year ended 30 April 2018, BHR recorded a 31.9% year-on-year increase in total gross revenue to RM537.1 million compared with RM407.2 million in the last financial year. The improvement was mainly supported by the healthy growth in both room occupancy levels and average room rates ("ARR") in the current financial year as well as the full year's revenue contribution from the Four Seasons Hotel and Hotel Residences, Kyoto, Japan, which started its operations in the second quarter of the previous financial year. With the higher total gross revenue generated and improvement in operational efficiency, the Group's profit before tax increased to RM85.2 million from RM5.9 million in the last financial year.

When compared with the previous financial year, the increase in total gross revenue was driven by higher room business due to the growth in the leisure market segment. Whilst room occupancy grew by 3.4 percentage-points to 60.9% from 57.5% in the previous year, and the significant increase of 24.1% in ARR resulted in an increase in the Revenue per Available Room ("RevPAR") by 31.8% to RM307.

MANAGEMENT DISCUSSION AND ANALYSIS



Premier Suite on Water - Berjaya Langkawi Resort, Kedah



Premier Room - Four Seasons Hotel and Hotel Residences, Kyoto, Japan

Hotels & Resorts In Malaysia

The major Malaysian-based hotels and resorts are Berjaya Langkawi Resort, Berjaya Times Square Hotel, Kuala Lumpur, ANSA Kuala Lumpur, Berjaya Penang Hotel, Berjaya Tioman Resort, The Taaras Beach & Spa Resort, Redang, as well as Colmar Tropicale and The Chateau Spa & Organic Wellness Resort at Berjaya Hills.

The overall financial results for the financial year ended 30 April 2018 reflected an improvement in the operating performance across all of the Malaysian-based properties. The Group posted an increase in total gross revenue of 9.0% to RM272.1 million compared to RM249.8 million in the previous year. With the higher room night bookings from Transient FIT, Leisure FIT and Leisure Group market segments, the combined occupancy level increased to 57.8% against 54.6% previously, and the ARR improved marginally by 2.5%. As a result, the RevPAR recorded an increase of 8.6% to RM189 as compared to RM174 in the previous financial year.

With the increase in total gross revenue, coupled with strict cost discipline, the Malaysian-based properties achieved a 229% rise in profit before tax to RM28.6 million compared with RM8.7 million in the previous financial year. The profit before tax in the financial year under review included a net non-operating income of RM7.4 million arising from the disposal of a quoted investment.

Overseas Hotels & Resorts

The major overseas hotels and resorts of the Group are Four Seasons Hotel and Hotel Residences, Kyoto, Japan, 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.

Generally, the room night bookings for the overseas properties were generated from the leisure travel market. During the financial year under review, the higher room night bookings from the Transient FIT, Leisure FIT and Commercial FIT market segments

had improved the total room occupancy levels to 71.4% compared to 68.1% in the previous year. The increase was mainly contributed by Four Seasons Hotel and Hotel Residences, Kyoto, Japan. In addition, the combined ARR showed an increase of 47.2% from last year. With the healthy growth in occupancy and ARR, the group's total revenue from its room business operations increased to RM179.7 million as compared to RM104.7 million in the previous financial year.

For the financial year ended 30 April 2018, BHR's overseas properties' total gross revenue recorded an increase of 68.3% to RM265.0 million compared to RM157.5 million in the last financial year. Whilst profit before tax significantly increased to RM56.6 million from the lost before tax of RM2.8 million incurred in the previous financial year, the significant increase was primarily attributable to the full year's revenue contribution from the Four Seasons Hotel and Hotel Residences, Kyoto, Japan which commenced its operations in the second quarter of the previous financial year.

Going forward, the market outlook for the financial year ending 30 April 2019 will be another challenging one. The slowdown of market conditions will continue to cause further uncertainties and apprehension amongst businesses, resulting in further pressure on the performance of the hotels and resorts division especially within the corporate segment. Focus will be redirected to the leisure market from China and India, the growing travellers within this region. BHR will continue strive to increase its revenue by increasing its food and beverage business, especially its banqueting business, particularly in the meeting and incentive segments from Malaysia, Singapore and China, which may not be maximized at this point. In addition, BHR will also continue to drive room yield through effective yield management strategies and improve cost efficiency so as to maximize profitability in all areas.

MANAGEMENT DISCUSSION AND ANALYSIS



Kelab Darul Ehsan, Selangor



Hotel Lobby - ANSA Kuala Lumpur

CLUBS AND RECREATION

Clubs and Recreation Division ("The Clubs")

The Clubs operates five golf clubs and one equestrian club located in the Klang Valley, Nilai, Negeri Sembilan, Batu Pahat, Johor and Berjaya Hills, Pahang. Golf and equestrian are the core activities provided by The Clubs supported by other services such as sports facilities, dining outlets as well as banqueting facilities and event space.

The Clubs have a total membership of 15,476 as at 30 April 2018 of which 8,141 are golf memberships and 7,335 are non-golf memberships.

During the year, Bukit Jalil Golf & Country Resort purchased a new fleet of 6 buggies and created a new Pro Shop to enhance its image. Bukit Kiara Equestrian Country Resort installed a new Olympic-sized swimming and dive pool, and other facilities to improve its services to its members.

The Clubs recorded a decrease in total gross revenue to RM56.4 million from RM60.4 million in the previous financial year, mainly due to the completion of The Clubs' exercise to terminate long defaulting members. This was further affected by the current economic condition that resulted in softer food and beverage business and patronage of The Clubs by members.

The Clubs reported a profit before tax of RM0.65 million compared with RM9.57 million in the previous financial year. The significant drop in profit before tax was mainly due to lesser termination by defaulting members and higher depreciation resulting from the acquisition of new assets and renovation of club facilities.

The financial year ended 2019 will remain competitive and challenging for the recreation club industry. The Clubs will continue to upgrade its facilities including the golf courses as part of its strategy to enhance the quality of its services. This will enable

The Clubs to remain competitive and at the same time improve its revenue in the near future when economic conditions improve. With a strong and stable membership base, The Clubs' performance will remain stable.

VACATION TIME SHARE

Berjaya Vacation Clubs Berhad ("BVC")

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

For the financial year ended 30 April 2018, BVC reported a decrease in revenue to RM10.17 million from RM10.38 million registered in the previous financial year mainly due to lower annual maintenance fees received from its much lower BVC membership base coupled with a reduction in advance license fees recognised from the termination of BVC memberships.

Operating profit increased to RM3.2 million from RM0.74 million in the previous financial year due to early termination of delinquent members, lower operating expenses and room rental income from members who required more rooms beyond their annual room entitlement.

The timeshare industry in Malaysia has generally reached its maturity stage with no new players coming into the industry. As such, most of the competitors in the timeshare industry are merely servicing their existing members with no plans to aggressively recruit more members.

MANAGEMENT DISCUSSION AND ANALYSIS



Artist impression of the Topaz Twins in HCMC, Vietnam



Swimming pool at The Link 2, Bukit Jalil, Kuala Lumpur

PROPERTY DEVELOPMENT

The property sector remained soft and challenging throughout the financial year under review. There was an evident overhang of property, particularly reflected in the huge number of unsold units in the high-end service apartments market segment. In the affordable homes sector, more schemes are being developed in various locations resulting in supply exceeding demand. The weakening of the Malaysian Ringgit against the US Dollar's rising bank interest rates, the negative effects of the Goods and Services Tax ("GST"), pre-election uncertainties and rising unemployment rates further contributed to a dampened soft property market.

The development projects at Bukit Jalil remained the main revenue contributor of the Property Development Division ("PD Division") during the financial year under review. The Link 2 comprising 539 units of residence, 22 units of shop offices and 222 units of street mall commercial lots was successfully completed and handed over to purchasers from the fourth quarter of 2017.

Construction is progressing well at Lanai Residensi, the Division's first affordable homes project at Bukit Jalil. It is also the PD Division's first project to embrace Industrialised Building System ("IBS") precast as the preferred design and construction work method over the conventional in-situ work method, aimed at improving time and cost efficiency, and consistency in workmanship quality. As at 30 April 2018, the pre-cast construction has reached Level 5 and the project is expected to be fully completed by the third quarter of 2019.

Sales and marketing initiatives are also being carried out to market the unsold stocks of the PD Division's Bukit Jalil projects. As at 30 April 2018, more than 90% of the condominium units at KM1 East and KM1 West have been sold while 60% of the shoplets and 77% of the 4-storey and 6-storey shop offices have been sold respectively. The PD Division is also working with numerous government bodies and cooperatives to market the bumiputra units at Lanai Residensi to bumiputra purchasers. As at 30 April 2018, 78% of the total units

at Lanai Residensi have been sold, generating a total sales value of RM152 million.

At Taman Kinrara Section 4, Puchong, the construction for the 29 units of IRIS and 5 units of superlink JASMINE double-storey terrace homes progressed on schedule with 97% of the total units sold as at 30 April 2018. The project is scheduled for completion by the third quarter of 2018.

The year under review saw the completion of interior fit-out works of the 288 units of exclusive and luxurious residence suites at the Ritz-Carlton Residences, Kuala Lumpur located in the second tower of Berjaya Central Park. Purchasers took vacant possession of the units in the fourth quarter of 2017 and the Ritz-Carlton team is also on-board to manage the property. The PD Division has embarked on various site events, property roadshows and exhibitions overseas, collaborated with luxury car companies to hold private events as well as participated in write-ups and sponsorships in various media such as inflight magazines of airlines and high-end magazines. The Ritz-Carlton Residences, Kuala Lumpur also garnered the Best Luxury Condo Development (Klang Valley) and Best Green Development in the 2018 PropertyGuru Asia Property Awards, Malaysia.

Kensington Gardens, the first phase of Jesselton Villas in Penang, features 69 units of bungalow lots with sizes ranging from 5,995 to 9,634 square feet and priced averagely at RM654 per square foot. As at 30 April 2018, 67% of the total units have been sold, generating a total gross sales value of RM198 million. Construction works is expected to be completed by the second quarter of 2019.

In China, the PD Division has developed and completed three residential developments in Yanjiao, Hebei Province, People's Republic of China. The latest project, OE Waterfront, generated a total sales revenue of RMB1.8 billion in the financial year 2017. The French Village, which was completed in 2004, is currently generating recurring rental income. The fourth and remaining piece of land with an area of 11,781m², is still pending local authority's detailed development policy.

MANAGEMENT DISCUSSION AND ANALYSIS

In Ho Chi Minh City, Vietnam, the Topaz Twins features 2 towers of 668 units of residential apartments and 15 lots of shop units located in the administration hub of Bien Hoa City. The total estimated gross development value is VND1,300 billion (RM227.5 million). As at 30 April 2018, there were 326 confirmed bookings for the apartment units and 13 confirmed bookings for the shop units for Tower A with a total sales value of VND629 billion (RM110.0 million). The sales launch for Tower B achieved 90% bookings as of July 2018. The substructure construction work for Topaz Twins commenced on 14 December 2017 and is expected to be completed by November 2018, with the super structure work expected to commence in September 2018.

Over in Hanoi, the PD Division is involved in the development of Hanoi Garden City, a mixed development on 78 acres of land located at Thach Ban Ward in Long Bien district. As of 30 April 2018, 53% of the total 103 units Arden Park Garden Villas have been sold with a total sales value of VND433.7 billion (RM103.6 million). As for Canal Park Apartments, 97% of the 148 units of residential apartments have been sold with a total sales value of VND328.5 billion (RM65.2 million). Construction for Phase 3 of Hanoi Garden City which consists of 72 units of shop houses and villas is expected to commence by the third quarter of 2018.

The total estimated gross development value is VND585.0 billion (RM102.0 million).

The PD Division generated a revenue of RM340.7 million as compared to RM947.8 million in the previous financial year, attributable to lower sales turnover in the current financial year as compared to the previous financial year mainly due to the remaining units of the Group's property project in China having been disposed of in the previous financial year.

The PD Division registered a pre-tax profit of RM47.36 million in the current financial year as compared to RM365.4 million in the previous financial year, in line with the lower revenue achieved.

The financial year 2019 will see the launch of The Tropika at Bukit Jalil, which is a mixed development based on the concept of "Live, Work and Play" under one development. Located opposite The Link 2, The Tropika will feature 4 blocks of 868 residential units, a 27,807 square feet commercial space, 9 units of shop office, and 11 retail outlets. The Tropika will be designed on a biophilic concept and the main highlights of the development include a full-fledged 2.9-acre deck with 68 facilities, and many other recreation amenities. The total GDV of this development is estimated at RM703 million.



KM1, Bukit Jalil, Kuala Lumpur

MANAGEMENT DISCUSSION AND ANALYSIS



Plaza Berjaya with its annexe, Menara Cosway

Another project in the pipeline within Bukit Jalil is at the last parcel of development land with a panoramic view of the Bukit Jalil Golf Course. The project, a wellness-cum-residential development, will have a combination of low and high rise residential units of various sizes ranging from 850 square feet to 2,200 square feet spread over 12.24 acres of elevated land. With the composition of purposely-built wellness facilities and residences, this development will serve to meet the increasingly sophisticated market which seeks quality wellness and health services as a lifestyle concept.

The PD Division will be launching another high-rise residential project at Berjaya Park, Shah Alam. Timur Bayu will feature 456 high-rise condominium units within three 29-storey blocks, and 62 low-rise condominium units within eight 4-storey blocks. Slated to be launched by the fourth quarter of 2018, the total GDV for this project is estimated at RM340 million.

Malaysian purchasers are becoming more discerning due to the exposure of social media. With this, the property landscape has become more competitive. Developers need to build homes that meet market demand in terms of pricing, location with good connectivity, lifestyle facilities and amenities, as well as good potential yield. The PD Division will strive to develop and deliver products that are of the highest quality to its purchasers. The Division will endeavour to practise good corporate governance and operational excellence to ensure the sustainability and growth of its business.

PROPERTY INVESTMENT

The Property Investment Division (“PI Division”) owns 4 commercial properties comprising Plaza Berjaya, Kuala Lumpur; Kota Raya Complex, Kuala Lumpur, Berjaya Megamall, Kuantan, Pahang and Wisma Cosway, Kuala Lumpur. Collectively, these properties achieved an average occupancy rate of 70% during the financial year under review compared to 84% in the previous financial year.

For the financial year under review, the PI Division registered a decline in revenue to RM31.2 million compared to RM37.9 million in the previous financial year primarily attributed to Wisma Cosway’s anchor tenant, Cosway (M) Sdn Bhd moving out of the building to Menara Cosway during the year. The occupancy ratio of Wisma Cosway was reduced from 92% in 2017 to 70% in 2018. Profit before tax declined to RM10.0 million from RM16.3 million in the previous financial year primarily due to lower revenue.

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. The Group’s complexes will continue to promote itself in an effort to strengthen its presence in the market place.

GAMING

The toto betting and related activities business segment of the Group is operated via Berjaya Sports Toto Berhad (“BToto”). BToto is principally engaged in the operations of Toto betting, leasing of on-line lottery equipment, and the manufacture and distribution of computerised lottery and voting systems.

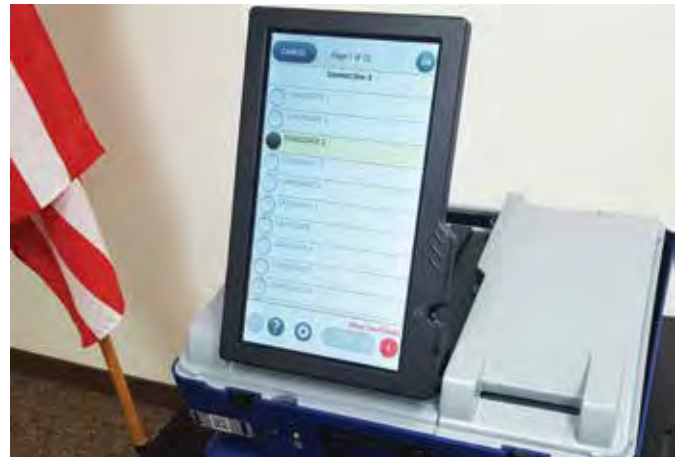


The Claim Centre at Sports Toto’s Head Office in Berjaya Times Square, Kuala Lumpur

MANAGEMENT DISCUSSION AND ANALYSIS



Sports Toto's first concept store in Johor Bahru, Johor



ILTS FreedomVote Tablet used in elections in the USA

Malaysia

Sports Toto Malaysia Sdn Bhd ("Sports Toto"), the principal operating subsidiary of BToto, has approximately 680 outlets operating throughout the country, offering 7 games namely Toto 4D, Toto 4D Jackpot, Toto 5D, Toto 6D, Star Toto 6/50, Power Toto 6/55 and Supreme Toto 6/58 which are drawn three days a week. Grand Toto 6/63 was replaced by Star Toto 6/50 during the financial year under review.

For the financial year ended 30 April 2018, Sports Toto recorded a revenue of RM3.12 billion which is on par with the previous year's revenue despite the current year having two draws less than the previous year. The company's revenue for the financial year under review has been stated net of Gaming Tax as well as GST on gaming supply. Sports Toto continued to remain as the market leader among all the NFO in the country in terms of total revenue for the financial year under review.



A lotto outlet in the Philippines

Its profit before tax increased by 9.2% to RM363.0 million compared to RM332.5 million in the previous financial year, mainly due to a lower prize payout in the financial year under review. Consequently, this led to a higher profit before tax margin of 11.6% compared to 10.7% in the previous financial year.

Sports Toto envisages that its business will remain resilient and is confident that it will continue to maintain its market share in the NFO business for the financial year ending 30 April 2019.

The Philippines

BToto operates in the Philippines through its subsidiary Berjaya Philippines Inc. ("BPI") which is listed on the Philippine Stock Exchange. BPI's wholly-owned subsidiary Philippine Gaming Management Corporation ("PGMC") operates the business of leasing 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.

PGMC recorded revenue of Peso1.64 billion, an increase of 2.5% from Peso1.60 billion in the previous financial year mainly due to an increase in lease rental income as a result of higher jackpots recorded in this financial year.

PGMC's profit before tax decreased by 4.9% to Peso755.2 million compared to Peso794.1 million in the previous financial year mainly due to the provision made for costs and expenses for an arbitration award issued by the Makati Regional Trial Court in favour of PCSO in the financial year under review.

The Philippine economy is expected to moderate to 6.6% - 6.7% range in 2018 - 2019 from its current annual rate of 6.7% - 6.9% in 2017 - 2018. Investment growth hinges on the Government's ability to effectively and timely implement its ambitious public investment programmes. PGMC will continue to work with PCSO to launch new games in the coming financial year to generate more revenue to support charity activities in the Philippines.

MANAGEMENT DISCUSSION AND ANALYSIS



A lottery outlet in Vietnam

The United States of America

In the United States of America ("USA"), International Lottery & Totalizator Systems, Inc. ("ILTS") provides secure, innovative and dependable gaming and voting processing systems to the public and private organisations throughout the world. ILTS owns a voting business segment operated through Unisyn Voting Solutions, Inc. ("Unisyn") which develops and markets the certified end-to-end OpenElect® digital optical scan election system and a full-featured Election Management Software that provides precinct tabulation, ballot review and audio voting capability to election jurisdictions.

ILTS posted a lower revenue and profit before tax for the financial year ended 30 April 2018 compared to the previous financial year. This was mainly attributable to higher revenue recognition in the previous financial year due to higher contract sales recognised for deliverables completed last year with Berjaya Gia Tinh Investment Technology Joint Stock Company.

ILTS will continue to explore new and emerging technologies based on the current industry developments with the intention of increasing its market share, staying competitive and exploring new markets where its core competencies can be applied. One of ILTS's corporate strategies is to pursue growth through strategic alliances to gain access to new and tactically important geographies and business opportunities, and to capitalise on existing business relationships.

Vietnam

BCorp together with its business cooperation partner, Vietnam Computerized Lottery One Member Company Limited ("Vietlott") officially launched its lottery operation in Ho Chi Minh City, Vietnam on 18 July 2016 with the introduction of its first game, Mega 6/45 Lotto Jackpot Game, with approximately 400 terminals. A second game, the Max 4D Digit Game was introduced on 18 November 2016, followed by the launch of Power 6/55 Lotto Jackpot Game on 1 August 2017.



The Maserati Levante S distributed by H.R. Owen

As at 30 April 2018, the business operation expanded to 34 provinces (there are 63 provinces in Vietnam), with approximately 3,500 terminals.

BCorp recorded a higher fee revenue of VND410 billion in the financial year under review compared to VND266 billion in the previous financial year derives from high lottery sales.

Moving forward, the operation plans to expand to another 20 provinces and to introduce more new games to the market progressively throughout the next financial year.

MOTOR TRADING AND DISTRIBUTION

H.R. Owen Plc. ("H.R. Owen")

In the United Kingdom, 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.



The Ferrari 812 Superfast distributed by H.R. Owen

MANAGEMENT DISCUSSION AND ANALYSIS



The Foton View CS2 distributed by BCM

For the financial year under review, H.R. Owen recorded revenue of £423.2 million compared to £428.2 million in the previous financial year, a decrease of 1.2%, mainly due to lower sales of new car units for Bentley and Maserati marques arising from run-out of certain models and the government's negative view of diesel vehicles respectively, as well as lower used car units sold particularly in the Bentley franchise operations.

H.R. Owen sold a total of 1,185 new prestige cars in the financial year under review compared to 1,306 prestige cars sold in the previous financial year, a decrease of 9.3%. For pre-owned cars, the number of units sold decreased by 10.27% to 1,235 units compared to 1,375 units sold in the previous financial year.

H.R. Owen's profit before tax increased by 104.5% to £6 million compared to £2.9 million in the previous financial year mainly due to lower cost of sales reported for the financial year under review.

Further improvement in trading is expected in the financial year ending 30 April 2019, driven by the arrival of new vehicle models in the Aston Martin, Bentley, Ferrari, Lamborghini, and Rolls Royce franchise operations, as well as in the used car operations. Some modest improvement is expected for the after-sales operations.

Berjaya China Motor Sdn Bhd ("BCM")

BCM is in the business of distributing, retailing and providing after sales service in Malaysia for light commercial vehicles and passenger vans imported from Changan, Jinbei, Dongfeng Sokon (DFSK) and Foton Motor Group (FMG).

Presently, the vehicle models offered consists of two- to five-seater light truck below 2.5 tonnes gross vehicle weight, two- to five-seater panel van and ten- to fifteen-seater passenger van.

BCM's revenue increased to RM32.9 million for the financial year under review from RM27.6 million in the previous financial year due to higher sales of vehicles in the financial year under review. Pre-



Berjaya UC's School of Communication & Media Arts nurtures essential dynamic skill sets for students to achieve a successful career in the industry

tax profit for the financial year under review increased to RM3.5 million from RM2.6 million in the previous financial year, mainly due to higher sales and lower administration expenses.

The automotive industry in Malaysia for year 2017 remained subdued where for the second consecutive year, the Total Industry Volume had contracted 0.6% to 576,635 units. The outlook for year 2018 remains challenging due to the strict lending rules by financial institutions and the weak consumer spending sentiment.

BCM will widen its sales network and proactively engage with customers to further increase customer satisfaction. At the same time, BCM will continue to work closely with its principals and explore opportunities to increase new vehicle models to grow its market share.

EDUCATION

Berjaya Higher Education Sdn Bhd ("BHE")

Berjaya University College ("Berjaya UC") is a boutique and premier university college which operates under BHE. Formerly known as Berjaya University College of Hospitality, the university college changed its name to Berjaya UC during the year under review to reflect the wider choices of academic programmes being offered after taking into consideration market trends and demand.

The cosmopolitan city campus of Berjaya UC is strategically located at Berjaya Times Square Kuala Lumpur and offers programmes from foundation to postgraduate levels under 4 faculties:-

- 1) Berjaya Business School
- 2) Faculty of Culinary Arts
- 3) Faculty of Hospitality & Tourism
- 4) Faculty of Liberal Arts

During the year under review, BHE continued to operate under challenging market conditions with the escalation in the cost of living and competitive price wars compounded further by the entrance of

MANAGEMENT DISCUSSION AND ANALYSIS

new local and overseas players. As part of its strategy to counter these challenges, BHE employed pre-emptive measures such as widening its market territories, introducing cost maximization and cost reduction programmes, as well as having more stringent control over the award of scholarships.

For the financial year under review, BHE registered a 2.9% drop in sales revenue to RM19.6 million as compared to RM20.2 million in the previous financial year. Despite this marginal decline in sales revenue, the company recorded a lower operating loss of RM6 million against RM6.1 million in the previous financial year, as a result of the pre-emptive measures taken. At pre-tax level, BHE registered a higher pre-tax loss of RM9.3 million as compared to RM9.1 million in the previous financial year mainly due to higher inter-company loan interest.

BHE participated in the Setara rating programme and secured a 4-star rating during the year under review. The company also obtained a good rating from The Accreditation by Services for Schools, Colleges & Universities (Asic) from the United Kingdom.

BHE signed a sizeable training contract with a company from Saudi Arabia in February 2018. The training is anticipated to commence in the next financial year and spread over 3 years. This training contract is expected to contribute significantly to the revenue and profitability of the company.

The company's wholly-owned subsidiary company, Berjaya Global Professional Development Sdn Bhd, secured a RM3.85 million training contract with renowned hospitality & resorts group in Vietnam, Vinpearl Jointstock Company which is expected to contribute to the profitability of the company. The training programmes are expected to commence and be completed during the next financial year.

Moving forward, the management of BHE is cautiously optimistic in achieving its targeted results barring any unforeseen circumstances.



Chef Melvyn Lee giving a cooking demonstration to Berjaya UC students



Starbucks Bottled Frappuccino tea and coffee series

FOOD & BEVERAGE

Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks")

Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks") was incorporated in Malaysia on 7 May 1998 under the name of Berjaya Coffee Company (M) Sdn. Bhd. and assumed its present name on 16 September 2004. BStarbucks is now a 100% subsidiary of Berjaya Food Berhad.

BStarbucks' nature of business is to sell high-quality whole bean coffees, along with fresh, rich-brewed coffees, Italian-style espresso beverages, cold blended beverages, a variety of pastries and confections, coffee-related equipment and accessories, and a selection of premium teas, among others.

The first Starbucks retail store in Malaysia was opened in KL Plaza on 17 December 1998. As at 30 April 2018, BStarbucks has 260 stores located throughout Malaysia except in the state of Perlis, Kelantan and Terengganu.

BStarbucks registered an increase in revenue of RM54.1 million to RM504.9 million in the financial year under review from RM450.8 million in the previous financial year, mainly contributed by the revenue from rapid expansion, and store growth from 239 stores in the previous financial year to 260 stores in the financial year under review.

During the financial year under review, BStarbucks adopted various tactical programmes to drive sales in a competitive environment such as the production of the Starbucks Malaysia Signature Planner 2018, Chinese New Year fortune packets which featured a modern design inspired by the Starbucks Siren tail, Starbucks' 19th Anniversary merchandise, launch of the Malaysia exclusive designed reusable cup and the "You Are Here" mug series, launch of the Vanilla Sweet Cream Cold Brew and Nitro Cold Brew, as well as the introduction of the Black Eagle Espresso Coffee Machine in conjunction with the latest expansion of 2 more Starbucks Reserve Stores during the financial year under review.

MANAGEMENT DISCUSSION AND ANALYSIS

The Starbucks Card Programme - My Starbucks Rewards (MSR) - registered its highest ever tender rate at 53% since its launch in 2011, contributing a total of RM312.6 million for the financial year under review as compared to RM271.2 million last year. During the year, three limited edition cards were introduced i.e. the Starbucks Gawai Kaamatan Card, the Malaysia National Day Card and the Malaysia D'wali Card. BStarbucks also introduced a Special Edition Starbucks Card, limited to 6,000 pieces, with an activation amount of RM250 each.

As at 30 April 2018, there are more than 2 million registered MSR members and a total of 7.8 million Starbucks Cards in active circulation nationwide.

BStarbucks recorded a higher gross margin of RM25.9 million to RM240.3 million in the financial year under review from RM214.4 million in the previous financial year. The improvement in GP margin was due to more store openings, constant cost management strategies, and the strengthening of the Malaysian Ringgit against the US Dollar (1 USD to 4.35 MYR as at 30 April 2017 to 1 USD to 3.92 MYR as at 30 April 2018) during the financial year under review.

BFood recorded a higher profit before tax of RM58.7 million as compared to RM53.3 million in the previous financial year, mainly attributed to additional revenue generated from stores opened during the financial year, coupled with effective cost management strategies.

In the financial year 2019, BStarbucks plans to open 25 new stores with an additional 2 Reserve concept stores. In order to create affinity and strengthen its brand presence, BStarbucks will use unique and elevated store designs with relevant local motifs as its main focus for its new stores. In addition, it will also continue to introduce innovative food and beverage items which resonate with its customers' tastes and expectations of Starbucks as a premium coffee company.

To drive loyalty and frequency, BStarbucks will continue to promote the Starbucks Card, which already has a good performance record, offering more card designs and attractive benefits, with plans to introduce MSR Tier rewards in the near future.

BStarbucks will also continue to leverage on digital innovations as well as strengthen its IT capabilities and improve on its Point Of Sales system and Inventory Management system, in order to provide a more efficient and better customer experience at its stores.

As part of its commitment towards empowering Malaysian communities, BStarbucks will continue to obtain raw materials from the local communities to develop food products and merchandise for sale in Starbucks' stores, such as its banana food products and range of Mengkuang merchandise. Through its Signing Store, BStarbucks will continue to support the deaf community by creating job opportunities and encouraging career development.

Berjaya Roasters (M) Sdn Bhd ("BRoasters")

Incorporated in 1994, BRoasters is the master franchisee of Kenny Rogers Roasters' ("KRR") chain of restaurants in Malaysia. It offers a mid-casual dining setting equipped with complimentary Wi-Fi service in its table service restaurants or its newly-introduced walkthrough concept restaurant. As at 30 April 2018, there are 81 KRR restaurants across Malaysia.

KRR's core products include its signature rotisserie-roasted chicken, Outrageous, Mouth-watering, Guiltless (OMG) Unfried Fried Chicken, and the famous Kenny's Home-made Muffins, a staple favourite. Other wholesome selections include a wide array of hot and cold dishes, salads, pastas, and soups as well as a healthy list of beverages.

During the financial year under review, KRR also introduced several side dishes such as Sunny Corn Rice, Triple Bean Salad, Smokey



Starbucks Nitro Cold Brew is available at its Reserve stores



KRR SkyAvenue, Genting Highlands

MANAGEMENT DISCUSSION AND ANALYSIS

Corn Bites, and Kimchi Macaroni to complement the signature rotisserie chicken and OMG Unfried Fried Chicken ensuring that guests get a balanced and wholesome meal when they dine at KRR.

KRR also introduced the Take Me Home Package, giving its customers value-for-money options for takeaway wholesome meals for four which is easy on the wallet. KRR's ROASTERS On The Move (ROTM) mobile restaurant truck made a comeback in the beginning of the financial year to make wholesome meals more accessible to customers. KRR's new walkthrough concept allows guests to view and select their meal from a wide variety of appetizers, side dishes, main course dishes, desserts, and beverages just like a complete menu found at KRR's table service restaurants. As at 30 April 2018, 4 KRR restaurants - Awana SkyCentral, Genting SkyAvenue, JB Paradigm & AEON Kuching - have adopted the walkthrough concept. This has improved KRR's guest servicing, reduced wastage and helped the company manage its resources more efficiently.

For the financial year ended 30 April 2018, BRoasters recorded a revenue of RM92.7 million, a decrease of 4.8% compared to RM97.3 million in the previous financial year. This was mainly due to the closure of 8 non-performing stores during the year and a reduction in menu pricing in October 2017.

For the financial year ended 30 April 2018, BRoasters recorded a higher loss before tax of RM6.7 million compared to the loss before tax of RM4.2 million in the previous financial year, mainly due to an increase in operating expenses and depreciation, as well as a reduction in interest income.

BRoasters will continue to introduce enticing seasonal dishes and valued promotions, while further expanding its new walkthrough dining concept to encourage consumer spending and engagement. BRoasters has also refreshed its KRR Reload Card to offer limited edition designs and attractive promotions regularly, which rewards valued guests and encourages brand loyalty.

To engage with the younger generation, KRR actively leveraged on online marketing and social platforms to advocate healthy living and promote its latest offerings.

Roasters Asia Pacific (Hong Kong) Limited ("RAP")

RAP is a wholly-owned subsidiary of BCorp and the holding company of KRR International Corp. which owns the worldwide franchise rights of the KRR brand.

For the financial year ended 30 April 2018, RAP registered a decrease in revenue to RM2.2 million from RM2.6 million in the previous financial year, mainly due to the decrease in Territory fees. During the financial year under review, there are 179 KRR stores operating in Malaysia, Philippines, Singapore, Indonesia, UAE, India and Thailand.

Over the years, RAP has been able to find a niche market within the food and beverage industry, given the entrance barriers are relatively high. The company has been able to sustain its growth and remain competitive in markets that are saturated with new and existing food and beverages players, with a reasonable amount of brand recognition.

RAP will continue to improve its sales performance through the growth of new stores in its existing markets, as well as penetrate new markets for the financial year 2018. Moving forward, RAP plans to expand KRR's presence into Maldives, Sri Lanka and Myanmar which will contribute positively to the growth of RAP. RAP will also continue to increase brand awareness in its existing markets through aggressive marketing campaigns and new product innovations.

Jollibean Foods Pte Ltd ("Jollibean Foods")

Jollibean Foods holds the sole and exclusive worldwide rights to develop, operate and manage all outlets, stalls and kiosks under the brand name of "Jollibean", "Sushi Deli", and "Kopi Alley". As at 30 April 2018, Jollibean Foods has 31 outlets under the three brands in Singapore.



KRR store in Dubai, UAE



Jollibean outlet at Singapore Changi Airport Terminal 3

MANAGEMENT DISCUSSION AND ANALYSIS



Wendy's at Sunrise, Penang

The "Jollibean" brand has become a household name in Singapore since its inception in 1995. It started with the philosophy of bringing back nostalgic childhood memories of Singapore through providing nutritious and healthy traditional snacks, suitable for all ages.

For the financial year ended 30 April 2018, Jollibean Foods recorded a decrease in revenue to RM28.2 million from RM33.9 million in the previous financial year, mainly due to the closure of 14 non-performing stores in the financial year 2017.

For the financial year ended 30 April 2018, Jollibean Foods recorded a lower loss before tax of RM751,000 compared to a loss before tax of RM2.9 million in the financial year 2017 after controllable expenses. Besides the closure of non-profitable stores, the management undertook a staff-restructuring exercise and increased labour productivity and efficiency which contributed to lower losses.

For the financial year 2019, Jollibean Foods will concentrate on expanding its revenue stream and driving sales growth for its existing operations in Singapore. One of its key focus areas would be to continue with its store expansion plan, with the target of opening 6-10 new stores during the financial year.

Jollibean Foods will continue to strengthen its brand presence among the younger generation through digital and social media channels, and also develop innovative food and beverage products to attract and retain public interest.

Berjaya Burger Sdn Bhd ("Berjaya Burger")

Berjaya Burger is a wholly-owned subsidiary of BCorp. Berjaya Burger owns and operates the Wendy's franchise in Malaysia, with its first store officially opened in Sunway Pyramid in 2008. Berjaya Burger opened 7 new stores during the financial year under review, namely, Genting Highlands Premium Outlet ("GHPO"), Genting SkyAvenue, Juru Penang, Ikano Power Centre, Paradigm Mall, Johor Bahru, Berjaya WaterFront, Johor Bahru, and Kota Kinabalu International Airport, Sabah, bringing the total number to 15 stores nationwide as at 30 April 2018.

For the financial year ended 30 April 2018, Berjaya Burger recorded an increase of 20.8% in revenue to RM19.7 million from RM16.3 million in the previous financial year. The higher revenue was attributed to additional 7 new stores opened during the financial year under review, with notable sales contribution from GHPO and Paradigm Mall, JB stores. Wendy's penetration into the southern region and east Malaysia market has created more brand awareness and was well received by their respective consumers.

For the financial year ended 30 April 2018, Berjaya Burger recorded a higher loss before tax of RM 5.7 million as compared to RM4.7 million in the previous financial year due to the softening retail environment in Malaysia which is also affecting the food and beverage industry.

Moving into the financial year 2019, Berjaya Burger will launch more localised products, which also have lower cost of goods, and will continue to strengthen its position and brand awareness through more creative and cost-effective advertising and promotional channels and strategies. In the near future, Berjaya Burger will

MANAGEMENT DISCUSSION AND ANALYSIS



KKD's seasonal promotion

continue to move aggressively in its expansion plan to dominate the Quick Service Restaurant market in strategic locations nationwide.

Berjaya Krispy Kreme Doughnuts Sdn Bhd ("BKrispy Kreme")

BKrispy Kreme is the franchise holder of Krispy Kreme Doughnuts ("KKD") stores in Malaysia. BKrispy Kreme opened its flagship store in Berjaya Times Square on 29 April 2009. As at 30 April 2018, there are 11 KKD stores, with the latest two locations being at Genting Highlands, Pahang Darul Makmur.

For the financial year ended 30 April 2018, BKrispy Kreme's revenue decreased 21% to RM5.4 million from RM6.9 million mainly due to the closure of 7 non-performing stores during the financial year under review. In the third quarter of the financial year, BKrispy Kreme opened 4 new outlets at Sunway Putra Mall, Pavilion Elite, Genting SkyAvenue, and Genting Premium Outlet.

BKrispy Kreme registered a lower loss before tax of RM3.4 million during the financial year under review as compared to RM4.7 million in the previous year. The 49% improvement was due to the reduction of operating expenses, including the closure of non-performing stores.

In the financial year 2019, BKrispy Kreme will initiate more aggressive marketing campaigns in line with the current marketing trends. It will continue to leverage on online marketing including social media to increase brand awareness among the young generation. The company will also regularly introduce new doughnuts flavours consistently including pairing with global confectionary brands to entice customers with a good range of

premium doughnuts. In addition, BKrispy Kreme will look at opening stores in strategic locations with higher foot traffic and lower capital expenditure to increase brand visibility and expand its customer base.

ENVIRONMENTAL AND CLEAN TECHNOLOGY SERVICES

KUB-Berjaya Enviro Sdn Bhd ("KBE")

KBE is principally engaged in the treatment of solid waste, involving amongst others, the development, design, construction, operation, management and maintenance of sanitary landfills and construction activities. KBE manages and operates the Bukit Tagar Sanitary Landfill ("BTSL") under a 30-year agreement from the Government.

BTSL currently receives an average of 2,700 tonnes of municipal solid waste per day from Kuala Lumpur, and the Selayang and Hulu Selangor districts in the state of Selangor.

For the financial year ended 30 April 2018, KBE recorded a marginal increase in revenue by 0.4% to RM46.3 million against the RM46.2 million recorded in the previous financial year, mainly due to higher waste tonnage received.

Profit before tax decreased to RM15.2 million compared to RM19.7 million in the previous financial year, mainly due to the escalating treatment costs and higher financing costs resulting from heavy capital expenditure.

In light of the new political scenario, KBE will engage with the Selangor State Government to seek new waste sources from state municipalities. KBE will also continue to focus on securing more private waste customers to increase waste volume, improve on operational efficiency to achieve a higher profit margin, explore additional income streams from the existing business.



Aerial view of the leachate treatment plant at Bukit Tagar Sanitary Landfill

MANAGEMENT DISCUSSION AND ANALYSIS



AKBK Sustainable Resource Management Centre at Bukit Tagar, Selangor

KUB-Berjaya Energy Sdn Bhd (“KBEnergy”)

KBEnergy is a wholly-owned subsidiary of KBE and is involved in the generation and sale of electricity from landfill gas. KBEnergy commenced its commercial operations on 1 June 2011.

KBEnergy is commissioned by KBE, a concessionaire of the Bukit Tagar Sanitary Landfill (“BTSL”) to manage the landfill gas. This is achieved by using the landfill gas to power the 4 gas engines to produce a total of 6.4 MW of electricity.

The electricity generated is sold to Tenaga Nasional Malaysia (“TNB”) under the Feed-in Tariff (“FiT”) scheme.

For the financial year ended 30 April 2018, KBEnergy reported a revenue of RM12.0 million, representing an increase of 3.5% compared to RM11.6 million in the previous financial year mainly due to higher volume of electricity generated by the 2MW gas engines.

On the back of higher revenue, profit before tax increased marginally by 1.57% to RM6.8 million as compared to RM6.7 million in the previous financial year.

Amita KUB-Berjaya Kitar Sdn Bhd (“AKBK”)

On 8 October 2015, KUB-Berjaya Energy Sdn. Bhd. (“KBEnergy”) entered into a Joint Venture Agreement with Amita Environmental Strategic Support (Malaysia) Sdn. Bhd. (“Amita”) to subscribe for 60% stake in a new joint-venture company, Amita KUB-Berjaya Kitar Sdn. Bhd. (“AKBK”), to undertake a scheduled waste recycling project. AKBK is principally engaged in the production of alternative raw material (“ARM”) and alternative fuel (“AF”) from recycling industrial wastes. AKBK commenced its commercial operation on 24 May 2017.

AKBK is licensed by the Department of Environment Malaysia (“DOE”) to receive and manage scheduled waste, as well as transportation of scheduled waste under the Environmental Quality Act 1974. AKBK is approved by DOE to manage 15 categories of scheduled wastes. AKBK adopts a “Cradle to Cradle” principle which recycles 100% of the scheduled waste into ARM and AF as substitute for natural raw materials and fossil fuel for the production of cement in the cement industry.

For the financial year ended 30 April 2018, AKBK reported a revenue of RM3.4 million and total waste tonnage received was 7,586.06 tonnes.

Moving forward, the future prospects of the industry is very encouraging as the level of ARM usage in the cement plants as replacement of natural raw materials in the country is relatively low at less than 1% of the total natural raw materials consumed, compared to Japan where the ARM usage is over 40% in relation to natural raw materials used. This provides tremendous growth potential for AKBK in Malaysia.

AWF Limited (“AWF”)

AWF is a wholly-owned subsidiary of the Group and the main shareholder of the Longxi Water Projects (“The Project”) which runs three potable water treatment plants in Boluo County Longxi Town, Guangdong Province under three wholly-owned subsidiaries, Boluo Longxi Water Supply Co. Ltd. (“Boluo Longxi”), Boluo Longxi Zhiwang Water Supply Co. Ltd. (“Zhiwang”) and Boluo Longxi Pengfa Water Supply Co. Ltd. (“Pengfa”), in Longxi Town, Boluo County, Huizhou City of the Guangdong Province in the People’s Republic of China. The Project was acquired by AWF in 2014 and commenced operations on 1 October 2014. The total production capacity of The Project is 100 million litres per day (“MLD”) of treated potable water.

MANAGEMENT DISCUSSION AND ANALYSIS

For the financial year under review, AWF recorded a higher revenue of RMB22.97 million, an increase of 4% compared to RMB22.12 million in the previous financial year, attributed to higher water supply volume by the three potable water treatment and supply plants. The residential and non-residential sales volume increased by 9% and 2% respectively in the financial year under review.

AWF recorded a gross profit of RMB6.57 million, an increase of 6% from RMB6.16 million in the previous financial year in line with the increase in revenue during the financial year under review.

AWF recorded a loss before tax of RMB3.94 million in the financial year under review as compared to the loss before tax of RMB3.16 million recorded in the previous financial year, mainly due to a slight increase in operating expenses, depreciation and finance cost during the financial year.

In view of the prevailing challenging economic environment faced by local industries and developers, and the Boluo County Government's special emphasis on infrastructure development in the LongXi region, AWF expects its performance to grow modestly in the financial year 2019 via an increase of water demand by at least 10%, and an increment of water tariff.

DSG HOLDINGS LIMITED ("DSG")

DSG Holdings has three water concessions in the People's Republic of China. Two of the concessions are in Shandong Province comprising a potable water treatment plant and a wastewater treatment plant, and the concession in Anhui Province is for a potable water treatment plant. It also has a construction company registered in Shandong Province.

During the financial year under review, DSG's revenue decreased by 10% to RMB108 million while its profit after tax decreased by 8% to RMB30 million.

On 25 June 2018, BCorp completed the disposal of its entire investment of 85% equity interest comprising 8.50 million DSG shares for a cash consideration of RMB431.80 million (equivalent to about RM265.99 million).

TELECOMMUNICATIONS

REDtone International Berhad ("REDtone")

Listed on Bursa Malaysia in 2004, REDtone is a leading digital infrastructure and services provider and offers an extensive range of services under three main categories:-

- Telecommunications Services – REDtone offers data and voice services to the Government, enterprises, and small and medium enterprises ("SMEs") and is the only service provider in the industry to provide infrastructure integration expertise. Its access to a unique suite of last mile technologies also enables it to offer Long Term Evolution ("LTE") services.
- Managed Telecommunications Network services ("MTNS") – this includes building, maintaining and operating large scale WiFi hotspots, radio access network ("RAN") infrastructure and fibre optic infrastructure.
- Industry Digital Services ("IDS") – this includes data centre services, Internet of Things ("IoT") services, cloud services and applications, and healthcare solutions to enterprises, government and the healthcare industry.

For the financial year ended 30 April 2018, REDtone registered a revenue of RM118.1 million, which was 25% lower than the RM156.5 million reported in the previous financial year. However, the decrease in revenue was 22% when compared to the revenue from continuing operations of the preceding financial year of RM150.6 million. The year-on-year decrease in revenue from continuing operations was mainly attributed to lesser project activities in the MTNS segment.

REDtone recorded a higher gross profit of RM52.5 million for the financial year under review as compared to the gross profit of RM44.4 million in the preceding financial year, mainly driven by the growth in data services and higher profit margin from its MTNS projects.

REDtone achieved a turnaround and registered a profit before tax of RM6.5 million in the financial year under review compared to the previous financial year's loss before tax of RM9.3 million from continuing operations in the previous financial year. The loss before tax including result from discontinued operations was RM4.2 million in previous financial year.

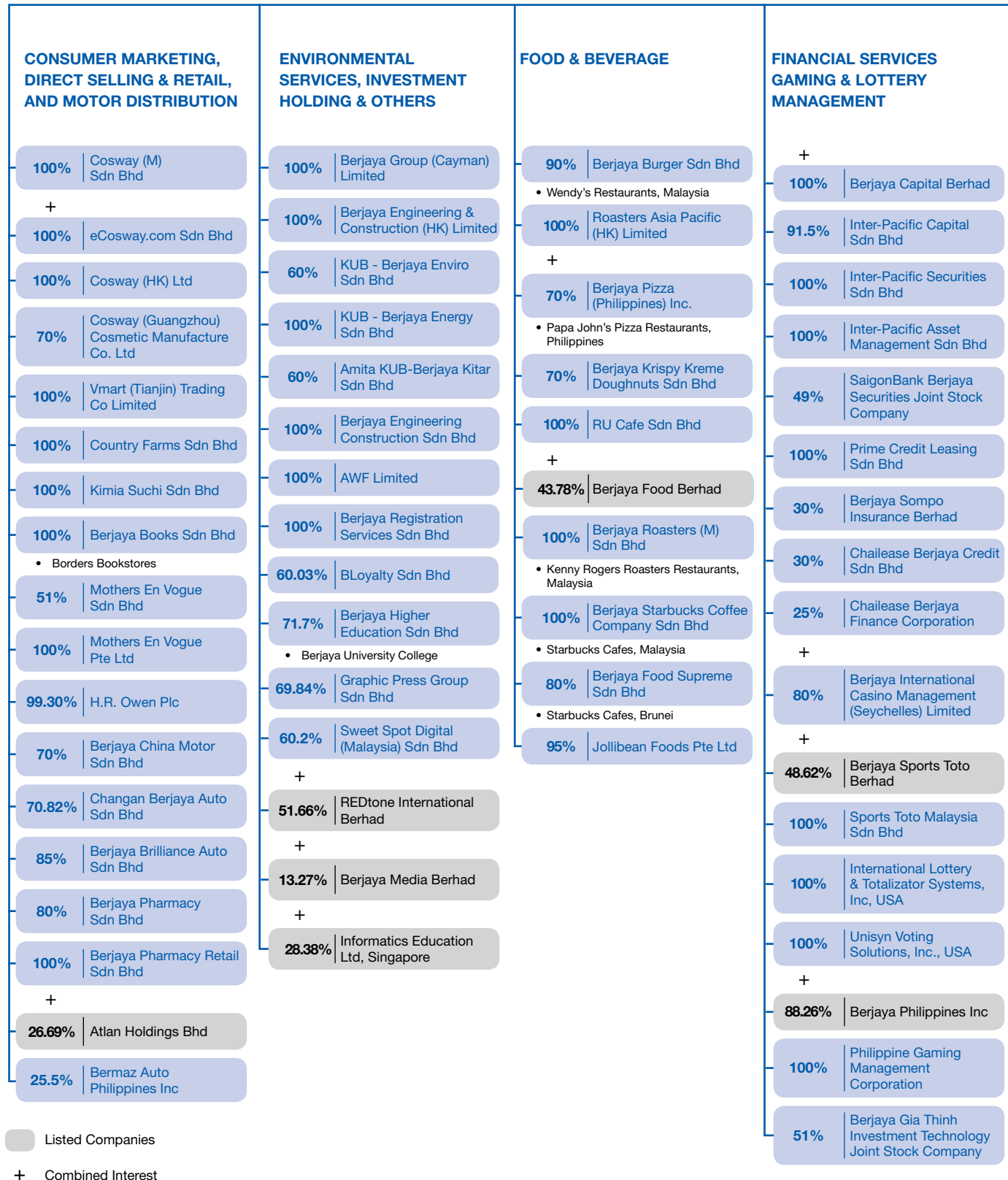
The improvement in the Group's results for the financial year ended 30 April 2018 was mainly due to the higher gross profit margin achieved from its MTNS projects, growth in the data services segment as well as operational efficiencies.

REDtone's operating performance for the financial year ending 30 April 2019 will remain challenging and competitive. The company will continue to focus on measures to improve operational efficiencies and to improve profitability in its core businesses. Barring any unforeseen circumstances, REDtone expects significant contribution from its MTNS segment while data services for the enterprise market will continue to lead the growth of the telecommunications services segment.

CORPORATE STRUCTURE

of main subsidiaries, associated companies and joint ventures
as at 1 August 2018

BERJAYA CORPORATION BERHAD



CORPORATE STRUCTURE

of main subsidiaries, associated companies and joint ventures
as at 1 August 2018

BERJAYA CORPORATION BERHAD



GROUP FINANCIAL SUMMARY

Description	2018 USD'000	2018 RM'000	2017 RM'000	2016 RM'000	2015 RM'000	2014 RM'000
Revenue	2,212,471	8,665,141	9,182,394	9,016,774	9,514,106	8,729,027
(Loss)/Profit Before Tax	(29,593)	(115,902)	662,628	293,737	1,601,733	523,866
(Loss)/Profit After Tax	(93,414)	(365,856)	317,420	(117,089)	1,242,256	127,899
(Loss)/Profit Attributable To Shareholders	(94,524)	(370,203)	149,285	(177,223)	890,582	(148,920)
Share Capital	1,258,919	4,930,556	4,930,556	4,673,180	4,330,614	4,300,648
Equity Component of ICULS	78,320	306,739	306,848	253,608	409,972	442,417
Reserves	410,364	1,607,189	1,951,570	1,784,013	2,034,142	1,042,263
Equity Funds	1,747,603	6,844,484	7,188,974	6,710,801	6,774,728	5,785,328
Treasury Shares	(8,597)	(33,669)	(33,669)	(130,399)	(130,399)	(82,882)
Net Equity Funds	1,739,006	6,810,815	7,155,305	6,580,402	6,644,329	5,702,446
Non-controlling Interests	897,350	3,514,472	3,663,364	4,476,304	4,317,697	5,293,442
Total Equity	2,636,356	10,325,287	10,818,669	11,056,706	10,962,026	10,995,888
ICULS	32,732	128,193	152,278	158,731	192,743	272,926
Long Term Liabilities	1,325,987	5,193,230	4,910,654	6,319,858	6,372,721	4,485,281
Current Liabilities	1,322,808	5,180,779	5,650,947	5,823,756	4,778,579	4,839,376
Total Equity and Liabilities	5,317,883	20,827,489	21,532,548	23,359,051	22,306,069	20,593,471
Property, Plant and Equipment	883,730	3,461,128	3,722,983	3,766,965	3,514,521	3,329,174
Intangible Assets	1,454,121	5,695,064	5,853,796	6,582,857	6,432,372	6,183,305
Investments and Long Term Receivables	1,484,154	5,812,690	5,806,019	5,573,201	5,875,121	5,346,809
Current Assets	1,495,878	5,858,607	6,149,750	7,436,028	6,484,055	5,734,183
Total Assets	5,317,883	20,827,489	21,532,548	23,359,051	22,306,069	20,593,471
Total number of shares with voting rights in issue	4,875,583	4,875,583	4,875,583	4,491,180	4,246,914	4,221,348
Net Assets Per Share (USD/RM)	0.34	1.33	1.40	1.41	1.50	1.25
Net (Loss)/(Earnings) Per Share (Cents/Sen)	(1.63)	(6.40)	2.93	(3.22)	18.09	(2.65)
Dividend (Sen/Share)	—	—	—	2.10	1.00	1.00
Total Net Dividend Amount (USD'000/RM'000)	—	—	—	99,580	42,003	41,187

Notes:

The figures above are presented based on the audited financial statements for the financial years ended 30 April.

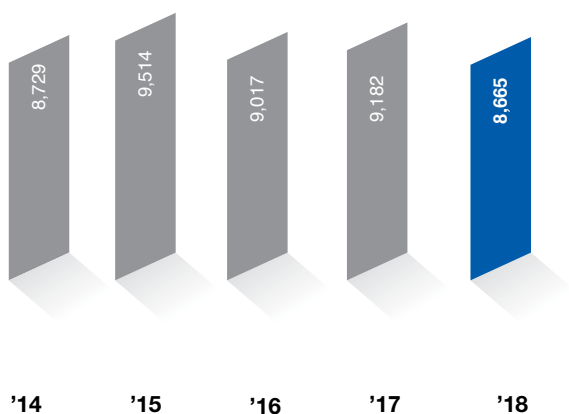
Where additional shares are issued, the (loss)/earnings per share is calculated based on a weighted average number of shares with voting rights in issue (Inclusive of mandatorily convertible instruments).

Net Assets Per Share represents the net equity funds less equity component of ICULS divided by the number of outstanding shares in issue with voting rights.

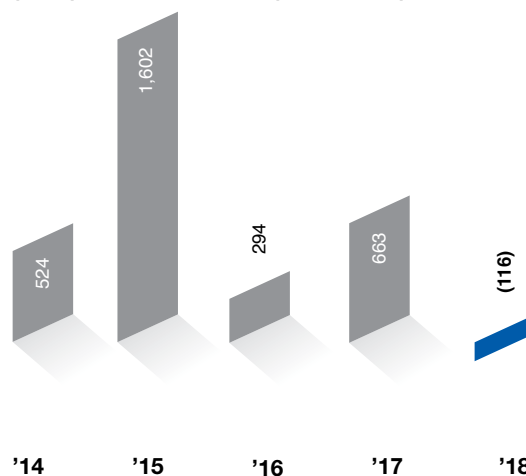
Exchange rate as at 30 April 2018: US\$1.00=RM3.9165

GROUP FINANCIAL HIGHLIGHTS

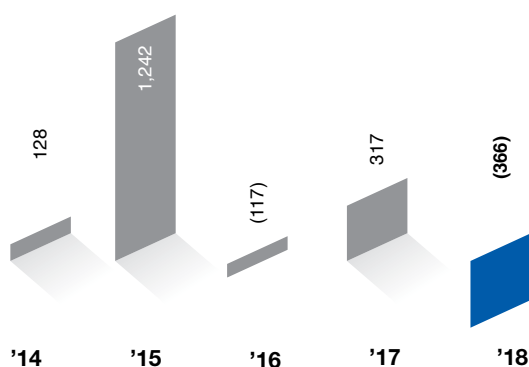
Revenue (RM' Million)



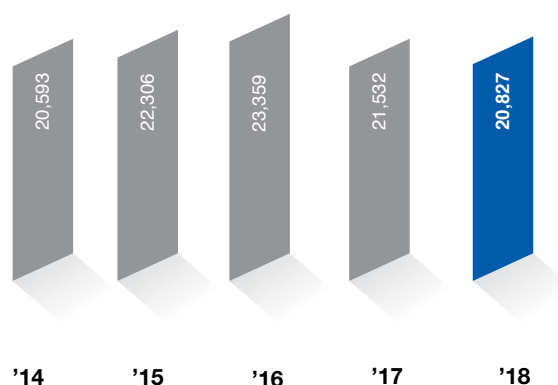
(Loss)/Profit Before Tax (RM' Million)



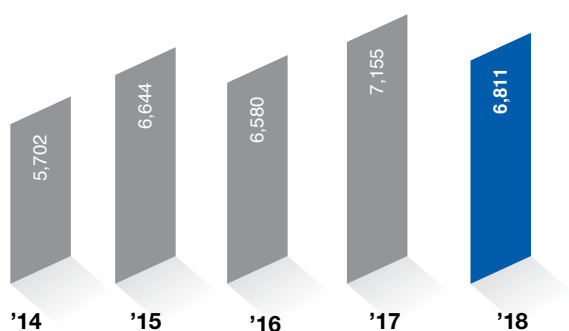
(Loss)/Profit After Tax (RM' Million)



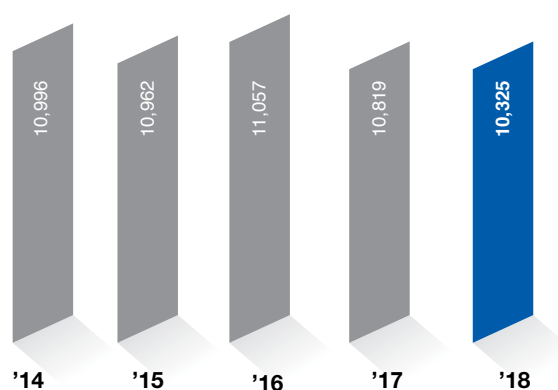
Total Assets (RM' Million)



Net Equity Funds (RM' Million)



Total Equity (RM' Million)



SUSTAINABILITY STATEMENT

1. REPORTING PROFILE AND SCOPE

The maiden sustainability statement for Berjaya Corporation Berhad ("BCorp") is prepared in accordance with the Sustainability Reporting Guide from Bursa Malaysia Securities Berhad ("Bursa Malaysia") which highlights the Group's commitment to undertaking business in a responsible and sustainable manner. The information in this section focuses primarily on the operations and management of the economic, environmental and social sustainability of BCorp for the financial year ended 30 April 2018.

Due to the diverse business nature of the Group, the scope of this maiden sustainability statement covers material issues arising from its principal business activities in Malaysia, operated under the following subsidiaries - Cosway (M) Sdn Bhd, KUB-Berjaya Enviro Sdn Bhd, Inter-Pacific Securities Sdn Bhd, Berjaya Higher Education Sdn Bhd, Berjaya Starbucks Coffee Company Sdn Bhd, Berjaya Roasters (M) Sdn Bhd, Berjaya Burger Sdn Bhd, Berjaya Krispy Kreme Doughnuts Sdn Bhd, Property Investment and Development Division, Berjaya Hotels and Resorts, Berjaya Clubs, Sports Toto Malaysia Sdn Bhd, and REDtone International Berhad.

BCorp recognises the challenges of its operating environment as well as the expectations of its various stakeholders and is committed to evolving and developing a sustainable business that has a positive impact on the community, economy and environment. This statement outlines the various practices that have been embedded into the Group's processes with the ultimate aim of bringing more value to its businesses, society and stakeholders.

The information and data disclosed in this statement were derived from internal reporting processes, systems and records. The structure and write-up of this statement are guided by Bursa Malaysia's Sustainability Reporting Guide and Toolkits.



The awards won by BCorp are testimony to the strength of the Berjaya brand

2. APPROACH TO SUSTAINABILITY

BCorp believes that with sustainability at the core of its business operations, it will drive the Group's long-term business growth strategy, build a strong workplace culture, and establish mutually beneficial relationships with its stakeholders.

The Group strives to incorporate sustainable business practices in order to minimise adverse environmental and social impacts arising from its daily operations. To this end, it is guided by a long-term sustainability strategy comprising 3 main aspects:



ECONOMIC SUSTAINABILITY

The creation of long-term value for shareholders and added value for all the stakeholders of the Group



ENVIRONMENTAL SUSTAINABILITY

Striving towards reducing the Group's environmental footprint by improving on efficiency of resources and supporting conservation efforts; and



SOCIAL SUSTAINABILITY

Dealing with customers and the 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.

SUSTAINABILITY STATEMENT

2. APPROACH TO SUSTAINABILITY (CONTINUED)

BCorp pursues sustainability goals according to the following sustainability principles:-



3. GOVERNANCE

BCorp has in place a corporate governance structure and processes which are detailed in the Statement on Corporate Governance and Statement on Risk Management and Internal Control sections of this Annual Report.

For the year under review, BCorp's sustainability commitment is governed by its Board of Directors and representatives from the various businesses in the Group who oversee the overall planning and implementation of sustainability practices across its businesses.

In line with the Group's belief that corporate governance and creation of value for stakeholders are mutually dependent as both are critical components for business continuity and sustainability, a Sustainability Working Group ("SWG") was formed in 2017. The significant findings on the economic, environmental and social aspects of sustainability for BCorp and its subsidiaries were submitted to the Sustainability Working Group for evaluation and subsequently the sustainability statement was presented to the Sustainability Committee for review, followed by the Board's approval.

Each of the Group's operating divisions have been charged with the fiduciary duty to take into consideration sustainability in their business strategy planning, operations and processes. In doing so, the Group strives to develop systems to monitor the implementation of its internal control and sustainability measures as well as the completeness and reliability of information regarding the financial, operational, safety, health and environmental management aspects of the Group. The Board and management are committed to continually refining and improving these processes over time.



For more detailed information on the Company's Statement on Corporate Governance and Statement on Risk Management and Internal Control, please refer to pages 57 to 74 of the BCorp Annual Report 2018.






SUSTAINABILITY STATEMENT

4. STAKEHOLDER ENGAGEMENT

Operating as an effective and sustainable business entity, the Group believes that maintaining a good degree of communication and understanding through continuous dialogue and sharing of information with all its internal and external stakeholders are highly essential.

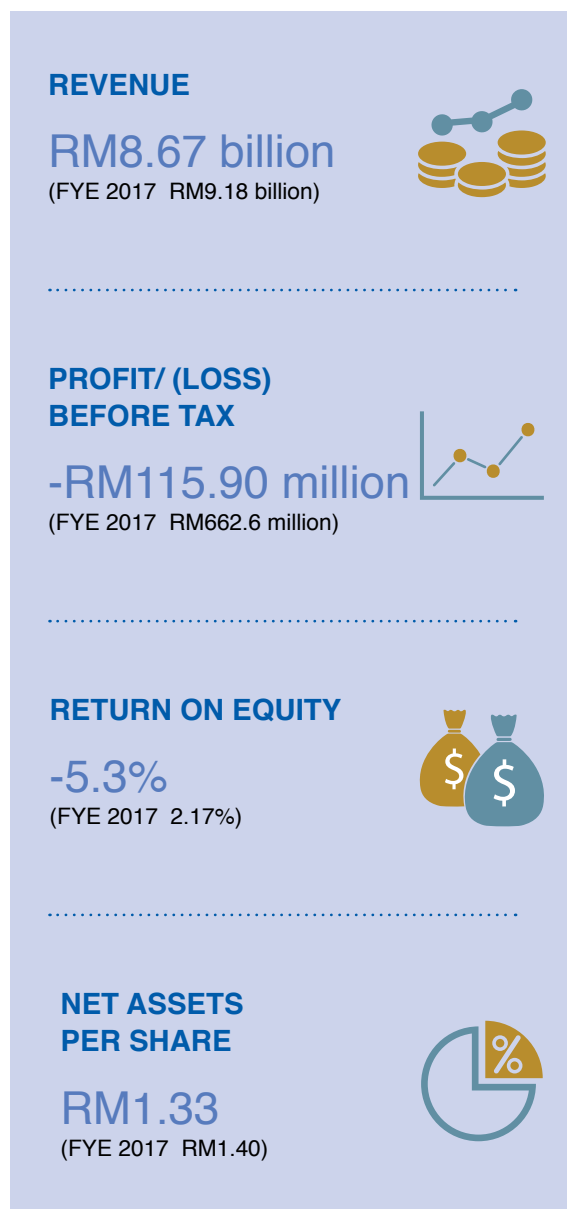
BCorp has established a series of engagement initiatives with various stakeholders through its respective operating divisions. The input and perspectives gathered from all the relevant stakeholders specialised in their respective fields have been beneficial for the long-term collaboration with the stakeholders, and also the development of the Group's business strategy and operations in respect of the trends, impacts, risks and opportunities that the Group has to take into account.

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

Stakeholder Group	Engagement Platforms
Government and Regulators 	<ul style="list-style-type: none"> Meetings with Government bodies and 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 	<ul style="list-style-type: none"> Regular networking activities and gatherings. Formal and informal meetings to collect feedback, attend to grievances and disseminate information on the Group's products and services. Customer surveys are conducted periodically to keep updated with the customers' needs and expectations for the Group's products and services. Regular outlet/store visits are made to keep tabs on customer behaviour and satisfaction. Online reservation / purchase channels. Company websites, printed material, telecommunication companies' messages, and other communication channels to disseminate information / updates on products and services.
Employees 	<ul style="list-style-type: none"> Internal engagement channels such as the intranet and corporate newsletters to communicate information on events, activities, staff promotions as well as messages from the Group's Executive Chairman and Chief Executive Officer. Orientation for new staff. Training and development programmes. Synergy meetings attended by representatives of the various operating companies.
Suppliers 	<ul style="list-style-type: none"> Tender and procurement process. Regular review of major suppliers to provide feedback on service delivery and areas of improvement for the mutual benefit of both parties.
Communities and non-governmental organisations 	<ul style="list-style-type: none"> Focus groups and consultative meetings. Community programmes in collaboration with non-governmental organisations ("NGOs") and charitable organisations.
Media 	<ul style="list-style-type: none"> Regular engagement and updates with the mainstream media. Press conferences, media releases, and media visits relating to key business development and CSR activities.
Investors, shareholders and stock analysts 	<ul style="list-style-type: none"> Communication via announcements to Bursa Malaysia, General Meetings, the Group's Annual Report and Corporate Website, as well as conducting briefings and updates for analysts, fund managers and potential investors as and when required.

5. ECONOMIC SUSTAINABILITY

i. Financial Performance



Amidst the challenging and evolving business landscape, the Group continues to operate effectively through stringent and prudent cost management whilst enhancing the productivity and efficiency of its businesses.

For more information on the Group's financial performance, please refer to the Group Financial Summary and Highlights on pages 34 and 35 of the BCorp Annual Report 2018.

ii. Economic Impact and Creating Value

Contributing to the local economy

One of BCorp's growth strategies is to add value by contributing to the local economy through its various businesses which range from consumer marketing and retail, property investment and development, hotels and resorts, clubs, food and beverage, motor trading, financial services, and education, among others.

Recognising that innovation is a critical driver of sustainable growth, REDtone International Berhad ("REDtone") is spearheading the adoption of Malaysian research and development and new technologies in the areas of Cloud, Big Data, Smart Cities, Internet of Things (IoT) technologies and Smart Communities. REDtone has an established partnership with MIMOS Berhad - a research and development centre in Kuala Lumpur under the purview of the Malaysian Ministry of Science, Technology and Innovation (MOSTI), to cross leverage on their respective strengths to promote Malaysian-developed products and services. This collaboration has resulted in an increase in the utilisation of local technologies as well as the number of new customers. REDtone also regularly collaborates with global companies and subject-matter experts to drive cloud, big data adoption and digital transformation for enterprises.

Berjaya Higher Education Sdn Bhd is committed towards cultivating leaders who are academically outstanding, practically grounded and socially responsible. The BERJAYA University College ("BERJAYA UC") provides a holistic educational environment through its Immersion Methodology, encourages industry collaboration in the design and delivery of its programmes, uses experiential and service learning to develop 21st century skills, and leverages on technology-enabled models for more personalised learning, to create graduates who play a vital role in shaping the future and developing societies, economies and industries that are prosperous and sustainable.

Providing employment to Malaysians

BCorp and its subsidiaries also promote local economic growth by providing ample employment opportunities to Malaysians. The Group embraces the diversity of its employees who possess varied skillsets and expertise for the many job functions within its different businesses. As at 30 April 2018, BCorp has approximately 14,000 employees working in its various businesses across Malaysia and overseas.

SUSTAINABILITY STATEMENT

5. ECONOMIC SUSTAINABILITY (CONTINUED)

ii. Economic Impact and Creating Value (Continued)

Providing employment to Malaysians (Continued)

BCorp believes in supporting the local communities in which it operates its business activities and to provide them employment opportunities. At the Bukit Tagar Sanitary Landfill, more than 90% of the employees working on the landfill site are from the nearby towns and villages including Bukit Beruntung, Batang Berjuntai, Bukit Tagar Estates and Felda Sungai Tenggi. Similarly, there are 24 orang asli employees working in the Group's hotel properties in Bukit Tinggi as at 30 April 2018.

Innovation and development of new products and services

Consumers needs are constantly changing and BCorp subsidiaries need to continuously innovate and respond to these changes through their products and services.

Inter-Pacific Securities Sdn Bhd ("IPS") started offering Islamic Stockbroking Services effective 1 August 2017 to its clients who wish to invest in Shariah compliant securities listed on the Main Market and ACE Market of the Exchange through the Bursa Malaysia-i platform.

Aware that the traditional business model is evolving with the emergence of the digital era which is changing consumer spending behaviour, Cosway (M) Sdn Bhd ("Cosway") launched its Virtual Online Store to meet the demands of the digital sphere, generating business opportunities for the youth segment in particular, who are

seen as future key entrepreneurs, and capturing market share from the growing segment of online shoppers. This online business model inadvertently sees a reduction in operational costs as it does not require a physical store set-up and a large staff force. As at 30 April 2018, Cosway has recruited a total of 38,458 young Entrepreneurs, amongst which 87% are aged from 25 to 34 and 13% are aged from 18 to 24.

iii. Indirect Economic Impact

BCorp and its subsidiaries also create indirect economic impact through supporting and contributing to their local communities. For instance, Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks") is committed to empowering Malaysian communities through its Connecting Communities in Malaysia programme, which is a scalable community project that contributes to small villages in support of local sourcing. BStarbucks has been purchasing bananas and *mengkuang* leaves from local communities in Kuala Selangor and Pahang respectively for banana-based food items and products made from woven *mengkuang* leaves, which are sold in Starbucks stores nationwide.

BStarbucks opened the world's first Starbucks Signing Store in Bangsar Village 2, which provides a platform and the opportunity for deaf partners (employees) to have a meaningful career and aim for self-sustainability. Deaf partners (employees) serve customers a uniquely uplifting Starbucks experience and the store celebrates their contributions and raises awareness of people with disabilities in the workplace.



Signing workshops are conducted at the Starbucks Signing Store in Bangsar Village 2, Kuala Lumpur

5. ECONOMIC SUSTAINABILITY (CONTINUED)

iii. Indirect Economic Impact (Continued)

Recognising the economic potential of rural areas, REDtone has prioritised improving the digital connectivity for these rural communities, which in turn has helped to boost their household income. REDtone provides communications access to underserved areas in Malaysia and advocates the use of Information and Communications Technology in building a knowledge-based economy through its participation in Universal Service Provision projects such as Kampung Tanpa Wayar, Time-3, Pusat Internet 1Malaysia, and WiFi Komuniti. The development of a broader use of licensed spectrums has enabled a more efficient network infrastructure, allowing REDtone to provide connectivity services to rural communities and SMEs at fair prices.

iv. Procurement

BCorp also seeks local suppliers for its procurement requirements to generate direct economic value in the local community. Priority is given to locally produced items and responsibly sourced products and services to support the local economy and reduce transportation-related emission, while taking into account the need to ensure that the products conform to high standards of quality and delivery. All procurements also adhere to strict standard operating procedures to ensure fair and reliable business transactions. BCorp companies endeavour to procure their products from responsible and reputable manufacturers or suppliers who are ISO, GMP or HACCP certified.

Cosway acknowledges the importance of contributing to the growth of the local economy and society, hence it gives priority to procuring “Made in Malaysia” products. As at 30 April 2018, 68% of its procurements are from local suppliers or manufacturers.

BCorp’s food and beverage businesses ensure that 100% of their food products adhere to the “Halal” requirements from JAKIM. Suppliers are required to self-declare and provide an updated certification. Audits and compliance are conducted regularly to ensure that local regulatory hygiene practices are in place and adhered to at all times.

Sports Toto Malaysia Sdn Bhd’s (“Sports Toto”) local procurement of products and services needed for its Toto lottery operations is largely conducted through a tender process managed by a tender committee, taking into consideration the need to establish a secure, reliable and cost-effective supply chain that adheres to high standards of quality and delivery.

IPS procures products required for its business operations i.e. contract statements, computer forms, stationery, ribbons, and cartridges from local vendors, some of which are within the Group. Approximately 98% of its yearly service subscriptions, such as for system maintenance, are from local service providers. The service quality of these suppliers is evaluated on a half-yearly basis.

The Group’s Property Development Division (“PD Division”) practises a fair and stringent tendering process which involves evaluation of tenderers based on past project track records, project references and company financial background. Interview sessions are conducted to clarify all ambiguities in relation to design, technical, commercial and work methodology embracing buildability in terms of deployment of innovation and technology to reduce overall cost. The PD Division has successfully achieved 100% local procurement for awarding of contractors and appointment of consultants for three of its on-going projects namely, Lanai Residensi and The Link 2 of Phase 1 at Bukit Jalil, Kuala Lumpur and Kensington Gardens @ Jesselton Villas, Penang.

Where local procurement is not possible, BCorp and its subsidiaries will look for opportunities to procure products and services from other entities within the Group or collaborate with reputable local business partners to introduce the product or technology from abroad. For instance, Sports Toto procures its lottery terminals, central system and system software from its subsidiary company, International Lottery & Totalizator Systems, Inc. (“ILTS”), which is a leading supplier of lottery systems in the United States of America with more than three decades of operations.

v. Design Efficiency Through Value Engineering

The PD Division is always mindful of the economic sustainability of its development projects and continuously reviews design concepts, material selections and work methodology with the aim of reducing the overall project costs through value engineering and alternative material selection or substitution without compromising on quality and delivery.

The PD Division’s affordable homes project, Lanai Residensi at Bukit Jalil, Kuala Lumpur has intentionally embraced the industrialised building system (“IBS”) precast as the preferred design and construction work method over conventional in-situ work method to improve efficiency and repeatable workmanship quality. The adoption of the latest innovation and technologies in design, prefabrication construction, installations and building systems such as Bubbledeck Lightweight blocks for partition walls and application of precast design

SUSTAINABILITY STATEMENT

5. ECONOMIC SUSTAINABILITY (CONTINUED)

v. Design Efficiency Through Value Engineering (Continued)

software such as Planbar and Tekla have enhanced the shop drawings production with precise accuracy and mitigate human errors in back-checking works.



Lanai Residensi - construction in progress

6. ENVIRONMENTAL SUSTAINABILITY

BCorp and its subsidiaries endeavour to incorporate ways to reduce the negative impact on the environment through the efficient use of resources and minimising wastage in the course of conducting its businesses.

i. Efficient Energy Management

Energy is one of the largest cost components for a commercial property. As such, the subsidiaries under BCorp regularly monitor their electricity consumption and any unusual deviations are investigated and immediately addressed. Various energy saving initiatives were implemented to encourage employees to adopt various energy conservation practices at the workplace and sustainable use of energy in business operations by minimising energy consumption. Efforts to reduce energy consumption include daily monitoring of air conditioning usage and adjusting the settings to ensure optimal efficiency. Light-emitting diode ("LED") lighting and energy efficient equipment are installed where possible.

The PD Division aims to achieve optimum energy efficiency in its development projects by focusing on increased use of natural lighting and cross ventilation through design and layout of the units such as providing sufficient glass panelled windows and glass sliding doors at the balcony for ample natural sunlight and cross ventilation. Phase

1 of the Link 2 and Lanai Residensi at Bukit Jalil, Kuala Lumpur integrated green building features in terms of energy saving light fittings, smart lighting with automated intelligent control switching features, mechanical and electrical equipment with emphasis on green energy and control systems. The energy efficient efforts for Phase 1 of the Link 2, Bukit Jalil, Kuala Lumpur has successfully gained the "GreenRE Bronze" certification for both residential and non-residential development. Other energy conservation measures include the implementation of LED street lights and compound lightings at Timur Bayu @ Berjaya Park, Shah Alam and Jesselton Villas, Penang.

Berjaya Hotels and Resorts ("BHR") manages its energy consumption through the installation of solar water heating systems and capacitor banks for efficient power systems and replacement of fluorescent lights with low-energy LED lights, among others. To further conserve energy and water usage, guests are also offered linen and towel reuse options.

Berjaya Krispy Kreme Doughnuts Sdn Bhd ("BKrispy Kreme") has implemented energy savings in its operations through fully utilising operating hours by running 1 Commissary line for 7 hours, instead of its previous practice of running 2 lines for 5 hours. This exercise has given the company a 21.9% savings in its monthly electricity consumption.

BStarbucks tracks the consumption of electricity in all its Starbucks stores and has replaced the conventional lighting in the stores with LED type halogen and metal halide bulbs with 5W LED and 50Q LED floodlights which have reduced its energy consumption by 20%. BStarbucks has also installed solar panels at Starbucks Drive-Thru Tanjong Tokong, Penang. Solar energy has the least negative impact on the environment compared to any other energy source.

In its continuing efforts to raise awareness on reducing the consumption of electricity, Starbucks stores nationwide have been celebrating Earth Hour over the past 11 years and encouraging customers to switch off non-essential lights.

Cosway has more than 400 physical stores located throughout Malaysia. To rationalise the business travel and store visits by Head Office staff, Cosway has set up Regional Offices located in Penang, Kuala Lumpur, Johor Bahru, and Sabah. Through the setup of these Regional Offices, Cosway has managed to achieve a more efficient and sustainable management strategy in terms of saving on travelling time and reducing petrol consumption and carbon monoxide emission. This has resulted in more efficient utilisation of its human resources and provided more efficient and responsive support to its customers within each region.

6. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

i. Efficient Energy Management (Continued)

As part of its continuous efforts to mitigate the environmental impact of its operations, REDtone has adopted an integrated approach to achieving sustainability in the workplace. This includes developing the digital capabilities of its employees as well as streamlining and automating work processes in order to improve resource efficiency and accelerate its move towards a paperless working environment. To this end, REDtone has developed online portals and applications to create multiple touchpoints for its customers, vendors and employees, and aims to continue expanding on the usage of digital assets to help reduce wastage, maximise productivity, increase efficiency and enhance its brand experience.

The Bukit Tagar Sanitary Landfill ("BTSL") employs a comprehensive landfill gas management strategy which harnesses the landfill gas (generated by the decomposition of buried waste) to generate electricity. The landfill gas is collected through a network of landfill gas extraction pipes which is then treated before it is used as fuel for the biogas engines to generate electricity at the Bukit Tagar Renewable Energy Centre on site. The electricity is then fed into the grid under the Government's feed-in-tariff programme that is administered and implemented by the Sustainable Energy Development Authority (SEDA). At present, BTSL is the largest grid-connected biogas (landfill gas) renewable energy facility under the Feed-in-Tariff programme in Malaysia. In addition to the landfill gas facility, BTSL has solar power generation of 125kW capacity.

ii. Waste Management

BCorp adopts the 5R practices of Refuse, Reduce, Reuse, Repair and Recycle as part of its environmental conservation initiatives whereby waste is segregated based on individual categories and materials which can be reused, repaired or recycled will be converted into items of various functions. For example, bins to segregate recyclable materials from general waste have been placed within the premises of its various offices to create awareness and encourage employees to recycle. The use of plastic and polystyrene-based materials are minimised and various measures are incorporated to recycle and reduce paper consumption in the offices. Employees are encouraged to adopt simple practices such as reusing envelopes for internal mailing, printing on both sides of the paper, and printing on paper already printed on one side.

BCorp subsidiaries are also using online and digital channels as alternative modes of communication with their various stakeholders to reduce paper consumption. IPS has introduced e-statements and the Auto-Trust Payment ("ATP") e-payment service whereby proceeds payable to clients are automatically credited into their trust accounts with IPS, in line with Bank Negara Malaysia's move to reduce the usage of cheques. 40.88% of IPS' clients have signed up for ATP as of 30 April 2018. IPS has also set up a panel of waste management agencies to handle the disposal of non-biodegradable material, to prevent contamination of the environment.

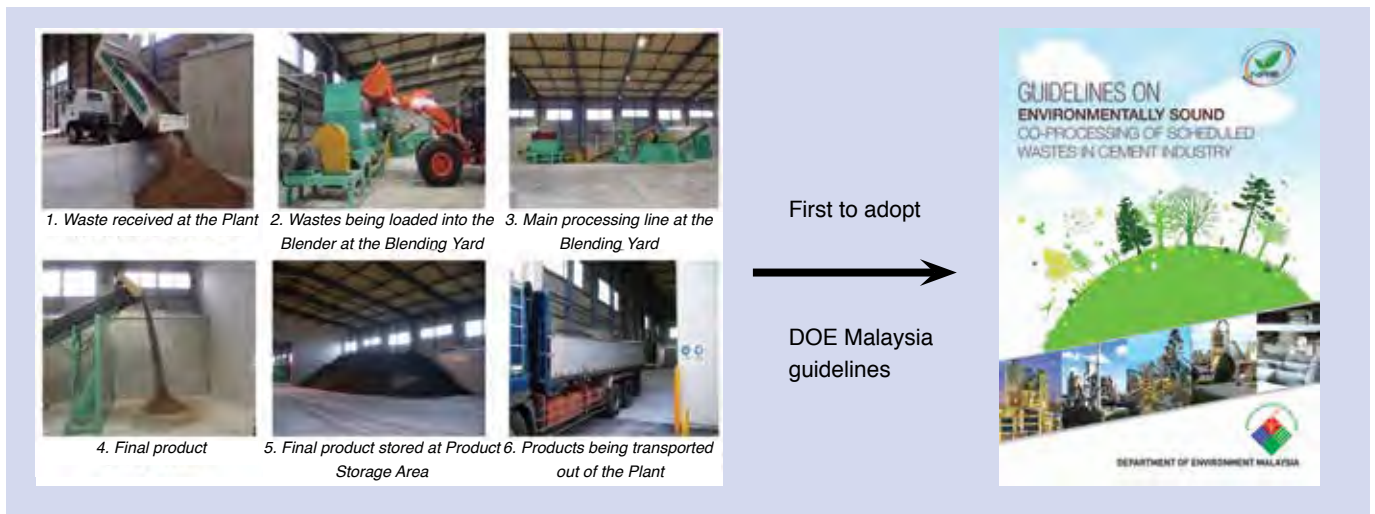
The distribution of thermal paper for bet tickets to Sports Toto outlets is closely monitored by Sports Toto's Logistics Department with a computerised ticket roll and inventory tracking system to minimise wastage and to also optimise the length of each ticket printed to ensure efficient paper consumption. Promotional materials and forms are discarded responsibly and the disposal process of used paper and betting slips are done in an organised manner through selected disposal contractors.

Cosway has introduced a strict ordering and delivery policy to ensure optimisation of its logistic services for product deliveries from its centralised warehouse to its physical stores and uses a recyclable and durable plastic tote for the consignments, reducing the usage of corrugated boxes.

BCorp's food and beverage companies are also working to shrink their environmental footprint by increasing their efforts to reduce waste associated with their business practices. BStarbucks has a Bring Your Own Tumbler programme which rewards its customers with a RM2 discount when they bring their personal Starbucks tumbler to purchase coffee in Starbucks stores. BStarbucks has also introduced reusable cups. Berjaya Roasters (M) Sdn Bhd ("BRoasters") has introduced the i.Care Box as its ongoing environmental initiative to manage waste better. BRoasters provides a special discount to KRR customers who use the i.Care Box for their purchases.

In addition, BCorp companies are more mindful of the materials used for their packaging and other products and have switched to using biodegradable materials where possible. For instance, the Starbucks napkin is made with 100% recycled content with a minimum of 40% post-consumer fiber, the Starbucks hot cup sleeve is made with 60% post-consumer fiber, and the Starbucks To Go Hot and Cold Cups and Lids are all recyclable. Wendy's has reduced the usage of an average of 1,000 pieces of plastic bags per store per day since it introduced paper bags in November 2017 in all its stores. BKrispy Kreme has switched to using bio-degradable plastic bags.

SUSTAINABILITY STATEMENT



100% Scheduled Waste Recycling Technology

6. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

ii. Waste Management (Continued)

Food waste is a major known destructive environmental problem not only in Malaysia but in many other countries. As part of its initiative to improve on food waste management, BKrispy Kreme has created a bite-sized by-product called 'Doughnut Bites' from the excess doughnut dough. This initiative alone has shown a significant drop of 20% per annum in its doughnut dough wastage and has been well-received by its customers.

Berjaya Hills Resort Berhad ("BHRB") has procured a composting machine since year 2011 to compost and ferment the food waste from its hotels which in turn, becomes natural fertilizers for use at its Organic Farm. Food wastes are collected on daily basis for this purpose and as such, this eliminates the need to transport the food waste to the landfill and indirectly reduces air pollution.

BTSL has implemented measures to ensure that carbon emissions from the landfill is minimised. This is primarily achieved through the landfill gas management system at BTSL which includes the generation of renewable energy through the use of landfill gas as fuel. BTSL has in place a 'Zero Discharge' Policy with regards to the leachate that is generated within the site. Treated leachate is not released into open courses but is irrigated to the surrounding 120 acres area consisting of oil palm plantation and forest vegetation. A system of collection pipes ensures that all leachate generated is channelled into collection ponds for treatment by the state-of-the-art leachate treatment plant installed on site. The plant is based primarily on biological reaction with a series of chemical dosing to achieve the required leachate treatment standards.

Treated leachate is sent to the reed beds consisting of phragmites plants for final polishing. The phragmites plants are capable of absorbing residues in the treated leachate to further improve its quality. BTSL is the first landfill in the region to implement this reed bed polishing process. The treated effluent meets the strict standards required by the Department of Environment for discharge into open watercourses. Nonetheless, as part of BTSL's commitment to ensure maximum protection to the environment, the treated leachate is not discharged to open watercourses. Since the commencement of operations in 2005 to the end of 2017, a total of 11,050,780 tonnes of municipal solid waste has been safely disposed at BTSL.

BTSL is a registered Clean Development Mechanism (CDM) project having the most units of certified emission reductions (CERs) issued for a landfill project in South East Asia. The Clean Development Mechanism allows for carbon emission reduction projects in developing countries to earn certified emission reductions (CERs) which can be traded and sold and used by industrialised countries to meet their carbon targets under the Kyoto Protocol. Each unit of CER is equivalent to 1 tonne of carbon dioxide. To date, BTSL has a total of 1,763,506



Leachate Treatment System at Bukit Tagar Sanitary Landfill

6. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

iii. Water Conservation

CERs issued, averaging about 350,000 CERs per year which is equivalent to 350,000 tonnes of carbon dioxide.

In 2017, the Amita KUB-Berjaya Sustainable Resource Management Centre was established to cater for the treatment of scheduled waste. The facility was conceived to promote the use of waste as a resource rather than something to be discarded, fully embracing the concept of a circular economy. Industrial scheduled waste is processed and recovered as raw materials which can be used by the cement industries. The company is the first in Malaysia to adopt Malaysian Government guidelines for the co-processing of scheduled waste in cement industries.

In upholding its environmental consciousness, BCorp and its subsidiaries also endeavour to engage suppliers who adopt environmentally and socially responsible practices. Some BCorp subsidiaries also collaborate with various stakeholders on campaigns to raise awareness on the importance of recycling and responsible waste management.

The PD Division's development projects in Bukit Jalil, Kuala Lumpur, namely Phase 1 of the Link 2 and Lanai Residensi have been utilising rain water for landscaping and construction cleaning purposes, thus reducing the consumption of treated potable water. To further minimise water usage, water closets with dual flush options and water taps with push-buttons were selected for the projects. At Timur Bayu @ Berjaya Park, Shah Alam, the PD Division proposed a water mist firefighting system which is more environmentally friendly and sustainable as it uses less quantity of water compared to the conventional sprinkler system.

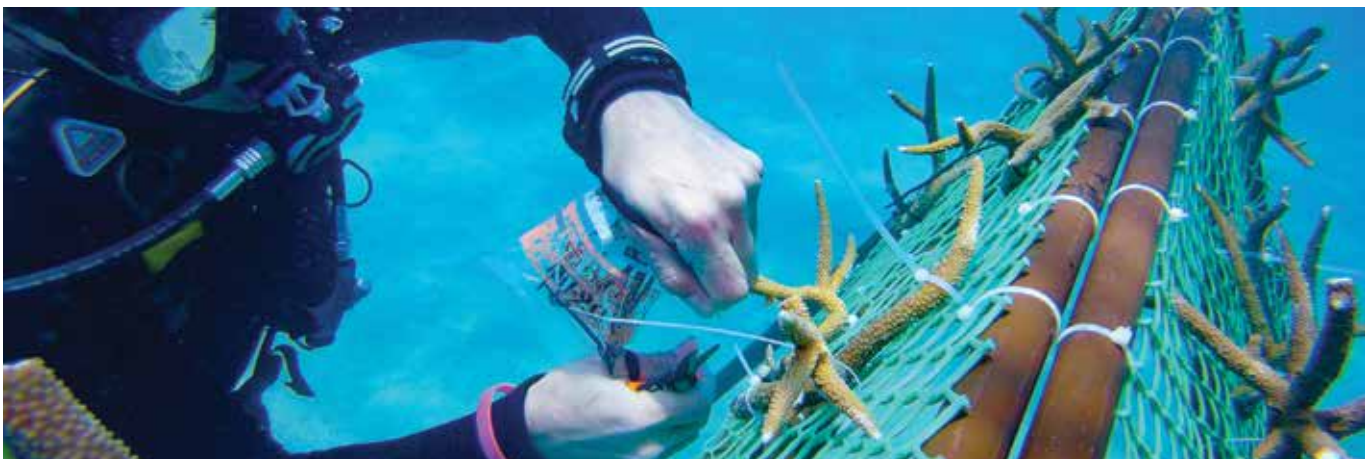
BHR continued to focus on its water conservation efforts through several measures such as installing water-saving devices in its hotels' guestroom bathrooms and common area washrooms, installing water sub-meters and daily sub-meters to improve monitoring of water consumption as well as early detection of leaks and providing information for guests on reusing towels and linen.

Over at the Group's Clubs and Recreation Division ("The Clubs"), water from flowing river and rain water are being used for watering the golf course greens, landscaping and outdoor cleaning thus minimizing the usage of treated potable water.

iv. Conservation of Natural Environment & Marine Ecosystem

In its effort to conserve the natural environment, the PD Division advocates the preservation of natural habitats of flora and fauna on the land that it develops. During the year under review, the PD Division successfully relocated and replanted a total of 45 matured trees at Kensington Gardens @ Jesselton Villas in Penang. The PD Division also places great emphasis on providing ecological and functional landscaping in its development projects to encourage residents to enjoy a healthy lifestyle amidst natural and built surroundings.

BHR continued to spread awareness on marine ecosystem preservation through its annual Tioman World Ocean Day with activities such as a clean-up dive to remove sea debris and crown-of-thorns starfish from the sea beds and regular beach cleaning activities to manage waste and debris around the resort. BHR also supports the "I'm FINished with FINs" campaign with a complete ban on shark fin dishes in its hotels and resorts.



Coral planting during the Tioman Island Clean Up Day 2017

SUSTAINABILITY STATEMENT



Kingfisher at Bukit Jalil Golf and Country Resort

6. ENVIRONMENTAL SUSTAINABILITY (CONTINUED)

iv. Conservation of Natural Environment & Marine Ecosystem (Continued)

The Clubs recognises that its golf courses are home to numerous wetland animals and bird species such as the Guinea Fowl, White-breasted Water Hen, Egrets, Kingfishers and Yellow-billed Storks, to name a few. Organic wastes from its golf course maintenance (“GCM”) are used to nourish the local ecosystem by feeding the fishes in the river and pond with the green clippings, and the horse manure from the stables are utilised for the landscaping plants. The GCM team works closely with the Department of Environment for any anomalies or pollutions discovered in the water source. The trees around the golf courses are preserved unless they pose an imminent danger to the public. The Clubs ensures that only the appropriate amount of fertilisers and approved chemicals are used to avoid harm to these century-old trees. Chemicals are applied prudently on the greens rather than spraying on a large scale to avoid water contamination and river pollution.

BStarbucks’ “Grounds For Your Garden” programme provides interested customers with complimentary 1kg bags of soil-enriching used coffee grounds to take home for their gardens. The coffee grounds make an excellent garden fertilizer and provide much-needed nutrients to the soil. As at 30 April 2018, 92% of Starbucks stores gave away 237,919kg of used coffee grounds under the programme.

BHRB is committed towards the preservation of the natural surroundings of the environment around its two resorts as well as the Japanese Teahouse Garden and

Botanical Garden. Specific trees at the Botanical Garden are tagged with their scientific names for the knowledge of visitors to the area. BHRB is also cultivating approximately 3 acres of organic vegetation and fruits at its hotel vicinity. Besides providing fresh produce for its hotels’ food and beverage needs, the organic farming contributes to the conservation of natural environment.

The swimming pool at The Chateau Spa and Organic Wellness Resort uses salt instead of chlorine to sterilize the pool. As such, the water discharged into the river during its cleaning process is not harmful to the environment.

7. SOCIAL SUSTAINABILITY

BCorp and its subsidiaries have put in place various practices which encompass 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 its products and services offered to its customers are in compliance with all regulatory guidelines and takes the responsibility to ensure that all information disseminated through its marketing channels and materials are conveyed in a clear and concise manner. The various companies within the Group constantly review and update their marketing materials and websites to ensure that their products and services are accurately presented to prevent any misinformation or misrepresentation of information.

In the process of marketing its development projects, the PD Division ensures information such as floor plans, technical specifications and finishes, facilities and amenities are properly presented across its marketing channels and materials.



The Salt Pool at The Chateau Spa and Organic Wellness Resort, Berjaya Hills

7. SOCIAL SUSTAINABILITY (CONTINUED)

i. Responsible Marketing and Communication Practices (Continued)

All media messages and gaming operations under Sports Toto are in compliance with the applicable regulations, particularly the Pool Betting Act 1967 as well as government laws regulated by the Ministry of Finance ("MOF"). Sports Toto has made available a reminder message for its customers to practise responsible betting on its website, and every Sports Toto outlet has in place a public notice to prohibit minors and Muslims from betting.

ii. Information Security and Privacy

The Group acknowledges the importance of respecting and protecting the privacy of its customers and takes stringent measures to safeguard customers' confidential information at all times. In compliance with the Personal Data Protection Act 2010, a privacy policy has been published on the websites of each operating company, which states clearly the use, methods and purposes of customers' personal information collected via the various channels of communication with the company.

iii. IT Integrity and Cyber Security

The exponential development and advancement of technology presents various opportunities as well as challenges for both business and operational processes. In this context, the Group takes imperative measures to prioritise information technology integrity and cyber security to ensure business continuity. Various security measures are put in place to continuously identify, evaluate, monitor, manage and respond to any IT integrity or cyber security issue.

The Group has incorporated preventive measures in its operating systems to minimise to the lowest level possible any exposure to cyber security risk and constantly worked to identify potential vulnerabilities in its operating environment and ensure timely response and recovery in the event of a cyber-breach. Intensive system testing and review measures are conducted regularly to prevent unauthorised physical access to its computer systems, keeping track of the hardware support lifecycle to ensure that the system operation is up-to-date to counter any new or potential threats which may cause malicious or deliberate damage of data and information.

Recognising the importance of enhancing awareness of data security among employees, the Group organises training programmes by industry experts on a regular basis to educate employees on the latest data security threats and protection measures.

iv. Good Governance, Product Safety and Business Conduct

The Group's employees are required to adhere to the Employee Code of Conduct to ensure that they observe good work practices to avoid any legal infringement or non-compliance in its business operations.

The Group's Risk Management Committee acts as the guardian in safeguarding its interest against any possible risk which may occur within or outside the company.

The PD Division is constantly engaging with the Government agencies and regulatory bodies on matters relating to policies that govern 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 requirement for sustainable planning and growth.

Sports Toto continues to work closely and maintain good relationships with the Government authorities and agencies including Bank Negara Malaysia ("BNM"), MOF, local councils and district police departments and meet with their requirements to ensure public interests are safeguarded in carrying out its daily business and operations. The company ensures that it is always in compliance with relevant laws including anti-money laundering laws and pool betting laws. The successful annual renewal of gaming licences by MOF, zero negative feedback from BNM or Bursa Malaysia and clean reports from external auditors are some testimonies to Sports Toto's constant compliance and fulfilment of its responsibility as a leading licensed number forecast operator ("NFO").

Being a multilevel marketing company, Cosway adhere to the laws and regulations set by Ministry of Domestic Trade, Co-operatives and Consumerism and strictly abide by the code of conducts from Direct Sales Association Malaysia. Cosway engages with and maintains good relationships with the Government authorities and agencies related to its business operations, local councils and district police departments. It also ensures that it is always in compliance with the relevant laws including Direct Selling and Anti Pyramid Act 1993, Price Control and Anti-Profiteering laws, to name a few.

In strict compliance with the label requirements set by the National Pharmaceutical Regulatory Agency under the Ministry of Health Malaysia, Cosway's product labelling discloses the required details such as Manufacturer, Distributor, Product Ingredients, Product Registration Serial Code (MAL Licence) and Usage Directions for its healthcare supplement, skin care and personal care products.

SUSTAINABILITY STATEMENT



The 31st Sports Toto Chinese New Year Ang Pow Donation Campaign

7. SOCIAL SUSTAINABILITY (CONTINUED)

iv. Good Governance, Product Safety and Business Conduct (Continued)

Cosway adheres strictly to health and product safety regulations and is subjected to regular inspections by the relevant authorities. Its Quality Control Department conducts rigorous product checks and quality audits by batch on an ongoing basis. Cosway sources its products from reputable and quality suppliers with certification standards as ISO, GMP or HACCP to ensure its products are consistently of high quality.

KUB-Berjaya Enviro Sdn Bhd ("KBE"), which operates BTSL, is ISO9001:2015 certified. To ensure that all the standards and requirements of ISO9001:2015 is understood and complied with at KBE, annual trainings are conducted in various technical and administration areas for all levels of its employees.

BTSL is designed to the highest standards and provide maximum protection according to requirements of the United States Environmental Protection Agency (EPA) Resource Conservation and Recovery Act (RCRA) Regulations Subtitle D. BTSL can be classified as a Level 4 landfill under the Technical Guideline for Sanitary Landfill, Design and Operation published by the Ministry of Urban Wellbeing, Housing and Local Government. BTSL is designed and operated to provide the highest level of protection to the environment. The site has in place a comprehensive environmental monitoring plan and is in full compliance with the Department of Environment regulations for water, air, noise and odour emissions.

As testament to its high standards of quality and efficient management, BTSL has been awarded many notable awards such as the ASEAN Energy Awards in 2012 and 2016, and the CDL Outstanding Singapore Environmental Achievement Awards 2013 and DFS Singapore Environmental Achievement Awards 2013 (Regional) from the Singapore Environment Council, to name a few.

v. Key Supply Chain

BCorp and its subsidiaries have established a key supply chain for key materials and delivery services to ensure sustainable operations. To ensure continuity of the key supply chain, its core products are secured by supply agreements with suppliers who are financially sound and have a track record of uninterrupted supply, together with a few prominent third-party logistics transporters (3PL) to provide smooth and efficient delivery services.

vi. Social Integration and Community Development

It is noteworthy to mention that the PD Division supports the national agenda in addressing the need for affordable housing through its investment in various affordable housing projects, which is an act of corporate citizenship in the area of social sustainability.

7. SOCIAL SUSTAINABILITY (CONTINUED)

vi. Social Integration and Community Development (Continued)

Social integration and community development is an aspect which is given considerable importance from the start of the PD Division's project development process. Its development projects are constructed with emphasis on safety, good accessibility and connectivity, excellent standard of workmanship as well as adequate public amenities. The PD Division also ensures that the development projects are adequately equipped with facilities and amenities that encourage strong community spirit among the residents and the surrounding neighbourhood. The PD Division also collaborated with "park-and-ride" bicycle companies to reduce dependency on motorised vehicles.

As security is a foremost priority to purchasers, the PD Divisions has implemented various security measures including a gated and guarded environment, sensor card access system, intercom system and 24 hours surveillance via Close-Circuit-Tele-Vision (CCTV) in its development projects. Panic buttons have been installed at carpark areas for its development projects at Bukit Jalil, Kuala Lumpur as a security and crime prevention measure. These security measures give comfort to the residents that they are able to live and commune in a safer and better environment.

vii. Customer Care and Experience

BCorp and its subsidiaries have various communication channels to engage with their customers. Customers are able to get in touch with the respective companies via telephone, email or mail, and via the respective companies' websites.

BCorp subsidiaries also have periodic electronic communication with their customers and followers on social media to provide regular product information updates, seasonal greetings, as well as marketing and promotional offers/activities.

viii. Community Support and Involvement

Beyond building sustainability in its business operations, BCorp also recognizes the importance of being a responsible corporate citizen. In this aspect, the Group has been providing financial and non-financial support to those in need, with a special focus on providing assistance to programmes targeted at the younger generation and the less privileged in society.

Community

During the financial year under review, BCorp and its subsidiaries continued with its tradition of spreading festive cheer to the less fortunate communities by hosting various festive gatherings for more than 20,000 Malaysians nationwide. The 31st Sports Toto Chinese New Year Ang Pow Donation Campaign was one of the biggest festive donation campaigns in the country reaching out to more than 18,000 needy senior citizens in 50 cities and towns. During the festive celebrations of Hari Raya, Deepavali and Christmas, BCorp and its subsidiaries also hosted various festive gatherings with sumptuous treats, gifts, and entertainment for the underprivileged communities.

Under the "Helping Hands" CSR programme with its tagline – Sharing, Giving and Caring, Sports Toto carried out numerous projects which benefitted underprivileged communities during the financial year under review. Efforts to engage the community were made by way of offering monetary and non-monetary aid, learning and education opportunities, community sports as well as popular entertainment and cultural activities.



BCorp contributed to the Penang Flood Relief Efforts in November 2017



BCorp supported Eat X Dignity which provides the opportunity for youth to learn employability and entrepreneurial skills in the food and beverage industry

SUSTAINABILITY STATEMENT



470 youth volunteers came together to pack 100,000 meals at BCorp's Rise Against Hunger meal-packing event at Berjaya Times Square KL

7. SOCIAL SUSTAINABILITY (CONTINUED)

viii. Community Support and Involvement (Continued)

Community (Continued)

BCorp and its subsidiaries also provide humanitarian aid to communities affected by natural disasters. In responding to the plight of the flood victims in Penang, BCorp and its subsidiaries organised various efforts to contribute in cash and in kind. BCorp contributed RM250,000 each through Mercy Malaysia and Taiwan Buddhist Tzu Chi Foundation towards various flood relief efforts in Penang.

In October 2017, more than 470 youth volunteers came together to help pack 100,000 meals worth RM100,000 for the 4th Berjaya Youth – Rise Against Hunger meal packing event held at Berjaya Times Square KL. The meals were packed and handed over to the beneficiaries - Malaysia Red Crescent Society (RM30,000 worth of meals) where RM20,000 worth of meals were distributed to those affected by the Penang floods; Rotary Club of Kota Kinabalu South (RM40,000 worth of meals) to the flood victims in Kota Belud, Sabah as well as the poor communities in the interior of Sabah; MyKasih Foundation (RM20,000 worth of meals) for needy Orang Asli communities in some parts of Peninsular Malaysia; and Alliance Chin Refugees (RM10,000 worth of meals) who need a continual flow of meals for their 7 schools and clinic operation.

Sports

Apart from providing substantial annual financial contributions to the National Sports Council, Sports Toto also supported numerous community sports activities such as the Go For It! – FTKLAA Cross Country 2018 and provided sponsorship for Kuching Festival's 3 on 3 Basketball Jamboree, Sports Toto High School Basketball Tournament, KRR ROASTERS Chicken Run 2017, Seremban Half Marathon, Sungai Petani Half Marathon, Sutera Harbour 7K Charity Run, Kota Kinabalu City Cycling Challenge 2017 and Penang Bridge International Marathon.

REDtone is committed to giving back to the communities in which it operates by supporting youth sports programmes to foster positive development. REDtone has been the title sponsor of the Kuala Lumpur International Junior Open Squash Championships organised by the Squash Racquets Association of Federal Territory for six consecutive years starting in 2012.

Under the KRR Community Chest programme, BRoasters continued to contribute to the communities in which it operates with its annual ROASTERS Chicken Run. Since its inception, the ROASTERS Chicken Run has garnered a total contribution of RM716,000 and provided 5,340 wholesome KRR meals to 58 homes and organisations.

7. SOCIAL SUSTAINABILITY (CONTINUED)

viii. Community Support and Involvement (Continued)

Sports (Continued)

The annual Krispy Kreme Joy Run is a community initiative held in partnership with the local University Malaya to engage with youths to organise CSR programmes. The partnership started in year 2016 and has raised RM30,000 to date. The funds, channelled through NGOs such as Pit Stop Café, Umie Aktif and CADS Enhancement Centre benefit marginalised segments such as communities with disabilities such as autism, and feeding the homeless.

Education

In line with the objective of promoting literacy and education, BCorp and its subsidiaries supported the operation costs of 10 community education centres providing free English, computer and personal development lessons to underprivileged children and adults across the country. During the financial year under review, approximately 2,200 students have benefitted from the programme.

Sports Toto continued to support the “Reading My Companion” learning programme for the 6th consecutive year with storybooks and storytelling sessions for students in 20 micro-sized Chinese primary schools in Perak, Negeri Sembilan, Melaka, Pahang and Johor. Since its inception in 2012, it has benefitted more than 10,000 students in 86 sub-urban micro-sized Chinese primary schools in Selangor, Perak, Negeri Sembilan, Melaka, Pahang and Johor.



KRR's Muffins @ School Programme with SK (P) Pudu students



Sports Toto's Reading My Companion project in schools



Participants in the Berjaya Teen Star Challenge Grand Finals 2018

SUSTAINABILITY STATEMENT

7. SOCIAL SUSTAINABILITY (CONTINUED)

viii. Community Support and Involvement (Continued)

Education (Continued)

Through its KRR Muffins @ School Programme, BRoasters spreads the importance of healthy living through its 'Healthy Me, Happy Me' workshops as it believes in fostering healthy eating habits from a young age. The workshops educate students on the importance of a balanced diet and what a nutritional meal is so that they can make good eating decisions.

BTSL conducts training sessions for officers from local authorities and government departments such as the Department of Environment as well as students from institutions of higher learning. BTSL also hosts site visits for non-governmental organisations (NGOs), environmentalists, stakeholders, industry players, and institutions. Since 2005, more than 12,000 visitors have visited BTSL.

Arts & Culture

In support of the preservation of local arts and culture, BCorp and its subsidiaries contributed to various arts and culture projects during the financial year under review. BCorp organised the Berjaya Teen Star Challenge ("BTSC") for the third consecutive year, conducting a series of roadshows in more than 130 secondary schools in Kuala Lumpur, Putrajaya, Selangor, Negeri Sembilan and Melaka and garnering interest from more than 10,000 students. BTSC is a platform for young aspiring performers to express their creativity through the categories of solo singing, cultural dancing, and modern dancing.

Sports Toto supported various cultural festivals during the financial year under review, such as Pesta Tanglung in Muar, Johor, Penang Chingay Parade 2017, Hungry Ghost Month Festival and the Nine Emperor God Festival.

8. HUMAN CAPITAL

BCorp centres on its guiding principles of a strong foundation and the constant synergy that exists among its diverse businesses. These pillars depict the Group's past achievements and future growth.

BCorp recognises that its employees are its most valuable asset and form the foundation of the organisation. As such, BCorp strongly believes in investing and developing its human capital to support the continued expansion and growth of the Group.

To this end, BCorp puts immense effort 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 an "Employer of Choice".

DELIVERABLES

	Attracting the Best Talents through Talent Acquisition Strategies
	Building a Talent Pipeline
	Developing a Performance Driven Culture
	Progressively Review and Improve Human Resource Policies, Work Environment and Work Systems
	Creating an Employee Engagement Culture
	Capitalising on HR Technology

i. Workplace

For BCorp to meet its strategic objectives, attracting and retaining the right people and developing their potential skills and knowledge becomes a critical aspect of its HR recruitment policy. BCorp's employment practices uphold its beliefs for fair employment, diversity and inclusion, rewarding employees appropriately and helping them to achieve their current and future career aspirations and goals through customised training and development programmes.

Talent Acquisition

BCorp 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.

In seeking proactive, talented and highly motivated individuals, BCorp's employee selection process takes into consideration the candidates' skills and experience through a competency-based interview process and online assessments to short-list the "right people for the right job", ensuring the best fit.

8. HUMAN CAPITAL (CONTINUED)

i. Workplace (Continued)

Talent Acquisition (Continued)

BCorp 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.

Talent Attraction

Berjaya's employer brand also helps to convey to internal and external talents what distinguishes the Group from its competitors. In November 2017, BCorp won a Gold Award in the prestigious "Employer of Choice" Award, conferred by the Malaysian Institute of Human Resource Management (MIHRM). Winning this award further propels the Berjaya brand to the forefront locally as well as globally.

"Striving for Excellence" – BCorp's Awards and Recognition for 2017 and 2018

- Malaysia Best Employer Brand Award 2017 – 3rd Edition
- Asia's Best Employer Brand Awards 2017 – 8th Edition
- Malaysia's 100 Leading Graduate Employers 2017
- Graduan Brand Awards 2016
- MIHRM Employer of Choice Award – Private Sector (Gold)
- MIHRM HR Leader Award 2017 – Gold
- 100 Most Influential Global HR 2018
- Malaysia Best Employer Brand Award 2018 – Hospitality Sector
- HR Leadership Award 2018 (For Excellence in HR Leadership)
- Randstad 20 Most Attractive Companies in Malaysia 2018

Diversity and Inclusion

BCorp embraces and values diversity and inclusion, leading to a better understanding of and engagement with the people it works with, the customers it serves and the communities in which it operates. Furthermore, a diverse workforce and an inclusive workplace culture are attractive to potential talents and provide the Group with a competitive edge in its talent attraction and retention initiatives.



Berjaya Hills Run on 20 April 2018

BCorp 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 workplace improvements which benefit its employees by allowing them more flexible work hours through its "Staggered Work Hours Arrangement" ("SWHA"). The Group has also renovated a nursing room, providing returning mothers a private, safe and clean environment to help them ease back to work and balance their new work-life priorities.

ii. Employee Engagement

Employee engagement is an important indicator which identifies how employees are connected to the organisation and the extent 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.

BCorp also strongly believes in driving better local communication among its business units and functional units through townhall meetings, synergy meetings and capitalising on communication channels which keep employees abreast of what is happening across the Group.

The employee engagement initiatives conducted during the year were focused on celebrating diversity, bringing together employees from varied backgrounds and levels and building camaraderie through activities that celebrate the major festivals in Malaysia, health-related activities, and sports tournaments to boost employee motivation and team work.

SUSTAINABILITY STATEMENT



Graduates of the Berjaya Advanced Leadership Development Programme 2017 with the senior management of BCorp

8. HUMAN CAPITAL

ii. Employee Engagement (Continued)

Culture of Volunteerism

BCorp strongly believes in giving back to society and fosters the spirit of volunteerism by encouraging its employees to participate in the Group's many CSR projects such as visitations and festive celebrations with the less fortunate. The Group also organises and participates in various community-based programmes and activities which aims to create awareness on health-related, environmental protection and community issues.

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, BCorp provides equal opportunity for employees to move up the career ladder. The Group believes that through continuous learning and upskilling of their competencies and knowledge, employees would be able to unleash their potential to perform better.

Talent Management

BCorp has a formal talent management framework which focuses on providing the appropriate learning and development opportunities for all employees, and especially its future leaders.

Berjaya's Talent Management Programmes focus on meeting its future talent needs and building opportunities for current talent growth. The programmes are targeted to address the following areas:

- a) 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.
- b) Building a Talent Pipeline
 - * Aims to identify key talents ready for a new role (long-term/short-term).
- c) 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

BCorp introduced its own leadership development programmes for different levels of employees – the Berjaya Advanced Leadership Programme (B.ALP), the Berjaya Manager Development Programme (B.MDP) and the Berjaya Executive Development Programme (B.EDP) with the aim of helping its employees to develop their full potential and build a successful career within the Group. During the year, a total of 72 employees graduated from these development programmes.

8. HUMAN CAPITAL (CONTINUED)

iii. Training and Development (Continued)

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

Besides development programmes, various learning programmes, lunch talks and customised training programmes were conducted throughout the year. During the year under review, in line with the Group's aim of building a high performance driven culture, 5 training sessions on Performance Management based on the Balanced Scorecard Concept were conducted for 102 employees. The Group also embarked on the implementation of an e-Appraisal system, and 24 training sessions on the e-Appraisal system were conducted for 222 employees during the year under review.

The Group's Food and Beverage Division also conducted training programmes which focused on coaching, skills training, supervisory and manager training programmes, as well as retail management and customer service programmes for each level of operations staff. As at 30 April 2018, a total of 9,657 employees from the Division participated in various training programmes.

REDtone sets an annual training target of 40 hours of training per employee. All REDtone employees are required to complete this training requisite as part of their KPI measurement. The average training hours per employee stood at 46 hours in the financial year 2018.

Apart from upskilling programmes, several cyber awareness and security talks were also conducted to educate employees to be alert of and to prevent them from becoming victims of email phishing or cyber threats and ransomware.

iv. Employee Wellbeing

BCorp 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

To inculcate a healthy lifestyle among employees and to promote health and wellness in the workplace, BCorp employees enjoy the privilege of utilising a full facility gym at a subsidised rate at Berjaya's very own fitness centre which is conveniently located at Berjaya Times Square.

Besides the fitness centre, free fitness and wellness activities are organised during lunch hour for the employees based at Corporate Office. Some of the activities organised during the year were mini bootcamp and Zumba sessions which attracted participation from about 119 employees, as well as informative health talks on various health issues and prevention measures. During the year, 5 health talks were organised and attended by 435 employees.

As for prevention and early detection of any sicknesses, BCorp 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.

Employee Benefits

As a caring employer, BCorp strives to provide better benefits and welfare to its employees. Thoughtful consideration is given to employees' needs, starting from their basic needs such as health care to their lifestyle needs such as hotel stay privileges. The Group has increased the daily room and board rate for its Group Hospitalisation and Surgical Insurance policy, and employees enjoy special staff rates for stays in the Group's hotels and resorts.



Les Mills RPM Express session 6 April 2018

SUSTAINABILITY STATEMENT



BStarbucks organised The Biggest Loser challenge to encourage its employees to live a healthy lifestyle



Body combat session on 28 February 2018

8. HUMAN CAPITAL (CONTINUED)

iv. Employee Wellbeing (Continued)

Employee Benefits (Continued)

The Group also conducts periodic surveys on staff benefits in order to enhance and align its existing benefits with employees' needs.

Staff Welfare Fund

BCorp provides 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 the residence of an employee is affected by fire or a natural disaster.

v. Employee Health and Safety

BCorp 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, BCorp promotes a proactive safety, occupational, health and environment philosophy and adopts 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, prevention of falls, emergency

preparedness, and response and training on CPR, use of a fire extinguisher, and first aid kit maintenance in the workplace.

In July 2017, a 24-hour OSHE hotline was launched at the Corporate Office to report emergencies, as well as safety, hazard and maintenance issues. During the year, a total of 49 employees from various Head Office departments were certified as First Aiders by St. John Ambulance.

The health and safety of the employees who are based at external sites are also of prime concern. At the Group's Bukit Tagar Sanitary Landfill, various measures have been implemented to ensure that the landfill site is a safe workplace for employees. These include implementation of health and safety policies, monthly site safety meetings and annual immunisation programmes for site staff. Various control measures such as Hazard Identification, Risk Assessment & Risk Control and Chemical Health Risk Assessment are also implemented in the sanitary landfill operation. The landfill project site is approved by the Department of Occupational Safety and Health.

REDtone makes it mandatory for all its field employees to undergo safety induction training before they are assigned to their respective sites. They are also required to obtain a Construction Industry Development Board Malaysia card as validation of their understanding and knowledge in the area of workplace safety. To reduce its field employees' exposure to workplace hazards, REDtone strives to ensure that they are furnished with the necessary personal protective equipment. Additionally, its safety personnel are certified by the National Institute of Occupational Safety and Health and kept up to date on the latest industry safety regulations, policies and procedures.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of Berjaya Corporation Berhad (or “the Company”) recognises the importance of corporate governance towards promoting business prosperity and corporate accountability to realise long term shareholders’ value and the interests of other stakeholders.

This Corporate Governance (“CG”) Overview Statement provides a summary of the corporate governance practices of the Company during the financial year ended 30 April 2018 (“FYE 2018”) with reference to the three (3) key Principles of good corporate practices as set out in the Malaysian Code on Corporate Governance (“MCCG”) 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 statement is prepared in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and it is to be read together with the Company’s Corporate Governance Report (“CG Report”) for FYE 2018 which is available on Bursa Securities website at www.bursamalaysia.com.

The CG Report provides the details on how the Company has applied each Practice as set out in the MCCG during the FYE 2018. The Board considers that the Company has substantially complied with the MCCG throughout FYE 2018 save for the exceptions which are fully described in the CG Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

The Board is responsible for the performance and affairs of the Company and its subsidiaries (collectively “the Group”). It also provides leadership and guidance for setting the strategic direction and the control systems of the Group. It then delegates the implementation and monitoring of these set directions and control systems to the management.

The Board has assigned the day-to-day affairs of the Group’s businesses within the various divisions to local management, comprising Managing Directors / Chief Executive Officers / Executive Directors of the main operating companies, who are accountable for the conduct and performance of their businesses within the agreed business strategies.

The Board is led by the Executive Chairman and is supported by the Chief Executive Officer (“CEO”) and other Board members with experience in a wide range of expertise and they collectively play an important role in the stewardship of the direction and operations of the Group.

The positions of Executive Chairman and the CEO are held by different individuals. The roles and responsibilities of Executive Chairman and CEO are distinct and separated to ensure that there is a balance of power and authority. The Executive Chairman is responsible for providing leadership to the Board and ensuring the smooth and effective functioning of the Board. The CEO is responsible for overseeing the day-to-day management of the Group’s businesses and implementing Board’s policies and decisions.

The Group’s Executive Directors are involved in leadership roles overseeing the day-to-day operations and management within their specific areas of expertise or assigned responsibilities. They are also responsible for implementing strategic plans and policies set by the Board and to assist CEO in discharging his duties. They represent the Company at the highest level and are decision makers on matters within their scope. They liaise frequently with the CEO (or the Managing Director as the case may be) and with each other to lead the management to drive the Company and the Group forward.

The Non-Executive Directors are not involved in the day-to-day management of the Group but contribute their particular expertise and experience in assisting the development of business strategy of the Group and to make insightful contribution to the Board’s deliberations. They also assist and ensure the Board adopts a good corporate governance practice within the group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Board Committees

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

- Audit Committee
- Nomination Committee
- Remuneration Committee
- Risk Management Committee
- Sustainability Committee

These Committees play a significant part in reviewing matters within each Committee's Terms of Reference ("TOR") and facilitating the Board's discharge of its duties and responsibilities. Each of these Committees has specific TOR, scope and specific authorities to review matters and report to the Board with their recommendations. The Board may also 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 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 TOR 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.

In order to discharge their roles effectively, the Company Secretaries have been continuously attending the necessary trainings programmes, conferences, seminars and/or forums so as to keep themselves abreast with the latest developments in corporate governance realm and changes in 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 meets 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 that require 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.

In the intervals between Board meetings, any matters requiring urgent Board decisions or approvals will be sought via circular resolutions of the Directors and these are supported with all the relevant information and explanations required for an informed decision to be made.

Prior to the Board and Committee Meetings, the Directors will be provided with the relevant agenda and Board papers five (5) business days' notice or such shorter period as agreed by the Board 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 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Board Meeting and Meeting Materials (continued)

Further, 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, Board Committees and individual Directors.

The Board Charter is subject to review by the Board annually to ensure that it remains consistent with the Board's roles and responsibilities as well as the prevailing legislation and practices. The Board Charter 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 serves as an internal disclosing channel in relation to whistleblowing at work place which enable employees 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

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

d) Whistleblowing Policy and Procedures (continued)

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

The Whistleblowing Policy 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 sustainable long term balance between meeting its business goals, preserving the environment to sustain the ecosystem and improving the welfare of its employees and the communities in which it operates. The Group's efforts in this regard have been set out in the Sustainability Statement in this Annual Report.

Board Composition

The current 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 of the Company currently has ten (10) members comprising the Executive Chairman, CEO, four (4) Executive Directors, three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The profiles of each of the Directors are set out on pages 3 to 7 of the Annual Report.

The present composition of the Board is in compliance with Chapter 15.02 of the Listing Requirements of Bursa Securities which requires at least one third (1/3) of the Board members of a listed issuer to be Independent Directors. However, the Company is not in compliance with Practice 4.1 of the MCCG as the Board does not have a composition which comprises of 50% Independent Directors.

The presence of the Independent Directors, though not forming half (50%) of the Board members, is sufficient to provide the necessary checks and balances on the decision making process of the Board. 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. They are able to carry out their duties and responsibilities and to provide an unfettered and unbiased independent judgement.

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 take the necessary measures towards promoting a corporate culture that embraces gender diversity in the Boardroom.

Furthermore, 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Boardroom Diversity (continued)

The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace 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 five (5) female Directors namely, Ms Vivienne Cheng Chi Fan, Dato' Zurainah Binti Musa, Ms Nerine Tan Sheik Ping, Dr Jayanthi Naidu A/P G. Danasamy and Ms Penelope Gan Paik Ling and they represent 50% of the total Board members. They are part of the Board's gender diversity that serves to bring value to the Board discussions from different perspectives and approaches of the female Directors.

The Board Diversity Policy of the Company 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 FYE 2018, the Board met five (5) times and the attendances of the Directors at the Board meetings were as follows:-

Directors	Attendance
Tan Sri Dato' Seri Tan Chee Yioun (Executive Chairman)	2/2**
Dato' Sri Robin Tan Yeong Ching (CEO)	4/5
Vivienne Cheng Chi Fan	5/5
Dato' Sri Azlan Meah Bin Hj Ahmed Meah	5/5
Dato' Zurainah Binti Musa	5/5
Nerine Tan Sheik Ping	4/5
Chan Kien Sing	5/5
Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar #	5/5 ***
Datuk Robert Yong Kuen Loke #	5/5
Datuk Mohd Zain Bin Ahmad #	5/5^
Dr Jayanthi Naidu A/P G. Danasamy #	4/5
Penelope Gan Paik Ling #	@

** Reflects the attendance and the number of meetings held during the financial year since the Director held office.

@ Ms Penelope Gan Paik Ling was appointed as an Independent Non-Executive Director of the Company on 30 March 2018. There was no Board Meeting held subsequent to the date of her appointment up to 30 April 2018.

Denotes Independent Non-Executive Director.

^ During the financial year, Datuk Mohd Zain Bin Ahmad resigned as an Independent Non-Executive Director of the Company on 18 April 2018.

*** Subsequent to the FYE 2018, Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar resigned as an Independent Non-Executive Director of the Company on 28 June 2018.

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Directors' Training

All the Directors of the Company including the newly appointed Directors, have completed the Mandatory Accreditation Programme as required by Bursa Securities. The Board and/or the Directors individually will, on a continuous basis, evaluate and determine their respective training needs to assist them in the discharge of their duties as Directors.

The Board believes that continuous training for Directors is vital for the Board members to enhance their skills and knowledge and to enable them to discharge their duties effectively. As such, the Directors will continuously attend the necessary training programmes, conferences, seminars and/or forums so as to keep abreast with the current developments in the various industries as well as the current changes in laws and regulatory requirements.

During the year, the seminars and conferences attended by the Directors were as follows:-

Directors	Seminars / Conferences / Forum
Tan Sri Dato' Seri Vincent Tan Chee Yioun (TSVT)*	- Four Seasons Global Partner meeting in Seoul
Dato' Sri Robin Tan Yeong Ching	- Forbes Asia Forum: The Next Tycoons – A Generation Emerges - Corporate Governance Briefing Session: MCCG Reporting & CG Guide
Vivienne Cheng Chi Fan	- Invest Malaysia 2017- The Capital Market Conversation - Global Treasury Economic & Product Update - Khazanah Megatrend Forum 2017 – Cerebrum X Algorithm - Women Power Talk 2017– Advancing U Through Media
Dato' Sri Azlan Meah Bin Hj Ahmed Meah	- SDG Business Summit 2017- Business as a Force for Good. The Role of the Private Sector in Achieving the Sustainable Development Goals - CFA Society Malaysia Talk 2018
Dato' Zurainah Binti Musa	- Fraud Risk Management Workshop
Nerine Tan Sheik Ping	- Corporate governance breakfast series: Thought leadership session for Directors: "Leading Change @ The Brain"
Chan Kien Sing	- MIA International Accountants Conference 2017
Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar (DMY)**	- Audit Committee Institute Breakfast Roundtable 2018
Datuk Robert Yong Kuen Loke	- He kept himself abreast with the latest development on the various magazines and journals and serving as a council and executive committee member of the Malaysian Institute of Certified Public Accountants.
Dr Jayanthi Naidu A/P G. Danasamy	- Corporate Governance Briefing Session: MCCG Reporting & CG Guide
Penelope Gan Paik Ling***	- The Companies Act 2016: Post Implementation Challenges, New Corporate Rescue Mechanism Rules 2018 & Malaysian Code of Corporate Governance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Directors' Training (continued)

Notes:

- * TSVT was appointed as the Executive Chairman on 1 November 2017.
- ** DMY has resigned as an Independent Non-Executive Director of the Company on 28 June 2018.
- *** Ms Penelope Gan was appointed as an Independent Non-Executive Director of the Company on 30 March 2018.

Appointment to the Board

Subsequent to the FYE 2018, changes to the composition of the Nomination Committee were made, whereby Datuk Robert Yong Kuen Loke was re-designated as the Chairman of the Nomination Committee following the resignation of Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar as a Director of the Company on 28 June 2018. Further, Dr Jayanthi Naidu A/P G. Danasamy and Ms Penelope Gan Paik Ling were also appointed as members of the Nomination Committee on 28 June 2018.

The members of the Nomination Committee, which comprises exclusively of Independent Non-Executive Directors, as at the date of this Statement are as follows:-

Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar (Resigned on 28 June 2018)	- Chairman/ Senior Independent Non-Executive Director
Datuk Robert Yong Kuen Loke (Re-designated on 28 June 2018)	- Chairman/ Senior Independent Non-Executive Director
Dr Jayanthi Naidu A/P G. Danasamy (Appointed on 28 June 2018)	- Member/ Independent Non-Executive Director
Penelope Gan Paik Ling (Appointed on 28 June 2018)	- Member/ Independent Non-Executive Director

Datuk Robert Yong Kuen Loke 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 Nomination Committee are set out in its TOR which is available on the Company's website at www.berjaya.com.

The Board delegates to the Nomination Committee the responsibility of recommending the appointment of any new Director. The Nomination Committee is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous and also appointments are made on merits.

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

1. The candidate is identified upon the recommendation by the existing Directors, Senior Management staff, major shareholders and/or other independent source such as external consultants;
2. In evaluating the suitability of candidates to the Board, the Nomination Committee 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 candidate's independence;
3. Recommendation to be made by Nomination Committee 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Annual Assessment

The Nomination Committee 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 Securities. The evaluation process also involved a peer and self-review assessment, where Directors will assess their own performance and that of their fellow Directors. These assessments and comments by all Directors were summarised and discussed at the Nomination Committee meeting which were then reported to the Board at the Board Meeting held thereafter. All assessments and evaluations carried out by the Nomination Committee in the discharge of its duties are properly documented.

During the FYE 2018, the Nomination Committee has carried out the following activities:-

- recommended to the Board the appointment of new Directors, namely Tan Sri Dato' Seri Vincent Tan Chee Yioun as Director and Executive Chairman and Ms Penelope Gan Paik Ling as an Independent Director;
- reviewed and assessed the mix of skills, expertise, composition, size and experience of the Board;
- reviewed and assessed the performance of each individual Director, independence of the Independent Directors, effectiveness of the Board and Board Committees;
- reviewed the performance of the Audit Committee and its members;
- recommended to the Board, the Directors who are retiring and being eligible, for re-election;
- recommended to the Board, the retention of Independent Directors; and
- reviewed the Board Diversity Policy.

Re-election of Directors

The Nomination Committee 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.

Article 94 of the Company's Articles of Association provides that at least one-third of the Directors are subject to retirement by rotation at each AGM and that all Directors shall retire once in every three years, and are eligible to offer themselves for re-election. Further, Article 100 of the Company's Articles of Association also provides that a Director who is appointed during the year shall be subject to re-election at the next AGM to be held following his appointment.

The Nomination Committee 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 AGM of the Company, the following Directors are due for retirement and are eligible for re-election pursuant to Article 94 and Article 100 of the Company's Articles of Association are as follows:-

Directors	Retiring pursuant to
i) Dato' Sri Robin Tan Yeong Ching	Article 94
ii) Dato' Zurainah Binti Musa	Article 94
iii) Chan Kien Sing	Article 94
iv) Dr Jayanthi Naidu A/P G. Danasamy	Article 94
v) Tan Sri Dato' Seri Vincent Tan Chee Yioun (Appointed on 1 November 2017)	Article 100
vi) Penelope Gan Paik Ling (Appointed on 30 March 2018)	Article 100

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Tenure of Independent Directors

The tenure of an Independent Director shall not exceed a cumulative term of twelve (12) years. However, the retention of Independent Directors who have served a cumulative term of nine (9) years shall be subject to annual shareholders' approval in line with the best practice of MCGG.

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 on Board deliberations and decision making.

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 judgment 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 Nomination Committee, has assessed the Independence of its Independent Non-Executive Directors on an annual basis based on criteria set out in the Main Market Listing Requirements of Bursa Securities.

The current Independent Directors of the Company namely, Datuk Robert Yong Kuen Loke, Dr Jayanthi Naidu A/P G. Danasamy and Penelope Gan Paik Ling have fulfilled the criteria of "independence" as prescribed under Chapter 1 of the Main Market Listing Requirements of Bursa Securities. None of the Independent Directors have served the Board for a term of more than nine (9) years.

Remuneration policies and procedures

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

Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar (Resigned on 28 June 2018)	- Chairman/ Senior Independent Non-Executive Director
Datuk Robert Yong Kuen Loke (Appointed on 28 June 2018)	- Chairman/ Senior Independent Non-Executive Director
Dato' Sri Robin Tan Yeong Ching	- Member/ Chief Executive Officer
Dr Jayanthi Naidu A/P G. Danasamy (Appointed on 28 June 2018)	- Member/ Independent Non-Executive Director
Penelope Gan Paik Ling (Appointed on 28 June 2018)	- Member/ Independent Non-Executive Director

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

The Board has in place a Remuneration Policy that supports 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 Remuneration Policy has been reviewed by the Remuneration Committee and approved by the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

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 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 so as 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 Directors' fees and other benefits payable to Non-Executive Directors on a yearly basis to the shareholders for approval at the Annual General Meeting 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 the Directors' remuneration paid or payable to all Directors of the Company (both by the Company and the Group) and categorized into appropriate components for the FYE 2018 were as follows:-

a) Individual Directors on a named basis

Company

	< ----- RM'000 ----- >					
	Fees	Salaries	Bonus	Benefits in-kind	Other Emoluments	Total
<u>Executive</u>						
Tan Sri Dato' Seri Vincent Tan Chee Yioun ^a	—	—	—	—	—	—
Dato' Sri Robin Tan Yeong Ching	—	—	—	—	—	—
Vivienne Cheng Chi Fan	—	339	56	25	76	496
Dato' Sri Azlan Meah Bin Hj Ahmad Meah	—	84	7	21	11	123
Dato' Zurainah Binti Musa	—	360	30	25	47	462
Nerine Tan Sheik Ping	—	—	—	—	—	—
<u>Non-Executive</u>						
Chan Kien Sing	48	—	6	20	86	160
Datuk Robert Yong Kuen Loke	48	—	—	—	13	61
Dr Jayanthi Naidu A/P G. Danasamy	48	—	—	—	5	53
Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar ^b	48	—	—	—	16	64
Penelope Gan Paik Ling ^c	4	—	—	—	—	4
Datuk Mohd Zain Bin Ahmad ^d	46	—	—	—	14	60
	242	783	99	91	268	1,483

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

a) Individual Directors on a named basis (continued)

Group

	RM'000					
	Fees	Salaries	Bonus	Benefits in-kind	Other Emoluments	Total
Executive						
Tan Sri Dato' Seri Vincent Tan Chee Yioun ^a	–	9,000	–	195	1,350	10,545
Dato' Sri Robin Tan Yeong Ching	–	2,896	496	279	3,451	7,122
Vivienne Cheng Chi Fan	–	1,607	264	25	357	2,253
Dato' Sri Azlan Meah Bin Hj Ahmad Meah	–	861	81	21	311	1,274
Dato' Zurainah Binti Musa	–	1,080	90	25	142	1,337
Nerine Tan Sheik Ping	–	960	225	14	143	1,342
Non-Executive						
Chan Kien Sing	48	–	26	20	362	456
Datuk Robert Yong Kuen Loke	129	–	13	18	203	363
Dr Jayanthi Naidu A/P G. Danasamy	48	–	–	–	5	53
Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar ^b	48	–	–	–	16	64
Penelope Gan Paik Ling ^c	4	–	–	–	–	4
Datuk Mohd Zain Bin Ahmad ^d	46	–	–	–	14	60
	323	16,404	1,195	597	6,354	24,873

Notes:

- a Appointed as the Executive Chairman on 1 November 2017.
- b Resigned as an Independent Non-Executive Director of the Company on 28 June 2018.
- c Appointed as an Independent Non-Executive Director of the Company on 30 March 2018.
- d Resigned as an Independent Director on 18 April 2018.

b) The remuneration of top five (5) Key Senior Management in bands of RM50,000 on an aggregate basis

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

Number of Key Senior Management		
RM1,200,001	-	RM1,250,000
RM1,450,001	-	RM1,500,000
RM1,500,001	-	RM1,550,000
RM1,700,001	-	RM1,750,000
RM1,800,001	-	RM1,850,000
		5

Although the MCCG has recommended that the Company should disclose on a named basis, the detailed remuneration of the top five (5) Senior Management, the Board has opined that it is inappropriate to make such disclosure on the remuneration of Senior Management due to sensitivity of the remuneration package, privacy, security and issue of staff poaching.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Audit Committee ("AC") is established by the Board and comprises three (3) members, all of whom are Independent Non-Executive Directors. The members of AC are as follows:-

Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar (Resigned on 28 June 2018)	- Chairman/ Senior Independent Non-Executive Director
Datuk Robert Yong Kuen Loke (Re-designated on 28 June 2018)	- Chairman/ Senior Independent Non-Executive Director
Dr Jayanthi Naidu A/P G. Danasamy (Appointed on 28 June 2018)	- Member/ Independent Non-Executive Director
Penelope Gan Paik Ling (Appointed on 28 June 2018)	- Member/ Independent Non-Executive Director

The Chairman of AC 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 AC are set out in its TOR approved by the Board and is available on the Company's website at www.berjaya.com.

Collectively, the members of the AC possess a mix of skills, knowledge and experience to enable them to discharge their duties and responsibilities pursuant to the TOR of the AC. In addition, the AC members are financially literate and are able to understand, analyse and challenge matters under the purview of the AC including the financial reporting process.

The Board is assisted by the AC 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 ("CA 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 and Company's financial performance and prospects and ensure that the financial statements reviewed and recommended by the AC for Board's approval are prepared in accordance with the provisions of the CA 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.

A statement by the Directors of their responsibilities in the preparation of financial statements is set out in the ensuing section.

In addition, the AC 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, AC 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. An AC Report detailing its composition and a summary of activities during the financial year is set out on pages 75 to 79 of this Annual Report.

The performance of the AC is reviewed annually by the Nomination Committee. 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 AC meetings.

Based on the evaluation, the Nomination Committee concluded that the AC has been effective in its performance and has carried out its duties in accordance with its TOR during the FYE 2018

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

Assessment of External Auditors

The Board maintains a transparent and professional relationship with the External Auditors through the AC. Under the existing practice, the AC 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 AC also have private meetings with the External Auditors without the presence of the Chief Financial Officer and Senior Management to enable exchange of views on issues requiring attention.

The AC has adopted an External Auditors Policy ("EA Policy") which outlines the policies and procedures for the AC 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 AC 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 (2) years before they can be considered for appointment as a member of the AC and/or the Board.

The Board has delegated to the AC 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 year.

To support the AC's assessment of their independence, the External Auditors will provide the AC 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 AC 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 AC of the Company.

The AC 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 and 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 as well as technical advisory fees in preparation for adopting of new accounting standards.

During the financial year, the amount of statutory audit and non-audit fees paid/payable to the External Auditors by the Company and the Group respectively for the FYE 2018 were as follows:-

	Company		Group	
	FYE2018 RM'000	FYE2017 RM'000	FYE2018 RM'000	FYE2017 RM'000
Statutory audit fees paid/payable to:-				
-Ernst & Young ("EY") Malaysia	150	150	4,676	4,757
-Affiliates of EY Malaysia	—	—	1,867	1,909
Total (a)	150	150	6,543	6,666
Non-audit fees paid/payable to:-				
-EY Malaysia	292	292	1,605	1,611
-Affiliates of EY Malaysia	—	—	290	294
Total (b)	292	292	1,895	1,905
% of non-audit fees (b/a)	195	195	29	29

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

Assessment of External Auditors (continued)

Upon completion of the assessment, the AC will make recommendation for re-appointment of the External Auditors to the Board. The proposed appointment will be subject to shareholders' approval at the AGM.

The details of the AC's functions are set out in the AC Report on pages 75 to 79 of this annual report.

Risk Management and Internal Control Framework

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 are 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.

To assist the Board in maintaining a sound system of internal control for the purposes of safeguarding the Company's assets and the shareholders' investments, the Group has in place, an adequately resourced internal audit department. The activities of this department which reports regularly to the AC 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 Risk Management Committee currently comprises a majority of Independent Directors as follows:-

Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar (Resigned on 28 June 2018)	- Chairman/ Senior Independent Non-Executive Director
Datuk Robert Yong Kuen Loke (Re-designated on 28 June 2018)	- Chairman/ Senior Independent Non-Executive Director
Vivienne Cheng Chi Fan	- Member/ Executive Director
Nerine Tan Sheik Ping	- Member/ Executive Director
Dr Jayanthi Naidu A/P G. Danasamy (Appointed on 28 June 2018)	- Member/ Independent Non-Executive Director
Penelope Gan Paik Ling (Appointed on 28 June 2018)	- Member/ 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 72 to 74 of the Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Communication with Stakeholders

The Company strives to maintain an open and 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, TOR 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, the CEO and the Chief Financial Officer will respond to shareholders' questions at the AGM. The Executive Directors and other Directors 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 a better understanding and evaluation of issues involved.

Poll Voting

All the resolutions passed by the shareholders at the previous AGM held on 26 October 2017 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 15 August 2018.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“the Board”) of Berjaya Corporation Berhad (‘BCorp’ 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 BCorp recognises that the Board 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 subsidiaries of the Group.

The Group’s system of internal control is designed to manage the principal business risks that may impede the Group from achieving its business objectives. Due to the limitations that are inherent in any system of internal control, the Group’s internal control system cannot completely eliminate the risk of failure to achieve its business objectives. The system can only provide reasonable assurance against material misstatement or loss.

The Board has undertaken a review of the adequacy and effectiveness of the risk management and internal control system and concluded that the risk management and internal control system is adequate and effective. Further, the Board has obtained assurance from the Chief Executive Officer and Chief Financial Officer that the Group’s risk management and internal control system is operating adequately and effectively, in all material aspects.

MANAGEMENT STYLE AND CONTROL CONSCIOUSNESS

The Group is involved in various business interests. These business interests are operated by the subsidiaries of the Group. Management of the day-to-day affairs of the Group’s various subsidiaries are assigned to local management, comprising Managing Directors / Chief Executive Officers / Executive Directors of the main operating companies, who are accountable for the conduct and performance of their subsidiaries within agreed business strategies. Local management sits at various management and operations meetings, and review financial and operations reports, in order to monitor the performance and profitability of the business of their respective subsidiaries. Paramount to this process is the role played by the Group’s Executive Directors and senior management personnel who, by virtue of their presence on the Boards of both listed and unlisted subsidiaries of the Group, supervise the subsidiaries’ activities, and regularly update the Boards of the respective listed and unlisted subsidiaries of the Group.

The Group also prides itself with its ‘open-door’ and ‘hands-on’ approach, practised by the Executive Directors, senior management and executives of the Group. This culture allows for any matters arising to be promptly and efficiently dealt with, drawing from the experience and knowledge of employees throughout the Group.

The above monitoring and reporting processes present the platform for the timely identification of the Group’s principal business risks, as well as systems to manage them. The Group also has in place various support functions, such as secretarial, legal, tax, treasury, human resource, communication, procuring, investing, accounting and internal auditing, and these support functions are centralised at BCorp. The centralisation of the support functions is intended to maintain consistency in the setting and application of policies and procedures relating to these functions, and reduce duplication of efforts, thereby providing synergy to the Group.

The Board does not regularly review the internal control system of its associated companies and joint ventures, as the Board does not have any direct control over their operations. The Group’s interests are served through representations on the boards of the respective associated companies and joint ventures and the review of their management accounts, and enquiries thereon. These representatives also provide the Board with information and timely decision-making on the continuity of the Group’s investments based on the performance of the associated companies and joint ventures.

INTERNAL CONTROL PROCESSES

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

- The business 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 (“AC”) for approval.
- The internal auditors perform the audit and present their audit reports to the AC, highlighting any shortcomings by the business units in implementing the controls and the remedial procedures implemented by the business units.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ASSURANCE MECHANISM

The Board has assigned the AC with the duty of reviewing and monitoring the effectiveness of the Group's system of internal control. The AC receives reports from the internal auditors.

The internal auditors of the Group furnish the AC with reports from visits conducted at various unlisted subsidiaries. The internal audit of the subsidiaries and business units of the respective listed subsidiaries are conducted regularly and the internal audit reports are presented directly to the ACs of the respective listed subsidiaries.

The Board also reviews the minutes of the meetings of the AC. The Report of the AC is set out on Pages 75 to 79 of the Annual Report.

KEY FEATURES OF THE INTERNAL CONTROL SYSTEM

The Group has an extensive system of internal control that enables the management to ensure that established policies, guidelines and procedures are followed and complied with. Some key features of BCorp's system of internal control, include:-

1. Clear organisation structure with delineated reporting lines
2. Defined levels of authority
3. Capable workforce with ongoing training efforts
4. Centralised human resource function which outlines procedures for recruitment, training, appraisal and the reward system
5. Timely financial and operations reports
6. Scheduled operations and management meetings
7. Centralised procurement function that ensures approval procedures are adhered to, as well as to leverage on the Group's purchasing power
8. Payment functions controlled at Head office
9. Regular visits to the operating units of the Group's businesses by the Executive Directors and senior management personnel
10. Independent assurance on the system of internal control from regular internal audit visits

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.

RISK MANAGEMENT

In line with the Malaysian Code of Corporate Governance, and as part of the Company's plans to further enhance the Group's system of internal control, it has established a Risk Management Committee ("RMC"). The Board entrusts the RMC with the overall responsibility to regularly review and monitor the risk management activities of the Group, in accordance with the Internal Control Guidance, and to approve appropriate risk management procedures and measurement methodologies. The members of the RMC are Datuk Robert Yong Kuen Loke (Chairman), Vivienne Cheng Chi Fan, Nerine Tan Sheik Ping, Dr Jayanthi Naidu A/P G. Danasamy and Penelope Gan Paik Ling.

The RMC terms of reference include, inter alia:-

- To ensure that the strategic context of the 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 ensure alignment and coordination of assurance activity across the organisation
- To act as steering committee for the group wide risk management programme

For the financial year ended 30 April 2018, the Risk Management Committee held four meetings where it reviewed and evaluated the adequacy of risk management activities of various unlisted operating subsidiary companies (i.e. RU Café Sdn Bhd, Berjaya HR Café Ltd, BLoyalty Sdn Bhd, Berjaya Pharmacy Sdn Bhd and Berjaya Pharmacy Retail Sdn Bhd), and recommended certain measures to be adopted to mitigate their business risk exposures.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT PROCESS

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.

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 (previously the Recommended Practice Guide 5 (Revised 2015), Guidance for Auditors on Engagements to Report on the SRMIC included in the Annual Report issued by the Malaysian Institute of Accountants), for the year ended 30 April 2018, 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 recognises the need for the system to continuously evolve to support the types of businesses 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 2018

The Board of Directors of Berjaya Corporation Berhad ("BCorporation") is pleased to present the report of the Audit Committee for the financial year ended 30 April 2018.

AUDIT COMMITTEE MEMBERS AND MEETING ATTENDANCES

The members of the Audit Committee ("AC") during the financial year and up to the date of this AC report are as follows:-

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

Dr Jayanthi Naidu A/P G. Danasamy
Independent Non-Executive Director

Penelope Gan Paik Ling
Independent Non-Executive Director

Subsequent to the financial year ended 30 April 2018, Datuk Robert Yong Kuen Loke was re-designated as the Chairman of AC following the resignation of Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar as a Director of the Company on 28 June 2018. In addition, Dr Jayanthi Naidu A/P G. Danasamy and Ms Penelope Gan Paik Ling were appointed as members of AC on 28 June 2018.

The AC held five (5) meetings during the financial year ended 30 April 2018. The details of attendance of the AC members are as follows:-

Directors	Attendance
Datuk Robert Yong Kuen Loke ¹	5/5
Dr Jayanthi Naidu A/P G. Danasamy *	*
Penelope Gan Paik Ling *	*
Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar ²	5/5
Datuk Mohd Zain Bin Ahmad ³	5/5

¹ Datuk Robert Yong Kuen Loke was re-designated as the Chairman of AC on 28 June 2018 following the resignation of Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar as a Director of the Company on 28 June 2018.

² Subsequent to the financial year ended 30 April 2018, Dato' Hj Md Yusoff @ Mohd Yusoff Bin Jaafar ceased to be a member of AC of the Company following his resignation as a Director of the Company on 28 June 2018.

³ During the financial year ended 30 April 2018, Datuk Mohd Zain Bin Ahmad had ceased to be a member of AC of the Company following his resignation as a Director of the Company on 18 April 2018.

* Subsequent to the financial year ended 30 April 2018, Dr Jayanthi Naidu A/P Danasamy and Penelope Gan Paik Ling were appointed as members of AC with effect from 28 June 2018.

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

The General Manager - Group Internal Audit and the Chief Financial Officer of the Company were also invited to attend the AC Meetings. The External Auditors were also invited to attend three (3) of these meetings. The AC members 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 was 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.

AUDIT COMMITTEE REPORT 2018

SUMMARY OF ACTIVITIES AND WORK OF THE AUDIT COMMITTEE

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

In discharging its duties and responsibilities, the AC had undertaken the following activities and work during the financial year ended 30 April 2018:-

1) 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	Review of Quarterly Financial Statements
29 June 2017	Fourth quarter results as well as the unaudited results of the Group for financial year ended 30 April 2017
28 September 2017	First quarter results for financial year ended 30 April 2018
28 December 2017	Second quarter results for financial year ended 30 April 2018
30 March 2018	Third quarter results for financial year ended 30 April 2018

The above review is to ensure that the Company'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 ("MFRS") 134 - Interim Financial Reporting Standards in Malaysia and International Accounting Standards ("IAS") 34 - Interim Financial Reporting as well as applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

- (b) Reviewed and made recommendations to the Board for approval in respect of the audited financial statements of the Company and the Group for the financial year ended 30 April 2017 at its meeting held on 3 August 2017 and to ensure that it presented a true and fair view of the Company's financial position and performance for the year and it is in compliance with all disclosure and regulatory requirements. Prior to that, the AC had reviewed the status report on the Audit Plan for financial year ended 30 April 2017 prepared by the External Auditors at the meeting held on 29 June 2017.
- (c) Considered and reviewed the integrity of information in the financial statements and quarterly reports, focus particularly on any changes in accounting policies and practices, significant adjustments resulting from the audit, going concern assumption, completeness of disclosures and compliance with accounting standards.

2) External Audit

- (a) Evaluated the performance of the External Auditors for the financial year ended 30 April 2017 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 AC, having been satisfied with the independence, suitability and performance of Messrs Ernst & Young ("EY"), recommended to the Board, the re-appointment of EY as External Auditors for the ensuing financial year of 30 April 2018 at its meeting held on 3 August 2017 for approval.
- (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 AC also had a private discussion with the External Auditors on 3 August 2017 without the presence of Management to review on the issues relating to financial controls, operational efficiencies and material litigations involving its subsidiaries.
- (c) Reviewed with the External Auditors at the meeting held on 30 March 2018, their audit plan for the financial year ending 30 April 2018, outlining the audit scope, methodology and timetable, audit materiality, areas of audit emphasis, fraud considerations and the risk of management override, Financial reporting developments and prior year key audit matters.

SUMMARY OF ACTIVITIES AND WORK OF THE AC (CONTINUED)

3) Internal Audit

- (a) Reviewed sixteen (16) Internal Audit reports on various non-listed operating subsidiaries of the Group that are involved in the different activities such as:-
- (i) Provision of mobile digital media.
 - (ii) Treatment of waste, operation and maintenance of sanitary landfill and construction activities.
 - (iii) Generation and sale of electricity.
 - (iv) Production of alternative raw material and alternative fuel from recycling industrial wastes.
 - (v) To operate a chain of bookstores.
 - (vi) Dealers in organic food.
 - (vii) Development and operation of the “Krispy Kreme Doughnuts” chain of doughnuts stores in Malaysia and “RASA UTARA” chain of restaurants in Malaysia.
 - (viii) Printing.
 - (ix) Production and selling of motor vehicles.
 - (x) Managing customers loyalty schemes, maintain customers’ databases and to provide information services to customers in respect of loyalty points and/or rewards.
 - (xi) Provision of marketing services and to grant franchises to operate restaurants under the “Kenny Rogers Roasters” name and related trademarks in Malaysia only.
 - (xii) Investment holding and operating a private university college.
 - (xiii) To provide logistics, warehousing, transportation and courier services.

The AC reviewed the Internal Audit reports which covered the following areas:-

- (1) Sales & Marketing
- (2) Product/Operation
- (3) Finance
- (4) Information Technology
- (5) Landfill Operations
- (6) Safety, Security and Health
- (7) Purchasing
- (8) Warehouse Operations
- (9) Production and Quality Assurance
- (10) Human Resources
- (11) After Sales Services
- (12) Inventory Management
- (13) Franchise Operations
- (14) Educational Issues
- (15) Restaurant Operations

The AC also reviewed the audit findings and recommendations to improve any weaknesses or non-compliance, and the respective Management’s responses thereto. The Internal Audit monitored the implementation of Management action plan on outstanding issues through follow up reports to ensure that all key risks and control weaknesses are being properly addressed.

- (b) Reviewed and approved the Internal Audit Plan for financial year ending 30 April 2019 to ensure there is adequate scope and comprehensive coverage over the activities of the non-listed operating subsidiaries in the Group and that all the risk areas are audited annually.

AUDIT COMMITTEE REPORT 2018

SUMMARY OF ACTIVITIES AND WORK OF THE AC (CONTINUED)

4) Recurrent Related Party Transactions

- (a) Reviewed the Circular to Shareholders in connection with the Recurrent Related Party Transactions ("RRPT") 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 RRPT includes inter-alia the following:-

- (i) The transactions 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 RRPT for the Group;
- (iii) Records of the RRPT will be retained and compiled by the Group accountant for submission to the AC for review;

The AC is to provide a statement that it has reviewed the terms of the RRPT 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;

- (iv) Directors who have any interest in any RRPT shall abstain from Board deliberations and voting and will ensure that they and any Person(s) 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;
- (v) The AC also reviewed the procedures and processes with regards to the RRPT on a half yearly basis to ensure that the transactions are within the approved mandate;
- (vi) Directors who have any interests in any RRPT 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 RRPT during the financial year, amongst others, based on the following information:-
 - (a) the type of the RRPT made; and
 - (b) the names of the Related Parties involved in each type of the RRPT made and their relationships with the Group.

5) Other activities

- (a) Reviewed and recommended to the Board for approval, the AC Report, Statement of Corporate Governance and Statement on Risk Management and Internal Control for inclusion in the 2017 Annual Report.
- (b) Reviewed and took note of the changes and amendments to the Companies Act 2016, the new Malaysian Code of Corporate Governance ("MCCG"), Malaysian Financial Reporting Standards and other regulatory requirements tabled by the Company Secretary and External Auditors.
- (c) Reviewed the analysis of the MCCG prepared by the Company Secretary on the Practices of the MCCG which related to the roles and responsibilities of the AC in carrying out their duties in preparing the Corporate Governance Report and the action plan to improve the gap of the Practices of MCCG.
- (d) Reviewed and approved the External Auditors Policy of the Company which encompassed the appointment of External Auditors, assessment of External Auditors, independence of the External Auditors, non-audit services, annual reporting, rotation of external audit engagement partner and appointment of a former key audit partner as member of AC and/or Director in order to govern the assessment and monitor the External Auditors.

5) Other activities (continued)

- (e) Reviewed and recommended to the Board for approval the revised Terms of Reference of the AC following the amendments to the Listing Requirements of Bursa Malaysia Securities Berhad which took effect on 2 January 2018 and the MCCG as follows:-
- (i) Inclusion of a statement that requires a former audit partner to observe a two-year cooling-off period before being appointed as a member of AC;
 - (ii) Inclusion of responsibilities of the Chairman of the AC; and
 - (iii) Enhancement of authority and duties of the AC.

In discharging the above duties and responsibilities of AC effectively, the AC had undertaken continuous professional development by having attended various seminars, training programs and conferences during the financial year. They were also briefed by the External Auditors of the latest accounting and audit standards applicable to the Group and topics on changes in regulatory environment. The list of training attended is disclosed in the Corporate Governance Overview Statement as set out in this Annual Report.

SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION

The Group has an established Internal Audit Division whose primary function is to assist the AC in discharging its duties and responsibilities. Their role is to provide the Committee with independent and objective reports on the adequacy and effectiveness of the system of internal controls and procedures in the operating units within the Group and the extent of compliance with the Group's established policies, procedures and guidelines, and also compliance with applicable laws, regulations, directives and other external enforced compliance requirements.

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 principal activity of the Internal Audit Division is to conduct regular and systematic review of the system of internal controls so as to provide reasonable assurance that the system continues to operate satisfactorily and effectively.

For the financial year under review, the Internal Audit Division conducted audit assignments on various operating units in the Group involved in lifestyle restaurants and franchising business, automobile distribution, sales of spare parts and workshop services, printing, customer loyalty programme, logistic/transportation, Berjaya University College, distribution and retailing of pharmaceutical/non-pharmaceutical and organics products, operation of book stores, sanitary landfill, generation and sales of electricity, recycling industrial waste and manufacturing/trading of industrial/household cleaning products.

The activities undertaken by the Internal Audit Division during the financial year ended 30 April 2018 included the following:-

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

The cost incurred for the Group's Internal Audit function in respect of the financial year ended 30 April 2018 was approximately RM2,789,783.

TERMS OF REFERENCE OF AC

The Terms of Reference of the AC 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 the Company at the end of each financial year and of their results and cash flows for the financial 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 Company and to prevent and detect other irregularities.

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DIRECTORS' REPORT

The directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2018.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, provision of management services and lottery operations.

The principal activities of the subsidiary companies consist of:

- (i) Financial services;
- (ii) Marketing of consumer products and services;
- (iii) Motor trading and distribution and provision of after-sales services;
- (iv) Environmental and clean technology services;
- (v) Food and beverage;
- (vi) Property development and investment;
- (vii) Development and operation of hotels, resorts and other recreational activities;
- (viii) Gaming operations comprising lottery operations, Toto betting, leasing of online lottery equipment, provision of software support and the manufacture and distribution of computerised lottery and voting systems;
- (ix) Telecommunication and information technology related services, solutions and products; and
- (x) Investment holding and others.

RESULTS

	Group RM'000	Company RM'000
Loss for the year	<u>(365,856)</u>	<u>(188)</u>
Attributable to:		
Owners of the parent	(370,203)	(188)
Non-controlling interests	<u>4,347</u>	<u>-</u>
	<u>(365,856)</u>	<u>(188)</u>

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

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in Note 33 to the financial statements.

DIRECTORS' REPORT

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors do not recommend the payment of any dividend in respect of the current financial year.

DIRECTORS

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

Tan Sri Dato' Seri Vincent Tan Chee Yioun	(appointed on 1 November 2017)
Dato' Sri Robin Tan Yeong Ching	
Nerine Tan Sheik Ping	
Vivienne Cheng Chi Fan	
Dato' Sri Azlan Meah bin Haji Ahmed Meah	
Dato' Zurainah binti Musa	
Chan Kien Sing	
Datuk Robert Yong Kuen Loke	
Dr. Jayanthi Naidu A/P G. Danasamy	
Penelope Gan Paik Ling	(appointed on 30 March 2018)
Dato' Hj Md Yusoff @ Mohd Yusoff bin Jaafar	(resigned on 28 June 2018)
Datuk Mohd Zain bin Ahmad	(resigned on 18 April 2018)

The names of directors of subsidiary companies are set out in the respective subsidiary company's 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 year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown 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 he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 39 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 the Group. The total amount of insurance premium effected for any director and officer of the Company and of the Group as at the financial year end was RM354,350. 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' REPORT

DIRECTORS' INTERESTS

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

Number of ordinary shares				
	At 1.5.17 or at date of appointment	Acquired	Disposed	At 30.4.18
The Company (or "BCorp")				
Tan Sri Dato' Seri Vincent Tan Chee Yioun	1,109,895,998	3,954,810	-	1,113,850,808
(a)	10,673,665	-	2,068,755	8,604,910
Δ	1,106,433,958	97,945,000	954,810	1,203,424,148
Dato' Sri Robin Tan Yeong Ching	2,289,532	-	-	2,289,532
(a)	5,150	-	-	5,150
Δ	645,107,122	-	-	645,107,122
Vivienne Cheng Chi Fan	12,360	-	-	12,360
(a)	18,540	-	18,540	-
Dato' Sri Azlan Meah bin Haji Ahmed Meah	5,703	-	-	5,703
Chan Kien Sing	49,118	-	-	49,118
Datuk Robert Yong Kuen Loke	1,051,545	-	-	1,051,545

Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each				
	At 1.5.17 or at date of appointment	Acquired	Disposed	At 30.4.18
The Company				
Tan Sri Dato' Seri Vincent Tan Chee Yioun	155,916,065	18,797,000	-	174,713,065
(a)	110,248,349	-	9,216,700	101,031,649
Δ	136,868,700	3,170,000	18,297,000	121,741,700
Dato' Sri Robin Tan Yeong Ching	2,620,500	-	-	2,620,500
(a)	1,000	-	-	1,000
Δ	66,329,000	-	-	66,329,000
Nerine Tan Sheik Ping	132,000	-	-	132,000
Vivienne Cheng Chi Fan	2,000	-	-	2,000
(a)	243,000	-	243,000	-
Chan Kien Sing	10,000	-	-	10,000
Datuk Robert Yong Kuen Loke	2,516,508	-	-	2,516,508

Number of 2% Irredeemable Convertible Unsecured Loan Stocks 2016/2026 of RM1.00 nominal value each				
	At date of appointment	Acquired	Disposed	At 30.4.18
The Company				
Tan Sri Dato' Seri Vincent Tan Chee Yioun	102,627,780	-	-	102,627,780

DIRECTORS' REPORT

Number of warrants 2012/2022				
	At 1.5.17 or at date of appointment	Acquired	Disposed	At 30.4.18
The Company				
Tan Sri Dato' Seri Vincent Tan Chee Yioun	211,082,731	-	-	211,082,731
Δ	156,043,500	-	-	156,043,500
(a)	1,500,000	-	-	1,500,000
Dato' Sri Robin Tan Yeong Ching	2,620,500	-	-	2,620,500
(a)	1,000	-	-	1,000
Δ	87,029,000	-	-	87,029,000
Vivienne Cheng Chi Fan	2,000	-	-	2,000
(a)	134,000	-	134,000	-
Chan Kien Sing	10,000	-	-	10,000
Datuk Robert Yong Kuen Loke	170,108	-	-	170,108

Number of warrants 2016/2026				
	At date of appointment	Acquired	Disposed	At 30.4.18
The Company				
Tan Sri Dato' Seri Vincent Tan Chee Yioun	353,135,340	-	-	353,135,340

Subsidiary companies:

Number of ordinary shares				
	At 1.5.17 or at date of appointment	Acquired	Disposed	At 30.4.18
Berjaya Land Berhad				
Tan Sri Dato' Seri Vincent Tan Chee Yioun	62,232,800	6,317,600	-	68,550,400
Δ	3,871,165,072	37,334,800	6,317,600	3,902,182,272
Dato' Sri Robin Tan Yeong Ching	600,000	-	-	600,000
Δ	56,600,000	-	-	56,600,000
Nerine Tan Sheik Ping	2,000,000	-	-	2,000,000
Dato' Zurainah binti Musa	680,000	-	-	680,000
Datuk Robert Yong Kuen Loke	360,808	-	-	360,808

Number of ordinary shares				
	At 1.5.17 or at date of appointment	Acquired	Disposed	At 30.4.18
Berjaya Sports Toto Berhad				
Tan Sri Dato' Seri Vincent Tan Chee Yioun	10,305,641	-	-	10,305,641
Δ	666,683,566	500,000	-	667,183,566
Dato' Sri Robin Tan Yeong Ching	1,007,142	-	-	1,007,142
(a)	41,211	-	-	41,211
Vivienne Cheng Chi Fan	3,610	-	-	3,610
Chan Kien Sing	123,667	-	-	123,667
Datuk Robert Yong Kuen Loke	10,000	-	-	10,000
Penelope Gan Paik Ling				

DIRECTORS' REPORT

Number of ordinary shares				
	At 1.5.17 or at date of appointment	Acquired	Disposed	At 30.4.18
Berjaya Food Berhad				
Tan Sri Dato' Seri Vincent Tan Chee Yioun	1,000,000	-	-	1,000,000
Δ 171,018,520		9,673,000	-	180,691,520
Dato' Sri Robin Tan Yeong Ching	2,516,000	54,000 *	-	2,570,000

Number of ordinary shares under Employees' Share Scheme ("ESS")				
	At 1.5.17	Granted	Exercised/ vested	At 30.4.18
Berjaya Food Berhad – ESS Options				
Dato' Sri Robin Tan Yeong Ching	1,224,000	-	-	1,224,000
Berjaya Food Berhad – ESS Shares				
Dato' Sri Robin Tan Yeong Ching	360,000	-	54,000	306,000

Number of ordinary shares				
	At date of appointment	Acquired	Disposed	At 30.4.18
REDtone International Berhad				
Tan Sri Dato' Seri Vincent Tan Chee Yioun	7,000,000	-	-	7,000,000
Δ 386,812,912		-	-	386,812,912
Penelope Gan Paik Ling	100,000	-	-	100,000

Number of 2.75% Irredeemable Convertible Unsecured Loan Stocks 2010/2020 of RM1.00 nominal value each				
	At date of appointment	Acquired	Converted	At 30.4.18
REDtone International Berhad				
Tan Sri Dato' Seri Vincent Tan Chee Yioun	Δ 45,129,450	-	-	45,129,450

Notes:

Δ Indirect interests pursuant to Section 8 of the Companies Act 2016.

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

* Shares arising from the vesting of Berjaya Food Berhad's ESS shares.

By virtue of his interests in the shares of BCorp, Tan Sri Dato' Seri Vincent Tan Chee Yioun is also deemed interested in the shares of all the subsidiary companies of the Company to the extent the Company has an interest.

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

TREASURY SHARES

The number of treasury shares held in hand as at 30 April 2018 was 48,008,152 (2017: 48,008,152) units.

As at 30 April 2018, the issued ordinary share capital of the Company with voting rights was 4,875,583,042 (2017: 4,875,583,042) ordinary shares.

OTHER STATUTORY INFORMATION

- (a) Before the statements of financial position and statements of profit or loss 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 have been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current asset which was unlikely to realise its value as shown in the accounting records in the ordinary course of business had been written down to an amount which it 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 provision for doubtful debts inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
 - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations 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 year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

DIRECTORS' REPORT

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 46 to the financial statements.

SUBSEQUENT EVENTS

Significant events subsequent to the end of the financial year are disclosed in Note 47 to the financial statements.

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 year and since the end of the financial year.

Signed on behalf of the Board in accordance with a resolution of the directors dated 15 August 2018

TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN

DATO' SRI ROBIN TAN YEONG CHING

STATEMENT BY DIRECTORS

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

We, TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN and DATO' SRI ROBIN TAN YEONG CHING, being two of the directors of BERJAYA CORPORATION BERHAD, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 90 to 303 are drawn up in accordance with 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 April 2018 and of the financial performance and the cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 15 August 2018

TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN

DATO' SRI ROBIN TAN YEONG CHING

STATUTORY DECLARATION

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

I, TAN THIAM CHAI, being the officer primarily responsible for the financial management of BERJAYA CORPORATION BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 90 to 303 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 15 August 2018

) TAN THIAM CHAI
MIA No.: 4719

Before me:

KAPT (B) AFFANDI BIN AHMAD (W678)

Commissioner for Oaths

Kuala Lumpur

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2018

		Group			Company	
	Note	2018 RM'000	2017 RM'000 (Restated)	1.5.2016 RM'000 (Restated)	2018 RM'000	2017 RM'000
ASSETS						
Non-current assets						
Property, plant and equipment	3	3,461,128	3,722,983	3,766,965	111,707	113,988
Biological assets	4	3,923	4,193	4,773	-	-
Investment properties	5	877,871	840,177	768,438	-	-
Land held for development	6	1,867,476	2,036,359	2,065,127	-	-
Subsidiary companies	7	-	-	-	5,344,523	1,666,563
Associated companies	8	1,189,135	1,215,343	1,272,209	257,732	257,732
Joint ventures	9	105,586	119,707	95,132	-	-
Other investments	10	148,954	152,409	92,444	-	-
Other long term receivables	11	1,552,280	1,360,707	1,189,435	83,987	-
Intangible assets	12	5,695,064	5,853,796	6,582,857	115,347	122,446
Deferred tax assets	26	67,465	77,124	85,643	-	-
		14,968,882	15,382,798	15,923,023	5,913,296	2,160,729
Current assets						
Development properties	13	310,629	978,374	847,393	-	-
Inventories	14	1,764,324	1,156,715	1,052,957	-	-
Trade and other receivables	15	1,545,685	2,134,243	1,467,378	1,662,524	5,125,727
Short term investments	16	44,362	11,927	12,152	-	-
Tax recoverable		72,473	90,732	65,071	-	-
Deposits with						
financial institutions	17	710,830	636,024	809,789	116,036	49,825
Cash and bank balances	18	920,816	1,098,273	1,788,664	37,439	37,897
		5,369,119	6,106,288	6,043,404	1,815,999	5,213,449
Assets of disposal group/ Non-current assets classified as held for sale						
	19	489,488	43,462	1,392,624	77,910	-
		5,858,607	6,149,750	7,436,028	1,893,909	5,213,449
TOTAL ASSETS						
		20,827,489	21,532,548	23,359,051	7,807,205	7,374,178

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2018

		Group			Company	
	Note	2018 RM'000	2017 RM'000 (Restated)	1.5.2016 RM'000 (Restated)	2018 RM'000	2017 RM'000
EQUITY AND LIABILITIES						
Equity attributable to equity holders of the parent						
Share capital	20	4,930,556	4,930,556	4,673,180	4,930,556	4,930,556
Equity component of irredeemable convertible unsecured loan stocks	21	306,739	306,848	253,608	306,739	306,848
Reserves	22	1,607,189	1,951,570	1,784,013	927,148	922,418
		6,844,484	7,188,974	6,710,801	6,164,443	6,159,822
Treasury shares	23	(33,669)	(33,669)	(130,399)	(33,669)	(33,669)
		6,810,815	7,155,305	6,580,402	6,130,774	6,126,153
Non-controlling interests		3,514,472	3,663,364	4,476,304	-	-
Total equity		10,325,287	10,818,669	11,056,706	6,130,774	6,126,153
Non-current liabilities						
Liability component of irredeemable convertible unsecured loan stocks	21	128,193	152,278	158,731	128,159	152,167
Long term borrowings	24	3,587,054	3,304,466	4,530,187	832,153	392,132
Other long term liabilities	25	205,273	221,553	237,657	88,324	107,594
Deferred tax liabilities	26	1,355,570	1,361,446	1,530,522	14,598	17,085
Provisions	27	45,333	23,189	21,492	-	-
		5,321,423	5,062,932	6,478,589	1,063,234	668,978
Current liabilities						
Trade and other payables	28	2,441,453	2,283,177	2,757,941	178,725	168,965
Provisions	27	7,071	11,672	11,562	-	-
Short term borrowings	29	2,633,185	3,308,755	2,843,939	433,899	407,874
Taxation		52,690	42,360	185,967	573	-
Derivative liability	30	-	2,208	2,080	-	2,208
		5,134,399	5,648,172	5,801,489	613,197	579,047
Liabilities directly associated with disposal groups classified as held for sale	19	46,380	2,775	22,267	-	-
		5,180,779	5,650,947	5,823,756	613,197	579,047
Total liabilities		10,502,202	10,713,879	12,302,345	1,676,431	1,248,025
TOTAL EQUITY AND LIABILITIES						
		20,827,489	21,532,548	23,359,051	7,807,205	7,374,178

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

STATEMENTS OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 APRIL 2018

	Note	Group		Company	
		2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Revenue	31	8,665,141	9,182,394	95,767	79,755
Cost of sales		(6,056,154)	(6,402,222)	(75,000)	(50,159)
Gross profit		2,608,987	2,780,172	20,767	29,596
Other income		297,791	519,746	103,994	64,639
Administrative expenses		(1,767,914)	(1,552,920)	(22,784)	(45,590)
Selling and distribution expenses		(521,530)	(550,828)	-	-
Other expenses		(378,927)	(194,450)	(14)	(21,810)
		238,407	1,001,720	101,963	26,835
Finance costs	32	(373,701)	(398,305)	(101,882)	(85,840)
Share of results of associates		16,602	60,913	-	-
Share of results of joint ventures		2,790	(1,700)	-	-
(Loss)/Profit before tax	33	(115,902)	662,628	81	(59,005)
Taxation	35	(249,954)	(345,208)	(269)	2,128
(Loss)/Profit for the year		(365,856)	317,420	(188)	(56,877)
Attributable to:					
Owners of the parent		(370,203)	149,285	(188)	(56,877)
Non-controlling interests		4,347	168,135	-	-
		(365,856)	317,420	(188)	(56,877)
(Loss)/Earnings per share attributable to owners of the parent (sen)	36				
- Basic, for the year		(6.40)	2.93		
- Diluted, for the year		(6.40)	2.93		

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2018

	Note	Group		Company	
		2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
(Loss)/Profit for the year		(365,856)	317,420	(188)	(56,877)
Other comprehensive income:					
<u>Items that may be reclassified</u>					
<u>subsequently to profit or loss</u>					
Net changes on available-for-sale ("AFS")					
financial assets					
- Changes in fair value of AFS investments		(2,728)	7,258	-	-
- Transferred to profit or loss due to:					
- Disposal of AFS investments		4,140	797	-	-
- Impairment of AFS investments		2,762	575	-	-
Foreign currency translation		(165,431)	180,232	4,918	(730)
Foreign currency reserve transfer to					
profit or loss due to disposal of subsidiaries		817	(2,739)	-	-
Foreign currency reserve transfer to profit or					
loss due to dilution of interests in subsidiaries		31,710	(30,664)	-	-
Share of other comprehensive items of associates		(6,461)	164	-	-
Taxation relating to components					
of other comprehensive income	35	4,919	3,877	-	-
<u>Items that will not be reclassified</u>					
<u>subsequently to profit or loss</u>					
Reversal of impairment/(Impairment)					
in value of gaming rights		95,752	(696,390)	-	-
Changes in fair value reserve upon:					
- (recognition)/reversal of deferred tax					
liability on reversal/incurrence of					
impairment of gaming rights	35	(22,980)	167,134	-	-
Revaluation of land and buildings		17,767	579	-	-
Actuarial gain/(loss) recognised in					
defined benefit pension scheme		4,051	(657)	-	-
Tax effects relating to					
revaluation of building	35	(2,640)	(71)	-	-
Tax effects relating to the					
defined benefit pension scheme	35	(756)	168	-	-
		(39,078)	(369,737)	4,918	(730)
Total comprehensive income for the year		(404,934)	(52,317)	4,730	(57,607)
Total comprehensive income					
Attributable to:					
- Owners of the parent		(396,347)	61,007	4,730	(57,607)
- Non-controlling interests		(8,587)	(113,324)	-	-
		(404,934)	(52,317)	4,730	(57,607)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2018

Attributable to the equity holders of the Company															
Non-distributable															
	ICULS - equity component #	AFS reserves*	Reserve of disposal group classified as held for sale	Employees' share plan reserve	Warrant reserve^	Consolidation reserve	Fair value reserve	Capital reserves	Foreign currency translation reserves	Retained earnings	Treasury shares	Total	Non-controlling interests		
Share capital	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
GROUP	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 May 2017	4,930,556	306,848	1,079	-	243	258,797	(660,083)	130,788	230,150	180,868	1,809,728	(33,669)	7,155,305	3,663,364	10,818,669
Loss for the year	-	-	-	-	-	-	-	-	-	-	(370,203)	-	(370,203)	4,347	(365,856)
Other comprehensive income	-	-	1,797	-	-	(1,974)	38,372	-	(65,562)	1,223	(26,144)	-	(26,144)	(12,934)	(39,078)
Total comprehensive income for the year	-	-	1,797	-	-	(1,974)	38,372	-	(65,562)	(368,980)	(396,347)	-	(396,347)	(8,587)	(404,934)
Share of an associated company's effect arising on changes in interest in its subsidiary company	-	-	-	-	-	-	-	-	-	17,192	-	-	17,192	-	17,192
Transactions with owners:															
Reclassification from BCorp ICULS equity component to BCorp ICULS liability component	-	(100)	-	-	-	-	-	-	-	-	-	-	(100)	-	(100)
Deferred tax effects on liability component of BCorp ICULS 2016/2026	-	(9)	-	-	-	-	-	-	-	-	-	-	(9)	-	(9)
Transfer of reserves	-	-	(44)	111,775	88	-	(297)	(5,330)	(27,641)	(78,551)	-	-	-	-	-
Arising from part disposal/dilution of equity interest in subsidiary companies	-	-	-	-	-	1,603	(1,636)	-	-	-	-	-	(33)	1,648	1,615
Arising from increase in equity interest in subsidiary companies	-	-	-	-	-	33,614	-	-	-	-	-	-	33,614	(57,938)	(24,324)
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	10,530	18,571	10,530
Disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	-	-	-	18,571	18,571
Share based payment - ESS options	-	-	-	-	1,484	-	-	-	-	-	1,484	-	1,484	1,905	3,389
Share based payment - ESS shares	-	-	-	-	(291)	-	-	-	-	-	(291)	-	(291)	(364)	(655)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(114,657)	(114,657)
At 30 April 2018	4,930,556	306,739	2,832	111,775	1,524	258,797	(626,840)	167,227	224,820	87,665	1,379,389	(33,669)	6,810,815	3,514,472	10,325,287

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2018

GROUP	Attributable to the equity holders of the Company															
	Non-distributable															
	Share capital RM'000	Share premium RM'000	ICULS - equity component # RM'000	AFS reserves* RM'000	Reserve of disposal group classified as held for sale RM'000	Employees' share plan reserve RM'000	Warrant reserve^ RM'000	Consolidation reserve RM'000	Fair value reserve RM'000	Capital reserves RM'000	Foreign currency translation reserves RM'000	Retained earnings RM'000	Treasury shares RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
4,673,180	6,965	253,608	(13,247)	9,971	1,051	145,758	(831,734)	326,613	31,312	111,321	1,996,003	(130,399)	6,580,402	4,476,304	11,056,706	
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	149,285	-	149,285	168,135	317,420
Other comprehensive income	-	-	-	13,617	-	(53)	-	1,326	(177,036)	-	74,018	(150)	-	(88,278)	(281,459)	(369,737)
Total comprehensive income for the year	-	-	-	13,617	-	(53)	-	1,326	(177,036)	-	74,018	149,135	-	61,007	(113,324)	(52,317)
Share of an associated company's effect arising on acquisition of additional interest in its subsidiary company	-	-	-	-	-	-	-	-	-	-	-	16,618	-	16,618	-	16,618
Effects of amortisation on gaming rights	-	-	-	-	-	-	-	-	(10,031)	-	-	7,159	-	(2,872)	2,872	-
Transactions with owners:																
Reversal of deferred tax liability on conversion of BCorp ICULS 2016/2026	-	-	2,992	-	-	-	-	-	-	-	-	-	-	2,992	-	2,992
Issuance of BCorp ICULS 2016/2026 and Warrants 2016/2026	-	-	187,061	-	-	-	113,039	-	-	-	-	-	-	300,100	-	300,100
Effects on deferred tax liability on liability component of BCorp ICULS 2016/2026	-	-	(4,209)	-	-	-	-	-	-	-	-	-	(2,850)	(4,209)	-	(4,209)
Treasury shares acquired	-	-	-	-	-	-	-	-	-	-	-	-	(2,850)	(2,850)	-	(2,850)
Transfer of reserves	-	-	-	709	(9,971)	(343)	-	3,190	(8,758)	99,765	(4,471)	(80,121)	-	-	-	-
Arising from conversion of BCorp ICULS 2016/2026	250,411	-	(132,604)	-	-	-	-	-	-	-	-	(80,225)	-	37,582	-	37,582
- by surrender option	-	-	-	-	-	(1,054)	-	-	-	-	-	-	-	(1,054)	-	(1,054)
Share options forfeited	-	-	-	-	-	(162)	-	4,557	-	-	-	-	-	4,395	86,154	90,549
Arising from part disposal/dilution of equity interest in subsidiary companies	-	-	-	-	-	-	-	-	-	-	-	-	-	162,393	(662,695)	(500,302)
Arising from increase in equity interest in subsidiary companies	-	-	-	-	-	3	-	162,578	-	-	-	(188)	-	-	256	256
Acquisition of subsidiary companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred from distributable earnings to capital reserve arising from a subsidiary company's bonus issue of shares	-	-	-	-	-	-	-	-	99,073	-	(99,073)	-	-	-	-	-
Disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,375)	(5,375)
Share based payment	-	-	-	-	-	801	-	-	-	-	-	-	-	801	1,046	1,046
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(121,873)	(121,873)
Dividends (Note 37)	-	-	-	-	-	-	-	-	-	-	-	(99,580)	99,580	-	-	-
Transfer pursuant to S618(2) of CA 2016~	250,411	-	53,240	709	(9,971)	(755)	113,039	170,325	(8,758)	198,838	(4,471)	(359,187)	96,730	500,150	(702,488)	(202,338)
At 30 April 2017	4,923,591	6,965	306,848	1,079	-	243	258,797	(660,083)	130,788	230,150	180,868	1,809,728	(33,669)	7,155,305	3,663,364	10,818,669
	6,965	(6,965)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	4,930,556	-	306,848	1,079	-	243	258,797	(660,083)	130,788	230,150	180,868	1,809,728	(33,669)	7,155,305	3,663,364	10,818,669

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2018

Notes:

- # This comprises the equity components of 5% Irredeemable Convertible Unsecured Loan Stocks April 2012/2022 ("BCorp ICULS 2012/2022") and 2% Irredeemable Convertible Unsecured Loan Stocks May 2016/2026 ("BCorp ICULS 2016/2026").
- * This represents available-for-sale reserves.
- ^ This comprises the fair values of 10-year Warrants 2012/2022 ("Warrants 2012/2022") and 10-year Warrants 2016/2026 ("Warrants 2016/2026").
- ~ Pursuant to Section 618(2) of the Companies Act 2016, any outstanding share premium and capital redemption reserve accounts has become part of share capital.

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2018

COMPANY	Share capital RM'000	Share premium RM'000	ICULS - equity component# RM'000	Warrant reserve^ RM'000	Foreign currency translation reserves RM'000	Distributable Retained earnings RM'000	Treasury shares RM'000	Total RM'000
At 1 May 2017	4,930,556	-	306,848	260,057	(730)	663,091	(33,669)	6,126,153
Total comprehensive income	-	-	-	-	4,918	(188)	-	4,730
Transactions with owners:								
Reclassification from BCorp ICULS equity component to BCorp ICULS liability component	-	-	(100)	-	-	-	-	(100)
Deferred tax effects on liability component of BCorp ICULS 2016/2026	-	-	(9)	-	-	-	-	(9)
	-	-	(109)	-	-	-	-	(109)
At 30 April 2018	4,930,556	-	306,739	260,057	4,188	662,903	(33,669)	6,130,774

COMPANY	Share capital RM'000	Share premium RM'000	ICULS - equity component# RM'000	Warrant reserve^ RM'000	Foreign currency translation reserves RM'000	Distributable Retained earnings RM'000	Treasury shares RM'000	Total RM'000
At 1 May 2016	4,673,180	6,965	253,608	147,018	-	899,773	(130,399)	5,850,145
Total comprehensive income	-	-	-	-	(730)	(56,877)	-	(57,607)
Transactions with owners:								
Issuance of BCorp ICULS 2016/2026 and Warrants 2016/2026	-	-	187,061	113,039	-	-	-	300,100
Arising from conversion of BCorp ICULS 2005/2015 and 2012/2022	250,411	-	(132,604)	-	-	(80,225)	-	37,582
Effects on deferred tax liability on liability component of BCorp ICULS 2016/2026	-	-	(4,209)	-	-	-	-	(4,209)
Reversal of deferred tax liability on conversion of BCorp ICULS 2016/2026	-	-	2,992	-	-	-	-	2,992
Treasury shares acquired	-	-	-	-	-	-	(2,850)	(2,850)
Dividends (Note 37)	-	-	-	-	-	(99,580)	99,580	-
	4,923,591	6,965	306,848	260,057	(730)	663,091	(33,669)	6,126,153
Transfer pursuant to S618(2) of CA 2016~	6,965	(6,965)	-	-	-	-	-	-
At 30 April 2017	4,930,556	-	306,848	260,057	(730)	663,091	(33,669)	6,126,153

Notes:

This comprises equity components of BCorp ICULS 2012/2022 and BCorp ICULS 2016/2026.

^ This comprises the fair values of Warrants 2012/2022 and 2016/2026.

~ Pursuant to Section 618(2) of the Companies Act 2016, any outstanding share premium and capital redemption reserve accounts has become part of share capital.

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2018

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	9,588,098	9,829,511	76,573	2,537
Payment to suppliers, prize winners and operating expenses	(8,575,204)	(8,581,033)	(74,526)	(3,508)
Development expenditure incurred	(287,507)	(452,178)	-	-
Expenditure incurred on disposal of development project	-	(244,016)	-	-
Tax refund	61,231	50,192	-	-
Payment of taxes	(235,198)	(563,258)	(2,192)	-
Other receipts (Note c)	12,699	57,686	-	-
Net cash flow generated from/(used in) operating activities	564,119	96,904	(145)	(971)
CASH FLOWS FROM INVESTING ACTIVITIES				
Sales of property, plant and equipment	37,664	36,354	147	2
Sales of investment properties and other non-current assets	2,896	-	-	-
Sales of investments in subsidiary companies (Note b)	45,610	102,540	48,899	18,963
Sales of investments in associated companies	58,891	501,545	-	-
Sales of other investments	46,016	63,786	-	-
Proceeds from settlement of surrendering certain assets and lease interests to related authorities	-	218,309	-	-
Acquisition of property, plant and equipment (Note 3)	(141,974)	(353,842)	(764)	(406)
Acquisition of investments in subsidiary companies (Note a)	(24,119)	(184,211)	(18,345)	(93,544)
Acquisition of investments in associated companies	(21,751)	(16,068)	-	(50)
Acquisition of investments in joint ventures	(12,960)	(17,764)	-	-
Acquisition of other investments	(75,186)	(34,767)	-	-
Acquisition of other non-current assets and intangible assets (Note d)	(48,294)	(93,501)	-	-
Acquisition of treasury shares by subsidiary companies	-	(8,356)	-	-
Interest received	52,125	54,430	75,535	63,751
Dividends received	38,964	18,217	18,336	626,597
Net advances to subsidiary companies	-	-	(402,681)	(418,818)
Net repayment from joint ventures	13,455	2,671	-	-
Net withdrawals/(placements) with fund managers	26,060	(22,223)	-	-
Deposits received for the proposed disposals of foreign ventures	225,510	35,020	-	-
Other (payments)/receipts arising from investments	(38,444)	82,992	4,744	(2,505)
Net cash flow generated from/(used in) investing activities	184,463	385,132	(274,129)	193,990

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2018

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES				
Issuance of share capital to non-controlling interests of subsidiary companies	1,982	4,219	-	-
Treasury shares acquired	-	(2,850)	-	(2,850)
Issuance of medium term notes by subsidiary companies	505,000	80,000	-	-
Redemption of medium term notes	(530,000)	(105,000)	-	-
Drawdown of bank borrowings and other loans	1,742,982	1,357,431	649,073	365,165
Repayment of bank borrowings and other loans	(1,938,641)	(2,240,443)	(185,881)	(454,512)
Payment of hire purchase/lease liabilities	(28,206)	(15,560)	(323)	(294)
Interest paid	(369,999)	(379,307)	(122,827)	(112,557)
Dividends paid to non-controlling interests of subsidiary companies	(82,857)	(124,507)	-	-
Placement of bank deposits	(9,561)	(4,134)	-	-
Withdrawal from/(Placement in) banks as security pledged for borrowings	52,324	696,510	33,979	(20,114)
Net cash flow (used in)/generated from financing activities	(656,976)	(733,641)	374,021	(225,162)
NET CHANGE IN CASH AND CASH EQUIVALENTS	91,606	(251,605)	99,747	(32,143)
EFFECT OF EXCHANGE RATE CHANGES	(56,201)	52,428	(15)	2
CASH AND CASH EQUIVALENTS				
AT BEGINNING OF YEAR	1,408,191	1,607,368	3,499	35,640
CASH AND CASH EQUIVALENTS				
AT END OF YEAR	1,443,596	1,408,191	103,231	3,499

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2018

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
CASH AND CASH EQUIVALENTS				
The closing cash and cash equivalents comprise of the following:				
Cash and bank balances	920,816	1,098,273	37,439	37,897
Deposits with financial institutions (Note 17)	710,830	636,024	116,036	49,825
	1,631,646	1,734,297	153,475	87,722
Bank overdrafts (Note 29)	(34,630)	(82,587)	-	-
	1,597,016	1,651,710	153,475	87,722
Excluding : Remisiers' deposits held in trust	(12,642)	(13,206)	-	-
	1,584,374	1,638,504	153,475	87,722
Less : Cash and cash equivalents restricted for use				
- Deposits Note (17)	(141,005)	(162,138)	(17,678)	(49,825)
- Cash and bank balances (Note 18)	(46,708)	(68,338)	(32,566)	(34,398)
	1,396,661	1,408,028	103,231	3,499
Including : Cash and cash equivalents classified as held for sale (Note 19)	46,935	163	-	-
	1,443,596	1,408,191	103,231	3,499

Notes:

a) Analysis of the effects of subsidiary companies acquired:

	Group	
	2018 RM'000	2017 RM'000
Property, plant and equipment (Note 3)	-	37
Net other assets acquired	-	817
Non-controlling interests	-	(256)
Goodwill on consolidation	-	767
Net assets acquired	-	1,365
Acquisition of additional interest in subsidiary companies	24,119	182,846
Cash flow on acquisition (net of cash in subsidiary companies acquired)	24,119	184,211

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2018

- b) Analysis of the effects of subsidiary companies disposed:

	Group	
	2018	2017
	RM'000	RM'000
Property, plant and equipment	45,499	-
Net other assets disposed	102,314	-
Non-controlling interests	18,571	(1,597)
Less: Reclassification to associates at fair value	(150,749)	-
Add: Loss on remeasurement (Note 33(c)(i))	(21,374)	-
Assets and liabilities previously classified as disposal groups	-	20,763
Net (liabilities)/assets disposed	(5,739)	19,166
Excluding: Cash and cash equivalents of subsidiary companies disposed	(3,311)	(4,125)
Consideration utilised to settle amount due to disposal group	-	(11,593)
Consideration utilised to settle bank borrowings	-	(10,566)
Non-cash consideration	(9,021)	-
Partial disposal of shares in subsidiary companies (Note #)	22	106,665
Net gain arising from disposal	63,659	2,993
Cash flow on disposal (net of cash in subsidiary companies disposed)	45,610	102,540

These are proceeds from partial disposal of shares in subsidiary companies that did not result in loss of control.

- c) Other receipts include rental income received, deposits received and other miscellaneous income received.
- d) Acquisition of other non-current assets and intangible assets includes payments for acquisition of land held for development, investment properties and intangible assets.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2018

e) Reconciliation of liabilities arising from financing activities:

Group	Medium term notes RM'000	Term loans and other loans RM'000	Hire purchase liabilities RM'000	Total RM'000
At 1 May 2017	1,423,700	4,994,629	112,305	6,530,634
Drawdown of borrowings	505,000	1,742,982	-	2,247,982
Additional hire purchase liabilities	-	-	18,199	18,199
Repayment of borrowings	(530,000)	(1,938,641)	(28,206)	(2,496,847)
Charge out of deferred transaction costs	521	8,770	-	9,291
Disposal of subsidiary company	-	(38,070)	-	(38,070)
Reclassified to disposal group	-	(15,663)	-	(15,663)
Exchange differences	-	(69,917)	-	(69,917)
At 30 April 2018	1,399,221	4,684,090	102,298	6,185,609

Company	Term loans and other loans RM'000	Hire purchase liabilities RM'000	Total RM'000
At 1 May 2017	799,023	983	800,006
Drawdown of borrowings	649,073	-	649,073
Additional hire purchase liabilities	-	880	880
Repayment of borrowings	(185,881)	(323)	(186,204)
Charge out of deferred transaction costs	2,297	-	2,297
At 30 April 2018	1,264,512	1,540	1,266,052

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

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

1. CORPORATE INFORMATION

The principal activities of the Company are investment holding, provision of management services and lottery operations.

The principal activities of the subsidiary companies consist of:

- (i) Financial services;
- (ii) Marketing of consumer products and services;
- (iii) Motor trading and distribution and provision of after-sales services;
- (iv) Environmental and clean technology services;
- (v) Food and beverage;
- (vi) Property development and investment;
- (vii) Development and operation of hotels, resorts and other recreational activities;
- (viii) Gaming operations comprising lottery operations, Toto betting, leasing of online lottery equipment, provision of software support and the manufacture and distribution of computerised lottery and voting systems;
- (ix) Telecommunication and information technology related services, solutions and products; and
- (x) Investment holding and others.

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

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.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 August 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below and comply with Financial Reporting Standards ("FRSs") and the Companies Act 2016 in Malaysia.

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

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies

2.2.1 Subsidiaries and basis of consolidation

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

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

- (1) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (2) exposure, or rights, to variable returns from its investment with the investee; and
- (3) 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:

- (1) the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- (2) potential voting rights held by the Group, other vote holders or other parties;
- (3) rights arising from other contractual arrangements; and
- (4) 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 except for the business combination with Berjaya Group Berhad ("BGroup"), which is accounted for under the pooling of interests method as the business combination of this subsidiary company involved an entity under common control.

Under the pooling of interests method of accounting, the results of the entities under common control are presented as if the entities had been combined throughout the current and previous financial years. The difference between the cost of acquisition and the nominal value of the share capital and reserves acquired are reflected within equity as merger reserve (or adjusted against any suitable reserve in the case of debit differences).

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 FRS 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, 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.1 Subsidiaries and basis of consolidation (continued)

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 FRS 139: Financial Instruments: Recognition and Measurement or FRS 137: Provisions, Contingent Liabilities and Contingent Assets, 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.1 Subsidiaries and basis of consolidation (continued)

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 Company.

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

- (1) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- (2) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary company and any non-controlling interest at the date when control is lost;

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.

2.2.2 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 financial statements of the associated companies and the joint ventures made up to the Group's financial year-end.

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

Investment in quoted associated companies which have different financial year-ends from the Group's financial year-end are accounted for in the consolidated financial statements using the equity method of accounting based on the last 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 in 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 and joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the associated companies and joint ventures 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 or joint venture and its carrying value, and then recognises the loss in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.2 Associated companies and joint ventures (continued)

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

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

Under the equity method, the investment in an associated company or a joint venture is recognised at cost on initial recognition, and the carrying amount is increased or decreased to recognise the Group's share of profit or loss and other comprehensive income of the associated company or the joint venture after the date of acquisition, less impairment losses. The Group's share of comprehensive income of associated companies or joint ventures acquired or disposed of during the financial year, is included in the consolidated 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 companies or the joint ventures, 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 a legal and constructive obligations or has made payment on behalf of the associated companies or the joint ventures.

When there is share buyback by an associated company, the accretion of the Group's interest is recognised as a deemed acquisition of additional equity interest in the associated company. Any reduction of the Group's pre-acquisition reserves arising from the share buyback (i.e. Goodwill) is included in the carrying amount of the investment and is not amortised. Any increase of the Group's pre-acquisition reserves arising from the share buyback (i.e. Negative Goodwill) is included as income in the determination of the Group's share of associated company's results in the period of share buybacks.

Upon loss of significant influence over the associated company and loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associated company or joint venture upon loss of significant influence or loss of joint control 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.3 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 or the Company and the cost of the item can be measured reliably. Subsequent to recognition, when a property, plant and equipment are required to be replaced in intervals, the Company recognises such parts as individual assets with specific useful lives. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Subsequent to 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 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 30 to 999 years
Buildings	1.25% - 20%
Plant and equipment	5% - 33%
Computer and office equipment	10% - 67%
Renovation	2% - 33%
Furniture and fittings	5% - 33%
Motor vehicles	10% - 33%
Aircraft	Ranging from 5 to 20 years or based on flying hours
Golf course development expenditure	1% - 1.75%
Others	2% - 50%

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

The residual values, useful life and depreciation method are reviewed at each financial 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.

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 gains or losses on the derecognition of the asset are included in profit or loss in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.4 Biological assets

This represents plantation development expenditure consisting of costs incurred on land clearing and upkeep of oil palms to maturity which are initially recorded at cost and amortised over 20 years, which is the estimated useful life of the assets, upon maturity of the crop. Biological assets are stated at cost less accumulated amortisation and impairment losses.

2.2.5 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.

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

When an item of investment property carried at fair value is transferred to property, plant and equipment following a change in its use, the property's deemed cost for subsequent accounting in accordance with FRS 116: Property, Plant and Equipment shall be its fair value at the date of change in use.

When an item of property, plant and equipment 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 in other comprehensive income. However, if such 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 the transfer and its fair value is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.6 Land held for development and property development costs

(1) Land held for development

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

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

(2) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion of the property development costs incurred for work performed to date which bear to the estimated total property development costs.

When the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised to the extent of property development costs incurred that is probable of being recovered, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs that are not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

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

2.2.7 Inventories

Inventories 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, the weighted average cost method, or by specific identification. Net realisable value represents the estimated selling price less all estimated costs to completion and the estimated costs necessary to make the sale.

Property inventories are stated at the lower of cost and net realisable value. Cost includes the relevant cost of land, development expenditure and related interest cost incurred during the development period.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.7 Inventories (continued)

Trading account securities comprising quoted investments are stated at the lower of cost and market value determined on an aggregate basis by category of investments. Cost is determined on the weighted average basis while market value is determined based on quoted market values. Increases or decreases in the carrying amount of marketable securities are recognised in the profit or loss.

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.

2.2.8 Construction contracts

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

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

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

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

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

2.2.9 Intangible assets

(1) 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 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.9 Intangible assets (continue)

(2) Gaming rights

The costs of gaming rights acquired in a business combination are their fair value 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 on-line 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. Further details of the ELA status are disclosed in Note 41(6).

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.

(3) Trademarks

The cost of trademarks acquired represents its fair value as at the date of acquisition. Following initial recognition, trademarks are carried at cost less any accumulated impairment losses. Trademarks, which are considered to have indefinite useful lives, are not amortised but tested for impairment, annually or more frequently when indicators of impairment are identified. The useful lives of trademarks 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 a prospective basis.

(4) Concession assets

Concession assets comprise the development expenditure for the construction of plants or structures for the concession which are not covered by a contractual guarantee from the grantor of the concession. These portions of the development expenditure represent the right to charge users of the public service. Concession assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is provided for on a straight-line basis over the period of the concession. At the end of each reporting period, the Group assesses whether there is any indication of impairment. If such indication exists, the carrying amount is assessed and written down immediately to its recoverable amount.

Borrowing costs incurred in connection with an arrangement falling within the scope of IC Interpretation 12: Service Concession Arrangements will be expensed as incurred, unless the Group recognises an intangible asset under the Interpretation. In this case, borrowing costs are capitalised in accordance with the general rules of FRS 123: Borrowing Costs.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.9 Intangible assets (continued)

(5) Dealership rights

The cost of dealership rights acquired in a business combination is at their fair value at the date of acquisition. Following the initial recognition, the dealerships rights are carried at cost less any accumulated impairment losses. The dealerships rights are assessed and recognised based on the dealership agreements signed with the selected luxury brand car manufacturers that satisfied the criterion to be separately identified as intangible assets and highly likely to contribute significant future economic benefits. The dealerships rights, 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 rights 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.

(6) Computer software

Computer software acquired separately are measured on initial recognition at cost. Following initial recognition, computer software are carried at cost less any accumulated amortisation and any accumulated impairment losses. Computer software are amortised on a straight-line basis over its 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 a computer software are reviewed at each reporting date.

(7) Development right fees and licence fees

Development rights fees are required to be paid for the rights to develop the franchise business in the respective countries. The development rights fees are capitalised and amortised over the period of the respective development agreement from the date the operation commences.

Licences fees are required to be paid in respect of the opening of new outlets in the respective countries. The licences fees paid are capitalised and amortised over the period of the respective development agreement. The licence fees are amortised from the date when the respective outlet commences operations.

(8) Customer relationships

The cost of customer relationships acquired in a business combination is measured at their 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.

(9) Telecommunications licences with allocated spectrum

The Group's telecommunication licences with allocated spectrum were acquired as part of a business combination. The fair value of telecommunication licences with allocated spectrum as at the date of business combination is deemed as its cost. Following initial recognition, telecommunication licences with allocated spectrum are carried at cost less any accumulated impairment losses. The telecommunication licences with allocated spectrum are considered to have indefinite economic useful lives as there is a presumption of renewal at negligible costs, are not amortised but tested for impairment, annually or more frequently when indicators of impairment are identified. The useful lives of telecommunication licences with allocated spectrum 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 a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.9 Intangible assets (continued)

(10) Lottery business cooperation contract

Lottery business cooperation contract relates to the contributions required to be paid for the right to participate in the operation of a lottery business. These contributions are capitalised and amortised over the contract period from the date when the operation commences.

(11) 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 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 yearly at each reporting date. Intangible assets with indefinite lives are not amortised but tested for impairment annually or more frequently when indicators of impairment are identified. The useful lives of intangible assets with indefinite lives 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 a prospective basis.

2.2.10 Impairment of non-financial assets

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

For goodwill, assets that have an indefinite useful life 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 ("VIU"). In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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, unless the asset 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 fair value reserve for the same asset.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.10 Impairment of non-financial assets (continued)

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 since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised 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 an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

2.2.11 Fair value measurement

The Group measures financial instruments, such as, 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:

- (1) in the principal market for the asset or liability; or
- (2) 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 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 42.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.12 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

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

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Financial assets designated as financial assets at fair value through profit or loss are a group of financial assets which consist of certain quoted securities that is managed and its performance is evaluated at a fair value basis, in accordance with a documented risk management or investment strategy, and information about these group of financial assets is provided internally on that basis to the Group's and the Company's key management personnel.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on the settlement date.

(2) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.12 Financial assets (continued)

(3) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

(4) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends from an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired or has been transferred and the Group has transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss previously recognised in comprehensive income will be recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.13 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(1) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost had the impairment not been recognised at the reversal date. The amount of reversal is recognised in profit or loss.

(2) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial asset carried at cost has been incurred, the amount of the loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(3) Available-for-sale financial assets

Significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired. A significant or prolonged decline in the fair value of investments in equity instruments below its cost is also an objective evidence of impairment.

The Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost and determines that "significant" decline in fair value is decline that is greater 20% and prolonged period is a period greater than 12 months.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.13 Impairment of financial assets (continued)

(3) Available-for-sale financial assets (continued)

If an available-for-sale financial asset is impaired, the difference between its cost (net of any principal payment and amortisation) and its current fair value less any impairment loss previously recognised in profit or loss is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity instruments are not reversed in profit or loss in the subsequent periods. Increase in fair value of equity instruments, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt instruments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

2.2.14 Cash and cash equivalents

Cash comprises cash in hand, at bank and short term deposits with a maturity of three months or less. Cash equivalents, which are short term, highly liquid investments that are readily convertible to known amounts subject to insignificant risk of changes in value, against which the bank overdrafts, if any, are deducted.

The Group has excluded clients' monies and remisiers' deposits held in trust by the stockbroking subsidiary company from cash and cash equivalents of the Group.

2.2.15 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.

2.2.16 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all conditions attached will be met. Government grants related to assets, shall be presented in the statement of financial position either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. Grants that compensate the Group for expenses incurred are recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Grants that compensate the Group for the cost of an asset are recognised as income on a systematic basis over the useful life of the asset.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.17 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(1) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group or the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

(2) Other financial liabilities

Other financial liabilities of the Group and the Company include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. 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 an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.18 Leases

(1) 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 or 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.

(2) As lessor

Leases where the Group and the Company retains 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.

2.2.19 Non-current assets (or disposal groups) held for sale and discontinued operation

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 (or disposal group) 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 (or all the assets and liabilities in a disposal group) is brought up-to-date in accordance with applicable FRSS. Then, on initial classification as held for sale, non-current assets or disposal groups (other than investment properties, deferred tax assets, employee benefits assets and financial assets) are measured in accordance with FRS 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.

A component of the Group is classified as a discontinued operation when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated major line of business or geographical area of operations or is a subsidiary company acquired exclusively with a view to resale.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.20 Irredeemable convertible unsecured loan stocks/securities ("ICULS")

ICULS which were issued after the effective date of FRS 132: Financial Instruments: Disclosure and Presentation, are regarded as compound instruments, consisting of an equity component and a liability component.

When the ICULS, which were previously acquired and held by the Group, are reissued at values which are different from the nominal value of the ICULS, the differences would be taken to profit or loss if the ICULS are classified as a liability instrument or to equity if the ICULS are classified as an equity instrument.

2.2.21 Warrants

Warrants are classified as equity instrument and it is allocated its value based on the closing price of the first trading day, if the warrant is listed, or estimated using option pricing models, if the warrant is not listed.

The issuance of ordinary shares upon exercise of the warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants.

2.2.22 Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are approved for payment.

The transaction costs of an equity transaction are accounted for as a deduction from equity. 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. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of treasury shares. Treasury shares may be acquired and held by the Company. Consideration paid or received is recognised directly in equity.

2.2.23 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 expenditure 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.24 Customer loyalty programme

The Group operates customer loyalty programmes which allow customers to accumulate redemption points when they purchase products from the Group. The redemption points can then be used to purchase a selection of products at discounted price or redeem products.

The consideration received is allocated between the products sold and the redemption points issued, with the consideration allocated to the redemption points being equal to their fair value. Fair value is determined by applying statistical techniques.

The fair value of the redemption points issued is deferred and recognised as revenue when the redemption points are utilised.

2.2.25 Financial guarantee contracts

A financial guarantee contract is a contract that requires the guarantor to make specified payments to reimburse the holder of a guarantee for a loss it incurs because a specified guaranteed debtor fails to make payment when due. The Company initially recognised the financial guarantee contracts at its fair value, net of transaction costs. Subsequently, the financial guarantee contracts are measured at the higher of (i) the amount determined in accordance with FRS 137: Provisions, Contingent Liabilities and Contingent Assets; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation in accordance with FRS 118: Revenue.

2.2.26 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 or 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.

2.2.27 Current and non-current classification

The Group and the Company present assets and liabilities in the statements of financial position based on current and non-current classification.

An asset is classified as current when it is:

- (i) expected to be realised or intended to be sold or consumed in normal operating cycle;
- (ii) held primarily for the purpose of trading;
- (iii) expected to be realised within 12 months after the reporting period; or
- (iv) 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:

- (i) it is expected to be settled in normal operating cycle;
- (ii) it is held primarily for the purpose of trading;
- (iii) it is due to be settled within 12 months after the reporting period; or
- (iv) 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.28 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(1) Hire purchase and lease interest income

Interest income is recognised using the effective interest method.

(2) Development properties

Revenue from sale of development properties is accounted for by stage of completion method in respect of the building units that have been sold.

(3) Brokerage fees and commissions

Income from brokerage is recognised upon execution of contracts while underwriting commission is recognised upon completion of the corporate exercises concerned. Revenue in relation to commission on vehicle sales as an agent and insurance sales as a broker are recognised on the completion of the related transactions.

(4) Dividend income

Dividend income from investments in subsidiary and associated companies and other investments is recognised when the shareholders' rights to receive payment is established.

(5) 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.

(6) Enrolment fees

Enrolment fees for members joining the golf and recreation clubs are recognised as revenue upon the admission of applicants to the membership register. Advance licence fee, which are deferred, are recognised as income over the membership period.

Membership fees for members joining the fitness centre are recognised on an accrual basis over the membership period. Membership fees received in advance are only recognised when they are due.

(7) Sale of goods, property inventories and services

Revenue is recognised when significant risks and rewards of ownership of the goods and property inventories have been passed to the buyer. Revenue from services rendered is recognised upon its completion. Revenue is recognised net of sales or goods and service tax and discount, where applicable.

(8) Casino operations

Revenue from casino operations is recognised on a receipt basis and is stated net of gaming tax.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.28 Revenue recognition (continued)

(9) Rental income

Rental income, including those from investment properties, is recognised based on a straight-line basis over the lease term unless collection is in doubt, in which case it is recognised on receipt basis.

(10) Hotel room sales

Revenue from hotel room sales is recognised on an accrual basis.

(11) Royalty income

Royalty income is recognised on accrual basis in accordance with the terms of the franchise agreements.

(12) Franchisee fees

The portion of the franchise fee, relating to the reservation of restaurant sites and which is non-refundable and payable upon signing of the franchise agreement/master development agreement relating to the development of the restaurant businesses, is recognised as income upon signing of franchise agreement. The remaining portion of the franchise fee income is deferred until the completion of the franchisee's obligation under the agreement.

(13) Management fee income

Management fee income is recognised on accrual basis.

(14) Toto betting

Revenue from toto betting is recognised based on ticket sales, net of gaming tax and GST relating to draw days within the financial year.

(15) Lottery equipment lease rental

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.

(16) Lottery product and voting product sales, services and licensing income

Revenue from lottery product and voting product sales, services and licensing income are recognised on the basis of shipment of products, performance of services and percentage-of-completion method for long-term contracts. The percentage-of-completion is estimated by comparing the cost incurred to date against the estimated cost to completion. Revenue relating to the sale of certain assets, when the ultimate total collection is not reasonably assured, are being recorded under the cost recovery method.

(17) Service charges

Service charges which represent income on sale of trust fund units, is recognised upon allotment of units, net of cost of units sold.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.28 Revenue recognition (continued)

(18) Revenue from private university college operations

Tuition fees are recognised on an accrual basis based on the duration of the courses.

General administration fees and other fees are recognised on receipt basis.

(19) Revenue from waste treatment services

Revenue from waste treatment services are recognised upon the performance of services.

(20) Sale of call bandwidth

Revenue from sale of mobile telephony, fixed services, interconnection revenue and other network based services are recognised based on actual traffic volume net of rebates/discounts.

(21) Construction contracts

Revenue from construction contracts is accounted for by the stage of completion method.

(22) Other income

Other than the above, all other income are recognised on accrual basis.

2.2.29 Foreign currencies

(1) Functional and presentation currency

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 ("functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(2) 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 the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured at 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 operation. 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 operation are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.29 Foreign currencies (continued)

(2) Foreign currency transactions (continued)

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.

(3) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency ("RM") 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 year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity under the header of 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 subsidiaries 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.

2.2.30 Employee benefits

(1) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and of the Company. 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.

(2) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay 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 and preceding financial years. Such contributions are recognised as an expense in the 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 subsidiaries also make contributions to the statutory pension schemes of their respective countries.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.30 Employee benefits (continued)

(3) 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 subsidiaries of the Group provide 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 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 periods. The liability recognised in the consolidated statement of financial position for defined plans is the discounted present value of the defined benefit obligation using prudent and appropriate discount factor at the consolidated 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 an actuary using the projected unit credit method.

Re-measurements, comprising of 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.30 Employee benefits (continued)

(3) Defined benefit plans (continued)

(b) Unfunded defined benefit plan

Certain local subsidiary companies within the Group operate unfunded, defined Retirement Benefit Schemes ("Schemes") 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.

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.

The present value 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.

(4) Employees' share schemes

Employees of certain subsidiary companies of the Group received remuneration in the form of share options or share awards as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the share options and share awards at the date of grant. This cost is recognised in profit or loss, with a corresponding increase in the employees' share plan reserve over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the subsidiary companies' best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of the period.

No expense is recognised for share options or share awards that do not ultimately vest, except for share options or share awards where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the share options are exercised or share awards are vested, the employees' share plan reserve relating to the exercised options or vested shares is transferred to equity. When the share options or share awards are forfeited, the employees' share plan reserve relating to the forfeited share options or share awards is transferred to equity.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.31 Taxes

(1) 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, either in other comprehensive income or directly in equity.

(2) 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, associates and interests in 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, associates and interests in 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.

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 amounts of its assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

2.2.31 Taxes (continued)

(2) Deferred tax (continued)

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 taxes relate 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.

(3) Goods and Services Tax ("GST") or Value Added Tax ("VAT")

Where the 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 trade and other payables or trade and other receivables accordingly in the statements of financial position.

2.2.32 Segmental reporting

For management purposes, the Group is organised into operating segments based on their products and services which is 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.

Segment revenues 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 is attributed to geographical segments based on location where the sales are 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Changes in accounting policies

On 1 May 2017, the Group and the Company adopted the following Amendments to FRSs and Annual Improvements to FRSs:

Effective for financial periods beginning on or after 1 January 2017:

- Amendment to FRS 107: Statement of Cash Flows – Disclosure Initiative
- Amendments to FRS 112: Income taxes – Recognition of Deferred Tax Assets for Unrealised Losses
- Annual Improvements to FRSs 2014-2016 Cycle - Amendments to FRS 12: Disclosure of Interests in Other Entities

Adoption of the above Amendments to FRSs and Annual Improvements to FRSs did not have any effect on the financial performance or position of the Group and of the Company except as discussed below:

(1) Amendment to FRS 107: Statement of Cash Flows – Disclosure Initiative

The amendments to FRS 107 Statement of Cash Flows require an entity to provide disclosure that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. On initial application of these amendments, entities are not required to provide comparative information for preceding periods. Apart from the additional disclosures in statement of cash flows, the application of these amendments has had no impact on the Group and on the Company.

(2) Amendments to FRS 112 Income taxes – Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restrict the sources of taxable profits against which it may make deductions on the reversal of the deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

The application of these amendments had no impact on the Group and on the Company as the Group and the Company already assessed the sufficiency of future profits in a way that is consistent with these amendments.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Standards and interpretations issued but not yet effective

Malaysian Financial Reporting Standards

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 April 2019. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework.

The Group has established a project team to plan and manage the adoption of the MFRS Framework. This project consists of the following phases:

- (a) Assessment and planning phase
This phase involves the following:
 - (i) High level identification of the key differences between Financial Reporting Standards and accounting standards under the MFRS Framework and disclosures that are expected to arise from the adoption of MFRS Framework;
 - (ii) Evaluation of any training requirements; and
 - (iii) Preparation of a conversion plan.

The Group considers the assessment and planning phase to be complete as at the date of these financial statements. The Group does not plan to apply any exemptions from other MFRSs provided under MFRS 1: First Time Adoption of MFRS, except for exemptions for business combinations.

- (b) Implementation and review phase
This phase aims to:
 - (i) develop training programs for the staff;
 - (ii) formulate new and/or revised accounting policies and procedures for compliance with the MFRS Framework;
 - (iii) identify potential financial effects as at the date of transition, arising from the adoption of the MFRS Framework; and
 - (iv) develop disclosures required by the MFRS Framework.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 30 April 2018 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 30 April 2019.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Significant accounting estimates and judgements

The preparation of the Group's and of the Company'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.

(1) 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 effect on the amounts recognised in the financial statements.

(a) Useful life of dealerships rights and customer relationships

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 customer relationships are recognised separable 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.

(b) Significant influence over associated companies

Although the Group holds less than 20% of the voting shares in some of the associated companies as disclosed in Note 48, the Group exercises significant influence by virtue of its ability to participate in the financial and operating policy decisions of these associated companies by way of representation on the board of directors.

(c) Recoverability by Berjaya Jeju Resort Limited ("BJR") of its project costs ("Jeju Project")

As disclosed in Note 41(4), 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 RM593,253,000 (2017 : RM604,255,000) incurred up to the reporting date on this development as disclosed in Note 11(e).

Based on the 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 SPA, Korean Civil Code and case precedents established in the Korean Courts.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Significant accounting estimates and judgements (continued)

(1) Critical judgements made in applying accounting policies (continued)

- (d) Recoverability of balance cash consideration for the disposal of project by Berjaya (China) Great Mall Co Ltd ("GMOC")

As disclosed in Note 41(5), GMOC has initiated arbitration proceedings at Hong Kong International Arbitration Court ("HKIAC") to seek the recovery of 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.

Based on the legal opinion obtained from its lawyers, it is highly probable that GMOC will prevail against Beijing SkyOcean before the HKIAC. The duration of the arbitration proceedings and the enforcement of arbitral award in the People's Republic of China is estimated to be about 3 years. Hence, in accordance to FRS 139: Financial Instruments: Recognition and Measurement, GMOC has made a provision for impairment of RMB243.51 million (equivalent to approximately RM152.65 million) to account for the passage of time to recover the Final Instalment. The amount has been reclassified as a non-current receivable as disclosed in Note 11(d).

(2) 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 set out below:

- (a) Impairment of goodwill, gaming rights and dealerships rights

The Group performs an impairment test on its gaming rights, dealerships 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 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. Details of assumptions used for VIU computation are disclosed in Note 12.

During the current financial year, the Group recognised the reversal of impairment loss in respect to Gaming Rights - licence as the VIU of the CGU was assessed to be in excess of its carrying amount.

In regard to the impairment review of the CGU for the dealerships, the Group has assessed VIU amounts that could sufficiently address the carrying amount of this CGU.

The carrying amounts of gaming rights, dealerships and goodwill of the Group as at 30 April 2018 are disclosed in Note 12.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Significant accounting estimates and judgements (continued)

(2) Key sources of estimation uncertainty (continued)

(b) Impairment of property, plant and equipment

During the current financial year, the Group recognised impairment losses in respect of certain subsidiary companies' property, plant and equipment. The Group carried out the impairment test based on a variety of estimation including the VIU of the CGU to which the property, plant and equipment are allocated. Estimating the VIU requires the Group 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 losses recognised are disclosed in Note 3.

The carrying amounts of property, plant and equipment are disclosed in Note 3.

(c) Impairment of investment in subsidiaries, associated companies and joint ventures

During the current financial year, the Group recognised impairment losses in respect of its investments in certain associated companies and joint ventures. The Group and the Company carried out the impairment test based on the assessment of the fair value less cost to sell of the investees' assets or CGU or based on the estimation of the VIU of the CGUs of the respective subsidiaries, associated companies and joint ventures. Estimating the VIU requires the Group and the Company 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 accumulated impairment losses recognised are disclosed in Notes 7, 8 and 9.

The Group did not recognise any impairment in value of an associated company, which shares are quoted in Malaysia, as the directors have evaluated that the fair value of the underlying assets of the investee to be higher than its carrying value.

The carrying amounts of investments in associated companies and joint ventures of the Group and of investment in subsidiary companies of the Company are disclosed in Notes 7, 8 and 9, accordingly.

(d) Land value appreciation taxes and other related taxes

During the previous financial year, the Group completed the disposal of Berjaya (China) Great Mall Recreation Centre ("Great Mall Project"), as disclosed in Note 41(5). 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 RMB72.74 million (equivalent to approximately RM44.98 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Significant accounting estimates and judgements (continued)

(2) Key sources of estimation uncertainty (continued)

(e) 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 April 2018. 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.

The details of the investment properties are disclosed in Note 5 whilst the valuation techniques and key assumptions applied on the determination of the fair values are disclosed in Note 42.1.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

3. PROPERTY, PLANT AND EQUIPMENT

GROUP	At beginning of year	Depreciation		Write off/		Deconsolidation/		Reclassified to disposal groups	At end of year
		Additions	Disposals	charge for the year	Impairment reversal/ (loss)	Reclasi- fication / Adjustments	Exchange differences		
2018	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net Carrying Amount									
Freehold land	396,648	6,392	-	-	-	(27,596)	(15,739)	-	-
Long leasehold land	66,533	-	-	(898)	-	(3,006)	-	-	-
Short leasehold land	48,390	-	-	(1,296)	-	-	-	-	-
Buildings	2,054,511	11,930	(469)	(55,507)	1,001	22,743	(66,506)	(43,445)	(3,296)
Plant and equipment	209,356	26,317	(247)	(30,933)	(2,231)	(348)	(8,642)	(456)	(1,139)
Computer and office equipment	99,731	21,073	(395)	(24,176)	(1,763)	903	(4,950)	(83)	(427)
Renovations	201,858	62,212	(1,097)	(44,114)	(3,160)	7,145	(2,077)	(301)	-
Furniture and fittings	301,554	15,721	(695)	(37,464)	(574)	530	(20,241)	(464)	-
Motor vehicles	43,177	15,735	(4,376)	(11,750)	(317)	907	(475)	(750)	(423)
Aircraft	115,610	-	-	(7,608)	(11,818)	-	(1,197)	-	-
Golf course development expenditure	120,803	28	(40)	(1,803)	-	2	-	-	-
Capital work-in-progress	36,407	13,937	(1,529)	-	(36)	(16,299)	(2,367)	-	-
Others	28,405	761	(8)	(1,631)	(530)	(2,315)	(185)	-	-
	3,722,983	174,106	(8,856)	(217,180)	(19,428)	(17,334)	(122,379)	(45,499)	(5,285)
									3,461,128

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

GROUP

2017	At beginning of year	Additions	Disposals	Depreciation charge for the year	Impairment reversal/ (loss)	Reclassi- fication / Adjustments	Acquisition of subsidiaries	Exchange differences	Reclassified to disposal groups	At end of year
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net Carrying Amount										
Freehold land	213,009	46,938	-	-	(8)	136,316	-	683	(290)	396,648
Long leasehold land	66,950	-	-	(398)	-	(19)	-	-	-	66,533
Short leasehold land	49,716	-	-	(1,327)	1	-	-	-	-	48,390
Buildings	1,504,576	28,715	(17,513)	(53,294)	-	619,650	-	12,117	(39,740)	2,054,511
Plant and equipment	165,871	76,859	(2,992)	(36,331)	(9,202)	12,788	-	2,868	(505)	209,356
Computer and office equipment	56,348	70,606	(534)	(27,117)	(596)	541	3	639	(159)	99,731
Renovations	204,088	57,298	(6,203)	(46,205)	(9,795)	2,208	-	596	(129)	201,858
Furniture and fittings	73,712	134,846	(198)	(28,042)	(1,399)	122,595	-	1,049	(1,009)	301,554
Motor vehicles	46,572	12,674	(5,134)	(11,812)	(341)	947	34	237	-	43,177
Aircraft	128,918	-	-	(8,239)	(7,070)	(125)	-	2,126	-	115,610
Golf course development expenditure	122,607	-	-	(1,804)	-	-	-	-	-	120,803
Capital work-in-progress	1,104,979	37,037	-	-	(43)	(1,200,911)	-	95,361	(16)	36,407
Others	29,619	3,921	(1,891)	(1,970)	-	(961)	-	21	(334)	28,405
	<u>3,766,965</u>	<u>468,894</u>	<u>(34,465)</u>	<u>(216,539)</u>	<u>(28,453)</u>	<u>(306,971)</u>	<u>37</u>	<u>115,697</u>	<u>(42,182)</u>	<u>3,722,983</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

GROUP

	Cost	Accumulated depreciation	Accumulated impairment losses	Net carrying amount
<u>As at 30 April 2018</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Freehold land	362,817	-	(3,112)	359,705
Long leasehold land	77,558	(14,929)	-	62,629
Short leasehold land	69,121	(22,027)	-	47,094
Buildings	2,483,916	(556,265)	(6,689)	1,920,962
Plant and equipment	494,735	(296,993)	(6,065)	191,677
Computer and office equipment	389,788	(297,589)	(2,286)	89,913
Renovations	610,210	(364,613)	(25,131)	220,466
Furniture and fittings	482,463	(222,602)	(1,494)	258,367
Motor vehicles	144,234	(102,123)	(383)	41,728
Aircraft	302,245	(130,221)	(77,037)	94,987
Golf course development expenditure	164,925	(32,098)	(13,837)	118,990
Capital work-in-progress	34,115	-	(4,002)	30,113
Others	50,267	(22,392)	(3,378)	24,497
	<u>5,666,394</u>	<u>(2,061,852)</u>	<u>(143,414)</u>	<u>3,461,128</u>

	Cost	Accumulated depreciation	Accumulated impairment losses	Net carrying amount
<u>As at 30 April 2017</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Freehold land	399,760	-	(3,112)	396,648
Long leasehold land	80,701	(14,168)	-	66,533
Short leasehold land	69,121	(20,731)	-	48,390
Buildings	2,569,874	(508,423)	(6,940)	2,054,511
Plant and equipment	513,314	(293,358)	(10,600)	209,356
Computer and office equipment	397,223	(294,501)	(2,991)	99,731
Renovations	580,979	(350,280)	(28,841)	201,858
Furniture and fittings	507,118	(203,407)	(2,157)	301,554
Motor vehicles	147,878	(104,379)	(322)	43,177
Aircraft	306,260	(123,763)	(66,887)	115,610
Golf course development expenditure	164,942	(30,302)	(13,837)	120,803
Capital work-in-progress	40,409	-	(4,002)	36,407
Others	55,471	(24,218)	(2,848)	28,405
	<u>5,833,050</u>	<u>(1,967,530)</u>	<u>(142,537)</u>	<u>3,722,983</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

COMPANY

2018

	At beginning of year	Additions	Disposals	Depreciation charge for the year	Exchange differences	At end of year
Net Carrying Amount	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Plant and equipment	66,951	9,593	-	(3,459)	(6,660)	66,425
Computer and office equipment	45,818	4,942	-	(3,024)	(4,532)	43,204
Furniture and fittings	75	-	-	(19)	-	56
Motor vehicles	1,144	1,387	(52)	(457)	-	2,022
	<u>113,988</u>	<u>15,922</u>	<u>(52)</u>	<u>(6,959)</u>	<u>(11,192)</u>	<u>111,707</u>

2017

	At beginning of year	Additions	Depreciation charge for the year	At end of year
Net Carrying Amount	RM'000	RM'000	RM'000	RM'000
Plant and equipment	-	72,199	(5,248)	66,951
Computer and office equipment	304	51,321	(5,807)	45,818
Furniture and fittings	73	19	(17)	75
Motor vehicles	720	808	(384)	1,144
	<u>1,097</u>	<u>124,347</u>	<u>(11,456)</u>	<u>113,988</u>

As at 30 April 2018

	Cost	Accumulated depreciation	Net carrying amount
	RM'000	RM'000	RM'000
Plant and equipment	74,610	(8,185)	66,425
Computer and office equipment	52,061	(8,857)	43,204
Furniture and fittings	129	(73)	56
Motor vehicles	2,988	(966)	2,022
	<u>129,788</u>	<u>(18,081)</u>	<u>111,707</u>

As at 30 April 2017

	Cost	Accumulated depreciation	Net carrying amount
	RM'000	RM'000	RM'000
Plant and equipment	72,199	(5,248)	66,951
Computer and office equipment	52,244	(6,426)	45,818
Furniture and fittings	129	(54)	75
Motor vehicles	2,112	(968)	1,144
	<u>126,684</u>	<u>(12,696)</u>	<u>113,988</u>

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3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Finance leases	18,199	9,610	880	-
Cash	141,974	353,842	764	406
Deferred payment	11,991	102,235	14,278	123,941
Provision for restoration costs	1,942	3,207	-	-
	<u>174,106</u>	<u>468,894</u>	<u>15,922</u>	<u>124,347</u>

The Group conducted a review of the recoverable amounts of certain property, plant and equipment and the review has led to the following recognitions:

- (1) an impairment loss of RM14,434,000 (2017: RM28,566,000), included in Other expenses – investing activities as disclosed in Note 33(c)(i). The impairment loss was due to a decline in the market values of aircraft for which the recoverable amount is RM75,706,000 (2017: RM12,990,000) determined based on fair value less costs to sell (equivalent to level 2 in the fair value hierarchy), closure of certain outlets and of certain property, plant and equipment for which the VIU is less than the carrying value; and
- (2) a reversal of impairment loss of RM1,463,000 (2017: RM113,000), included in Other income – investing activities as disclosed in Note 33(d)(ii).

Included in the Group's reclassification/adjustments column are:

	Group	
	2018	2017
	RM'000	RM'000
(i) transfer of certain property from investment properties (Note 5)	32,815	1,182
(ii) transfer of certain property to investment properties (Note 5)	(67,824)	(6,368)
(iii) gross revaluation surplus resulting from a change in its use from property, plant and equipment to investment properties	17,767	508
(iv) transfer of certain property to development properties (Note 13)	-	(7,279)
(v) over accrual of cost for certain property, plant and equipment	(848)	-
(vi) transfer to inventory	-	(295,014)
(vii) transfer from intangible assets (Note 12)	756	-
	<u>(17,334)</u>	<u>(306,971)</u>

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3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Others comprise mainly linen, silverware, cutlery, kitchen utensils, gymnasium equipment, recreational livestock and apparatus.

Property, plant and equipment with net book value of RM914,183,000 (2017: RM1,057,215,000) have been pledged to financial institutions for facilities granted to certain subsidiary companies.

The net carrying amounts of assets acquired under finance leases and hire purchase arrangements are as follows:

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Plant and equipment	8,787	4,605	-	-
Computer and office equipment	1,684	783	-	-
Office renovation	8,416	2,726	-	-
Furniture and fittings	1,089	509	-	-
Motor vehicles	10,042	9,418	2,022	1,144
Aircraft	66,581	80,879	-	-
	<u>96,599</u>	<u>98,920</u>	<u>2,022</u>	<u>1,144</u>

4. BIOLOGICAL ASSETS

	Group	
	2018 RM'000	2017 RM'000
At carrying amount		
At beginning of year	4,193	4,773
Amortisation for the year	(270)	(580)
At end of year	<u>3,923</u>	<u>4,193</u>
Cost	5,401	5,401
Accumulated amortisation	(1,478)	(1,208)
Carrying amount	<u>3,923</u>	<u>4,193</u>

Biological assets consist of oil palm trees, which are cultivated for the harvest of fresh fruit bunches. The plantation is on freehold land located at Batang Berjuntai, Selangor Darul Ehsan.

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5. INVESTMENT PROPERTIES

	Group	
	2018	2017
	RM'000	RM'000
At beginning of year	840,177	768,438
Additions	3,179	35,722
Disposals	(1,480)	-
Fair value adjustments, net	9,988	22,981
Exchange differences	(9,002)	7,850
Net transfer from property, plant and equipment (Note 3)	35,009	5,186
At end of year	<u>877,871</u>	<u>840,177</u>

Investment properties with carrying amount totalling RM78,023,000 (2017: RM110,220,000) are held under lease terms.

Applications for the sub-division and strata titles of the certain leasehold land and buildings (where applicable) of certain subsidiary companies have been submitted to the relevant authorities for processing.

The carrying amounts of the investment properties were determined based on valuations by independent valuers, who hold recognised qualifications and have relevant experience. These valuations make reference to market evidence of transaction prices of similar properties or comparable available market data. Fair value hierarchy for investment properties is disclosed in Note 42.

The Group determined that certain properties that were previously classified as investment properties amounting to RM32,815,000 (2017: RM1,182,000), are now occupied by subsidiary companies of the Group, thus, do not qualify as investment properties according to FRS 140: Investment Property. Certain other properties previously classified under property, plant and equipment amounting to RM67,824,000 (2017: RM6,368,000), are now not occupied by subsidiary companies of the Group, thus, qualify as investment properties according to FRS 140: Investment Property. These properties were reclassified accordingly.

Investment properties of the Group amounting to RM735,388,000 (2017: RM582,673,000) have been pledged to various financial institutions for credit facilities granted to certain subsidiary companies.

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6. LAND HELD FOR DEVELOPMENT

	Group	
	2018 RM'000	2017 RM'000 (Restated)
At cost:		
At beginning of year:		
- freehold land	1,416,460	1,427,769
- long leasehold land	62,304	69,287
- land use rights/land lease premium	172,608	177,623
- development costs	395,140	407,782
	<u>2,046,512</u>	<u>2,082,461</u>
Transfer/Adjustments during the year:		
- freehold land	(4,909)	(20,721)
- long leasehold land	(80)	(7,045)
- land use rights/land lease premium	(144,663)	(19,774)
- development costs	(47,724)	(3,569)
	<u>(197,376)</u>	<u>(51,109)</u>
Additions:		
- freehold land	15,467	25,373
- development costs	43,487	11,649
	<u>58,954</u>	<u>37,022</u>
Disposals:		
- freehold land	(206)	(20,958)
- long leasehold land	(101)	-
- development costs	(945)	(26,306)
	<u>(1,252)</u>	<u>(47,264)</u>
Exchange differences:		
- freehold land	(5,587)	4,997
- long leasehold land	(28)	62
- land use rights/land lease premium	(16,728)	14,759
- development costs	(6,866)	5,584
	<u>(29,209)</u>	<u>25,402</u>
Total cost at end of year	<u>1,877,629</u>	<u>2,046,512</u>
Accumulated impairment losses:		
At beginning of year	(10,153)	(17,334)
Write-off/Reversal of impairment loss	-	7,181
At end of year	<u>(10,153)</u>	<u>(10,153)</u>
Carrying value at end of year	<u>1,867,476</u>	<u>2,036,359</u>

NOTES TO THE FINANCIAL STATEMENTS

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6. LAND HELD FOR DEVELOPMENT (CONTINUED)

Land held for development with carrying value of RM135,454,000 (2017: RM624,398,000) have been pledged to various financial institutions.

Included in the transfer/adjustments section are the following:

	Group	
	2018	2017
	RM'000	RM'000
(i) transfer to development properties (Note 13)	(18,540)	(51,109)
(ii) adjustment arising from deemed disposal of subsidiary companies	(178,836)	-
	<u>(197,376)</u>	<u>(51,109)</u>

7. SUBSIDIARY COMPANIES

	Company	
	2018	2017
	RM'000	RM'000
At cost:		
Quoted shares in Malaysia	299,967	299,967
Unquoted shares	5,090,100	1,412,140
	<u>5,390,067</u>	<u>1,712,107</u>
Less: Accumulated impairment	(45,544)	(45,544)
	<u>5,344,523</u>	<u>1,666,563</u>
Market value:		
Quoted shares in Malaysia	144,102	212,781

The Group's equity interests in the subsidiary companies, their respective principal activities and country of incorporation are shown in Note 48.

During the current financial year, the Company subscribed to additional shares issued by a subsidiary by utilising the amount owing by the subsidiary company.

Quoted shares costing RM295,855,000 (2017: RM204,483,000) have been pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.

During the financial year, the Company conducted a review of the recoverable amounts of its investments in certain subsidiary companies and the review concluded that no impairment was required. The review in the previous financial year gave rise to the recognition of an impairment loss of investment in a subsidiary company of RM16,374,000 as disclosed in Note 33(c)(i) as the recoverable amount was less than the carrying value. The recoverable amount of RM111,323,000 is determined based on VIU calculations relating to gaming and related activities, which the key assumptions used are disclosed in Note 12(2)(2).

NOTES TO THE FINANCIAL STATEMENTS

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7. SUBSIDIARY COMPANIES (CONTINUED)

7.1 Acquisition of subsidiary company

There is no acquisition of subsidiary company which qualified as business combination during the current financial year.

In the previous financial year, the Group completed the acquisition of 70% equity interest in Hotel Integration Sdn Bhd ("HISB") for a total cash consideration of RM1.36 million by Berjaya Vacation Club Berhad, a wholly-owned subsidiary company of the Group.

The cost of acquisitions comprised the following:

2017 Group	Acquisition of HISB RM'000
Purchase consideration satisfied by cash, representing total cost of acquisition	1,365

The acquired subsidiary company which qualified as business combination contributed the following results to the Group in the previous financial year:

2017 Group	Acquisition of HISB RM'000
Revenue	35
Profit for the year	2

The fair values of the assets and liabilities of the acquired subsidiary company at the date of acquisition were as follows:

2017 Group	Acquisition of HISB RM'000
Non-current assets	37
Current assets	890
	927
Current liabilities	73
Net assets acquired	854
Less: Non-controlling interests	(256)
Group's share of net assets	598
Goodwill on consolidation	767
Total cost of acquisition	1,365

NOTES TO THE FINANCIAL STATEMENTS

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7. SUBSIDIARY COMPANIES (CONTINUED)

7.1 Acquisition of subsidiary company (continued)

The net cash flows on acquisition was as follows:

2017 Group	Acquisition of HISB RM'000
Purchase consideration satisfied by cash, representing total cost of acquisition	1,365

7.2 Acquisition of subsidiary company subsequent to financial year end

There is no acquisition of subsidiary company subsequent to the financial year end.

7.3 Disposal of subsidiary companies

7.3.1 Current financial year

During the current financial year, the Group completed the following disposals/deemed disposals:

- (1) The Group 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 (or equivalent to about RM9.21 million) satisfied via an issuance of new SIAMH shares, SIAMH is an existing associated company of Berjaya Leisure (Cayman) Limited ("BLCL"). Further details of this disposal are disclosed in Note 46(9);
- (2) The Group completed the disposal of its entire equity stake in PT Boga Lestari Sentosa for IDR1,000 (or equivalent to about RM0.32) (refer to Note 46(10));
- (3) The Company completed the disposal of its entire 100% equity interest in Berjaya Green Resources Environmental Engineering (Foshan) Co Ltd for a cash consideration of about RMB78.50 million (or equivalent to about RM50.87 million) (refer to Note 46 (11));
- (4) 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. Further details are disclosed in Note 47(1); and
- (5) 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 conditions imposed by the Vietnamese authorities. Further details are disclosed in Note 47(1).

7.3.2 Previous financial year

In the previous financial year, the Group completed the disposal of its entire equity interest of 92.31% in REDtone Asia Inc for a consideration of RMB36.11 million (about RM22.16 million).

7.3.3 Effects of disposal

The effects of the disposal on the financial position of the Group are disclosed in the Consolidated Statement of Cash Flows, Note (b).

The acquisition, incorporation or disposal of subsidiary companies during the financial year which do not have any material effect on the financial position of the Group and of the Company are not listed above.

NOTES TO THE FINANCIAL STATEMENTS

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7. SUBSIDIARY COMPANIES (CONTINUED)

7.4 Subsidiary companies with material non-controlling interests

The Group regards the non-controlling interests of the following subsidiary companies as material to the Group and is set out below. The equity interests held by non-controlling interests are as follows:

Name	Equity interest held by non-controlling interests	
	2018 %	2017 %
Berjaya Land Berhad ("BLand")	27.9	28.6
BFood	56.3	56.6
REDtone International Berhad	48.3	48.3

Summarised financial information of subsidiary companies which have non-controlling interests that are material to the Group is set out below. The summarised financial information presented below is the amount before inter-company elimination and after modifying for fair value adjustments arising from business combination.

NOTES TO THE FINANCIAL STATEMENTS

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7. SUBSIDIARY COMPANIES (CONTINUED)

7.4 Subsidiary companies with material non-controlling interests (continued)

GROUP	BLand	BFood	REDtone	Total
At 30 April 2018	RM'000	RM'000	RM'000	RM'000
Non-current assets	9,305,552	719,322	359,668	10,384,542
Current assets	3,448,114	94,341	143,610	3,686,065
Non-current liabilities	(3,083,241)	(150,218)	(73,911)	(3,307,370)
Current liabilities	(3,240,810)	(276,256)	(62,650)	(3,579,716)
Net assets	6,429,615	387,189	366,717	7,183,521
Equity attributable to				
equity holders of the parent	3,418,259	168,476	185,309	3,772,044
Non-controlling interests	3,011,356	218,713	181,408	3,411,477
Total equity	6,429,615	387,189	366,717	7,183,521
Year ended 30 April 2018				
Revenue	6,361,198	639,741	118,081	7,119,020
(Loss)/Profit for the year	(83,157)	218	4,769	(78,170)
Other comprehensive income	(132,734)	3,291	-	(129,443)
Total comprehensive income for the year	(215,891)	3,509	4,769	(207,613)
(Loss)/Profit attributable to:				
- Owners of the parent	(100,164)	512	3,085	(96,567)
- Non-controlling interests	17,007	(294)	1,684	18,397
	(83,157)	218	4,769	(78,170)
Total comprehensive income attributable to:				
- Owners of the parent	(212,326)	1,414	3,084	(207,828)
- Non-controlling interests	(3,565)	2,095	1,685	215
	(215,891)	3,509	4,769	(207,613)
Year ended 30 April 2018				
Net cash generated from/(used in):				
Operating activities	458,302	63,302	45,965	567,569
Investing activities	235,041	(49,469)	(20,841)	164,731
Financing activities	(532,163)	(6,163)	(21,143)	(559,469)
Net change in cash and cash equivalents	161,180	7,670	3,981	172,831
Dividends paid to non-controlling interests	(71,731)	(6,544)	-	(78,275)

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7. SUBSIDIARY COMPANIES (CONTINUED)

7.4 Subsidiary companies with material non-controlling interests (continued)

GROUP

	BLand	BFood	REDtone	Total
At 30 April 2017	RM'000	RM'000	RM'000	RM'000
Non-current assets	8,653,491	698,240	366,060	9,717,791
Current assets	4,279,692	90,795	165,799	4,536,286
Non-current liabilities	(3,118,991)	(136,711)	(74,927)	(3,330,629)
Current liabilities	(3,113,550)	(277,994)	(94,984)	(3,486,528)
Net assets	6,700,642	374,330	361,948	7,436,920
Equity attributable to				
equity holders of the parent	3,531,350	169,821	182,384	3,883,555
Non-controlling interests	3,169,292	204,509	179,564	3,553,365
Total equity	6,700,642	374,330	361,948	7,436,920
Year ended 30 April 2017				
Revenue	6,371,366	605,441	150,567	7,127,374
Profit/(Loss) for the year	436,605	6,332	(5,866)	437,071
Other comprehensive income	146,967	(2,466)	3,337	147,838
Total comprehensive income for the year	583,572	3,866	(2,529)	584,909
Profit/(Loss) attributable to:				
- Owners of the parent	247,649	4,913	(2,774)	249,788
- Non-controlling interests	188,956	1,419	(3,092)	187,283
	436,605	6,332	(5,866)	437,071
Total comprehensive income attributable to:				
- Owners of the parent	339,954	4,481	173	344,608
- Non-controlling interests	243,618	(615)	(2,702)	240,301
	583,572	3,866	(2,529)	584,909
Year ended 30 April 2017				
Net cash generated from/(used in):				
Operating activities	55,465	75,093	(25,322)	105,236
Investing activities	(187,643)	(78,624)	13,697	(252,570)
Financing activities	(54,116)	(8,180)	6,590	(55,706)
Net change in cash and cash equivalents	(186,294)	(11,711)	(5,035)	(203,040)
Dividends paid to non-controlling interests	(110,666)	(5,683)	-	(116,349)

NOTES TO THE FINANCIAL STATEMENTS

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8. ASSOCIATED COMPANIES

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
At cost:				
Quoted shares - in Malaysia	467,596	519,933	257,682	257,682
Quoted shares - outside Malaysia	103,914	104,209	-	-
Unquoted shares	538,851	459,065	50	50
Less: Unrealised profit on transactions with associated companies	(6,866)	(7,012)	-	-
	1,103,495	1,076,195	257,732	257,732
Group's share of post acquisition reserves	236,696	283,652	-	-
	1,340,191	1,359,847	257,732	257,732
Less: Accumulated impairment				
- Quoted shares in Malaysia	(9,446)	(9,348)	-	-
- Quoted shares outside Malaysia	(51,464)	(51,435)	-	-
- Unquoted shares	(90,146)	(83,721)	-	-
	(151,056)	(144,504)	-	-
	1,189,135	1,215,343	257,732	257,732
Carrying value of:				
Quoted shares - in Malaysia	571,394	688,991	257,682	257,682
Quoted shares - outside Malaysia	3,934	8,914	-	-
Unquoted shares	613,807	517,438	50	50
	1,189,135	1,215,343	257,732	257,732
Market value:				
Quoted shares - in Malaysia	427,126	531,277	267,246	293,910
Quoted shares - outside Malaysia	3,943	8,941	-	-

Certain quoted shares of the Group and of the Company costing RM366,864,000 (2017: RM312,120,000) and RM254,620,000 (2017: RM220,262,000) respectively, have been pledged to financial institutions for credit facilities granted to the Company and certain subsidiary companies.

During the financial year, the Group conducted a review of the recoverable amounts of certain investment in associated companies and the review has led to the following recognition:

- an impairment loss amounting to RM7,472,000 (2017: RM13,824,000) as disclosed in Note 33(c)(i), in associated companies with recoverable amount of RM14,743,000 (2017: RM25,307,000). The recoverable amounts are determined based on the higher of VIU calculations or fair values less costs to sell. The discount rate used in the VIU calculation is 16.20% (2017: 18.40%). The fair values are based on observable market prices; and
- a reversal of impairment loss of RM590,000 (2017: RMNil) as disclosed in Note 33(d)(ii), in associated companies with recoverable amount of RM1,502,000 (2017: RMNil).

NOTES TO THE FINANCIAL STATEMENTS

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8. ASSOCIATED COMPANIES (CONTINUED)

The Group's equity interest in the associated companies, their respective principal activities and country of incorporation are shown in Note 48.

During the current financial year, the value of a quoted investment in an associated company was not impaired to its market value as the directors have evaluated that the fair values of the underlying assets of this associated company quoted in Malaysia, to be higher than or equal to its carrying value.

Although the Group holds less than 20% of the voting shares in Berjaya Assets Berhad ("BAssets") and Berjaya Media Berhad, the Group exercises significant influence by virtue of its ability to participate in the financial and operating policy decisions of these companies by way of representation on their respective boards of directors.

The Group regards Atlan Holdings Bhd ("Atlan"), BAssets and Berjaya Sampo Insurance Berhad ("BSampo") as its material associated companies.

Summarised financial information in respect of the material associated companies is set out below. The summarised financial information represents the amounts in the financial statements of the associated companies and not the Group's share of those amounts.

GROUP	Atlan	BAssets	BSampo	Total
2018	RM'000	RM'000	RM'000	RM'000
Non-current assets	270,058	3,186,403	1,487,391	4,943,852
Current assets	696,498	410,794	626,158	1,733,450
Non-current liabilities	(51,854)	(975,943)	(6,102)	(1,033,899)
Current liabilities	(202,675)	(318,595)	(1,292,375)	(1,813,645)
Net assets	712,027	2,302,659	815,072	3,829,758
Equity attributable to:				
Owners of the associated company	533,095	2,295,762	815,072	3,643,929
Non-controlling interests of the associated company	178,932	6,897	-	185,829
Total equity	712,027	2,302,659	815,072	3,829,758
GROUP	Atlan	BAssets	BSampo	Total
2017	RM'000	RM'000	RM'000	RM'000
Non-current assets	285,101	3,105,227	1,384,114	4,774,442
Current assets	660,064	304,493	493,381	1,457,938
Non-current liabilities	(65,198)	(1,008,397)	(8,759)	(1,082,354)
Current liabilities	(231,187)	(210,529)	(1,099,056)	(1,540,772)
Net assets	648,780	2,190,794	769,680	3,609,254
Equity attributable to:				
Owners of the associated company	480,316	2,181,443	769,680	3,431,439
Non-controlling interests of the associated company	168,464	9,351	-	177,815
Total equity	648,780	2,190,794	769,680	3,609,254

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8. ASSOCIATED COMPANIES (CONTINUED)

GROUP 2018	Atlan RM'000	BAssets RM'000	BSompo RM'000	Total RM'000
Revenue	826,335	350,026	631,802	1,808,163
Profit/(Loss) for the year	66,325	(22,857)	49,171	92,639
Other comprehensive income	-	(29,481)	(3,779)	(33,260)
Total comprehensive income for the year	66,325	(52,338)	45,392	59,379
Profit/(Loss) for the year attributable to:				
- owners of the associated company	49,033	(22,089)	49,171	76,115
- non-controlling interests of the associated company	17,292	(768)	-	16,524
	66,325	(22,857)	49,171	92,639
Total comprehensive income attributable to:				
- owners of the associated company	49,033	(51,774)	45,392	42,651
- non-controlling interests of the associated company	17,292	(564)	-	16,728
	66,325	(52,338)	45,392	59,379
Dividends received from the associated companies during the year	14,249	-	-	14,249
GROUP 2017	Atlan RM'000	BAssets RM'000	BSompo RM'000	Total RM'000
Revenue	809,435	368,860	749,178	1,927,473
Profit/(Loss) for the year	75,599	(76,834)	53,430	52,195
Other comprehensive income	1,236	(1,919)	12,350	11,667
Total comprehensive income for the year	76,835	(78,753)	65,780	63,862
Profit/(Loss) for the year attributable to:				
- owners of the associated company	54,536	(77,838)	53,430	30,128
- non-controlling interests of the associated company	21,063	1,004	-	22,067
	75,599	(76,834)	53,430	52,195
Total comprehensive income attributable to:				
- owners of the associated company	55,664	(78,994)	65,780	42,450
- non-controlling interests of the associated company	21,171	241	-	21,412
	76,835	(78,753)	65,780	63,862
Dividends received from the associated companies during the year	15,237	-	-	15,237

NOTES TO THE FINANCIAL STATEMENTS

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8. ASSOCIATED COMPANIES (CONTINUED)

Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in associated companies:

GROUP	Atlan	BAssets	BSompo	Total
2018	RM'000	RM'000	RM'000	RM'000
Attributable to the owners of associated companies:				
Net assets at beginning of year	480,316	2,181,443	769,680	3,431,439
Increase in paid-up capital	-	166,093	-	166,093
Profit/(Loss) for the year	49,033	(22,089)	49,171	76,115
Other comprehensive income	-	(29,685)	(3,779)	(33,464)
Dividends paid during the year	(53,267)	-	-	(53,267)
Other transactions with owners	57,013	-	-	57,013
Net assets at end of year	533,095	2,295,762	815,072	3,643,929
Group's equity interest	26.69%	10.58%	30.00%	
Interest in associated companies	142,278	242,915	244,522	629,715
Goodwill	186,337	187	158,400	344,924
Exchange differences	(519)	-	-	(519)
Unrealised profit on transaction with associated company	-	-	(6,866)	(6,866)
Less: Intragroup adjustments	-	(2,510)	-	(2,510)
Carrying value of Group's interest in associated companies	328,096	240,592	396,056	964,744
GROUP	Atlan	BAssets	BSompo	Total
2017	RM'000	RM'000	RM'000	RM'000
Attributable to the owners of associated companies:				
Net assets at beginning of year	397,032	2,260,437	703,900	3,361,369
Profit for the year	54,536	(77,838)	53,430	30,128
Other comprehensive income	1,128	(1,156)	12,350	12,322
Dividends paid during the year	(59,320)	-	-	(59,320)
Other transactions with owners	86,940	-	-	86,940
Net assets at end of year	480,316	2,181,443	769,680	3,431,439
Group's equity interest	26.69%	16.90%	30.00%	
Interest in associated companies	128,192	368,613	230,904	727,709
Goodwill	186,337	187	158,400	344,924
Exchange differences	2,623	-	-	2,623
Unrealised profit on transaction with associated company	-	-	(7,033)	(7,033)
Less: Intragroup adjustments	-	(1,578)	-	(1,578)
Carrying value of Group's interest in associated companies	317,152	367,222	382,271	1,066,645

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8. ASSOCIATED COMPANIES (CONTINUED)

Aggregate information of associated companies that are not individually material:

	Group	
	2018	2017
	RM'000	RM'000
The Group's share of (loss)/profit for the year	(8,902)	43,478
The Group's share of other comprehensive income	(2,186)	(3,647)
The Group's share of total comprehensive income for the year	(11,088)	39,831
Aggregate carrying amount of the Group's interests in these associated companies	224,391	148,698

The Group has discontinued the recognition of its share of losses of certain associated companies because the share of losses of these associated companies has exceeded the Group's interest in these associated companies. As at the reporting date, the Group's cumulative unrecognised share of losses in these associated companies amounted to RM26,669,000 (2017: RM29,044,000), which exceeded the Group's interest in these associated companies. Accordingly, the Group did not recognise its share of current year's profit amounting to RM2,375,000 (2017: share of loss of RM178,000) of these associated companies.

9. JOINT VENTURES

	Group	
	2018	2017
	RM'000	RM'000
Contributed legal capital/cost of investment	324,866	334,101
Share of post-acquisition reserves	(195,885)	(196,017)
Exchange differences	5,249	10,267
	134,230	148,351
Less : Accumulated impairment	(28,644)	(28,644)
	105,586	119,707

Details of the joint ventures are as follows:

Name of joint ventures	Country of incorporation	% of ownership interest held by the Group		Principal activities
		2018	2017	
Held by Berjaya Leisure (Cayman) Limited				
Berjaya-Handico12 Co Ltd	Socialist Republic of Vietnam	80.0	80.0	Property investment and development.
RC Hotel and Resort JV Holdings (BVI) Company Limited	British Virgin Islands	-	56.7	Dissolved.
Held by T.P.C. Development Limited				
T.P.C. Nghi Tam Village Limited ("TPC")	Socialist Republic of Vietnam	75.0	75.0	Developer and operator of an international standard five star hotel.

NOTES TO THE FINANCIAL STATEMENTS

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9. JOINT VENTURES (CONTINUED)

Name of joint ventures	Country of incorporation	% of ownership interest held by the Group		Principal activities
		2018	2017	
Held by Berjaya Hotels & Resorts Vietnam Sdn Bhd				
Berjaya Hotay Joint Venture Company Limited (“BHotay”)	Socialist Republic of Vietnam	50.0	50.0	Developer and operator of an international standard five star hotel and provision of related services.
Held by Berjaya Vacation Club Berhad				
Asia Jet Partners Malaysia Sdn Bhd	Malaysia	51.0	51.0	Aircraft charter service and related aircraft business.
Held by Berjaya Group (Cayman) Limited				
Antara Spacecom Pte Ltd	Singapore	50.0	50.0	Provision of satellite communication, broadcasting and mobility services.
Held by Berjaya Capital Berhad				
Chailease Berjaya Credit Sdn Bhd (“Chailease”)	Malaysia	30.0	30.0	Hire purchase and loan financing in relation to vehicles and consumer goods.
Held by KUB-Berjaya Energy Sdn Bhd				
Amita KUB-Berjaya Kitar Sdn Bhd	Malaysia	60.0	60.0	Providing industrial waste recycling services.
Held by Cosway (China) Co. Ltd				
Cosway (Guangzhou) Cosmetic Manufacture Co Ltd (“Cosway Guangzhou”)	People's Republic of China	70.0	70.0	Manufacture and trading in consumer, household and skin care products.
Held by BL Capital Sdn Bhd				
Pasdec Cempaka Sdn Bhd	Malaysia	31.0	31.0	Property development and investment.
Held by Berjaya Property Management Sdn Bhd				
Pasdec Cempaka Sdn Bhd	Malaysia	20.0	20.0	Property development and investment.

NOTES TO THE FINANCIAL STATEMENTS

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9. JOINT VENTURES (CONTINUED)

Summarised financial information in respect of the material joint ventures is set out below. The summarised financial information represents the amounts in the financial statements of the joint ventures after modification of fair value adjustments arising from business combination and not the Group's share of those amounts.

GROUP	BHotay	Cosway	Chailease	Total
At 30 April 2018	RM'000	Guangzhou RM'000	RM'000	RM'000
Non-current assets	211,344	1,247	6,834	219,425
Current assets	14,201	18,617	441,789	474,607
Non-current liabilities	(113,961)	-	(25,248)	(139,209)
Current liabilities	(29,919)	(14,404)	(340,559)	(384,882)
Net assets	81,665	5,460	82,816	169,941
The amounts of assets and liabilities above include the following:				
Cash and cash equivalents	8,324	11,036	3,793	23,153
Current financial liabilities (excluding trade and other payables and provision)	(21,784)	-	(339,035)	(360,819)
Non-current financial liabilities (excluding trade and other payables and provision)	(104,956)	-	(25,248)	(130,204)
Year ended 30 April 2018				
Revenue	70,771	5,953	54,177	130,901
Profit/(Loss) for the year, representing total comprehensive income for the year	8	(327)	6,566	6,247
The profit/(loss) for the year includes the following:				
Depreciation and amortisation	16,270	294	588	17,152
Interest income	-	260	218	478
Income tax expense	-	297	2,318	2,615
Finance costs	5,062	-	-	5,062
Dividend received from the joint ventures during the year	-	17,195	-	17,195

NOTES TO THE FINANCIAL STATEMENTS

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9. JOINT VENTURES (CONTINUED)

GROUP

	BHotay	Cosway Guangzhou	Chailease	Total
At 30 April 2017	RM'000	RM'000	RM'000	RM'000
Non-current assets	251,568	1,564	1,678	254,810
Current assets	11,512	30,079	188,266	229,857
Non-current liabilities	(160,756)	-	(13,161)	(173,917)
Current liabilities	(11,646)	(1,298)	(125,533)	(138,477)
Net assets	90,678	30,345	51,250	172,273
The amounts of assets and liabilities above include the following:				
Cash and cash equivalents	7,090	8,216	2,686	17,992
Current financial liabilities (excluding trade and other payables and provision)	(3,627)	-	(2,397)	(6,024)
Non-current financial liabilities (excluding trade and other payables and provision)	(151,022)	-	-	(151,022)
Year ended 30 April 2017				
Revenue	66,506	13,766	15,634	95,906
(Loss)/Profit for the year, representing total comprehensive income for the year	(6,757)	1,744	3,563	(1,450)
The (loss)/profit for the year includes the following:				
Depreciation and amortisation	16,687	284	235	17,206
Interest income	-	134	118	252
Income tax expense	-	337	295	632
Finance costs	8,283	-	-	8,283
Dividend received from the joint ventures during the year	-	880	-	880

NOTES TO THE FINANCIAL STATEMENTS

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9. JOINT VENTURES (CONTINUED)

Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in joint ventures

GROUP	Cosway			Total
	BHotay	Guangzhou	Chailease	
2018	RM'000	RM'000	RM'000	RM'000
Net assets as at beginning of year	90,678	30,345	51,250	172,273
Profit/(Loss) for the year, representing other comprehensive income for the year	8	(327)	6,566	6,247
Dividends paid during the year	-	(24,564)	-	(24,564)
Increase in share capital	-	-	25,000	25,000
Exchange differences	(9,021)	6	-	(9,015)
Net assets at end of year	81,665	5,460	82,816	169,941
Group's equity interest	50%	70%	30%	
Interest in joint venture	40,833	3,822	24,845	69,500
Gain on remeasurement	-	18,611	-	18,611
Exchange differences	-	261	-	261
Carrying value of Group's interest in joint ventures	40,833	22,694	24,845	88,372

GROUP	Cosway			Total
	BHotay	Guangzhou	Chailease	
2017	RM'000	RM'000	RM'000	RM'000
Net assets as at date of equity account/beginning of year	89,828	29,850	22,687	142,365
(Loss)/Profit for the year, representing other comprehensive income for the year	(6,757)	1,744	3,563	(1,450)
Dividends paid during the year	-	(1,257)	-	(1,257)
Increase in share capital	-	-	25,000	25,000
Exchange differences	7,607	8	-	7,615
Net assets at end of year	90,678	30,345	51,250	172,273
Group's equity interest	50%	70%	30%	
Interest in joint venture	45,339	21,242	15,375	81,956
Gain on remeasurement	-	18,611	-	18,611
Exchange differences	-	261	-	261
Carrying value of Group's interest in joint ventures	45,339	40,114	15,375	100,828

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

9. JOINT VENTURES (CONTINUED)

Aggregate information of joint ventures that are not individually material

	Group	
	2018	2017
	RM'000	RM'000
The Group's share of profit/(loss)		
for the year, representing total comprehensive income	1,045	(611)
Aggregate carrying amount of the Group's interests in these joint ventures	17,214	18,879

The Group has discontinued recognition of its share of losses of certain joint ventures because the share of losses of these joint ventures has exceeded the Group's interest in these joint ventures, and the Group does not have any legal and constructive obligations to provide financial support to the joint ventures. As such, during the current financial year, the Group did not recognise its share of the current year net profit of these joint ventures and the Group's cumulative share of unrecognised losses of these joint ventures amounted to RM34,106,000 (2017: RM40,528,000).

10. OTHER INVESTMENTS

	Group	
	2018	2017
	RM'000	RM'000
Quoted investments in Malaysia, at fair value		
- shares	42,384	38,359
- warrants	-	10,838
- Malaysian Government Securities	2,996	3,026
- unit trust funds	1,154	3,198
Quoted investments outside Malaysia, at fair value		
- shares	10,034	4,683
	56,568	60,104
Unquoted shares		
- Cost	147,909	144,462
- Less: Accumulated impairment	(56,356)	(57,494)
	91,553	86,968
Unquoted shares, at fair value	-	4,469
	91,553	91,437
Total investment in financial assets	148,121	151,541
Golf club corporate memberships	833	868
Total investments	148,954	152,409

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 4.24% (2017: 4.24%) per annum.

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10. OTHER INVESTMENTS (CONTINUED)

During the financial year, the Group recognised:

- (i) an impairment loss amounting to RM2,738,000 (2017: RM190,000) of certain available-for-sale financial assets which are quoted equity instruments as disclosed in Note 33 (c)(i); and
- (ii) an impairment loss amounting to RM24,000 (2017: RM385,000) of certain available-for-sale financial assets which are unquoted equity instruments as disclosed in Notes 33 (c)(i).

None of the investment in quoted securities in Malaysia of the Group are pledged as at the current financial year and the previous year end.

Further details on fair value hierarchy and classification of equity investments are disclosed in Notes 42 and 43 respectively.

11. OTHER LONG TERM RECEIVABLES

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
		(Restated)		
Amounts due from joint ventures (Note a)	429,533	696,126	-	-
Amounts due from subsidiary company (Note b)	-	-	83,987	-
Other non-current receivables (Note c)	-	13,920	-	-
Other long term deposits	24,392	27,030	-	-
Amount receivable from disposal of Great Mall Project (Note d)	473,862	-	-	-
Compensation receivable from Jeju Project (Note e)	593,253	604,255	-	-
Stakeholders' sum	8,140	-	-	-
Hire purchase receivables, net of unearned interest	23,100	19,376	-	-
	<u>1,552,280</u>	<u>1,360,707</u>	<u>83,987</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

11. OTHER LONG TERM RECEIVABLES (CONTINUED)

Notes:

- (a) Amounts owing by joint ventures are unsecured, interest-bearing with schedule of repayments ranging from 2 to 20 (2017: 2 to 20) years.
- (b) The amounts due from subsidiary companies are unsecured and repayable on demand. Amounts totalling RM83,987,000 (2017: RMNil) bear interest, while the rest are non-interest bearing.
- (c) The portion of the development expenditure for concession which is covered by minimum guaranteed payments from the grantor of the concession is recognised as other non-current receivables in accordance with IC Interpretation 12. The salient features of the concession are described below:

(1) Linqu Water Supply Project

This is a 30-year concession (expected to expire in September 2036) granted by the People's Government of Linqu County, Shandong Province ("Linqu Government") to Dragon Spring Group (M) Ltd ("DSGM") to acquire, upgrade, operate and maintain the existing water supply facilities in Linqu County, Shandong Province, People's Republic of China based on a build-operate-transfer basis. Linqu Government has authorised Construction Bureau of Linqu County ("CBLinqu") to enter into the concession agreement with DSGM. This concession was then assigned to Dragon Spring Water (Linqu) Co Ltd ("DSWLQ"). DSWLQ supplies the water at a rate which is in accordance to the concession agreement. The charge rate shall be reviewed should there be any increase or decrease in the cost of supplying the water. DSWLQ is obligated to rehabilitate the existing water supply facilities, construction of new treatment facilities and maintain and upgrade the water supply distribution networks. DSWLQ shall transfer the phase 1 of the new water treatment plant to CBLinqu without any further compensation at the end of the concession period.

As at the reporting date, the company which has the Linqu Water Supply Project was reclassified to disposal group (refer to Note 19), the other non-current receivables relating to this project was reclassified to disposal group accordingly.

- (d) This amount represents the final instalment claimed by GMOC from Beijing SkyOcean in respect of the GMOC Arbitration. Details of the GMOC Arbitration are disclosed in Note 41(5).
- (e) This amount represents the project costs claimed by BJR from JDC in respect of the JDC Lawsuit. Details of the JDC Lawsuit are disclosed in Note 41(4).

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 RM81,789,000 (2017: RM70,553,000) as disclosed in Note 28. The main contractor has also placed a lien on potential compensation receivable pending a positive judgement over the JDC Lawsuit.

NOTES TO THE FINANCIAL STATEMENTS

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12. INTANGIBLE ASSETS

GROUP

	Goodwill	Gaming rights	Trademarks	Lottery business cooperation contract	Concession assets	Dealership rights	Telecommunications licences with allocated spectrum	Other intangible assets	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2018									
Net Carrying Amount									
At beginning of year	1,021,661	3,758,865	43,807	122,446	477,417	57,487	314,601	57,512	5,853,796
Additions	-	-	49	-	24,018	-	-	7,450	31,517
Amortisation for the year	-	-	(36)	(7,099)	(22,086)	-	-	(6,743)	(35,964)
Reversal of impairment losses	-	95,752	-	-	-	-	-	-	95,752
Impairment losses	-	-	-	-	-	-	-	(1,955)	(1,955)
Adjustments	-	-	-	-	(269)	-	-	(51)	(320)
Government grant received during the financial year	-	-	-	-	-	-	-	(762)	(762)
Arising from disposal of subsidiary company	-	-	-	-	(67,988)	-	-	-	(67,988)
Transfer to property, plant and equipment	-	-	-	-	(895)	-	-	139	(756)
Transfer to disposal group	-	-	-	-	(159,545)	-	-	(285)	(159,830)
Disposals	-	-	-	-	-	-	-	(34)	(34)
Deferred tax liability recognised	(517)	-	-	-	-	-	-	-	(517)
Exchange differences	(6,310)	-	(3,643)	-	(5,926)	(1,267)	-	(729)	(17,875)
At end of year	1,014,834	3,854,617	40,177	115,347	244,726	56,220	314,601	54,542	5,695,064

	Goodwill	Gaming rights	Trademarks	Lottery business cooperation contract	Concession assets	Dealership rights	Telecommunications licences with allocated spectrum	Other intangible assets	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2017									
Net Carrying Amount									
At beginning of the year	1,030,146	4,478,462	39,888	140,422	467,855	58,672	314,601	52,811	6,582,857
Additions	-	-	69	-	47,871	-	-	13,157	61,097
Amortisation for the year	-	(28,753)	(34)	(6,950)	(23,499)	-	-	(4,813)	(64,049)
Impairment losses	(9,578)	(696,390)	-	-	(33,008)	-	-	(109)	(739,085)
Adjustments	-	-	-	(11,026)	-	-	-	(3,861)	(14,887)
Arising from acquisition of subsidiary companies	767	-	-	-	-	-	-	-	767
Deferred tax liability recognised	(283)	-	-	-	-	-	-	-	(283)
Reclassification	-	-	-	-	(8)	-	-	8	-
Write off	-	-	-	-	-	-	-	(1,008)	(1,008)
Exchange differences	609	5,546	3,884	-	18,206	(1,185)	-	1,327	28,387
At end of year	1,021,661	3,758,865	43,807	122,446	477,417	57,487	314,601	57,512	5,853,796

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12. INTANGIBLE ASSETS (CONTINUED)

GROUP	Cost	Accumulated impairment losses	Accumulated amortisation	Net carrying amount
As at 30 April 2018	RM'000	RM'000	RM'000	RM'000
Goodwill	2,204,138	(1,189,304)	-	1,014,834
Gaming rights	4,685,784	(774,060)	(57,107)	3,854,617
Trademarks	80,530	(15,284)	(25,069)	40,177
Lottery business cooperation contract	131,319	-	(15,972)	115,347
Concession assets	328,091	(31,066)	(52,299)	244,726
Dealership rights	56,220	-	-	56,220
Telecommunications licences with allocated spectrum	314,601	-	-	314,601
Other intangible assets	98,753	(10,195)	(34,016)	54,542
	7,899,436	(2,019,909)	(184,463)	5,695,064

GROUP	Cost	Accumulated impairment losses	Accumulated amortisation	Net carrying amount
As at 30 April 2017	RM'000	RM'000	RM'000	RM'000
Goodwill	2,211,735	(1,190,074)	-	1,021,661
Gaming rights	4,685,784	(869,812)	(57,107)	3,758,865
Trademarks	88,268	(16,581)	(27,880)	43,807
Lottery business cooperation contract	131,319	-	(8,873)	122,446
Concession assets	610,299	(34,813)	(98,069)	477,417
Dealership rights	57,487	-	-	57,487
Telecommunications licences with allocated spectrum	314,601	-	-	314,601
Other intangible assets	99,117	(8,839)	(32,766)	57,512
	8,198,610	(2,120,119)	(224,695)	5,853,796

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12. INTANGIBLE ASSETS (CONTINUED)

	Company	
	2018 RM'000	2017 RM'000
Lottery business cooperation contract		
At beginning of year	122,446	140,422
Amortisation for the year	(7,099)	(6,950)
Adjustment	-	(11,026)
At end of year	115,347	122,446
 Cost	 131,319	 131,319
Accumulated amortisation	(15,972)	(8,873)
Net carrying amount	115,347	122,446

12.1 Service concession arrangements

The development expenditure for service concession arrangements which are not covered by a contractual guarantee from the grantor of the concessions are recognised as intangible assets in accordance with IC Interpretation 12: Service Concession Arrangements. These portions of the development expenditure represent the rights to charge users of the public service. The salient features of the concessions are described as below:

(1) Tianchang Water Supply Project

This is a 30-year concession (expected to expire in December 2036) granted by the People's Government of Tianchang City ("Tianchang Government") to Dragon Spring Water Services Ltd ("DSWS") to acquire, upgrade, develop and maintain the existing water supply facilities in Tianchang City, Anhui Province, People's Republic of China based on a build-operate-transfer basis. Tianchang Government has authorised Tianchang Construction Bureau ("TianchangCB") to enter into the concession agreement with DSWS. This concession was then assigned to Dragon Spring Water (Tianchang) Co Ltd ("DSWTC"). DSWTC supplies the water at a rate which is in accordance to the concession agreement. The charge rate shall be reviewed should there be any increase or decrease in the cost of supplying the water. DSWTC is obligated to improve the water supply distribution networks, maintain the normal operation of water supply and piping networks and the construction of a surface water plant. DSWTC shall transfer the project to TianchangCB at a transfer price, which will be assessed at that time by accounting firms appointed by the parties, at the end of the concession period.

(2) Taiwen Sewage Treatment Plant Project

This is a 25-year concession (expected to expire in February 2037) granted by the Taian City Daiyue People's Government ("Daiyue Government") to DSGM to design, construct and operate a sewage treatment plant in Daiyue district, Taian Municipality, Shandong Province, People's Republic of China based on a build-operate-transfer basis. Daiyue Government has authorised Taian Dawenkou Gypsum Industrial Park Management Committee ("TaianMC") to enter into the concession agreement with DSGM. This concession was then assigned to Dragon Spring Water (Taian) Co Ltd ("DSWTA"). DSWTA will charge TaianMC a sewage treatment service fee based on the volume of water treated at a rate in accordance to the concession agreement. The charge rate is subject to review every two years. DSWTA is obligated to design and construct the sewage treatment plant and to manage the operation of the plant. DSWTA shall transfer the project to TaianMC without any further compensation at the end of the concession period.

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12. INTANGIBLE ASSETS (CONTINUED)

12.1 Service concession arrangements (continued)

(3) Bukit Tagar Sanitary Landfill Project

This is a 6-year concession, automatically renewable over 5 terms of 6 years each (the last term expiring in January 2044) granted to KUB-Berjaya Enviro Sdn Bhd ("KBE"), a 60% owned subsidiary company of BGroup, on a build, operate, and transfer basis. KBE will design, build, operate and maintain the Bukit Tagar Sanitary Landfill which is located at Mukim Sg. Tinggi, Hulu Selangor District in the State of Selangor. The concession grants the rights to KBE to receive waste from Dewan Bandaraya Kuala Lumpur ("DBKL") and in return to collect tipping fee in accordance to the concession agreement. The tipping fee is determined on phase-to-phase basis. Upon the termination of the concession, KBE shall transfer the project to DBKL without any further compensation.

(4) Landfill Gas Utilisation Project

This is a concession whereby KUB-Berjaya Energy Sdn Bhd, a wholly owned subsidiary company of KBE, generates electricity from biogas recovered from the Bukit Tagar Sanitary Landfill and solar source, and sells it to the national grid under the 'Feed-in-Tariff' ("FIT") scheme. This is achieved through:

- a renewable energy power purchase agreement ("REPPA") with Tenaga Nasional Berhad ("TNB") for the sale of 1.2 MW renewable energy under FIT for a duration of 16 years (expiring in June 2028) at the agreed rate of RM0.42/kWh;
- a REPPA with TNB for the sale of 3.2 MW renewable energy source under FIT for a duration of 16 years (expiring in December 2029) at the agreed rate of RM0.42/kWh;
- a REPPA with TNB for the sale of 2.0MW renewable energy under FIT for a duration of 16 years (expiring in December 2031) at the agreed rate of RM0.4669/kWh; and
- a REPPA with TNB for the sale of 0.125kWh solar power under FIT for a duration of 21 years (expiring in December 2034) at the agreed rate of RM1.0488/kWh.

(5) AWF Limited Water Supply Project

This is a concession granted by the People's Government of Longxi ("Longxi government") exclusively to AWF Limited ("AWF") to acquire, upgrade, operate and maintain the existing water supply facilities in Longxi Town, Boluo County, Huizhou City, Guangdong Province, People's Republic of China. AWF shall operate the concession through its three subsidiary companies, namely Boluo Longxi Zhiwang Water Supply Co Ltd ("Zhiwang") and Boluo Longxi Pengfa Water Supply Co Ltd ("Pengfa") which are wholly-owned by AWF, as well as Boluo Longxi Water Supply Co Ltd ("Longxi") which is 50% owned by C.A. Pioneer Holding Inc. Limited (a wholly-owned subsidiary company of AWF). The subsidiary companies are granted business licence period of 30 years, subject to renewal. Zhiwang, Pengfa and Longxi supply treated potable water to the entire Longxi Town territory and charge water tariff rates approved by the Pricing Bureau of Boluo County. The tariff rates shall be reviewed by the Longxi government upon application submitted by the operators when the increase in costs of supplying water warrants the tariff review. AWF, through its subsidiary companies, is obligated to improve the water supply distribution networks, maintain the normal operation of water supply and piping networks.

As at the reporting date, the concession assets for the service concession arrangements referred to in (1) and (2) above were reclassified to assets of disposal group (refer Notes 19 and 47(2)).

NOTES TO THE FINANCIAL STATEMENTS

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12. INTANGIBLE ASSETS (CONTINUED)

12.2 Impairment test on goodwill

(1) Allocation of goodwill

Goodwill has been allocated to the Group's CGU identified according to business segments as follows:

	Group	
	2018 RM'000	2017 RM'000
Financial services	13,589	13,589
Property investment and development	214,344	214,422
Hotels and resorts	68,099	68,099
Restaurants	429,828	429,828
Marketing of consumer products and services	288,967	295,716
Multiple units without significant goodwill	7	7
	<u>1,014,834</u>	<u>1,021,661</u>

(2) Key assumptions used in VIU calculation 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 if available of the respective CGUs. VIU is calculated using cash flow projections based on financial budgets covering a five-year period except for the gaming and related activities segment which use cash flow projections covering a ten-year period. Fair values less costs to sell are 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.

The following describes each key assumption on which management based its cash flow projections for VIU calculations of CGUs to undertake impairment test on goodwill:

(a) Budgeted gross margins

The bases used to determine the values assigned to the budgeted gross margins are the average gross margins achieved in the year immediately before the budgeted year adjusted for expected efficiency improvements, market and economic conditions, internal resource efficiency and the expected stages of completion of property development projects, where applicable. For the financial services segment, the projections are also based on the assumption that there are no major changes to the premium and commission rates of stockbroking subsidiary companies.

(b) Growth rates

The weighted average growth rates used ranges are consistent with the long-term average growth rates for relevant industries, including the gaming business segment.

NOTES TO THE FINANCIAL STATEMENTS

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12. INTANGIBLE ASSETS (CONTINUED)

12.2 Impairment test on goodwill (continued)

(2) Key assumptions used in VIU calculation and fair values less costs to sell of CGUs (continued)

(c) Discount rates

The discount rates used for identified CGUs reflect the specific risks relating to the relevant business segments.

(d) Terminal growth rates

Terminal growth rates used for identified CGUs are based on the average anticipated growth rate of the respective economies.

The followings are the key assumptions used in the VIU calculations for the respective CGUs:

Group	Growth rate	Discount rate	Terminal growth rate
2018			
Financial services	2.00%	11.00%	-
Restaurants	1.00% - 2.00%	12.00% - 12.50%	2.00%
Marketing of consumer products and services	2.00%	7.80% - 13.00%	2.00%
2017			
Financial services	2.00%	12.00%	-
Gaming and related activities	4.30%	9.00%	1.50%
Restaurants	1.10% - 5.00%	12.00% - 12.50%	2.00%
Marketing of consumer products and services	3.00% - 4.00%	11.80% - 14.00%	2.00%

The recoverable amounts of the Hotels and resorts CGU and Property investment and development CGU are determined based on fair values less costs to sell. The fair values are estimated based on observable market prices of recent transactions of similar assets within the same industry and similar locations, which is categorised as level 2 in the fair value hierarchy.

(3) Sensitivity to changes in assumptions

The management believes that there are no reasonable possible change in any of the above key assumptions which would cause the carrying values of the CGU's allocated to all the other goodwill to materially exceed their recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS

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12. INTANGIBLE ASSETS (CONTINUED)

12.2 Impairment test on goodwill (continued)

(4) Recognition of impairment

In the previous financial year, the Group has assessed that certain CGUs were carried in excess of their VIU and recognised impairment of:

- (a) RM8,142,000 in respect of goodwill allocated to gaming and other related activities segment. The operations in this segment were affected by the continued challenging economic and regulatory environment in their respective jurisdictions. The recoverable amounts of the goodwill allocated to gaming and other related activities segment was Group's share of VIUs which amounted to RMNil.
- (b) RM897,000 in respect of goodwill allocated to property investment and development segment following the sale of foreign development project. Goodwill arising from this segment was impaired as the recoverable amount of the CGU, which was determined based on cash flow projections, was lower than its carrying amount.
- (c) RM539,000 in respect of goodwill allocated to restaurants segment. Goodwill arising from this segment was impaired as the recoverable amount of the CGU, which is determined based on cash flow projections, is lower than its carrying amount. The impairment recognised in the previous financial year was based on the recoverable amount of RM654,000.

The total impairment loss of RM9,578,000 in respect of goodwill in the previous financial year was accounted for in profit or loss as disclosed in Note 33(c)(i).

NOTES TO THE FINANCIAL STATEMENTS

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12. INTANGIBLE ASSETS (CONTINUED)

12.3 Impairment test on gaming rights

(1) Allocation of gaming rights

Gaming rights are allocated to the Group's lottery operations in Malaysia and the leasing of lottery equipment in the Philippines.

(2) Key assumptions used in VIU calculation 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 if available of the respective CGUs. VIU is calculated using cash flow projections based on financial budgets covering a ten-year period.

The following describes each key assumption on which management based its cash flow projections for VIU calculations or fair values less costs to sell of CGUs to undertake impairment test on gaming rights:

(a) Budgeted gross margins

The bases used to determine the values assigned to the budgeted gross margins are the average gross margins achieved in the year immediately before the budgeted year adjusted for expected efficiency improvements, market and economic conditions and internal resource efficiency, where applicable.

(b) Growth rates

The weighted average growth rates used are in the ranges of 1.00% to 5.00% (2017: 1.00% to 5.00%) are consistent with the long-term average growth rates for the gaming industry.

(c) Discount rates

The discount rates used reflect the specific risks relating to the gaming and related activities segment. The post-tax discount rates, applied to post-tax cash flows, used is 9.00% (2017: 9.00% to 11.50%).

(d) Terminal growth rates

Terminal growth rates used are based on the average anticipated growth rate of the respective economies. The terminal growth rate used is 1.50% (2017: 1.50%).

NOTES TO THE FINANCIAL STATEMENTS

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12. INTANGIBLE ASSETS (CONTINUED)

12.3 Impairment test on gaming rights (continued)

(3) Sensitivity to changes in assumptions

For the Malaysian toto betting business segment, which goodwill has been fully impaired, the recoverable amount of its gaming rights based on VIU computation, remains sensitive towards possible negative changes in terminal and revenue growth rates due to the unforeseeable regulatory and economic changes.

Should the terminal growth rate decrease by 0.50% 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 RM168,330,000. Similarly, if no growth in revenue is anticipated in 2018, 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 RM49,321,000.

The management believes that there are no reasonable possible change in any of the key assumptions (apart from as described above) which would cause the carrying values of the CGU's allocated to all the other goodwill to materially exceed their recoverable amounts.

(4) Recognition of impairment

During the current financial year, the Group has assessed that recoverable amount of the gaming rights are carried in excess of the carrying amount of its CGU. The Group recognised a reversal of impairment loss of RM95,752,000 based on the Group's share of VIU which amounted to RM1,383,641,000.

In the previous financial year, the Group has assessed that the recoverable amount of the gaming rights are carried in excess of its recoverable amounts. The Group recognised an impairment loss of RM696,390,000 based on the Group's share of VIU which amounted to RM1,358,342,000.

The Group's share of reversal of impairment loss of RM95,752,000 (2017: impairment loss of RM696,390,000) are accounted in the fair value reserve.

NOTES TO THE FINANCIAL STATEMENTS

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12. INTANGIBLE ASSETS (CONTINUED)

12.4 Impairment testing on trademarks

(1) Key assumptions used in VIU calculation

The recoverable amount of a CGU is determined based on the VIUs calculation using:

- Cash flow projections for the estimated savings on royalties based on financial budgets covering a five-year period.
- Cash flow projections from financial budgets approved by management covering a five-year period.

(a) Estimated royalty rate

The estimated royalty rates used in impairment testing of the various trademarks are determined by referring to other royalty rates in similar businesses or the actual royalty rates.

(b) Growth rate

The growth rate used ranges between 2.00% to 3.00% (2017: 2.00% to 3.00%).

(c) Discount rate

The discount rates used for identified CGUs reflect the specific risks relating to the relevant business segments. The post-tax discount rates, applied to post-tax cash flows, used for identified CGUs are in the range of 4.65% to 14.04% (2017: 1.33% to 13.46%).

(2) Sensitivity to changes in assumptions

Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the CGUs to materially exceed their recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS

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12. INTANGIBLE ASSETS (CONTINUED)

12.5 Impairment testing on lottery business cooperation contract

(1) Key assumptions used in VIU calculation

The recoverable amount of the CGU is determined based on the VIU calculations using cash flow projections of financial budgets covering the contract period of eighteen years. The key assumptions used for VIU calculations are:

(a) Budgeted revenue and contracted partnership fee percentage

The VIU used in impairment testing of the lottery business contract is determined based on budgeted cash flows derived from the budgeted revenue agreed in the business cooperation contract multiplied by the contracted partnership fee percentage.

(b) Discount rate

The post-tax discount rate, applied to post-tax cash flows, used for the CGUs is 12.00% (2017: 10.00%).

(2) Sensitivity to changes in assumptions

Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the CGUs to materially exceed their recoverable amounts.

12.6 Impairment testing on concession assets relating to AWF Limited Water Supply Project

(1) Key assumptions used in VIU calculation

The recoverable amounts of the CGUs are determined based on VIU calculations using cash flow projections based on financial budgets covering various concession periods of twenty-two to twenty-eight years. The key assumptions used for VIU calculations are:

(a) Budgeted gross margin and growth rate

The basis used to determine the value assigned to the budgeted gross margin is the average gross margin and average growth rate achieved in the years before the budgeted year, adjusted for market and economic conditions and internal resource efficiency.

(b) Discount rate

The post-tax discount rate, applied to post-tax cash flows, used for the CGUs is 13.50% (2017: 13.50%).

(2) Sensitivity to changes in assumptions

The recoverable amount based on VIU computation is sensitive towards possible changes in discount rate due to anticipated economic changes and changes in demand of treated potable water under the concession in Guangdong Province, People's Republic of China.

Should the discount rate increase by 0.5%, the carrying amount of the concession asset is expected to be lower by about RM6,958,000.

(3) Recognition of Impairment

In the previous financial year, the Group has assessed that the CGU is carried at a value which is in excess of its VIU and recognised an impairment of RM33,008,000 in respect of its concession asset in Guangdong Province, People's Republic of China. The concession asset was impaired as the recoverable amount of the CGU was valued at RM105,605,000.

NOTES TO THE FINANCIAL STATEMENTS

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12. INTANGIBLE ASSETS (CONTINUED)

12.7 Impairment testing on dealership rights

(1) Key assumptions used in VIU calculation

The recoverable amounts of the CGU is determined based on VIU calculations using cash flow projections based on financial budgets covering five-year period. The key assumptions used for VIU calculations are:

(a) Budgeted gross margin and growth rate

The basis used to determine the value assigned to the budgeted gross margin is the average gross margin and average growth rate achieved in the years before the budgeted year, adjusted for market and economic conditions and internal resource efficiency.

(b) Discount rate

The post-tax discount rate, applied to post-tax cash flows, used for the CGU is in the range of 7.80% to 11.80% (2017 : 7.80% to 11.80%).

(2) Sensitivity to changes in assumptions

The management believes that there are no reasonable possible change in any of the above key assumptions which would cause the carrying values of the CGU's allocated to the dealership rights to materially exceed their recoverable amounts.

12.8 Impairment testing on telecommunications licences with allocated spectrum

The recoverable amounts of the telecommunication licences with allocated spectrum are determined using the market comparable approach based on a valuation carried out by an independent firm of professional valuers. The fair value is categorised as level 3 in the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

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13. DEVELOPMENT PROPERTIES

	Group	
	2018 RM'000	2017 RM'000
At cost:		
At beginning of year:		
- freehold land	347,023	319,257
- long leasehold land	6,410	6,142
- land use rights	-	1
- development costs	1,938,048	1,534,828
	<u>2,291,481</u>	<u>1,860,228</u>
Costs incurred during the year:		
- freehold land	7,742	-
- development costs	248,364	357,258
	<u>256,106</u>	<u>357,258</u>
Disposals:		
- long leasehold land	-	(1)
- land use right	-	(1)
- development costs	-	(6,258)
	<u>-</u>	<u>(6,260)</u>
Costs recognised in profit or loss:		
At beginning of year	(1,313,107)	(1,007,008)
Recognised during the year	(174,153)	(306,099)
Elimination due to completion of projects	780,169	-
At end of year	<u>(707,091)</u>	<u>(1,313,107)</u>
Transfers/Adjustments during the year:		
- from land held for development (Note 6)	18,540	51,109
- to inventories	(755,327)	-
- from property, plant and equipment (Note 3)	-	7,279
- to intangible assets	-	(200)
	<u>(736,787)</u>	<u>58,188</u>
Exchange differences	<u>(12,911)</u>	<u>22,067</u>
Costs eliminated during the year due to completion of projects:		
- freehold land	(91,987)	-
- development costs	(688,182)	-
	<u>(780,169)</u>	<u>-</u>
Accumulated impairment losses:		
At beginning of year	-	(5,827)
Write-off/Reversal of impairment for the year	-	5,827
At end of year	<u>-</u>	<u>-</u>
Carrying value at end of year	<u>310,629</u>	<u>978,374</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

13. DEVELOPMENT PROPERTIES (CONTINUED)

Included in development expenditure is interest capitalised for the year of RM1,588,000 (2017: RM3,322,000).

Development properties with carrying value of RM54,665,000 (2017: RM223,077,000) have been pledged to financial institutions for credit facilities granted to certain subsidiary companies.

14. INVENTORIES

	Group	
	2018 RM'000	2017 RM'000
At cost:		
Raw materials	54,040	27,700
Work-in-progress	3,405	7,356
Finished goods and inventories for resale	444,991	563,033
Property inventories	1,121,030	403,937
Gaming equipment components and parts	6,800	28,657
Stores and consumables	41,382	27,885
Ticket inventories	4,076	4,741
	<u>1,675,724</u>	<u>1,063,309</u>
At net realisable value:		
Finished goods and inventories for resale	85,410	89,636
Property inventories	960	960
Stores and consumables	1,346	1,793
	<u>87,716</u>	<u>92,389</u>
At fair value:		
Trading account securities	884	1,017
	<u>1,764,324</u>	<u>1,156,715</u>

Trading account securities, which principally represent investment in shares quoted in Malaysia, have a market value as at reporting date of RM884,000 (2017: RM1,017,000).

Property inventories with carrying value of RM812,536,000 (2017: RM66,307,000) have been pledged to financial institutions for credit facilities granted to certain subsidiary companies.

The cost of inventories recognised as an expense during the financial year in the Group amounted to RM2,807,320,000 (2017: RM3,227,896,000).

Certain inventories are pledged for manufacturers and other third party vehicle stocking loans as disclosed in Note 29.

NOTES TO THE FINANCIAL STATEMENTS

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15. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
<u>Trade receivables</u>				
Money lending receivables	-	10	-	-
Other trade receivables	625,850	682,836	16,224	9,735
Hire purchase receivables	29,401	29,960	-	-
Unearned carrying charges	(6,866)	(6,358)	-	-
	22,535	23,602	-	-
	648,385	706,448	16,224	9,735
Less: Allowance for impairment				
- trade receivables	(52,652)	(50,764)	-	-
- hire purchase receivables	(15,697)	(13,057)	-	-
	(68,349)	(63,821)	-	-
Trade receivables, net	580,036	642,627	16,224	9,735
<u>Other receivables</u>				
Sundry receivables	422,344	1,147,124	2,898	5,960
Refundable deposits	93,653	85,692	2	2
Amounts due from:				
- subsidiary companies	-	-	1,633,194	5,097,987
- associated companies	190,448	178,150	-	-
- joint ventures	210,797	-	-	-
	917,242	1,410,966	1,636,094	5,103,949
Less: Allowance for impairment	(235,476)	(228,341)	-	-
	681,766	1,182,625	1,636,094	5,103,949
<u>Other current assets</u>				
Sundry receivables	78,492	74,457	9,708	10,308
Prepayments	185,931	178,261	498	533
Dividend receivable	9,846	2,952	-	1,202
Deposits for acquisition of assets	3,756	7,202	-	-
Accrued billings in respect of property development costs/property sales	5,858	46,119	-	-
	283,883	308,991	10,206	12,043
	1,545,685	2,134,243	1,662,524	5,125,727

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

15. TRADE AND OTHER RECEIVABLES (CONTINUED)

The Group's normal credit terms are as follows:

- Non-margin clients and brokers	3 market days in accordance with the Bursa Malaysia Fixed Delivery and Settlement System ("FDSS") trading rules.
- Clients margin call future contracts	3 market days in accordance with the Bursa Malaysia Derivatives Berhad guidelines.
- Hire purchase and leasing receivables	36 months to 108 months.
- Money lending, share and club financing receivables	12 months to 84 months.
- Other trade receivables	1 day to 90 days.

The credit terms for other trade receivables are assessed and approved on a case-by-case basis.

15.1 Trade receivables

(1) Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Neither past due nor impaired	376,594	417,630	16,224	9,735
1 to 30 days past due not impaired	67,075	62,591	-	-
31 to 60 days past due not impaired	20,352	22,151	-	-
61 to 90 days past due not impaired	13,980	11,868	-	-
More than 90 days past due not impaired	100,214	128,377	-	-
	201,621	224,987	-	-
Impaired	70,170	63,831	-	-
	648,385	706,448	16,224	9,735

(2) Receivables that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

(3) Receivables that are past due but not impaired

The Group has trade receivables amounting to RM201,621,000 (2017: RM224,987,000) that are past due at the reporting date but not impaired. This includes mainly trade receivables past due for technical or strategic reasons and there is no concern on the credit worthiness of the counter parties and the recoverability of these debts.

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30 APRIL 2018

15. TRADE AND OTHER RECEIVABLES (CONTINUED)

15.1 Trade receivables (continued)

(4) Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2018	2017
	RM'000	RM'000
Trade receivables - nominal amounts	70,170	63,831
Less: Allowance for impairment	(68,349)	(63,821)
	<u>1,821</u>	<u>10</u>

Movement in allowance accounts:

	Group	
	2018	2017
	RM'000	RM'000
At beginning of year	63,821	66,635
Charge for the year (Note 33)	9,150	4,575
Reversal of impairment loss	(3,326)	(2,740)
Written off	(378)	(5,127)
Exchange differences	(918)	478
At end of year	<u>68,349</u>	<u>63,821</u>

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Management conducts periodic assessment on its trade receivable balances on account-by-account basis. Hence, all impairment losses are provided for specific trade receivable balances. Management are of the opinion that there are no further factors that warrants the consideration of additional impairment losses on a collective basis.

15.2 Other receivables

Movements in allowance accounts:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
At beginning of year	228,341	235,989	-	1,509
Charge for the year (Note 33)	14,014	16,191	-	-
Reversal of impairment loss	(284)	(23,186)	-	(616)
Written off	(4,727)	(2,281)	-	(893)
Exchange differences	(1,868)	1,628	-	-
At end of year	<u>235,476</u>	<u>228,341</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

15. TRADE AND OTHER RECEIVABLES (CONTINUED)

15.2 Other receivables (continued)

Included in sundry receivables of the Group is an amount of approximately RM8.7 million (2017: RM8.7 million) paid for certain theme park equipment whereby the construction of the theme park has been deferred indefinitely. Full allowance for doubtful debts has been made for this amount.

In the previous financial year, included in sundry receivables was an amount receivable of RM598,884,000 being the balance of consideration for the disposal of the Great Mall Project. This amount was subsequently reclassified to other long term receivables in the current financial year (refer to Note 11(d)).

The amounts due from subsidiary companies are unsecured and repayable on demand. Amounts totalling RM1,633,165,000 (2017: RM1,346,739,000) bear interest, while the rest are non-interest bearing.

The amounts owing by associated companies of the Group are unsecured, repayable on demand and non-interest bearing except for a gross amount totalling RM94,891,000 (2017: RM77,513,000) which are interest bearing.

The amounts owing by joint ventures are unsecured, interest bearing and is expected to be settled within the next 12 months.

15.3 Other current assets

Sundry receivables of the Group comprise advance payments of RM38,533,000 (2017: RM39,029,000) made in respect of property development project of the Group's foreign venture.

16. SHORT TERM INVESTMENTS

	Group	
	2018 RM'000	2017 RM'000
Unit trust funds in Malaysia, at fair value	44,362	11,927

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17. DEPOSITS WITH FINANCIAL INSTITUTIONS

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Deposits with:				
Licensed banks	689,289	618,431	116,036	49,825
Other financial institutions	21,541	17,593	-	-
	<u>710,830</u>	<u>636,024</u>	<u>116,036</u>	<u>49,825</u>

Included in deposits of the Group are:

- (1) remisiers' deposits held in trust of RM12,380,000 (2017: RM13,087,000); and
- (2) amounts held in sinking funds and trust accounts of RM23,347,000 (2017: RM26,488,000) for the operations of recreational clubs and time share operations.

The amounts which are restricted in usage and do not form part of cash and cash equivalents are as follows:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Monies held in debt service reserve accounts	50,186	53,879	963	2,039
Monies pledged with financial institutions	77,035	104,036	16,715	47,786
Deposits maturing more than 3 months of reporting date	13,784	4,223	-	-
	<u>141,005</u>	<u>162,138</u>	<u>17,678</u>	<u>49,825</u>

The range of interest rates per annum of deposits as at reporting date was as follows:

	Group		Company	
	2018	2017	2018	2017
	%	%	%	%
Licensed banks	0.27 - 3.95	0.25 - 6.80	3.00 - 3.95	2.20 - 3.30
Other financial institutions	1.68	1.03	-	-

The range of maturities of deposits as at reporting date was as follows:

	Group		Company	
	2018	2017	2018	2017
	Days	Days	Days	Days
Licensed banks	1 - 104	1 - 118	2 - 99	18 - 98
Other financial institutions	26	74	-	-

NOTES TO THE FINANCIAL STATEMENTS

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18. CASH AND BANK BALANCES

Included in cash and bank balances are:

- (1) amounts totalling RM167,630,000 (2017: RM69,572,000) held pursuant to Section 7A of the Housing Developers (Control and Licensing) Act, 1966;
- (2) remisiers' deposits of RM262,000 (2017: RM119,000) held in trust; and
- (3) monies held for the operations of recreational clubs and time share operations amounting to RM495,000 (2017: RM695,000).

The amounts which are restricted in usage and do not form part of cash and cash equivalents are as follows:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Monies held in debt service reserve accounts	44,794	52,119	32,566	34,398
Monies pledged with financial institutions	1,867	1,594	-	-
Monies held in escrow (Note)	47	14,625	-	-
	<u>46,708</u>	<u>68,338</u>	<u>32,566</u>	<u>34,398</u>

Note:

The amounts are for credit facilities granted to a subsidiary company.

19. ASSETS OF DISPOSAL GROUPS/NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

19.1 Current financial year

Included in disposal group/non-current assets classified as held for sale on the statements of financial position of the Group and of the Company as at 30 April 2018 are the following:

- (1) the assets and liabilities of a subsidiary company, DSG Holdings Limited. The disposal was completed subsequent to the financial year end (refer Note 47(2));
- (2) the carrying amount of an associated company, BVFC of RM145,373,000. During the current financial year, the Company's wholly-owned subsidiary, BLCL received a refundable deposit of USD15.0 million (equivalent to about RM58.734 million). Subsequent to the year end, 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(1);
- (3) the carrying amount of an unquoted investment, BVIUT of RM5,376,000. As disclosed in Note 47(1), BLCL intended to dispose BVIUT to the buyers of BVFC or their affiliates; and
- (4) the assets and liabilities of a subsidiary company, Berjaya Long Beach Limited Liability Company ("BLong Beach"). In the previous financial year, BLCL entered into a CTA to dispose of its entire 70% equity interest in BLong Beach for VND333.25 billion (equivalent to about RM57.32 million).

As of reporting date, the proposed disposals of items (2) and (4) are pending completion as certain terms and conditions in the respective CTAs are still unfulfilled. The proposed disposal of item (3) are in the process of negotiation.

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19. ASSETS OF DISPOSAL GROUPS/NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE (CONTINUED)

19.2 Previous financial year

Included in disposal group/non-current assets classified as held for sale on the statements of financial position of the Group as at 30 April 2017 are the following:

- (1) assets and liabilities of a subsidiary company, BLongBeach; the disposal is pending for completion subsequent to current year end; and
- (2) a parcel of land with buildings with carrying amount of RM546,000. The disposal was completed during the current financial year.

19.3 Details of assets and liabilities classified as disposal groups and assets held for sale:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Assets				
Property, plant and equipment	41,951	41,636	-	-
Intangible assets	159,830	-	-	-
Other long term receivables	11,095	-	-	-
Inventories	3,477	109	-	-
Trade and other receivables	40,924	1,008	-	-
Cash and bank balances	46,935	163	-	-
Assets of disposal groups classified as held for sale	304,212	42,916	-	-
Non-current assets classified as held for sale				
- Freehold land	-	290	-	-
- Buildings	-	256	-	-
- Investment in subsidiary company	-	-	77,910	-
- Associated company	145,372	-	-	-
- Investment	5,376	-	-	-
- Amounts due from BVFC and BVIUT	34,528	-	-	-
	185,276	546	77,910	-
Assets of disposal groups/Non-current assets classified as held for sale	489,488	43,462	77,910	-
Liabilities				
Borrowings	15,663	-	-	-
Payables	25,711	2,775	-	-
Other liabilities and provisions	5,006	-	-	-
Liabilities directly associated with disposal groups classified as held for sale	46,380	2,775	-	-
Cash and cash equivalents				
Cash and bank balances, representing cash and cash equivalents of the disposal groups classified as held for sale	46,935	163	-	-

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20. SHARE CAPITAL

	Group and Company		Share capital	
	Number of shares			
	2018	2017	2018	2017
	'000	'000	RM'000	RM'000
Issued and fully paid:				
At beginning of year	4,923,591	4,673,180	4,930,556	4,673,180
Arising from conversion of BCorp ICULS	-	250,411	-	250,411
	4,923,591	4,923,591	4,930,556	4,923,591
Transfer pursuant to S618(2) of Companies Act 2016	-	-	-	6,965
At end of year	4,923,591	4,923,591	4,930,556	4,930,556

Note:

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 regard to the Company's residual assets.

21. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS

Equity component

	Group and Company	
	2018	2017
	RM'000	RM'000
5% Irredeemable Convertible Unsecured Loan Stocks April 2012/2022 (Note a)	253,508	253,608
2% Irredeemable Convertible Unsecured Loan Stocks May 2016/2026 (Note b)	53,231	53,240
	306,739	306,848

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21. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS (CONTINUED)

Equity component (continued)

Notes:

(a) 5% Irredeemable Convertible Unsecured Loan Stocks April 2012/2022

The BCorp ICULS 2012/2022 at nominal value of RM1.00 each were constituted by a Trust Deed dated 9 April 2012 made between the Company and the Trustee for the holders of the BCorp ICULS 2012/2022. The main features of BCorp ICULS 2012/2022 are as follows:

- The BCorp ICULS 2012/2022 shall be convertible into ordinary shares of the Company during the period from 26 April 2012 to the maturity date on 25 April 2022 by surrendering one RM1.00 nominal value of BCorp ICULS 2012/2022 for one new ordinary share of the Company.
- Upon conversion of the BCorp ICULS 2012/2022 into new ordinary shares, such shares shall rank pari passu in all respects with the ordinary shares of the Company in issue at the time of conversion except that they shall not be entitled to any dividend or other distributions declared in respect of a financial period prior to the financial period in which the BCorp ICULS 2012/2022 are converted or any interim dividend declared prior to the date of conversion of the BCorp ICULS 2012/2022.
- The interest on the BCorp ICULS 2012/2022 is payable semi-annually in arrears.

In the financial year ended 30 April 2012, 700,109,520 BCorp ICULS 2012/2022 were issued pursuant to a renounceable rights issue on the basis of one BCorp ICULS 2012/2022 with free detachable warrants for every six existing ordinary shares of RM1.00 each held at an issue price of RM1.00 on 26 April 2012. The BCorp ICULS 2012/2022 were listed on Bursa Malaysia on 26 April 2012.

During the financial year, no (2017: Nil) BCorp ICULS 2012/2022 was converted into ordinary shares of the Company.

The outstanding BCorp ICULS 2012/2022 as at 30 April 2018 was 644,998,000 (2017: 644,998,000) units at the Group and Company levels.

BCorp ICULS 2012/2022 – Equity Component Movement

	Group and Company	
	2018 RM'000	2017 RM'000
At beginning of year	253,608	253,608
Reclassification from equity component to liability component	(100)	-
At end of year	253,508	253,608

NOTES TO THE FINANCIAL STATEMENTS

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21. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS (CONTINUED)

Equity component (continued)

Notes (continued):

(b) 2% Irredeemable Convertible Unsecured Loan Stocks May 2016/2026

The BCorp ICULS 2016/2026 at nominal value of RM1.00 each were constituted by a Trust Deed dated 30 May 2016 made between the Company and the Trustee for the holders of the BCorp ICULS 2016/2026. The main features of BCorp ICULS 2016/2026 are as follows:

- The BCorp ICULS 2016/2026 shall be convertible into ordinary shares of the Company during the period from 31 May 2016 to the maturity date on 29 May 2026 by surrendering one RM1.00 nominal value of BCorp ICULS 2016/2026 for one new ordinary share of the Company.
- Upon conversion of the BCorp ICULS 2016/2026 into new ordinary shares, such shares shall rank pari passu in all respects with the ordinary shares of the Company in issue at the time of conversion except that they shall not be entitled to any dividend or other distributions declared in respect of a financial period prior to the financial period in which the BCorp ICULS 2016/2026 are converted or any interim dividend declared prior to the date of conversion of the BCorp ICULS 2016/2026.
- The interest on the BCorp ICULS 2016/2026 is payable semi-annually in arrears.

In the financial year ended 30 April 2017, 353,248,340 BCorp ICULS 2016/2026 together with 706,496,680 free detachable warrants were issued at its nominal value to partially settle on behalf of Juara Sejati Sdn Bhd for its acquisition of 12.00% equity interest in BLand for a purchase consideration of RM419.11 million. The balance of the purchase consideration was settled with a cash payment of RM65.86 million. The BCorp ICULS 2016/2026 were listed on Bursa Malaysia on 2 June 2016.

During the financial year, no (2017: 250,411,260) BCorp ICULS 2016/2026 were converted into ordinary shares of the Company.

The outstanding BCorp ICULS 2016/2026 as at 30 April 2018 was 102,837,080 (2017: 102,837,080) units at the Group and Company levels.

BCorp ICULS 2016/2026 – Equity Component Movement

	Group and Company	
	2018	2017
	RM'000	RM'000
At beginning of year	53,240	-
Issued during the year	-	187,061
Reclassification from equity component to deferred tax	(9)	-
Deferred tax effects on issuance	-	(4,209)
Converted into shares of the Company	-	(132,604)
Deferred tax effects on conversion	-	2,992
At end of year	53,231	53,240

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21. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS (CONTINUED)

Liability component

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Non-current portion				
5% Irredeemable Convertible Unsecured Loan Stocks April 2012/2022 (Note a)	114,339	137,103	114,339	137,103
2% Irredeemable Convertible Unsecured Loan Stocks May 2016/2026 (Note b)	13,820	15,064	13,820	15,064
2.75% Irredeemable Convertible Unsecured Loan Stocks March 2010/2020 (Note c)	34	111	-	-
	<u>128,193</u>	<u>152,278</u>	<u>128,159</u>	<u>152,167</u>

Notes:

(a) 5% Irredeemable Convertible Unsecured Loan Stocks April 2012/2022

BCorp ICULS 2012/2022 – Liability Component Movement

	Group and Company	
	2018	2017
	RM'000	RM'000
At beginning of year	137,103	158,582
Accrual of interest	9,322	10,771
Payment of interest	(32,186)	(32,250)
Reclassification from equity component to liability component	100	-
At end of year	<u>114,339</u>	<u>137,103</u>

(b) 2% Irredeemable Convertible Unsecured Loan Stocks May 2016/2026

BCorp ICULS 2016/2026 – Liability Component Movement

	Group and Company	
	2018	2017
	RM'000	RM'000
At beginning of year	15,064	-
Issued during the year	-	53,147
Accrual of interest	813	1,065
Payment of interest	(2,057)	(1,566)
Converted into shares of the Company	-	(37,582)
At end of year	<u>13,820</u>	<u>15,064</u>

NOTES TO THE FINANCIAL STATEMENTS

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21. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS (CONTINUED)

Liability component (continued)

Notes (continued):

- (c) 2.75% Irredeemable Convertible Unsecured Loan Stocks March 2010/2020 ("REDtone ICULS")

The REDtone ICULS at nominal value of RM0.10 each were constituted by a Trust Deed dated 20 January 2010 made between REDtone and the Trustee for the holders of the REDtone ICULS. The main features of the REDtone ICULS are as follows:

- The REDtone ICULS shall be convertible into ordinary shares of the subsidiary company during the period from 4 March 2010 to the maturity date on 4 March 2020, at the rate of ten (10) RM0.10 nominal amount of REDtone ICULS for four (4) ordinary shares in the subsidiary company.
- Upon conversion of the REDtone ICULS into new ordinary shares, such shares shall rank pari passu in all material respects with the existing ordinary shares of the subsidiary company in issue at the date of allotment of the new ordinary shares except the newly converted ordinary shares shall not be entitled to any rights, allotments of dividends, and/or other distribution if the dividend entitlement date is on or before the relevant conversation date.
- The REDtone ICULS carry interest at the rate of 2.75% per annum on the nominal value of the REDtone ICULS commencing March 2010 and is payable annually in arrears on March each year.

REDtone ICULS – Liability Component Movement

	Group	
	2018 RM'000	2017 RM'000
At beginning of year	111	149
Converted into REDtone ordinary shares during the financial year	(77)	(38)
At end of year	34	111

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22. RESERVES

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Capital reserves (Note a)	224,820	230,150	-	-
Fair value reserves (Note b)	167,227	130,788	-	-
AFS reserves (Note c)	2,832	1,079	-	-
Reserve of disposal group classified as held for sale	111,775	-	-	-
Foreign currency translation reserves	87,665	180,868	4,188	(730)
Consolidation reserve (Note d)	(626,840)	(660,083)	-	-
Employees' share plan reserve (Note e)	1,524	243	-	-
Warrants reserve (Note f)	258,797	258,797	260,057	260,057
	227,800	141,842	264,245	259,327
Retained earnings (Note g)	1,379,389	1,809,728	662,903	663,091
	1,607,189	1,951,570	927,148	922,418

Notes:

- The capital reserves represent the amount capitalised for bonus issue by subsidiary companies and share of capital reserves of associated companies.
- The fair value reserves arose mainly from the increase in equity interests of the Group in BToto, whereby BToto became a subsidiary company in the financial year ended 30 April 2008, which resulted in the identification and recognition of gaming rights which was included in intangible assets on the consolidated statement of financial position (Note 12). The reserves also include other fair value adjustments relating to transfers of property, plant and equipment to investment properties in accordance to FRS 116: Property, Plant and Equipment.
- The AFS reserves represent the cumulative fair value changes, net of tax, of available-for-sale financial assets, which would be recognised in profit or loss upon disposal or impairment.
- The consolidation reserve comprises the consolidation effects of changes in the Group's equity interests in subsidiary companies which do not result in loss of control.
- The employees' share plan reserve represents the equity-settled share options granted to employees of a subsidiary company. The share option reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of the share options and are reduced by the expiry, forfeiture or exercise of the share options.
- The warrants reserve comprised the following warrants:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Warrants expiring on 22 April 2022 (Note f(i))	145,758	145,758	147,018	147,018
Warrants expiring on 29 May 2026 (Note f(ii))	113,039	113,039	113,039	113,039
	258,797	258,797	260,057	260,057

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22. RESERVES (CONTINUED)

Notes (continued):

(f) The warrants reserve comprised the following warrants (continued):

- (i) On 23 April 2012, the Company issued 700,109,520 10-year Warrants 2012/2022 ("Warrants 2012/2022") pursuant to the rights issue of BCorp ICULS 2012/2022. The Warrants 2012/2022 are constituted by a deed poll dated 6 March 2012. The Warrants 2012/2022 were listed on Bursa Malaysia on 26 April 2012. During the financial year, no Warrants 2012/2022 were exercised. The outstanding Warrants 2012/2022 as at 30 April 2018 was 694,085,842 (2017: 694,085,842) units at Group level and 700,085,842 (2017: 700,085,842) units at Company level.

The main features of the Warrants 2012/2022 were as follows:

- Each Warrant 2012/2022 entitles the registered holder at any time during the exercise period to subscribe for one new ordinary share in the Company at an exercise price of RM1.00 per ordinary share.
- The exercise price and the number of Warrants 2012/2022 are subject to adjustment in the event of alteration to the share capital, bonus issue, capital distribution and rights issue by the Company in accordance with the conditions provided in the deed poll.
- The Warrants 2012/2022 shall be exercisable at any time within the period commencing on and including the date of issue of the Warrants 2012/2022 and ending on the date preceding the tenth anniversary of the date of issue of the Warrants 2012/2022.
- Upon exercise of the Warrants 2012/2022 into new ordinary shares, such shares shall rank pari passu in all respects with the ordinary shares of the Company in issue at the time of exercise except that they shall not be entitled to any dividend or other distributions declared in respect of a financial period prior to the financial period in which the Warrants 2012/2022 are exercised or any interim dividend declared prior to the date of exercise of the Warrants 2012/2022.
- At the expiry of the exercise period on 22 April 2022, any Warrant 2012/2022 which has not been exercised will lapse and cease to be valid for any purposes.

The value allocated to one unit of Warrant 2012/2022 was based on the proportion of the fair value of one unit of Warrant 2012/2022, being the fair value of Warrant 2012/2022 on the first day of its listing, over the combined fair values of the equity and liability components of the BCorp ICULS 2012/2022 and the Warrant 2012/2022 to the issue price of the BCorp ICULS 2012/2022 of RM1.00 each.

Warrants 2012/2022 Movement

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
At beginning/end of year	145,758	145,758	147,018	147,018

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22. RESERVES (CONTINUED)

Notes (continued):

(f) The warrants reserve comprised the following warrants (continued):

- (ii) On 31 May 2016, the Company issued 706,496,680 10-year Warrants 2016/2026 ("Warrants 2016/2026") pursuant to the issue of BCorp ICULS 2016/2026 (two units of Warrants 2016/2026 for one unit of BCorp ICULS 2016/2026 issued). The Warrants 2016/2026 are constituted by a deed poll dated 30 May 2016. The Warrants 2016/2026 were listed on Bursa Malaysia on 2 June 2016. During the financial year, no Warrants 2016/2026 were exercised. The outstanding Warrants 2016/2026 as at 30 April 2018 was 706,496,680 (2017: 706,496,680) units at Group and Company levels.

The main features of the Warrants 2016/2026 were as follows:

- Each Warrant 2016/2026 entitles the registered holder at any time during the exercise period to subscribe for one new ordinary share in the Company at an exercise price of RM1.00 per ordinary share.
- The exercise price and the number of Warrants 2016/2026 are subject to adjustment in the event of alteration to the share capital, bonus issue, capital distribution and rights issue by the Company in accordance with the conditions provided in the deed poll.
- The Warrants 2016/2026 shall be exercisable at any time within the period commencing on and including the date of issue of the Warrants 2016/2026 and ending on the date preceding the tenth anniversary of the date of issue of the Warrants 2016/2026.
- Upon exercise of the Warrants 2016/2026 into new ordinary shares, such shares shall rank pari passu in all respects with the ordinary shares of the Company in issue at the time of exercise except that they shall not be entitled to any dividend or other distributions declared in respect of a financial period prior to the financial period in which the Warrants 2016/2026 are exercised or any interim dividend declared prior to the date of exercise of the Warrants 2016/2026.
- At the expiry of the exercise period on 29 May 2026, any Warrant 2016/2026 which has not been exercised will lapse and cease to be valid for any purposes.

The value allocated to one unit of Warrant 2016/2026 was based on the proportion of the fair value of one unit of Warrant 2016/2026, being the fair value of Warrant 2016/2026 on the first day of its listing, over the combined fair values of the equity and liability components of one unit of BCorp ICULS 2016/2026 and two units of Warrant 2016/2026 to the issue price of the BCorp ICULS 2016/2026 of RM1.00 each.

Warrants 2016/2026 Movement

	Group and Company	
	2018	2017
	RM'000	RM'000
At beginning of year	113,039	-
Issued during the year	-	113,039
At end of year	113,039	113,039

- (g) Subject to Section 131 of the Companies Act 2016, the entire retained earnings of the Company is available for distribution as single-tier dividends.

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23. TREASURY SHARES

	Group and Company Ordinary shares			
	2018 No. of shares '000	2017 No. of shares '000	2018 RM'000	2017 RM'000
At beginning of year	48,008	182,000	33,669	130,399
Shares bought back	-	8,000	-	2,850
Distributed as share dividend	-	(141,992)	-	(99,580)
At end of year	48,008	48,008	33,669	33,669

Pursuant to an Extraordinary General Meeting ("EGM") held on 23 July 2008, the Company obtained a shareholders' mandate to undertake the purchase of up to 10% of the issued and paid-up share capital of the Company at the time of purchase.

The renewal of the Company's mandate relating to the share buyback of up to 10% of the existing total paid-up share capital, inclusive of all treasury shares that have been bought back, was approved by the shareholders of the Company at the Annual General Meeting held on 20 October 2016.

During the financial year, the Company did not buy back any share from the open market. In the previous financial year, the Company bought back 8,000,000 shares from the open market for RM2,850,000 or at an average price of RM0.36 per share. The shares bought back are held as treasury shares and none of the shares were cancelled.

In the previous financial year, the Company distributed about 141,992,000 treasury shares on the basis of three treasury shares for every one hundred existing ordinary shares with voting rights held as share dividend. The share dividend was distributed on 30 December 2016.

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24. LONG TERM BORROWINGS

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Secured:				
Term loans (Note a)	2,175,464	2,702,615	328,082	275,434
Portion repayable within 12 months included under short term borrowings (Note 29)	(541,316)	(818,756)	(96,801)	(95,995)
	1,634,148	1,883,859	231,281	179,439
Medium term notes (Note b)	1,399,221	1,423,700	-	-
Portion repayable within 12 months included under short term borrowings (Note 29)	(524,701)	(529,480)	-	-
	874,520	894,220	-	-
Revolving credits	973,399	449,813	599,726	211,988
Block discounting payables (Note c)	32,389	28,010	-	-
Unexpired interest	(3,353)	(2,769)	-	-
	29,036	25,241	-	-
Portion repayable within 12 months included under short term borrowings (Note 29)	(9,054)	(8,934)	-	-
	19,982	16,307	-	-
Hire purchase and leasing payables (Note d)	102,298	112,305	1,540	983
Portion repayable within 12 months included under short term borrowings (Note 29)	(17,293)	(95,416)	(394)	(278)
	85,005	16,889	1,146	705
	3,587,054	3,261,088	832,153	392,132
Unsecured:				
Term loans	-	41,852	-	-
Portion repayable within 12 months included under short term borrowings (Note 29)	-	(3,782)	-	-
	-	38,070	-	-
Other borrowings	-	5,308	-	-
	-	43,378	-	-
	3,587,054	3,304,466	832,153	392,132

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24. LONG TERM BORROWINGS (CONTINUED)

The terms of the long term borrowings outstanding are as follows:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Long term borrowings				
Amounts repayable:				
More than one year				
but not later than two years	1,680,244	1,649,367	298,934	148,303
More than two years				
but not later than five years	1,608,842	1,431,545	533,219	243,829
More than five years	297,968	223,554	-	-
	<u>3,587,054</u>	<u>3,304,466</u>	<u>832,153</u>	<u>392,132</u>

Notes:

- (a) The secured borrowings of the Group and of the Company are secured on quoted and unquoted shares held by the Group, deposits of the Group and/or fixed and floating charges over the assets of certain subsidiary companies as disclosed in Notes 3, 5, 6, 7, 8, 13, 14 and 17.

The range of effective interest rates per annum at the reporting date for borrowings was as follows:

	Group		Company	
	2018	2017	2018	2017
	%	%	%	%
Term loans and other bank borrowings	<u>1.47 - 7.85</u>	<u>1.38 - 7.75</u>	<u>5.41 - 5.90</u>	<u>5.30 - 6.12</u>

- (b) The facility amounts of the medium term notes ("MTN") programme are as follows:

	Group	
	2018	2017
	RM'000	RM'000
MTN-A	800,000	800,000
MTN-B	<u>650,000</u>	<u>650,000</u>

MTN-A is secured by a third party first equitable charge over the entire issued and paid-up capital of a subsidiary company which is the issuer and a corporate guarantee granted by BToto. MTN-B is guaranteed by Danajamin Nasional Berhad up to RM500,000,000 and secured by a bank guarantee from OCBC Bank (Malaysia) Berhad up to RM150,000,000.

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24. LONG TERM BORROWINGS (CONTINUED)

(b) The facility amounts of the medium term notes ("MTN") programme are as follows (continued):

The maturities of the medium term notes as at the reporting date are as follows:

		Group	
		2018	2017
		RM'000	RM'000
Maturity			
Current			
Secured with fixed rate			
4.30% p.a. fixed rate MTN-A	June 2018	50,000	-
4.47% p.a. fixed rate MTN-A	June 2018	30,000	-
4.73% p.a. fixed rate MTN-A	June 2018	95,000	-
4.40% p.a. fixed rate MTN-A	July 2018	125,000	-
4.55% p.a. fixed rate MTN-B	December 2018	174,767	-
4.38% p.a. fixed rate MTN-B	December 2018	49,934	-
6.00% p.a. fixed rate MTN-A	June 2017	-	150,000
4.60% p.a. fixed rate MTN-A	June 2017	-	35,000
4.60% p.a. fixed rate MTN-A	June 2017	-	70,000
4.75% p.a. fixed rate MTN-B	December 2017	-	199,622
4.65% p.a. fixed rate MTN-B	December 2017	-	74,858
Portion repayable within 12 months			
included under short term borrowings (Note 29)		524,701	529,480
		Group	
		2018	2017
		RM'000	RM'000
Maturity			
Non-Current			
Secured with fixed rate			
4.82% p.a. fixed rate MTN-A	June 2019	200,000	-
4.53% p.a. fixed rate MTN-A	June 2019	55,000	-
4.88% p.a. fixed rate MTN-A	July 2019	145,000	-
4.95% p.a. fixed rate MTN-B	December 2019	199,744	-
4.85% p.a. fixed rate MTN-B	December 2019	74,904	-
4.30% p.a. fixed rate MTN-A	June 2018	-	50,000
4.47% p.a. fixed rate MTN-A	June 2018	-	30,000
4.73% p.a. fixed rate MTN-A	June 2018	-	95,000
Portion repayable more than one year but not later than two years		674,648	175,000
4.65% p.a. fixed rate MTN-A	December 2020	60,000	-
4.82% p.a. fixed rate MTN-A	December 2020	40,000	-
4.82% p.a. fixed rate MTN-A	June 2019	-	200,000
4.88% p.a. fixed rate MTN-A	July 2019	-	145,000
4.95% p.a. fixed rate MTN-B	December 2019	-	199,584
4.85% p.a. fixed rate MTN-B	December 2019	-	74,844
5.35% p.a. fixed rate MTN-B	December 2021	99,872	99,792
Portion repayable more than two years but not later than five years		199,872	719,220
Total non-current MTN		874,520	894,220
Total MTN		1,399,221	1,423,700

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

24. LONG TERM BORROWINGS (CONTINUED)

- (c) The block discounting payables are secured by corporate guarantee of a subsidiary company and assignment of the rights under leasing and hire purchase agreements.

Maturity of long term block discounting payables is as follows:

	Group	
	2018	2017
	RM'000	RM'000
More than one year but not later than two years	7,798	6,568
More than two years but not later than five years	12,184	9,739
	<u>19,982</u>	<u>16,307</u>

The weighted average effective interest rates of block discounting payables are as follows:

	Group	
	2018	2017
	%	%
Block discounting payables	<u>5.78</u>	<u>5.93</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

24. LONG TERM BORROWINGS (CONTINUED)

(d) The commitment terms under hire purchase and leasing payables are summarised as follows:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Gross amount payable:				
Within one year after reporting date	23,741	100,993	513	352
More than one year but not later than two years	22,745	7,624	478	296
More than two years but not later than five years	41,589	11,118	835	510
More than five years	36,825	294	-	-
	124,900	120,029	1,826	1,158
Less: Unexpired interest	(22,602)	(7,724)	(286)	(175)
	102,298	112,305	1,540	983

The present value of hire purchase and leasing payables are summarised as follows:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Within one year after reporting date	17,293	95,416	394	278
More than one year but not later than two years	17,547	6,538	392	243
More than two years but not later than five years	32,369	10,070	754	462
More than five years	35,089	281	-	-
	102,298	112,305	1,540	983

The range of interest rates per annum at the reporting date for hire purchase and leasing payables was as follows:

	Group		Company	
	2018	2017	2018	2017
	%	%	%	%
Hire purchase and leasing payables	2.35 - 8.80	2.57 - 8.50	3.50 - 6.15	3.50 - 4.75

NOTES TO THE FINANCIAL STATEMENTS

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25. OTHER LONG TERM LIABILITIES

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Unsecured:				
Other long term payables	4,857	-	-	-
Payable for acquisition of an associated company (Note a)	7,814	-	-	-
Retention sum	6,839	5,998	-	-
Rental deposits	2,694	2,612	-	-
Project contribution (Note b)	88,324	107,594	88,324	107,594
	110,528	116,204	88,324	107,594
Club members' deposits (Note c)	9,970	10,419	-	-
Deferred income (Note d)	84,775	94,930	-	-
	205,273	221,553	88,324	107,594

- (a) 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 as disclosed in Note 46(9).
- (b) The project contribution is an obligation pursuant to a lottery business cooperation contract to make contributions over ten annual instalments, whereby the first instalment was made in February 2016 and each subsequent instalment to be made at the end of each calendar year in December.
- (c) 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 at their request upon expiry of prescribed terms from the dates of issuance of the licences.
- (d) Included in deferred income are the following:
- deferred membership fees which are recognised over the membership period by subsidiary companies;
 - government grants received from the Ministry of Plantation Industries and Commodities Malaysia to promote replanting of oil palm; and
 - 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.

NOTES TO THE FINANCIAL STATEMENTS

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26. DEFERRED TAX

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
At beginning of the year	1,284,322	1,444,879	17,085	17,996
Recognised in profit or loss (Note 35)	(16,009)	12,842	(2,496)	(2,128)
Arising on disposal of subsidiaries	26	-	-	-
Exchange differences	(1,183)	(3,225)	-	-
Recognised in intangible assets	(517)	(283)	-	-
Recognised in other comprehensive income (Note 35)	21,457	(171,108)	-	-
Recognised in equity (Note 35)	9	1,217	9	1,217
At end of the year	<u>1,288,105</u>	<u>1,284,322</u>	<u>14,598</u>	<u>17,085</u>

Presented after appropriate offsetting as follows:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Deferred tax assets	(67,465)	(77,124)	-	-
Deferred tax liabilities	1,355,570	1,361,446	14,598	17,085
	<u>1,288,105</u>	<u>1,284,322</u>	<u>14,598</u>	<u>17,085</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

26. DEFERRED TAX (CONTINUED)

The components and movements of deferred tax assets and liabilities during the financial year are as follows:

GROUP	Provision	Unused tax losses and unabsorbed capital	Payables	Receivables	Others+	Total
	for liabilities	allowances				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Deferred Tax Assets						
2018						
At beginning of the year	7,492	68,813	42,018	155	35,619	154,097
Recognised in profit or loss	(703)	(3,358)	1,046	-	(367)	(3,382)
Arising on disposal of subsidiaries	-	-	-	-	(26)	(26)
Exchange differences	(31)	(1,067)	(622)	-	(1,348)	(3,068)
Reclassification	(16)	531	54	-	(81)	488
Recognised in other comprehensive income	-	-	-	-	(756)	(756)
At end of the year	<u>6,742</u>	<u>64,919</u>	<u>42,496</u>	<u>155</u>	<u>33,041</u>	<u>147,353</u>
Set-off against deferred tax liabilities						(79,888)
						<u>67,465</u>
2017						
At beginning of the year	6,791	73,165	48,104	169	33,936	162,165
Recognised in profit or loss	678	(6,642)	(5,957)	(14)	1,469	(10,466)
Exchange differences	23	2,290	(129)	-	46	2,230
Recognised in other comprehensive income	-	-	-	-	168	168
At end of the year	<u>7,492</u>	<u>68,813</u>	<u>42,018</u>	<u>155</u>	<u>35,619</u>	<u>154,097</u>
Set-off against deferred tax liabilities						(76,973)
						<u>77,124</u>

Note:

+ Includes deferred tax adjustments on temporary differences arising from deferred income and other temporary differences.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

26. DEFERRED TAX (CONTINUED)

GROUP

	Accelerated capital allowances	Dealership/ gaming rights	Properties*	Payables	Undistributed profits of subsidiary companies	Others+	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Deferred Tax Liabilities							
2018							
At beginning of the year	157,001	913,580	228,903	8,143	8,950	121,842	1,438,419
Recognised in profit or loss	1,557	-	(1,679)	(1,817)	(3,442)	(14,010)	(19,391)
Exchange differences	(668)	-	(410)	(454)	-	(2,719)	(4,251)
Recognised in intangible assets	-	(517)	-	-	-	-	(517)
Reclassification	6,254	-	-	(5,839)	-	73	488
Recognised in other comprehensive income	-	22,981	2,640	-	-	(4,920)	20,701
Recognised in equity	-	-	-	-	-	9	9
At end of the year	164,144	936,044	229,454	33	5,508	100,275	1,435,458
Set-off against deferred tax assets							(79,888)
							1,355,570
2017							
At beginning of the year	154,006	1,089,702	226,479	9,932	-	126,925	1,607,044
Recognised in profit or loss	3,074	(8,626)	1,520	21	8,950	(2,563)	2,376
Exchange differences	(79)	-	904	(1,881)	-	61	(995)
Recognised in intangible assets	-	(283)	-	-	-	-	(283)
Recognised in other comprehensive income	-	(167,213)	-	71	-	(3,798)	(170,940)
Recognised in equity	-	-	-	-	-	1,217	1,217
At end of the year	157,001	913,580	228,903	8,143	8,950	121,842	1,438,419
Set-off against deferred tax assets							(76,973)
							1,361,446

Notes:

- * Includes deferred tax adjustments on temporary differences arising from land held for development, development properties, investment properties and property inventories.
- + Includes deferred tax adjustments on temporary differences arising from indefinite useful life intangible assets and deferred tax adjustments on BCorp ICULS and other temporary differences.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

26. DEFERRED TAX (CONTINUED)

COMPANY

	Unused tax losses and unabsorbed capital allowances	Total
	RM'000	RM'000
<u>Deferred Tax Asset</u>		
2018		
At beginning of year/At end of year	30	30
Set-off against deferred tax liabilities		(30)
		-
2017		
At beginning of year/At end of year	30	30
Set-off against deferred tax liabilities		(30)
		-

COMPANY

	Accelerated capital allowances	ICULS	Total
	RM'000	RM'000	RM'000
<u>Deferred Tax Liabilities</u>			
2018			
At beginning of the year	30	17,085	17,115
Recognised in profit or loss	-	(2,496)	(2,496)
Transfer from equity	-	9	9
At end of the year	30	14,598	14,628
Set-off against deferred tax asset			(30)
			14,598
2017			
At beginning of the year	30	17,996	18,026
Recognised in profit or loss	-	(2,128)	(2,128)
Transfer from equity	-	1,217	1,217
At end of the year	30	17,085	17,115
Set-off against deferred tax asset			(30)
			17,085

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

26. DEFERRED TAX (CONTINUED)

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Unused tax losses	1,848,271	1,874,264	42,078	42,078
Unabsorbed capital allowances	486,457	508,701	-	-
Unabsorbed investment tax allowances	99,693	64,042	-	-
Others	162,559	92,542	-	-
	<u>2,596,980</u>	<u>2,539,549</u>	<u>42,078</u>	<u>42,078</u>

Deferred tax assets have not been recognised in respect of the items above as it is not probable that future taxable profits will be available against which the items above can be utilised.

The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the Group of companies are subject to no substantial changes in shareholdings of the Group of companies under Section 44(5A) and Paragraph 75A, Schedule 3 of the Income Tax Act, 1967 ("the Act"). However, the Minister of Finance has exercised his powers under Section 44(5D) and Paragraph 75C, Schedule 3 of the Act to exempt all companies except dormant companies from the provision of Section 44 (5A) and Paragraph 75A, Schedule 3 of the Act respectively.

The foreign unutilised losses and unabsorbed capital allowance applicable to foreign incorporated subsidiary companies are pre-determined by and subject to the tax legislation of the respective countries.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

27. PROVISIONS

GROUP

	Sales warranty	Retirement benefits	Restoration costs	Affordable housing costs	Total
2018	RM'000	RM'000	RM'000	RM'000	RM'000
At beginning of year	2,049	11,856	20,956	-	34,861
Additional provision	1,062	1,608	1,942	21,299	25,911
Utilisation of provision	(317)	(329)	(253)	-	(899)
Unused amount reversed	(433)	-	(629)	-	(1,062)
Exchange differences	(164)	(458)	284	-	(338)
Employers' contribution	-	(1,701)	-	-	(1,701)
Recognised in other comprehensive income	-	(4,051)	-	-	(4,051)
Disposal of subsidiaries	-	(168)	(149)	-	(317)
At end of year	2,197	6,757	22,151	21,299	52,404
At 30 April 2018					
Current	2,017	259	4,795	-	7,071
Non-current	180	6,498	17,356	21,299	45,333
	2,197	6,757	22,151	21,299	52,404

GROUP

	Sales warranty	Retirement benefits	Restoration costs	Total
2017	RM'000	RM'000	RM'000	RM'000
At beginning of year	1,371	11,142	20,541	33,054
Additional provision	1,933	1,995	3,207	7,135
Utilisation of provision	(903)	(170)	(1,521)	(2,594)
Unused amount reversed	(435)	-	(1,558)	(1,993)
Exchange differences	83	193	287	563
Employers' contribution	-	(1,961)	-	(1,961)
Recognised in other comprehensive income	-	657	-	657
At end of year	2,049	11,856	20,956	34,861
At 30 April 2017				
Current	1,874	140	9,658	11,672
Non-current	175	11,716	11,298	23,189
	2,049	11,856	20,956	34,861

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

27. PROVISIONS (CONTINUED)

Notes:

(a) Retirement benefits

GROUP	Partially funded	Unfunded	Total
	RM'000	RM'000	RM'000
2018			
At beginning of year	3,231	8,625	11,856
Additional provision	697	911	1,608
Utilisation of provision	-	(329)	(329)
Disposal of subsidiaries	-	(168)	(168)
Employer contributions	(1,701)	-	(1,701)
Recognised in other comprehensive income	(3,534)	(517)	(4,051)
Exchange differences	(425)	(33)	(458)
At end of year	<u>(1,732)</u>	<u>8,489</u>	<u>6,757</u>
At 30 April 2018			
Current liabilities	-	259	259
Non-current liabilities	1,774	8,230	10,004
	<u>1,774</u>	<u>8,489</u>	<u>10,263</u>
Non-current (assets)	(3,506)	-	(3,506)
	<u>(1,732)</u>	<u>8,489</u>	<u>6,757</u>
GROUP	Partially funded	Unfunded	Total
	RM'000	RM'000	RM'000
2017			
At beginning of year	3,385	7,757	11,142
Additional provision	935	1,060	1,995
Utilisation of provision	-	(170)	(170)
Employer contributions	(1,961)	-	(1,961)
Recognised in other comprehensive income	699	(42)	657
Exchange differences	173	20	193
At end of year	<u>3,231</u>	<u>8,625</u>	<u>11,856</u>
At 30 April 2017			
Current liabilities	-	140	140
Non-current liabilities	3,231	8,485	11,716
	<u>3,231</u>	<u>8,625</u>	<u>11,856</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

27. PROVISIONS (CONTINUED)

(a) Retirement benefits (continued)

The amounts recognised in the profit or loss are as follows:

GROUP	Partially funded	Unfunded	Total
	RM'000	RM'000	RM'000
2018			
Current service cost (net of gain on settlement) being the retirement benefits recognised in directors' remuneration and staff costs	596	452	1,048
Net interest cost	101	459	560
	<u>697</u>	<u>911</u>	<u>1,608</u>
2017			
Current service cost being the retirement benefits recognised in directors' remuneration and staff costs	763	672	1,435
Net interest cost	172	388	560
	<u>935</u>	<u>1,060</u>	<u>1,995</u>

The amounts recognised in other comprehensive income are as follows:

	Group	
	2018 RM'000	2017 RM'000
Remeasurement arising from:		
Actuarial changes in financial assumptions	(2,624)	11,944
Actuarial changes in demographic assumptions	(690)	1,361
Return on plan assets	(604)	(11,555)
Experience gains from defined benefit obligations	(133)	(1,093)
	<u>(4,051)</u>	<u>657</u>

Partially funded defined benefit plan

A foreign subsidiary company maintains a tax qualified, partially funded, non-contributory retirement plan that is being administered by a trustee covering all regular full-time employees. Actuarial valuations are made regularly to update the retirement benefit costs and the amount of contributions.

The amounts of partially funded defined benefit obligation recognised in the statement of financial position are determined as follows:

	Group	
	2018 RM'000	2017 RM'000
Present value of the obligation	73,321	80,711
Fair value of plan assets	(75,053)	(77,480)
(Surplus)/Deficit in plan assets	<u>(1,732)</u>	<u>3,231</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

27. PROVISIONS (CONTINUED)

(a) Retirement benefits (continued)

Partially funded defined benefit plan (continued)

The movements in present value of the partially funded defined benefit obligation recognised are as follows:

	Group	
	2018	2017
	RM'000	RM'000
At beginning of year	80,711	70,183
Current service cost	636	763
Interest cost	2,148	2,409
Benefit paid by the plan	(1,656)	(3,777)
Liabilities extinguished on settlement	(3,357)	-
Recognised in other comprehensive income	(2,930)	12,254
Exchange differences	(2,231)	(1,121)
At end of year	<u>73,321</u>	<u>80,711</u>

The movements in fair value of plan assets are presented below:

	Group	
	2018	2017
	RM'000	RM'000
At beginning of year	77,480	66,798
Interest income	2,047	2,237
Return on plan assets	604	11,555
Benefit paid by the plan	(1,656)	(3,777)
Employers' contribution	1,701	1,961
Assets distributed on settlement	(3,317)	-
Exchange differences	(1,806)	(1,294)
At end of year	<u>75,053</u>	<u>77,480</u>

The plan assets consist of the following:

	Group	
	2018	2017
	RM'000	RM'000
Fixed income assets	74,717	76,850
Cash in bank	336	628
Others	-	2
	<u>75,053</u>	<u>77,480</u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

27. PROVISIONS (CONTINUED)

(a) Retirement benefits (continued)

Partially funded defined benefit plan (continued)

Presented below is the historical information related to the present value of the retirement benefit obligation, fair value of plan assets and deficit in the plan.

GROUP	2018 RM'000	2017 RM'000	2016 RM'000	2015 RM'000	2014 RM'000
Present value of the obligation	73,321	80,711	70,183	71,452	64,913
Fair value of the plan assets	(75,053)	(77,480)	(66,798)	(67,634)	(61,451)
(Surplus)/Deficit in the plan	(1,732)	3,231	3,385	3,818	3,462

The following principal assumptions were used to determine the retirement benefit obligation:

	Group	
	2018 %	2017 %
Discount rate	2.70 - 6.84	2.70 - 5.08

Sensitivity analysis for retirement benefit obligation of partially funded benefit plan

The management is of the view that any reasonably possible changes to the principal actuarial assumptions will not have significant impact to the Group.

Unfunded defined benefit plans

Certain local subsidiary companies 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 various schemes, eligible employees are entitled to lump sum retirement benefits of a certain percentage of either the average monthly salary of each full year of services or the final salary for each year of service on attainment of the retirement age (which varies from 55 years to 60 years depending on the scheme).

Certain foreign subsidiary companies operate unfunded, defined retirement benefit schemes and the estimated liabilities of the benefits are based on actuarial valuation by independent actuaries. The amounts recognised in the statement of financial position are determined based on the present value of unfunded defined benefit obligations.

The amounts of unfunded defined benefit obligation recognised in the statement of financial position are determined as follows:

	Group	
	2018 RM'000	2017 RM'000
Present value of the obligation	8,489	8,625

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

27. PROVISIONS (CONTINUED)

- (a) Retirement benefits (continued)

Partially funded defined benefit plan (continued)

The following principal assumptions were used to determine the retirement benefit obligations:

	Group	
	2018	2017
	%	%
Range of discount rates used for the various plans	5.30 - 6.00	5.08 - 7.88
Range of expected rates of salary increases used for the various plans	5.00 - 6.00	6.00

Sensitivity analysis for retirement benefit obligation of unfunded benefit plans

The management is of the view that changes in the discount rate at the reporting date would affect the defined benefit obligation in the following manner:

	Increase/(Decrease) Group		Impact on defined benefit obligations Group	
	2018	2017	2018	2017
	%	%	RM'000	RM'000
Discount rate	1	1	(910)	(881)
Discount rate	(1)	(1)	1,086	1,059
Future salary	1	1	1,131	1,076
Future salary	(1)	(1)	(958)	(916)

Current service cost and net interest costs

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.

Amounts recognised in other comprehensive income

The amounts recognised in other comprehensive income were included within items that will not be reclassified subsequently to profit or loss.

- (b) Sales warranty

Certain subsidiary companies of the Group give 3 months to 3 years warranties on certain products and undertake to repair or replace items that fail to perform satisfactorily. A provision for warranties is recognized for all products under warranty at the reporting date based on past experience on the level of repairs and returns.

- (c) Dismantlement, removal or restoration of property, plant and equipment

Provision for dismantlement, removal or restoration is the estimated cost of dismantlement, removal or restoration of property, plant and equipment arising from the acquisition or use of such assets, which are capitalised and included in the cost of property, plant and equipment.

- (d) Provision for affordable housing

Provision for affordable housing is recognised for anticipated losses to be incurred for the development of low cost housing under the requirements of the relevant State Governments.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

28. TRADE AND OTHER PAYABLES

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Trade payables	534,034	708,234	-	53
<u>Other payables</u>				
Accruals	600,668	602,212	5,408	5,516
Agency deposits	37,750	37,841	-	-
Sundry payables	416,841	421,925	18,758	21,521
Pool betting duty payables	77,505	78,565	-	-
Payable for acquisition of associated companies	13,061	-	-	-
Refundable deposits	504,068	220,434	-	-
Amounts due to subsidiary companies	-	-	154,204	141,808
Amounts due to associated companies	6,094	19,795	303	42
	<u>1,655,987</u>	<u>1,380,772</u>	<u>178,673</u>	<u>168,887</u>
<u>Other current liabilities</u>				
Progress billings in respect of development properties	99,476	70,492	-	-
Progress billings in respect of construction contracts	727	3,660	-	-
Deposits	4,930	5,748	-	-
Deferred income	92,197	89,340	-	-
Other duties payable	24,751	22,455	52	25
Dividend payables	29,351	2,476	-	-
	<u>251,432</u>	<u>194,171</u>	<u>52</u>	<u>25</u>
	<u>2,441,453</u>	<u>2,283,177</u>	<u>178,725</u>	<u>168,965</u>

Included in the trade payables is an amount of RM81,789,000 (2017 : RM70,553,000) due to the main contractor of the Jeju Project as referred to in 41(4). The main contractor has a lien over the Jeju Project as disclosed in Note 11.

Included in accruals of the Group are accrued contribution to the National Sports Council and accrual for gaming tax payable to the Ministry of Finance.

Agency deposits represent deposits obtained from agents for operating toto betting outlets. These deposits are refundable upon termination of operation contracts.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

28. TRADE AND OTHER PAYABLES (CONTINUED)

Included in sundry payables are as follows:

- (1) An amount of RM161,870,000 (2017: RM162,881,000) which relates to the balance purchase price of several parcels of freehold land acquired by a subsidiary company.
- (2) An amount of RM18,758,000 (2017: RM20,841,000) being the current portion of project contribution (refer Note 25(b)).
- (3) Advances from certain directors of subsidiary companies amounting to RM2,153,000 (2017: RM2,132,000).
- (4) Refundable deposits received for the disposal of investments are in relation to the proposed disposals of several foreign subsidiaries as disclosed in Note 47(1).

The amounts due to subsidiary companies for the Company are unsecured, repayable on demand and non-interest bearing. The amounts due to associated companies for the Group are trade in nature, non-interest bearing and have normal credit terms that range from 30 to 180 days (2017: 30 to 180 days).

Included in deferred income are as follows:

- (1) Customer loyalty programme which consists of stored value cards and total estimated value of the customers' redemption of free food, beverage and merchandise after a specific number of purchases.
- (2) Prepaid products sold to customers which are yet to be utilised and advance billings.

The normal trade credit terms granted by trade creditors of the Group are as follows:

- | | |
|----------------------------------|--|
| - Non-margin clients and brokers | 3 market days in accordance with the FDSS trading rules. |
| - Other trade payables | 1 day to 183 days. |

NOTES TO THE FINANCIAL STATEMENTS

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29. SHORT TERM BORROWINGS

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Secured:				
Long term loans				
- portion repayable within 12 months (Note 24)	541,316	818,756	96,801	95,995
Medium term notes				
- portion repayable within 12 months (Note 24)	524,701	529,480	-	-
Short term loans	289,846	461,621	150,000	100,000
Bank overdrafts	34,630	82,587	-	-
Margin facilities	208,799	217,443	89,564	96,179
Trade financing facilities	17,279	16,910	-	-
Revolving credits	598,236	677,110	97,140	115,422
Other bank borrowings	-	19,721	-	-
Vehicle stocking loans	313,704	281,121	-	-
Portion repayable within 12 months				
- Block discounting payables (Note 24)	9,054	8,934	-	-
- Hire purchase and leasing payables (Note 24)	17,293	95,416	394	278
	<u>2,554,858</u>	<u>3,209,099</u>	<u>433,899</u>	<u>407,874</u>
Unsecured:				
Long term loans				
- portion repayable within 12 months (Note 24)	-	3,782	-	-
Trade financing facilities	76,327	93,552	-	-
Revolving credits	2,000	2,000	-	-
Other borrowings	-	322	-	-
	<u>78,327</u>	<u>99,656</u>	<u>-</u>	<u>-</u>
	<u>2,633,185</u>	<u>3,308,755</u>	<u>433,899</u>	<u>407,874</u>

The secured short term loans, bank overdrafts, margin facilities, trade financing facilities, revolving credits and other bank borrowings of the Group and of the Company are secured either by way of fixed charges on certain landed properties, certain quoted investments, or fixed and floating charges over certain other assets of the Group and deposits of the Group, as disclosed in Notes 3, 5, 6, 7, 8, 13, 14 and 17.

The vehicle stocking loans obtained by foreign subsidiary companies are secured by fixed and floating charges on certain vehicle inventories held. These loans bear interest at the rate of 2.75% to 4.75% (2017: 1.70% to 3.50%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

29. SHORT TERM BORROWINGS (CONTINUED)

The range of interest rates per annum at the reporting date for borrowings was as follows:

	Group		Company	
	2018 %	2017 %	2018 %	2017 %
Short term loans	1.47 - 8.03	1.38 - 8.35	5.41 - 5.90	5.80 - 6.10
Bank overdrafts	7.15 - 9.35	7.15 - 9.35	-	-
Margin facilities	7.20 - 8.00	7.20 - 8.00	7.20 - 7.86	7.20 - 7.86
Trade financing facilities	3.15 - 8.60	3.50 - 8.60	-	-
Revolving credits	3.13 - 10.50	4.56 - 10.50	5.26 - 6.60	5.18 - 6.60
Other bank borrowings	3.00 - 3.75	4.23 - 5.29	-	-

30. DERIVATIVES

Derivative liability

	Group and Company			
	2018		2017	
	Contract amount RM'000	Liabilities RM'000	Contract amount RM'000	Liabilities RM'000
Current				
Forward currency contracts	-	-	32,604	2,208

The Group uses forward currency contracts to manage some of the transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

When forward currency contracts are used to hedge certain of the Group's transactions that are denominated in foreign currencies for firm commitments that existed at the reporting date, the fair value changes relating to these forward currency contracts that remain outstanding at the reporting date will result in the recognition of derivative liability.

Forward currency contracts, which were entered into in the previous financial year, were terminated during the financial year.

	Group and Company	
	2018 RM'000	2017 RM'000
At beginning of year	2,208	2,080
Fair value changes on forward currency contracts	(2,208)	128
At end of year	-	2,208

NOTES TO THE FINANCIAL STATEMENTS

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31. REVENUE

Revenue for the Group represents the invoiced value of sales of the Group's products and services, a proportion of contractual sales revenue determined by reference to the percentage of completion of development properties, lease rentals income from lease of on-line gaming equipment, rental of investment properties, interest income from hire purchase and loan financing, revenue from hotel and resort operations, membership fees from vacation time share, fitness centre operation and recreational activities, income from chartered flights, partner fee from lottery operations, net house takings from casino operations, brokerage and underwriting commission on securities contracts and new issue of shares and gross stake collections from the sale of toto betting tickets. Revenue for the Company represents partner fee from lottery operations, management fees charged to subsidiary companies, gross dividend received and receivable from subsidiary companies.

Revenue consists of the following:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Revenue				
Gross brokerage and other charges	39,777	34,753	-	-
Underwriting commissions and fund management income	-	235	-	-
Margin interest income	7,458	6,708	-	-
Interest income from hire purchase, lease and loan financing	771	1,432	-	-
Sales of goods and services on cash and credit terms	4,154,498	4,327,293	-	-
Contract revenue and sale of property inventories	477,653	945,446	-	-
Income from hotels, resort, theme park and casino operations	525,589	418,405	-	-
Rental income from investment properties	45,439	43,911	-	-
Income from chartered flights	2,363	8,607	-	-
Membership fees and subscriptions	65,734	69,349	-	-
Lottery operations and leasing of lottery equipment income	3,345,859	3,326,209	74,532	49,646
Gross dividends	-	-	18,737	27,670
Management fee income	-	46	2,498	2,439
	8,665,141	9,182,394	95,767	79,755

NOTES TO THE FINANCIAL STATEMENTS

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32. FINANCE COSTS

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Interest expense on:				
- Bank loans and overdrafts	258,235	257,234	77,356	60,966
- BCorp ICULS	10,135	11,836	10,135	11,836
- Redtone ICULS	166	172	-	-
- MTN	68,044	70,009	-	-
- Hire purchase and leases	6,281	6,297	97	76
- Manufacturers' vehicle stocking loans	10,150	9,973	-	-
- Defined benefit plans (Note 27(a))	560	560	-	-
Unwinding of discount and charge out of deferred transaction costs	20,091	35,100	11,618	11,891
Others (inclusive of loan related expenses)	39	7,124	2,676	1,071
	<u>373,701</u>	<u>398,305</u>	<u>101,882</u>	<u>85,840</u>

NOTES TO THE FINANCIAL STATEMENTS

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33. (LOSS)/PROFIT BEFORE TAX

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
(Loss)/Profit before tax				
is arrived at after charging:				
Directors' remuneration (Note 34)				
- emoluments (excluding benefits-in-kind)	55,844	74,993	1,150	1,152
- fees	3,530	2,727	243	249
Auditors' remuneration				
- statutory audit fee	6,558	6,264	226	228
- underprovision of statutory audit fees in prior years	208	81	37	-
- fees for non audit services	676	1,051	53	355
Depreciation of property, plant and equipment	217,180	216,539	6,959	11,456
Amortisation of				
- biological assets	270	580	-	-
- intangible assets	35,964	64,049	7,099	6,950
Minimum operating lease payment				
- plant and machinery	5,287	7,898	-	-
- premises	226,677	238,304	-	-
Direct operating expenses of investment properties *	16,789	14,965	-	-
Royalty expenses	33,308	31,219	-	-
Staff costs (Note a)	805,026	783,708	10,991	9,854
Allowance for impairment on receivables				
- trade receivables	9,150	4,575	-	-
- other receivables	14,014	16,191	-	-
Bad debts written off	1,252	52	-	-
Inventories written off/down	14,920	13,564	-	-
Loss on foreign exchange				
- realised	49,630	3,118	3,728	1,651
- unrealised	100,795	68,820	1,353	13,450
Research and development expenditure	-	6,929	-	-
Provision for sales warranty	1,062	1,933	-	-
Contribution to National Sports Council	40,338	36,944	-	-
Other expenses (Note c)	378,927	194,450	14	21,810

NOTES TO THE FINANCIAL STATEMENTS

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33. (LOSS)/PROFIT BEFORE TAX (CONTINUED)

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
and crediting:				
Amortisation of government grants	8	8	-	-
Reversal of impairment loss on receivables				
- trade receivables	3,326	2,740	-	-
- other receivables	284	23,186	-	616
Gain on foreign exchange				
- realised	24,832	32,673	215	3
- unrealised	43,820	149,054	12,689	715
Other income (Note d)	297,791	519,746	103,994	64,639

Note:

- * 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 year.

(a) Staff costs consist of the following:

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Wages, salaries and allowances	637,755	627,899	8,699	7,771
Social security costs and employees insurance	32,287	32,154	211	58
Bonuses	32,672	27,899	781	670
Pension costs				
- defined contribution plans	51,526	47,388	1,137	987
- defined benefit plans (Note 27(a))	790	1,427	-	-
Provision for short term compensated absences	(200)	656	-	-
Share-based payments (Note b)	2,060	1,200	-	-
Other staff related expenses	48,136	45,085	163	368
Total staff costs	805,026	783,708	10,991	9,854

Staff costs exclude remuneration of executive directors.

(b) Share-based payments consist of the following:

	Group	
	2018 RM'000	2017 RM'000
Share-based payments for		
- employees of the Group	2,060	1,200
- other directors of the Group	1,329	646
	3,389	1,846

NOTES TO THE FINANCIAL STATEMENTS

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33. (LOSS)/PROFIT BEFORE TAX (CONTINUED)

(c) Other expenses

Included in other expenses are the following:

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
(i) Other expenses - investing activities				
Loss on disposal of property, plant and equipment	1,901	1,630	2	-
Loss on disposal of land held for development	15	-	-	-
Loss on disposal of subsidiary company	12,312	-	-	-
Loss on partial disposal of subsidiary company	-	-	-	4,271
Loss on disposal/deemed disposal of associated companies	48,578	21,600	-	-
Loss on disposal of available-for-sale quoted equity instruments	4,140	797	-	-
Loss on disposal of Great Mall Project	-	4,464	-	-
Fair value adjustments for investment properties	140	1,581	-	-
Fair value loss of fair value through profit or loss equity instruments quoted in Malaysia	15,936	192	-	-
Impairment in value of property, plant and equipment	14,434	28,566	-	-
Impairment of intangible assets				
- goodwill	-	9,578	-	-
- others	1,955	33,117	-	-
Impairment on amount owing from				
- an associated company	-	2,063	-	-
- a joint venture	203	-	-	-
Impairment in value of investments in				
- subsidiary company	-	-	-	16,374
- associated companies	7,472	13,824	-	-
Impairment in value of				
- available-for-sale financial assets quoted equity instruments	2,738	190	-	-
- available-for-sale financial assets unquoted equity instruments	24	385	-	-
Impairment in value of assets held for sale	-	-	-	996

NOTES TO THE FINANCIAL STATEMENTS

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33. (LOSS)/PROFIT BEFORE TAX (CONTINUED)

(c) Other expenses (continued)

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
(i) Other expenses - investing activities (continued)				
Impairment loss on balance sale proceeds of Great Mall Project	152,651	-	-	-
Foreign currency reserve transferred to profit or loss on deemed disposal/ disposal of a subsidiary company	32,527	-	-	-
Loss on remeasurement of retained equity interest in a former subsidiary company	21,374	-	-	-
Loss on dilution in an associated company	3,098	1,508	-	-
Fair value loss on derivatives	-	128	-	128
Property, plant and equipment written off	6,457	-	-	-
Intangible assets written off	-	1,008	-	-
Penalty on foreign tax	-	41,704	-	-

(d) Other income

Included in other income are the following:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
(i) Other income - operating activities				
Income from rental of land and buildings	16,953	14,135	-	-
Gain on disposal of marketable securities	2,590	1,833	-	-
(ii) Other income - investing activities				
Gain on disposal of property, plant and equipment	3,874	22,353	97	2
Gain on disposal of investment properties	4	-	-	-
Gain on disposal of land held for development	1,231	-	-	-
Gain on deemed disposal/ disposal of subsidiary companies	75,971	2,993	26,059	-
Gain on disposal of associated companies	10	67,968	-	-

NOTES TO THE FINANCIAL STATEMENTS

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33. (LOSS)/PROFIT BEFORE TAX (CONTINUED)

(d) Other income (continued)

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
(ii) Other income - investing activities (continued)				
Gain on disposal from other investments	3,953	1,631	-	-
Reversal of impairment in property, plant and equipment	1,463	113	-	-
Reversal of impairment in value of investments in associated companies	590	-	-	-
Fair value gain on derivative liability	2,208	-	2,208	-
Fair value gain of fair value through profit or loss equity instruments quoted in Malaysia	736	8,712	-	-
Fair value adjustments for investment properties	10,128	24,562	-	-
Interest income from loans and receivables				
- Interest income from subsidiary company	-	-	73,986	61,903
- Other interest income	106,192	79,366	1,644	2,118
Gross dividends from				
- Available-for-sale investments quoted in Malaysia	961	746	-	-
- Available-for-sale investments quoted outside Malaysia	188	155	-	-
- Available-for-sale investments unquoted in Malaysia	-	17	-	-
- Unquoted associated company	750	-	-	-
Gain on remeasurement of				
- retained equity interest in a former associated company	-	1,912	-	-
Foreign exchange reserves of foreign subsidiaries transferred from equity upon disposal	-	2,739	-	-
Foreign exchange reserves of foreign associated company transferred from equity upon disposal	-	30,664	-	-
Gain on settlement of surrendering certain assets and lease interests to relevant authorities	-	184,639	-	-

NOTES TO THE FINANCIAL STATEMENTS

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34. DIRECTORS' REMUNERATION

The aggregate directors' remuneration paid or payable to all directors of the Group and of the Company categorised into appropriate components for the financial year are as follows:

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Directors of the Company				
Executive				
Salaries and other emoluments	19,464	11,433	785	843
Bonus	1,156	1,162	93	105
Retirement benefits				
- defined contribution plans	2,695	1,418	133	140
Benefits-in-kind	557	392	70	90
	<u>23,872</u>	<u>14,405</u>	<u>1,081</u>	<u>1,178</u>
Non-executive				
Fees	323	386	243	249
Bonus	39	13	6	-
Retirement benefits				
- defined contribution plans	51	34	9	2
Other emoluments	550	410	124	62
Benefits-in-kind	39	37	20	19
	<u>1,002</u>	<u>880</u>	<u>402</u>	<u>332</u>
	<u>24,874</u>	<u>15,285</u>	<u>1,483</u>	<u>1,510</u>
Other directors of the Group				
Fees	3,207	2,341	-	-
Salaries and other emoluments	28,550	47,265	-	-
Retirement benefits				
- defined contribution plans	2,502	6,917	-	-
- defined benefit plans (Note 27(a))	258	8	-	-
Bonus	579	283	-	-
Performance incentive	-	6,050	-	-
Benefits-in-kind	200	382	-	-
	<u>35,296</u>	<u>63,246</u>	<u>-</u>	<u>-</u>
Total directors' remuneration	<u>60,170</u>	<u>78,531</u>	<u>1,483</u>	<u>1,510</u>

NOTES TO THE FINANCIAL STATEMENTS

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35. TAXATION

	Group		Company	
	2018	2017	2018	2017
<u>Statements of profit or loss</u>	RM'000	RM'000	RM'000	RM'000
Income tax				
- Malaysian income tax	200,263	185,030	34	-
- Foreign tax	51,780	136,451	2,192	-
- Withholding tax	814	17,031	-	-
In respect of prior years				
- Malaysian income tax	13,864	(14,419)	539	-
- Foreign tax	(758)	8,273	-	-
Deferred tax (Note 26)	(16,009)	12,842	(2,496)	(2,128)
Total taxation	249,954	345,208	269	(2,128)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2017: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

There is no tax charge for the Company, as the Company is in a tax loss position. The tax charge of the Group is in respect of profits recorded by certain subsidiary companies.

Details of taxation includes the followings:

	Group		Company	
	2018	2017	2018	2017
<u>Statements of comprehensive income</u>	RM'000	RM'000	RM'000	RM'000
Deferred tax relating to other comprehensive income (Note 26):				
- Fair value adjustment on AFS financial assets of quoted equity instruments	(4,919)	(3,877)	-	-
- Reversal/Incurrence of impairment of gaming rights	22,980	(167,134)	-	-
- Revaluation of building	2,640	71	-	-
- Tax effect relating to the defined benefit pension scheme	756	(168)	-	-
	21,457	(171,108)	-	-
<u>Statements of changes in equity</u>				
Deferred tax recognised in equity (Note 26):				
- Tax effect on issuance of BCorp ICULS 2017/2026	-	4,209	-	4,209
- Effects on deferred tax liability on liability component of BCorp ICULS 2016/2026	9	-	9	-
- Reversal on conversion of BCorp ICULS 2016/2026	-	(2,992)	-	(2,992)
	9	1,217	9	1,217

NOTES TO THE FINANCIAL STATEMENTS

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35. TAXATION (CONTINUED)

A reconciliation of income tax expense applicable to (loss)/profit before tax at the statutory income tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
(Loss)/Profit for the year	(115,902)	662,628	81	(59,005)
Applicable tax rate (%)	24	24	24	24
Taxation at applicable tax rate	(27,816)	159,031	19	(14,161)
Effect of different tax rates in other countries	15,537	(6,028)	(345)	1,492
Effect of other tax incentives	-	(78)	-	-
Effect of share of results of associated companies and joint ventures	(4,654)	(14,211)	-	-
Effect of income subject to real property gain tax	(362)	(11,964)	-	-
Effect of income not subject to tax	(45,814)	(80,023)	(11,572)	(11,467)
Expenses not deductible under tax legislation	274,954	290,488	14,124	21,679
Effect of withholding tax	814	17,031	-	-
Utilisation of previously unrecognised deferred tax assets	(8,522)	(60,592)	-	-
Deferred tax assets not recognised during the financial year	55,456	47,195	-	2,457
Deferred tax assets recognition on previously unrecognised deferred tax assets	(8,828)	(210)	-	-
Effect of reduction in tax rate on incremental chargeable income	(3,280)	-	-	-
Effects of BCorp ICULS interests	(2,496)	(2,128)	(2,496)	(2,128)
Deferred tax liabilities recognised on changes in undistributed profits of subsidiary company	(3,442)	8,950	-	-
Under/(Over) provision of income tax in prior years	13,106	(6,146)	539	-
(Over)/Under provision of deferred tax in prior years	(4,699)	3,893	-	-
Taxation for the year	249,954	345,208	269	(2,128)

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36. (LOSS)/ EARNINGS PER SHARE

(1) Basic

Basic (loss)/earnings per share is calculated by dividing (loss)/profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares with voting rights in issue during the financial year, including mandatorily convertible instruments.

	Group	
	2018 RM'000	2017 RM'000
(Loss)/Profit attributable to equity holders	(370,203)	149,285
Adjustment for deemed conversion of BCorp ICULS	10,135	11,836
	<u>(360,068)</u>	<u>161,121</u>
Weighted average number of ordinary shares with voting rights in issue (inclusive of mandatorily convertible instruments) ('000)	5,623,418	5,501,087
Basic (loss)/earnings per share (sen)	<u>(6.40)</u>	<u>2.93</u>

(2) Diluted

For the purpose of calculating diluted (loss)/earnings per share, the (loss)/profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares with voting rights in issue during the financial year, including mandatorily convertible instruments, have been adjusted for the dilutive effects of the dilutive instruments of the Group.

	Group	
	2018 RM'000	2017 RM'000
(Loss)/Profit attributable to equity holders	(360,068)	161,121
Dilution effect on exercise of BFood warrants	-	(25)
Dilution effect on conversion of BFood options	(2)	(25)
Dilution effect on conversion of REDtone ICULS	(22)	(62)
(Loss)/Profit attributable to equity holders after assumed conversion/exercise	<u>(360,092)</u>	<u>161,009</u>
Weighted average number of ordinary shares with voting rights in issue (inclusive of mandatorily convertible instruments) ('000)	5,623,418	5,501,087
Diluted (loss)/earnings per share (sen)	<u>(6.40)</u>	<u>2.93</u>

NOTES TO THE FINANCIAL STATEMENTS

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37. DIVIDENDS

	Company			
	2018 Dividend per share Sen	2018 Dividend RM'000	2017 Dividend per share Sen	2017 Dividend RM'000
Recognised during the year				
- Final dividend of 2.10 sen per share approved in respect of financial year ended 30 April 2016 *	-	-	2.10	99,580

Note:

* On 30 December 2016, the Company distributed a final share dividend in respect of financial year ended 30 April 2016, via distribution of 3 treasury shares for every 100 ordinary shares held, equivalent to 2.10 sen per share.

38. SEGMENTAL INFORMATION

The Group is organised on a worldwide basis and presents its segmental information based on business segments:

- (1) financial services;
- (2) marketing of consumer products and services;
- (3) property investment and development;
- (4) hotels and resorts;
- (5) gaming and related activities;
- (6) restaurants; and
- (7) others.

Other business segments include clubs, recreation, and plantation segments which are not of a sufficient size to be reported separately.

All inter-segment transactions were carried out in the normal course of business and established under negotiated terms.

The geographical segmental information is prepared based on the locations of assets. The segment revenue by geographical location of where the sales are transacted does not differ materially from the 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 segments. 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, property, plant and equipment written-off, intangible assets written-off, inventories written-off, and allowance for bad and doubtful debts.

NOTES TO THE FINANCIAL STATEMENTS

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38. SEGMENTAL INFORMATION (CONTINUED)

By business segments

	External	Inter-segment	Total
Revenue	RM'000	RM'000	RM'000
2018			
Financial services	48,006	1,993	49,999
Marketing of consumer products and services	3,388,303	29,709	3,418,012
Property investment and development	523,092	19,841	542,933
Hotels and resorts	533,917	5,919	539,836
Gaming and related activities	3,345,859	110,948	3,456,807
Restaurants	708,795	350	709,145
Others	117,169	34,658	151,827
Inter-segment elimination	-	(203,418)	(203,418)
Total Revenue	8,665,141	-	8,665,141
2017			
Financial services	43,174	1,439	44,613
Marketing of consumer products and services	3,712,287	31,728	3,744,015
Property investment and development	927,466	138,785	1,066,251
Hotels and resorts	413,284	1,438	414,722
Gaming and related activities	3,326,209	240,812	3,567,021
Restaurants	686,790	35	686,825
Others	73,184	20,117	93,301
Inter-segment elimination	-	(434,354)	(434,354)
Total Revenue	9,182,394	-	9,182,394

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

38. SEGMENTAL INFORMATION (CONTINUED)

Results	2018 RM'000	2017 RM'000
Financial services	7,207	4,060
Marketing of consumer products and services	12,830	11,908
Property investment and development	65,870	343,422
Hotels and resorts	67,599	58,366
Gaming and related activities	398,796	334,077
Restaurants	28,865	11,277
Others	1,736	(7,942)
	582,903	755,168
Unallocated corporate expenses	(226,562)	(19,683)
	356,341	735,485
Other income - investing activities	208,259	428,570
Other expenses - investing activities	(326,193)	(162,335)
	238,407	1,001,720
Finance costs	(373,701)	(398,305)
Share of results of associates	16,602	60,913
Share of results of joint ventures	2,790	(1,700)
(Loss)/Profit before tax	(115,902)	662,628
Taxation	(249,954)	(345,208)
(Loss)/Profit for the year	(365,856)	317,420

NOTES TO THE FINANCIAL STATEMENTS

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38. SEGMENTAL INFORMATION (CONTINUED)

	Assets	Liabilities
	RM'000	RM'000
Assets and liabilities		
2018		
Financial services	359,635	62,882
Marketing of consumer products and services	2,735,510	940,895
Property investment and development	7,519,011	2,683,918
Hotels and resorts	1,694,573	441,844
Gaming and related activities	4,795,406	675,010
Restaurants	810,396	164,735
Others	1,113,763	680,618
Inter-segment elimination	(877,775)	(959,696)
	<u>18,150,519</u>	<u>4,690,206</u>
Unallocated items	2,676,970	5,811,996
Total Assets and Liabilities	<u><u>20,827,489</u></u>	<u><u>10,502,202</u></u>
2017		
Financial services	367,091	106,630
Marketing of consumer products and services	2,966,868	855,175
Property investment and development	7,875,277	3,102,448
Hotels and resorts	1,694,841	425,333
Gaming and related activities	4,408,917	634,602
Restaurants	788,344	188,088
Others	1,031,418	744,062
Inter-segment elimination	(882,157)	(936,175)
	<u>18,250,599</u>	<u>5,120,163</u>
Unallocated items	3,281,949	5,593,716
Total Assets and Liabilities	<u><u>21,532,548</u></u>	<u><u>10,713,879</u></u>

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

38. SEGMENTAL INFORMATION (CONTINUED)

Other information	Capital expenditure RM'000	Depreciation and amortisation RM'000	Impairment loss RM'000	Other non-cash expenses RM'000
2018				
Financial services	997	1,109	24	5,260
Marketing of consumer products and services	59,853	64,173	5,379	18,586
Property investment and development	9,957	41,960	153,801	3,951
Hotels and resorts	17,537	14,231	1,532	3,698
Gaming and related activities	15,000	45,975	498	412
Restaurants	75,973	51,561	302	177
Others	8,981	24,089	5,402	1,338
	188,298	243,098	166,938	33,422
Unallocated items	17,325	10,316	12,539	106,709
Total	205,623	253,414	179,477	140,131

2017				
Financial services	1,308	1,080	8,374	2,189
Marketing of consumer products and services	71,200	72,904	43,015	36,411
Property investment and development	206,776	21,726	13	662
Hotels and resorts	18,460	50,945	7,070	369
Gaming and related activities	124,526	70,909	8,170	22,833
Restaurants	100,149	49,134	8,338	11
Others	6,328	6,318	-	16,136
	528,747	273,016	74,980	78,611
Unallocated items	1,244	8,152	12,743	24,591
Total	529,991	281,168	87,723	103,202

By geographical segments	Revenue RM'000	Capital expenditure RM'000	Assets RM'000
2018			
Malaysia	5,358,092	169,057	14,662,686
Outside Malaysia	3,307,049	36,566	6,164,803
Total	8,665,141	205,623	20,827,489

2017			
Malaysia	5,378,566	210,988	13,879,840
Outside Malaysia	3,803,828	319,003	7,652,708
Total	9,182,394	529,991	21,532,548

NOTES TO THE FINANCIAL STATEMENTS

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39. SIGNIFICANT RELATED PARTY TRANSACTIONS

	Note	Group		Company	
		2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Management fees receivable from					
- subsidiary companies		-	-	(2,078)	(2,019)
- associated company		-	-	(120)	(120)
Rental of premises and related services receivable from					
- Singer (Malaysia) Sdn Bhd ("Singer")	c	(485)	(485)	-	-
- Tai Thong Group Sdn Bhd	a	(1,307)	(1,413)	-	-
- Sun Media Corporation Sdn Bhd ("SMCSB")	b	(573)	(573)	-	-
- 7-Eleven Malaysia Sdn Bhd ("7-Eleven")	c	(1,961)	(2,237)	-	-
- U Mobile Sdn Bhd ("UMobile")	d	(1,693)	(1,762)	-	-
- Songbird Amusement Sdn Bhd	e	(280)	(335)	-	-
- Berjaya Assets Food (BAF) Sdn Bhd	f	(706)	(641)	-	-
Rental of premises payable to					
- Berjaya Times Square Sdn Bhd	f	5,691	6,492	-	-
- Berjaya Sompoo Insurance Berhad	b	561	562	-	-
Transportation service provided to					
- 7-Eleven	c	(9,725)	(12,877)	-	-
Research, development, implementation and maintenance services as well as purchase of hardware, software, network equipment from					
Qinetics Solutions Sdn Bhd and Qinetics Services Sdn Bhd	c	6,075	4,788	1,402	1,315
Advertising and publishing services charged by SMCSB	b	1,991	2,482	78	40
Sales of product to 7-Eleven	c	(1,936)	(369)	-	-
Supply of computerised lottery systems and related services to					
Natural Avenue Sdn Bhd	f	(631)	(641)	-	-
Provide of wireless broadband services to Berjaya Sompoo Insurance Berhad	b	(1,272)	(1,541)	-	-
Purchase of shares quoted in Malaysia from Berjaya Retail Berhad	c	-	14,000	-	-
Purchase of a property unit from Deru Klasik Sdn Bhd	e	-	17,469	-	-
Provision of security guard services to					
- Subsidiaries of BAssets	f	(307)	-	-	-
- UMobile	d	(120)	-	-	-
- Singer	c	(189)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

39. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

All other significant related party transactions have been disclosed under Notes 15, 28, 33 and 34.

Details of significant related party acquisitions and disposals of assets completed during the financial year are included in Notes 46 and 47.

Notes:

- (a) wholly owned subsidiary company of Tai Thong Holdings Sdn Bhd which in turn is a wholly-owned subsidiary company of Diversified Kinetic Sdn Bhd. Tan Sri Dato' Tan Chee Sing ("TSDT") and Dato' Dickson Tan Yong Loong ("DDTYL"), are major shareholders of Diversified Kinetic Sdn Bhd. TSDT is a brother of Tan Sri Dato' Seri Vincent Tan Chee Yioun ("Tan Sri Vincent Tan") and is the father of DDTYL.
- (b) Associated companies of the Group.
- (c) Companies where Tan Sri Vincent Tan, a major shareholder and the chairman of the Company, is deemed to have an interest.
- (d) A company in which the directors of the Company, namely Dato' Sri Robin Tan Yeong Ching ("DSRTYC") and Nerine Tan Sheik Ping ("NT") have interests. Tan Sri Vincent Tan is also a substantial shareholder of UMobile.
- (e) A company in which a person connected with Tan Sri Vincent Tan has interest.
- (f) Subsidiary company of BASSETS. Tan Sri Vincent Tan is a substantial shareholder of BASSETS while DSRTYC and NT are also shareholders of BASSETS. Tan Sri Vincent Tan is the father of DSRTYC and NT. TSDT also has interest in BASSETS.

Certain professional fee amounting to RM5,777,000 (2017: RM6,678,000) was 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 interest.

A foreign subsidiary company had placements inclusive of interest receivable amounting to RM58,939,000 (2017 : RM34,151,000) at the reporting date with a foreign asset management firm of which a director of the foreign subsidiary company has an interest. Subsequent to the financial year end, the placements together with the interest receivable were fully redeemed.

The compensation of the key management personnel of the Group and of the Company are as follows:

	Group		Company	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Short-term benefits	28,904	16,391	1,341	1,368
Post-employment benefits	3,754	1,882	142	142
	<u>32,658</u>	<u>18,273</u>	<u>1,483</u>	<u>1,510</u>

NOTES TO THE FINANCIAL STATEMENTS

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40. COMMITMENTS

	Group	
	2018	2017
	RM'000	RM'000
Capital expenditure		
- approved and contracted for	81,567	103,244
- approved but not contracted for	39,135	30,889
	120,702	134,133
Land lease payments for foreign development project	-	504,000
Group's share of a joint venture's commitment		
- land use rights fee	19,111	12,134
- land rental	-	5,783
Proposed share subscription in investee companies	8,000	13,975
	147,813	670,025
Non-cancellable operating lease commitments as lessees		
- Within 1 year after reporting date	130,918	155,707
- Later than 1 year but not more than 5 years	354,951	338,255
- Later than 5 years	467,752	488,849
	953,621	982,811
Non-cancellable operating lease commitments as lessors		
- Within 1 year after reporting date	19,895	19,037
- Later than 1 year but not more than 5 years	18,494	21,068
- Later than 5 years	1,969	6,868
	40,358	46,973

Note:

- (a) Significant commitments for acquisition of properties and investments are included in Notes 46 and 47.

The Group entered into operating leases which represent rental payable for the use of land and buildings, vehicles, plant and equipment. Leases are negotiated for a period of between 1 and 70 years and rentals fixed for between 1 and 70 years. In addition to the above, the annual contingent rental amount is chargeable on a percentage of respective store's turnover or profits, where appropriate, as stated in the relevant lease agreements.

A foreign subsidiary company had entered into land lease contracts for lease terms of 100 years. These leases are non-cancellable upon the foreign subsidiary obtaining property development approval from the foreign authorities.

The Group entered into commercial property leases on its investment properties portfolio consisting of commercial and office space. Besides this, a foreign subsidiary company had 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 leasing of lottery equipment income is recognised as revenue during the financial year as disclosed in Note 31.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

41. FINANCIAL GUARANTEES, CONTINGENT LIABILITIES AND MATERIAL LITIGATIONS

The financial guarantees provided to financiers for subsidiary and related companies are no longer disclosed as contingent liabilities but would instead be accounted as financial liabilities if considered likely to crystallise. For the current financial year, the Company has assessed the financial guarantee contracts and determined that the guarantees are not likely to be called upon by the bank. Financial impact of the guarantees is not material.

Details of contingent liabilities and material litigations are as follows:

- (1) On 13 November 2013, a claim of USD100 million (about RM388.8 million) was filed by Evolv Health LLC and two others ("Plaintiffs") against Cosway USA, Inc ("CoswayUSA") and several other parties ("Defendants") in the state of Texas, USA for damages allegedly suffered by the Plaintiffs as a result of an alleged breach by the Defendants of a mutual non-disclosure and non-circumvention agreement entered into between Evolv Health LLC and CoswayUSA. However, part of this original claim had been dismissed and the remaining claim is the misappropriation of trade secret outside of the agreement.

On 10 May 2016, Plaintiffs withdrew, without prejudice, their claims against CoswayUSA and some of the defendants.

Prior to the withdrawal of claims against CoswayUSA and its officers from Texas Court, the Plaintiffs had on 10 March 2016 filed this case in the federal court in the State of California. No monetary amount was listed by the Plaintiffs but they are claiming for attorney's cost as well as exemplary damages of not less than three times of the Plaintiffs' actual damages. The trial date has been set on 29 August 2017. The lawyers for the Plaintiffs filed motions to withdraw themselves from representing the Plaintiff. On 26 April 2017, the Court allowed the motion for withdrawal and ordered the Plaintiffs to appoint new counsels and show cause by 29 May 2017 why the case should not be dismissed if they fail to continue and fixed 31 May 2017 for the hearing. The Plaintiffs failed to appoint new lawyers and were unable to continue. The Court dismissed the case on 1 June 2017. According to court records as at 7 July 2017, the Plaintiffs have not filed any appeal against the dismissal. Subsequent to the financial year end, this case is considered as closed.

- (2) On 17 April 2014, Armen Temuran and another party ("Armen&anor") filed a lawsuit against CoswayUSA and several other parties ("CoswayUSA&ors") for alleged breach of contract and unfair business practice. The court ruled that all except the fifth, sixth, eighth and twelfth of the twelve causes of action are dismissed. However, Armen&anor had filed a second amended complaint ("SAC") in May 2015 with the claims amounting to USD5.54 million (about RM21.54 million). CoswayUSA&ors had filed another demurrer with respect to the SAC and the court has sustained the defendant's demurrer on 31 July 2015. Armen&anor filed a third amended complaint. CoswayUSA has filed a demurrer, a motion to strike off a portion of the third amended complaint, and a request for judicial notice. On 10 December 2015, the court granted CoswayUSA's request for judicial notice and the motion to strike off. Also, the court sustained all except four of the demurrer (or objections) filed by the CoswayUSA against Armen&anor's third amended complaint. At a hearing on 23 June 2016, the court ruled for the four remaining claims, filed by Armen&Anor, to proceed to mandatory settlement meeting on 1 July 2016. At the mandatory settlement meeting on 1 July 2016, no agreement was made on any out of court settlement. The case proceeded to trial on 1 August 2016 but the trial was postponed to 26 September 2016. The trial was further postponed to 31 October 2016 at the request of Armen&anor. The trial proceeded for three days but there was a procedural error and a new trial was re-scheduled to 27 February 2017. The trial commenced on 27 February 2017 as re-scheduled and it ended on 22 March 2017 with the verdict that 2 of the claims have been withdrawn while for the remaining 2 claims, Armen&anor were unsuccessful with their claims. On 18 May 2017, the Court issued written judgment in favour of CoswayUSA and others in their counter claim against Armen&anor and were awarded USD15,200 plus USD3,990 in pre-judgment interest. The Court further entered judgment in favour of CoswayUSA against Aditya AHT Inc, owned by Armen&anor and one of the parties that CoswayUSA counter claimed against, in the sum of USD56,327 (about RM245,000). On 26 May 2017, Armen&anor filed a motion to set aside the jury verdict. The case was heard on 6 July 2017 and the Court dismissed Armen&anor's motion to set aside the jury verdict. Armen&anor filed a Notice of Appeal on 8 August 2017 in the Court of Appeal, Fourth Appellate District Court, Division 3, California. Armen&anor has filed their appeal briefs and CoswayUSA has to file its reply brief by 29 June 2018 but has been granted an extension till 28 August 2018 to do so.

NOTES TO THE FINANCIAL STATEMENTS

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41. FINANCIAL GUARANTEES, CONTINGENT LIABILITIES AND MATERIAL LITIGATIONS (CONTINUED)

- (3) On 28 June 2010, BLand announced, with regard to the proposed acquisition by Berjaya Tagar Sdn Bhd ("BTSB"), its wholly owned subsidiary company, of about 244.79 acres of leasehold land located in Sungei Besi, Kuala Lumpur ("STCLand") from Selangor Turf Club ("STC") for a consideration of RM640.0 million and the proposed acquisition of about 750 acres of freehold land ("BCityLand") located in the area of Sungai Tinggi, Daerah Ulu Selangor, Selangor from BerjayaCity Sdn Bhd ("BCity"), a subsidiary company of the Group, and the proposed appointment of BCity as a turnkey contractor for the construction of a new turf club for a total consideration of RM605.0 million ("STC Proposals"), the status of the conditions precedent ("CP") of the STC Proposals:
- 1) Approval from the Foreign Investment Committee ("FIC") for the STC Proposals was obtained on 12 October 2004.
 - 2) Approval from the FIC for the acquisition of the BCityLand was obtained on 21 October 2004.
 - 3) Approvals from the shareholders of BTSB, BLand, BCity and BGroup for the STC Proposals were obtained on 4 November 2004.
 - 4) Approvals from the State Authority Consent for the transfer of STCLand in favour of BTSB were obtained on 11 January 2005. However, the consent had lapsed and application will be re-submitted after item (6) of the CP 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 fulfilment of item (6) of the CP.
 - 6)(a) The approval for the master layout plan for the BCityLand was obtained on 11 February 2008. However, due to the change in the Selangor government, the plan is to be re-tabled and BTSB is awaiting the decision from the Selangor government.
 - 6)(b) The approval from 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 6(a) of the CP is fulfilled.
 - 6)(c) The approval from the State Exco of Selangor for the conversion and sub-division of BCityLand is pending as the application will only be tabled at the State Exco of Selangor after approvals for items 6(a) and 6(b) 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, BLand 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, BLand announced that STC granted an extension of time from 19 January 2012 to 18 January 2013.

On 13 August 2012, BLand announced that BTSB and STC have on 13 August 2012 entered into a supplemental agreement ("SupAgmt") to mutually vary certain terms of the sale and purchase agreement dated 19 July 2004, as follows:

- i) 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 the STCLand. STC shall grant an extension of one year subject to a cash payment of RM3.0 million by BTSB for such extension; and
- ii) upon signing the SupAgmt, 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 will be paid within 33 months from the date of the last CP is fulfilled or such other date as mutually extended.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

41. FINANCIAL GUARANTEES, CONTINGENT LIABILITIES AND MATERIAL LITIGATIONS (CONTINUED)

Pursuant to the aforesaid SupAgmt, the period is extended to 19 January 2019 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 MDHS 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 BCityLand after approvals under items 2(i) and (ii) above are obtained.

On 10 November 2017, BLand announced that further to the legal proceedings instituted by BLand, 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 judgment rendered on 9 November 2017 was as follows:

- 1) The Applicants' applications against the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents were 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.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

41. FINANCIAL GUARANTEES, CONTINGENT LIABILITIES AND MATERIAL LITIGATIONS (CONTINUED)

- 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.
- 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) above.
- 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.

On 14 December 2017, BLand 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 above decision of the Shah Alam High Court. The hearing at the Court of Appeal has been fixed on 8 October 2018. 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 judgment in the judicial review proceedings ("Stay Application").

The Applicants have applied to the Shah Alam High Court for an extension of time to submit the proposal papers to the 1st and 5th Respondents ("Extension of Time Application"). The hearing for the extension of time has been fixed on 26 July 2018. However, the matter was adjourned.

In addition, the Applicants have also filed an application for assessment of compensation ("Assessment Proceedings") pursuant to the aforesaid Shah Alam High Court judgment. The case management date for the Stay Application, Extension of Time Application and Assessment Proceedings was fixed on 15 August 2018. On 15 August 2018, the Court fixed 17 October 2018 for the next case management pending the settlement of the matters by the parties concerned.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

41. FINANCIAL GUARANTEES, CONTINGENT LIABILITIES AND MATERIAL LITIGATIONS (CONTINUED)

- (4) On 6 November 2015, the Company announced that its 72.6% subsidiary, BJR had instituted legal proceedings in the Republic of Korea against JDC for breach of certain terms and conditions set out in the Land SPA entered into between BJR and JDC in relation to the proposed mixed development of an international themed village known as the "Jeju Airst City" in Jeju Island, Republic of Korea ("Jeju Project") and to claim for losses and damages incurred 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 to BJR, free from all liens, security interests and encumbrances. However, on 20 March 2015 the Korean Supreme Court ruled that the expropriation by JDC of certain parcels of land which were then subsequently sold to BJR pursuant to the Land SPA was invalid. Hence, the Group deemed that JDC had 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 ongoing 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 a suit 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 (or 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.

On completion of the land repurchase 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 land price appraisal of Jeju Project. 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, JDC and Seogwipo City lost the Administrative Lawsuit case at the Jeju District Court. As a result, all the development approvals in connection with the Jeju Project were nullified. JDC and Seogwipo City have filed an appeal against the Administrative Lawsuit decision and the appeal proceedings are currently pending.

In view of the nullification of all the development approvals, BJR applied to the court for a supplementary land price appraisal report to be prepared based on the revised assumption of no development approval for the land. On February 2018, the presiding judge was re-assigned to another court and a new judge was appointed to preside over the JDC Lawsuit. BJR was dissatisfied with the supplementary land price appraisal report as it was based on disputable land reference. Hence, BJR applied to the court to conduct a second supplementary land price appraisal in July 2018. The court has agreed to BJR's application to conduct the second supplementary appraisal by another land appraisal company. The new presiding judge will set the next hearing date upon completion of the second supplementary land price appraisal report.

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 the Jeju Project in full.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

41. FINANCIAL GUARANTEES, CONTINGENT LIABILITIES AND MATERIAL LITIGATIONS (CONTINUED)

- (5) In the previous financial year ended 30 April 2017, BLand had announced that GMOC, a 51.00% owned subsidiary company of the BLand group, had completed the disposal of the Berjaya (China) Great Mall Recreation Centre located in Sanhe City, Hebei Province, the People's Republic of China for a revised total cash consideration of RMB2.04 billion (or about RM1.28 billion) to Beijing SkyOcean. GMOC had received RMB1,065 million (or about RM711.32 million) and the balance of cash consideration of RMB974.07 million (or about RM601.78 million) ("Final Instalment") was to be received by November 2017.

On 8 December 2017, BLand announced that Beijing SkyOcean had not remitted the Final Instalment of RMB974.07 million (about RM601.78 million) by the appointed time. Accordingly, GMOC had on 7 December 2017 issued a notice of demand to Beijing SkyOcean and the guarantors to pay 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 proceedings in Hong Kong against Beijing SkyOcean and the guarantors to protect and enforce GMOC's legitimate rights.

On 19 January 2018, BLand announced that GMOC has on even date submitted a notice of arbitration to the HKIAC against Beijing SkyOcean and the guarantors namely, against SkyOcean Holdings Group Limited and Mr Zhou Zheng, to recover the Final Instalment and accrued late payment interest and other reliefs.

The arbitral tribunal was fully constituted at the end of June 2018 and the arbitration proceedings are ongoing.

Based on the legal opinion obtained from its lawyers, it is highly probable that GMOC will prevail against Beijing SkyOcean before the HKIAC.

- (6) Philippine Gaming Management Corporation ("PGMC"), an 88.26%-owned subsidiary company of BToto, commenced arbitration proceedings against Philippine Charity Sweepstakes Office ("PCSO") at the International Chamber of Commerce, International Court of Arbitration, pursuant to an interim agreement between PGMC and the 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 13 August 2015, PGMC and PCSO entered into a supplemental and status quo agreement to maintain the status quo existing as provided for in an interim settlement agreement for a period of three (3) years from 22 August 2015 until 21 August 2018, pending the resolution of the issue on the exclusivity rights through arbitration proceedings.

On 1 March 2018, BToto announced that its 88.26%-owned subsidiary, Berjaya Philippines Inc. ("BPI"), the immediate holding company of PGMC, which is listed on the Philippine Stock Exchange ("PSE") has on even date released an announcement to PSE that PGMC had received the Final Award issued by the Arbitral Tribunal which ruled that PGMC "does not have an exclusive contractual right to supply an online lottery system for Luzon" because the 1995 Equipment Lease Agreement and the 2004 Amendments to the Equipment Lease Agreement "do not grant such exclusivity in their terms". The Arbitral Tribunal also ordered PGMC to pay all of PCSO's reasonable costs and expenses in the arbitration, which amount to PHP53.6 million (equivalent to approximately RM4.069 million), and to reimburse PCSO the amount of USD200,000 (equivalent to approximately RM789,000), which PCSO paid as advance on costs.

PGMC has filed a Petition with the Makati Regional Trial Court to appeal on all aspects of the Final Award and argue that more than 15 years of exclusivity as acknowledged by PCSO should prevail in determining the award, and that the compensation structure which accords PGMC with a share of all lottery revenue from Luzon does not permit any third party supplier of lottery equipment to reduce or share in the revenue arising from Luzon that is contractually provided for PGMC ("PGMC Proceeding").

The PGMC Proceeding is still ongoing.

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42. FAIR VALUE MEASUREMENT

The Group and the Company measures 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

42.1 Group's non-financial assets that are measured at fair value

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:

Group	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000

2018

Investment properties				
- Commercial properties	-	127,115	645,352	772,467
- Other properties	-	55,964	49,440	105,404
	-	183,079	694,792	877,871

Group	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000

2017

Investment properties				
- Commercial properties	-	100,813	633,814	734,627
- Other properties	-	54,592	50,958	105,550
	-	155,405	684,772	840,177

NOTES TO THE FINANCIAL STATEMENTS

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42. FAIR VALUE MEASUREMENT (CONTINUED)

42.1 Group's non-financial assets that are measured at fair value (continued)

Description of valuation techniques used and key inputs to valuation on non-financial assets

(1) 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.

The land is valued by reference to transactions of similar lands in surrounding with adjustments made for differences in location, terrain, size and shape of the land, tenure, title restrictions, if any and other relevant characteristics.

Investment properties valued using the comparison method 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 between 89% and -77% (2017: 104% and -64%) of the respective properties' fair value.

(2) Depreciable Replacement Cost Method

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 replacement cost per square foot which ranges from RM80 per square foot to RM5,336 per square foot (2017: RM80 to RM4,582 per square foot), and the depreciation rate of 2% (2017: 2%).

Fair value reconciliation of non-financial assets measured at Level 3:

	Group	
	2018 RM'000	2017 RM'000
At beginning of year	684,772	635,536
Disposals during the year	(1,480)	-
Net transfer from property, plant and equipment	12,309	5,186
Fair value adjustments during the year	2,777	13,275
Reclassified from Level 2	-	27,110
Exchange differences	(3,586)	3,665
At end of year	694,792	684,772

NOTES TO THE FINANCIAL STATEMENTS

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42. FAIR VALUE MEASUREMENT (CONTINUED)

42.1 Group's non-financial assets that are measured at fair value (continued)

(3) Sensitivity analysis

The 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.

42.2 Fair value disclosures of non-financial assets

The table below analyses the Group's fair value disclosures of the non-financial assets at the reporting date according to the level in the fair value hierarchy:

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2018				
Associated companies	431,069	-	-	431,069
Inventories	884	-	-	884
2017				
Associated companies	540,218	-	-	540,218
Inventories	1,017	-	-	1,017

Company	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2018				
Subsidiary companies	144,102	-	-	144,102
Associated companies	267,246	-	-	267,246
2017				
Subsidiary companies	212,781	-	-	212,781
Associated companies	293,910	-	-	293,910

NOTES TO THE FINANCIAL STATEMENTS

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42. FAIR VALUE MEASUREMENT (CONTINUED)

42.3 Financial Instruments that are measured at fair value

The table below analyses the financial instruments measured at fair value at the reporting date, according to the level in the fair value hierarchy:

Group	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000

2018

Financial assets

Other investments	56,568	-	-	56,568
Short-term investments	-	44,362	-	44,362
Trading securities	884	-	-	884

2017

Financial assets

Other investments	60,104	4,469	-	64,573
Short-term investments	-	11,927	-	11,927
Trading securities	1,017	-	-	1,017

Financial liability

Derivative liability	-	2,208	-	2,208
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Company

Level 1	Level 2	Level 3	Total
RM'000	RM'000	RM'000	RM'000

2017

Financial liability

Derivative liability	-	2,208	-	2,208
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NOTES TO THE FINANCIAL STATEMENTS

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43. FINANCIAL INSTRUMENTS

43.1 Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The 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 statement of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Financial assets				
<u>Available-for-sale</u>				
Other investments	139,692	120,026	-	-
<u>Fair value through profit or loss</u>				
Other investments	8,429	31,515	-	-
Short-term investments	44,362	11,927	-	-
	52,791	43,442	-	-
<u>Loans and receivables</u>				
Other long term receivables	1,552,280	1,360,707	83,987	-
Trade and other receivables	1,261,802	1,825,252	1,652,318	5,113,684
Deposits with financial institutions	710,830	636,024	116,036	49,825
Cash and bank balances	920,816	1,098,273	37,439	37,897
	4,445,728	4,920,256	1,889,780	5,201,406
Total financial assets	4,638,211	5,083,724	1,889,780	5,201,406
Financial liabilities				
<u>Fair value through profit or loss</u>				
Derivative liability	-	2,208	-	2,208
<u>Other financial liabilities</u>				
Liability component of irredeemable convertible unsecured loan stocks	128,193	152,278	128,159	152,167
Long term borrowings	3,587,054	3,304,466	832,153	392,132
Other long term liabilities	110,528	116,204	88,324	107,594
Trade and other payables	2,190,021	2,089,006	178,673	168,940
Short term borrowings	2,633,185	3,308,755	433,899	407,874
	8,648,981	8,970,709	1,661,208	1,228,707
Total financial liabilities	8,648,981	8,972,917	1,661,208	1,230,915

NOTES TO THE FINANCIAL STATEMENTS

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43. FINANCIAL INSTRUMENTS (CONTINUED)

43.2 Fair value

- (1) Financial instruments that are measured at fair value

Information of financial instruments of the Group that are measured at fair value is disclosed in Note 42.

- (2) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximations of fair values.

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair values:

	<u>Note</u>
Other long term receivables	11
Trade and other receivables (current)	15
Trade and other payables (current)	28
Short term borrowings (current)	29
Other long term liabilities	25
Long term borrowings (non-current) at floating rate	24

The carrying amounts of these financial assets and liabilities are reasonable approximations of fair values due to either insignificant impact of discounting from their short term nature 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 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.

The fair values of quoted equity instruments and Malaysian Government Securities are determined by reference to their published market bid price at reporting date.

The fair values of financial guarantees are determined based on the probability weighted discounted cash flows method. The probability has been estimated and assigned for the following key assumptions:

- the likelihood of the guaranteed party defaulting within the guaranteed period;
- the exposure on the portion that is not expected to be recovered due to the guaranteed party's default; and
- the estimated loss exposure if the party guaranteed were to default.

The Company has assessed the financial guarantee contracts and concluded that the financial impact of the guarantees is not material.

Forward currency contracts are valued using a valuation technique with market observable inputs.

NOTES TO THE FINANCIAL STATEMENTS

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43. FINANCIAL INSTRUMENTS (CONTINUED)

43.2 Fair value (continued)

- (3) Financial instruments that are not measured at fair value and whose carrying amounts are not reasonable approximation of fair value.

	Group			
	2018	2018	2017	2017
	Carrying	Fair	Carrying	Fair
	amount	value	amount	value
	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Other investments				
- Unquoted shares	91,553	*	86,968	*
<u>Financial liabilities</u>				
BCorp ICULS 2012/2022	114,339	84,711	137,103	109,857
BCorp ICULS 2016/2026	13,820	9,855	15,064	11,737
REDtone ICULS	34	33	111	103
Fixed rate loan	26,700	23,529	28,838	25,095

	Company			
	2018	2018	2017	2017
	Carrying	Fair	Carrying	Fair
	amount	value	amount	value
	RM'000	RM'000	RM'000	RM'000
<u>Financial liabilities</u>				
BCorp ICULS 2012/2022	114,339	84,711	137,103	109,857
BCorp ICULS 2016/2026	13,820	9,855	15,064	11,737

Note:

- * These investments are carried at cost less accumulated impairment loss as their fair values cannot be measured reliably due to the absence of an active market and reliable input data.

NOTES TO THE FINANCIAL STATEMENTS

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management policies of the Group seek 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 equity price risk), liquidity risk and credit risks. The Group operates within clearly defined guidelines and the Group's policy is not to engage in speculative transactions.

44.1 Market risk

(1) Interest rate risk

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

The interest bearing assets are made up of deposits with licensed financial institutions and interest bearing receivables.

The Group manages the interest rate risk of its deposits with licensed financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and by maintaining a prudent mix of short and long term deposits and actively reviewing its portfolio of deposits. The Group also ensures that the rates contracted for its interest bearing receivables are reflective of the prevailing market rates.

The Group manages its interest rate risk exposure from interest bearing borrowings by maintaining a mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculation purposes.

NOTES TO THE FINANCIAL STATEMENTS

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

44.1 Market risk (continued)

(1) Interest rate risk (continued)

All of the Group's and Company's financial assets and liabilities at floating rates are contractually re-priced at intervals of less than 6 months (2017: 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.

At the reporting date, the interest rate profile of the interest-bearing financial instruments was:

	Group		Company	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
<u>Fixed rate instruments</u>				
Financial assets	710,830	636,024	116,036	49,825
Financial liabilities	1,629,712	1,688,283	129,699	153,150
<u>Floating rate instruments</u>				
Financial assets	735,221	874,276	1,717,152	1,346,739
Financial liabilities	4,718,720	5,156,325	1,264,512	941,109

(i) 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 the income statement.

(ii) Sensitivity analysis for floating rate instruments

A change of 25 basis points in interest rates at the reporting date would result in the profit or loss before tax of the Group and of the Company to be higher/lower by RM9,959,000 (2017: RM10,705,000) and by RM1,132,000 (2017: RM1,014,000), respectively. This analysis assumes that all other variables remain constant.

(2) Currency risk

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 ("USD"), Euro ("EUR"), Singapore Dollar ("SGD"), Thai Baht ("THB"), Japanese Yen ("JPY"), Seychelles Rupees ("SCR"), Vietnam Dong ("VND") and Chinese Renminbi ("CNY"). The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located.

NOTES TO THE FINANCIAL STATEMENTS

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

44.1 Market risk (continued)

(2) Currency risk (continued)

The significant unhedged financial assets and liabilities of the Group that are not denominated in their functional currencies are as follows:

Functional Currency of Group Companies	USD RM'000	EUR RM'000	SGD RM'000	THB RM'000	JPY RM'000	VND RM'000	Total RM'000
As at 30 April 2018							
Trade and Other Receivables							
Ringgit Malaysia ("MYR")	135,546	-	859	72,569	209,742	58,733	477,449
SCR	888	4,981	-	-	-	-	5,869
SGD	-	-	-	-	36,142	-	36,142
USD	-	-	-	-	-	148,827	148,827
	<u>136,434</u>	<u>4,981</u>	<u>859</u>	<u>72,569</u>	<u>245,884</u>	<u>207,560</u>	<u>668,287</u>
Cash and Bank Balances							
MYR	5,883	5	1,399	-	10	-	7,297
SCR	5,934	8,146	-	-	-	-	14,080
CNY	422	9	-	-	-	-	431
VND	48	-	-	-	-	-	48
SGD	-	-	-	-	79,317	-	79,317
	<u>12,287</u>	<u>8,160</u>	<u>1,399</u>	<u>-</u>	<u>79,327</u>	<u>-</u>	<u>101,173</u>
Trade and Other Payables							
MYR	3,660	-	11,065	-	539	-	15,264
SCR	155	50	-	-	-	-	205
BND	89	-	-	-	-	-	89
VND	1,338	-	-	-	-	-	1,338
SGD	-	-	-	-	46,217	-	46,217
	<u>5,242</u>	<u>50</u>	<u>11,065</u>	<u>-</u>	<u>46,756</u>	<u>-</u>	<u>63,113</u>
Borrowings							
MYR	92,757	-	24,620	-	-	-	117,377
SCR	-	31,291	-	-	-	-	31,291
SGD	-	-	-	-	524,852	-	524,852
	<u>92,757</u>	<u>31,291</u>	<u>24,620</u>	<u>-</u>	<u>524,852</u>	<u>-</u>	<u>673,520</u>

NOTES TO THE FINANCIAL STATEMENTS

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

44.1 Market risk (continued)

(2) Currency risk (continued)

FINANCIAL INSTRUMENTS

Functional
Currency of
Group
Companies

USD	EUR	SGD	THB	JPY	Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000

As at 30 April 2017

Trade and Other Receivables

Ringgit Malaysia ("MYR")	380,289	-	282,662	73,520	-	736,471
SCR	492	2,640	-	-	-	3,132
SGD	-	-	-	-	76,761	76,761
	<u>380,781</u>	<u>2,640</u>	<u>282,662</u>	<u>73,520</u>	<u>76,761</u>	<u>816,364</u>

Cash and Bank Balances

MYR	2,364	-	272	-	-	2,636
SCR	3,304	4,015	-	-	-	7,319
VND	141	-	-	-	-	141
SGD	-	-	-	-	167,333	167,333
	<u>5,809</u>	<u>4,015</u>	<u>272</u>	<u>-</u>	<u>167,333</u>	<u>177,429</u>

Trade and Other Payables

MYR	22,230	-	534	(2)	-	22,762
SCR	519	94	-	-	-	613
VND	4,868	-	-	-	-	4,868
SGD	-	-	-	-	53,133	53,133
	<u>27,617</u>	<u>94</u>	<u>534</u>	<u>(2)</u>	<u>53,133</u>	<u>81,376</u>

Borrowings

MYR	236,363	-	38,698	-	-	275,061
SGD	-	-	-	-	728,136	728,136
	<u>236,363</u>	<u>-</u>	<u>38,698</u>	<u>-</u>	<u>728,136</u>	<u>1,003,197</u>

NOTES TO THE FINANCIAL STATEMENTS

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

44.1 Market risk (continued)

(2) Currency risk (continued)

(i) Sensitivity analysis for currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in those foreign currencies and MYR exchange rates, which might have material impact to the Group's profit net of tax, against the respective major functional currencies of the Group entities, with all other variables remain constant.

		GROUP	
		2018	2017
		RM'000	RM'000
<u>Increase/(Decrease) to profit net of tax</u>			
MYR/USD	- strengthened 11% (2017: 2%)	(4,951)	(2,481)
	- weakened 1% (2017: 11%)	450	13,647
MYR/SGD	- strengthened 7% (2017: 7%)	2,340	(17,059)
	- weakened 7% (2017: 7%)	(2,340)	17,059
MYR/THB	- strengthened 3% (2017: 12%)	(2,177)	(8,823)
	- weakened 3% (2017: 12%)	2,177	8,823
MYR/JPY	- strengthened 9% (2017: 2%)	(18,829)	-
	- weakened 1% (2017: 4%)	2,092	-
SGD/JPY	- strengthened 1% (2017: 1%)	4,556	5,372
	- weakened 3% (2017: 5%)	(13,668)	(26,859)
SCR/EUR	- strengthened 11% (2017: 2%)	2,004	(131)
	- weakened 2% (2017: 2%)	(364)	131

The impact of sensitivity analysis of the other foreign currencies is not material to the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

44.1 Market risk (continued)

(3) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted instruments. The quoted instruments in Malaysia are listed on the Bursa Malaysia whereas the quoted instruments outside Malaysia are listed on London Stock Exchange and Singapore Stock Exchange. These instruments are classified as fair value through profit or loss or available for sale financial assets. To manage its market price risk arising from investments in quoted instruments, the Group diversifies its portfolio and diversification of the portfolio is done in accordance with the limits set by the Group.

A subsidiary company of the Group is also exposed to price fluctuation on commodities particularly for the crude palm oil and palm kernel. It mitigates its risk to the price volatility through constant monitoring on the movement of crude palm oil and palm kernel prices. This subsidiary company does not enter into commodity future contracts.

(i) Sensitivity analysis for quoted instruments price risk

At the reporting date, if the various stock indices had been 1% higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM78,000 (2017: RM309,000) higher/lower, arising as a result of higher/lower fair value gains on fair value through profit or loss equity instruments, and the Group's other reserve in equity would have been RM488,000 (2017: RM292,000) higher/lower, arising as a result of an increase/decrease in the fair value of equity instruments designated as available for sale.

44.2 Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligation.

Credit risk is controlled by the application of credit approval limits, monitoring procedures and assessment of collateral values. A credit approval authority limit structure is in place for all lending activities of the Group. Credit risks are minimised and monitored by limiting the Group's association to business partners with high creditworthiness. Receivables are monitored on an ongoing basis via management reporting procedures.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

44.2 Credit risk (continued)

(1) Exposure to credit risk

The carrying amounts of the financial assets recorded on the statements of financial position at the reporting date represents the Group's and the Company's maximum exposure to credit risk in relation to financial assets. The Group has no significant concentration risk that may arise for exposure to a single debtor or a group of debtors except for RM473,862,000 (2017 : RM598,884,000) being the Final Instalment of the disposal of the Great Mall Project, RM593,253,000 (2017 : RM604,255,000) being losses and damages of JDC Lawsuit and the amounts owing by joint ventures and associated companies as disclosed in Notes 11 and 15. 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.

At the reporting date, the Company's maximum exposure to credit risk is represented by a nominal amount of RM370,645,000 (2017: RM469,696,000) relating to corporate guarantee provided by the Company to banks on subsidiary companies' borrowings.

(2) Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the business segments of its trade receivables on an ongoing basis.

Further information on trade receivables are disclosed in Note 15.

The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	Group			
	2018		2017	
	RM'000	%	RM'000	%
By business segments				
Financial services	229,306	38.02	247,762	37.43
Marketing of consumer products and services	175,176	29.04	247,900	37.45
Property investment and development	79,540	13.19	58,769	8.88
Hotels and resorts	54,697	9.07	19,409	2.93
Gaming and related activities	57,002	9.45	64,570	9.75
Restaurants	7,015	1.16	6,359	0.96
Others	400	0.07	17,234	2.60
	<u>603,136</u>	<u>100.00</u>	<u>662,003</u>	<u>100.00</u>

NOTES TO THE FINANCIAL STATEMENTS

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

44.3 Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligation due to the shortage of funds.

The Group actively manages its operating cash flows and the availability of fund so as to ensure that all 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 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

Group	On demand or within one year	One to five years	Over five years	Total
	RM'000	RM'000	RM'000	RM'000
2018				
Financial liabilities				
Irredeemable convertible				
unsecured loan stocks	34,307	104,319	6,401	145,027
Trade and other payables	2,190,846	-	-	2,190,846
Hire purchase and leasing payables	23,741	64,334	36,825	124,900
Loans and borrowings	2,944,189	3,459,171	295,414	6,698,774
Other long term liabilities	22,204	78,330	58,748	159,282
	<u>5,215,287</u>	<u>3,706,154</u>	<u>397,388</u>	<u>9,318,829</u>
2017				
Financial liabilities				
Irredeemable convertible				
unsecured loan stocks	34,307	136,568	8,233	179,108
Trade and other payables	2,089,923	-	-	2,089,923
Hire purchase and leasing payables	100,993	18,742	294	120,029
Loans and borrowings	3,857,906	3,102,969	298,850	7,259,725
Other long term liabilities	19,029	87,030	87,030	193,089
	<u>6,102,158</u>	<u>3,345,309</u>	<u>394,407</u>	<u>9,841,874</u>

NOTES TO THE FINANCIAL STATEMENTS

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44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

44.3 Liquidity risk (continued)

Company	On demand or within one year	One to five years	Over five years	Total
2018	RM'000	RM'000	RM'000	RM'000
Financial liabilities				
Irredeemable convertible unsecured loan stocks	34,307	104,319	6,401	145,027
Trade and other payables	179,498	-	-	179,498
Hire purchase and leasing payables	513	1,313	-	1,826
Loans and borrowings	630,225	859,021	-	1,489,246
Other long term liabilities	-	78,330	58,748	137,078
	<u>844,543</u>	<u>1,042,983</u>	<u>65,149</u>	<u>1,952,675</u>
2017				
Financial liabilities				
Irredeemable convertible unsecured loan stocks	34,307	136,568	8,233	179,108
Trade and other payables	169,857	-	-	169,857
Hire purchase and leasing payables	352	806	-	1,158
Loans and borrowings	503,775	391,427	-	895,202
Other long term liabilities	-	87,030	87,030	174,060
	<u>708,291</u>	<u>615,831</u>	<u>95,263</u>	<u>1,419,385</u>

NOTES TO THE FINANCIAL STATEMENTS

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45. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. This function is carried out on a centralised entity wide basis by the Group's Treasury Division. The Treasury Division will handle and manage 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 years ended 30 April 2018 and 2017.

The Group monitors capital using a gearing ratio, which is total debt divided by total equity. The Group includes within total debt, borrowings, liability component of irredeemable convertible unsecured loan stocks, block discounting, hire purchase and finance lease obligations. Total equity represents net equity attributable to the owners of the parent plus non-controlling interests.

	Note	Group	
		2018 RM'000	2017 RM'000
Liability component of irredeemable convertible unsecured loan stocks	21	128,193	152,278
Long term borrowings	24	3,587,054	3,304,466
Short term borrowings	29	2,633,185	3,308,755
Total debt		<u>6,348,432</u>	<u>6,765,499</u>
Total equity		<u>10,325,287</u>	<u>10,818,669</u>
Gearing ratio (%)		<u>61</u>	<u>63</u>

The gearing ratio is not governed by the FRS and its definition and calculation may vary from one group/company to another.

NOTES TO THE FINANCIAL STATEMENTS

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46. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (1) On 15 June 2017, BToto announced that Sports Toto Malaysia Sdn Bhd, its wholly owned subsidiary company, proposed to establish a Medium Term Notes ("MTN") Programme of up to RM800.00 million in nominal value. The MTN Programme shall have a tenure of up to 15 years and the first issuance under the MTN Programme will be made within 60 business days from 15 June 2017. The MTN Programme has been accorded a preliminary rating of AA-/Stable by the Malaysian Rating Corporation Berhad.
- (2) On 29 June 2017, BToto announced that Berjaya Philippines Inc ("BPI"), its 88.26% owned subsidiary company, had during the period from 14 June 2017 to 28 June 2017 acquired 3,900,000 ordinary shares of 7-Eleven Malaysia Holdings Berhad ("SEM"), representing an equity interest of about 0.35% in SEM, for a cash consideration of about RM5.36 million.

On 18 July 2017, BToto announced that BPI, its 88.26% owned subsidiary company, had during the period from 4 July 2017 to 14 July 2017 acquired 5,400,000 ordinary shares of SEM, representing an equity interest of about 0.49% in SEM, for a cash consideration of about RM7.38 million.

- (3) On 31 July 2017, the Company announced that Berjaya Pharmacy Sdn Bhd ("BPharmacy"), an 80% owned subsidiary company of the Group, together with Berjaya Pharmacy Distribution Sdn Bhd (formerly known as Berjaya Chemist Warehouse Asia Sdn Bhd), a subsidiary company of BPharmacy, and CW Retail Asia Pty Ltd, a company incorporated in Australia, have mutually terminated the joint venture cum shareholders agreement, which was previously entered into by all the parties on 3 March 2016 to operate pharmacies under the co-brand name of "Chemist Warehouse Berjaya Asia".
- (4) On 8 August 2017, BLand announced that Nada Embun Sdn Bhd, its wholly owned subsidiary company, had on 3 August 2017 disposed of 12.00 million ordinary shares representing 1.01% equity interest in BASSETS, for a cash consideration of RM12.96 million or at RM1.08 per BASSETS share. Consequently, BLand holds a 12.78% equity interest in BASSETS.
- (5) On 15 August 2017, BToto announced that the Regional Trial Court of Makati had on 10 August 2017 issued a Writ of Preliminary Injunction ("Writ") against Philippine Charity Sweepstakes Office ("PCSO"), the lessee of Prime Gaming Management Corporation ("PGMC"), a wholly owned subsidiary company of BPI, which in turn is a 88.26% owned subsidiary company of BToto. The Writ restrains PCSO from conducting or continuing with the public bidding process and from performing any act that will violate PGMC's right as exclusive supplier of lottery equipment to PCSO in the Luzon territory.
- (6) On 18 August 2017, BLand announced that Portal Access Sdn Bhd ("PASB"), its wholly owned subsidiary company, had on 17 August 2017 disposed of 20.00 million ordinary shares representing 1.68% equity interest in BASSETS, for a cash consideration of RM21.00 million or at RM1.05 per BASSETS share. Consequently, BLand holds a 11.09% equity interest in BASSETS.
- (7) On 29 September 2017, BLand announced that PASB and BTS Hotel Sdn Bhd, both its wholly owned subsidiary companies, had on 27 September 2017 disposed of a total of 25.00 million ordinary shares representing 2.10% equity interest in BASSETS for a total cash consideration of RM25.00 million or at RM1.00 per BASSETS share. Following the disposal, BLand group holds a total of 106,879,347 BASSETS shares representing about 8.99% equity interest in BASSETS.
- (8) On 23 October 2017, BLand announced that it disposed of 10.00 million ordinary shares, representing 0.90% equity interest, in 7-Eleven Malaysia Holdings Berhad ("SEM") for a total cash consideration of RM14.90 million or at RM1.49 per SEM share. Following the disposal, BLand's shareholding in SEM was 6.50 million shares representing 0.59% equity interest.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

46. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONTINUED)

- (9) On 16 November 2017, BLand announced that BLCL, its wholly owned subsidiary company, completed the disposal of 500,000 ordinary shares, representing 100% equity interest, in BIH SIAMH for a consideration of SGD2.97 million satisfied by 1,487,468 new SIAMH shares issued at SGD2.00 per SIAMH share ("BIH Disposal"). As part of the terms of the BIH Disposal, BLCL novated the amount owing by BIH to BLCL of about SGD11.20 million to SIAMH and SIAMH settled the amount with the issuance of 5,598,221 new SIAMH shares at the issue price of SGD2.00 per share. BLCL also completed the subscription of 1,909,829 new SIAMH shares at SGD2.00 per SIAMH share for a total cash subscription of about SGD3.82 million (equivalent to about RM11.84 million) to be settled on deferred payment terms. Upon the completion of the BIH Disposal, debt settlement and subscription, BLCL acquired 8,995,518 new SIAMH shares and increased its shareholdings to 11.99 million SIAMH shares representing an equity interest of about 34.27%.
- (10) On 24 November 2017, BFood announced that Berjaya Food International Sdn Bhd ("BFI"), its wholly owned subsidiary company, completed the disposal of 13.82 million ordinary shares, representing 99.9% equity interest, in PT Boga Lestari Sentosa ("PT Boga") to Mr Rudy Wiguna and Ms Komelia Ersan for IDR1,000 (or about RM0.32). PT Boga also agreed to settle a portion of the debt owing by PT Boga to BFI for an amount of about IDR9.60 billion (or about RM3.10 million).
- (11) On 2 April 2018, the Company announced the completion of the disposal of the entire 100% equity interest in Berjaya Green Resources Environmental Engineering (Foshan) Co Ltd ("BGREE"), incorporated in the People's Republic of China ("PRC"), to Foshan Water & Environmental Investment Co Ltd ("FWEI"), a company incorporated in the PRC, for a cash consideration of about RMB78.50 million (or about RM50.87 million). FWEI undertook to repay the amount owing by BGREE to the Company of about RM24.80 million. The final payment of RMB2.92 million was received on 30 March 2018.

NOTES TO THE FINANCIAL STATEMENTS

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47. SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR END

- (1) On 4 June 2018, BLand announced that BLCL had entered into an agreement to dispose of its entire 32.5% of the capital contribution in BVFC to Vinhomes and Can Gio Tourist City Corporation for a total cash consideration of VND884.93 billion (about RM154.86 million) ("PropBVFCDisposal").

BLCL's capital contribution of VND967.31 billion (about RM169.28 million) initially represented 100% of the charter capital of BVFC. Following conditions imposed by the Vietnamese authorities, BVFC was required to increase its charter capital and Vinhomes injected fresh capital of VND2,008.69 billion (about RM351.52 million) into BVFC to fulfill the requirement. Consequently, BLCL's holding in BVFC was diluted to 32.5%. The cash consideration will be paid in three tranches in accordance to the fulfilment of certain conditions in the agreement.

In conjunction with the PropBVFCDisposal, Vinhomes and its affiliates ("VinhomesAff") are being considered as potential purchasers of Berjaya Vietnam International University Town One Member Limited Liability Company ("BVIUT"). VinhomesAff had in December 2017 injected fresh capital of VND11,904 billion (about RM2.08 billion) pursuant to the Vietnamese authorities' requirement to increase the charter capital of BVIUT and thereby diluting BLCL's stake in BVIUT from 100% to 0.8%. It is the intention of BLCL to dispose of its 0.8% stake in BVIUT in the near future ("PropBVIUTDisposal"). Together with the PropBVIUTDisposal, the BLand group is also in negotiations on the potential sale of another of its Vietnamese entity.

- (2) On 25 June 2018, the Company announced the completion of the disposal of DSG Holdings Limited ("DSG") to Besino Environment Limited ("Besino"), a company incorporated in the PRC. Previously on 6 March 2018, the Company announced that the Company and other shareholders of DSG, namely Earthlodge Investments Limited and Elque Resources Sdn Bhd, have entered into an agreement with Besino for the proposed disposal of their entire equity interest comprising 10.00 million ordinary shares in DSG to Besino or its affiliate for a total cash consideration of RMB508 million (about RM312.93 million). The Company's portion of the sale proceeds is RMB431.80 million (about RM265.99 million).
- (3) On 31 July 2018, BStarbucks, a wholly owned subsidiary company of BFood, entered into a sales and purchase agreement for the proposed acquisition of a freehold commercial unit in Berjaya Times Square from Deru Klasik Sdn Bhd, for a cash consideration of RM12,435,000 or RM15,000 per square foot.

NOTES TO THE FINANCIAL STATEMENTS

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
SUBSIDIARIES:				
Subsidiaries of the Company				
AWF Limited*	Hong Kong	100.0	100.0	Investment holding.
Berjaya Green Resources Environmental Engineering (Foshan) Co. Ltd*	People's Republic of China	-	100.0	Building, operating and maintaining wastewater treatment plant.
Berjaya Group Berhad	Malaysia	100.0	100.0	Investment holding.
Berjaya Hills Resort Berhad	Malaysia	100.0	100.0	Hotel operator, golf and recreation club operator, investment in property and property development.
Berjaya Investments (Labuan) Limited	Malaysia	100.0	100.0	Provision of financing services.
Berjaya Kyoto Development (S) Pte Ltd*	Singapore	100.0	¹ 100.0	Investment holding.
Berjaya Lottery Vietnam Limited	Malaysia	100.0	² 100.0	Investment holding.
Berjaya Myanmar Limited	Malaysia	100.0	100.0	Investment holding.
DSG Holdings Limited*	Malaysia	85.0	85.0	Investment holding.
Subsidiaries of AWF Limited				
Boluo Longxi Pengfa Water Supply Co Ltd*	People's Republic of China	100.0	100.0	Production and supply of potable water.
Boluo Longxi Zhiwang Water Supply Co Ltd*	People's Republic of China	100.0	100.0	Production and supply of potable water.
C.A. Pioneer Holding Inc Limited*	Hong Kong	100.0	100.0	Investment holding.

¹ The total equity interests held by the Group is 100.0% and it is held by the following companies:

(i)	Berjaya Corporation Berhad	50.00 %
(ii)	Berjaya Land Berhad	50.00 %

² The total equity interests held by the Group is 100.0% and it is held by the following companies:

(i)	Berjaya Corporation Berhad	80.00 %
(ii)	Berjaya Sports Toto Berhad	20.00 %

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiary of C.A. Pioneer Holding Inc Limited				
Boluo Longxi Water Supply Co Ltd*	People's Republic of China	50.0	50.0	Production and supply of potable water.
Subsidiaries of Berjaya Group Berhad				
Beam Team Sdn Bhd*	Malaysia	100.0	-	To provide digital media marketing programs across omni-channels and multi-platforms.
Berjaya 2nd Homes (MM2H) Sdn Bhd*	Malaysia	100.0	100.0	To act as agents to assist any person for the purpose of staying, investing and trading in Malaysia.
Berjaya Bakes Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Berjaya Books Sdn Bhd*	Malaysia	100.0	100.0	Operation of book stores under the name of "Borders Books".
Berjaya Capital Berhad	Malaysia	100.0	³ 100.0	Investment holding and provision of management services.
Berjaya Channel Sdn Bhd*	Malaysia	100.0	100.0	Provision for and selling of advertising time or space on digital and non-digital media.
Berjaya China Motor Sdn Bhd*	Malaysia	70.0	70.0	Production and selling of motor vehicles.
Berjaya College Sdn Bhd*	Malaysia	70.0	70.0	Provide educational, training activities and consultancy services.
Berjaya Corporation (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Berjaya Corporation (S) Pte Ltd *	Singapore	100.0	100.0	Real estate agencies and valuation services.
Berjaya Education Sdn Bhd*	Malaysia	99.3	60.0	Provision of professional training services.

³ The total equity interests held by the Group is 100.00% and it is held by the following companies:

(i)	Berjaya Group Berhad	41.94 %
(ii)	Bizurai Bijak (M) Sdn Bhd	30.00 %
(iii)	Juara Sejati Sdn Bhd	28.06 %

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Group Berhad (continued)				
Berjaya Engineering Construction Sdn Bhd*	Malaysia	100.0	100.0	Provision of civil engineering contracting works.
Berjaya Enviro (S) Pte Ltd*	Singapore	70.0	70.0	Investment holding.
Berjaya Enviro (Sabah) Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Berjaya Fintech Sdn Bhd (formerly known as Berjaya Beverage Sdn Bhd)*	Malaysia	100.0	100.0	Investment holding.
Berjaya Food Berhad	Malaysia	43.7	⁴ 43.4	Investment holding.
Berjaya Group Capital (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Berjaya Group (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Berjaya Higher Education Sdn Bhd*	Malaysia	71.7	71.7	Investment holding and operating a private university college.
Berjaya HR Café Limited*	Republic of Korea	100.0	100.0	Development and operation of the "Hard Rock Café" chain of restaurants in the Republic of Korea.
Berjaya International Schools Sdn Bhd*	Malaysia	70.0	70.0	Temporary ceased operations.
Berjaya Land Berhad	Malaysia	68.3	⁵ 67.5	Investment holding.

⁴ The total equity interests held by the Berjaya Group Berhad group is 43.67% and it is held by the following companies:

(i)	Berjaya Group Berhad	43.06 %
(ii)	Bukit Kiara Resort Berhad	0.08 %
(iii)	Berjaya Philippines Inc	0.53 %

⁵ The total equity interests held by the Berjaya Group Berhad group is 68.28% and it is held by the following companies:

(i)	Berjaya Group Berhad	1.14 %
(ii)	Juara Sejati Sdn Bhd	24.89 %
(iii)	Teras Mewah Sdn Bhd	24.33 %
(iv)	Bizurai Bijak (M) Sdn Bhd	13.21 %
(v)	Inter-Pacific Securities Sdn Bhd	2.00 %
(vi)	Inter-Pacific Capital Sdn Bhd	1.62 %
(vii)	Rantau Embun Sdn Bhd	0.80 %
(viii)	Prime Credit Leasing Sdn Bhd	0.29 %

The total equity interests held by the Group is 72.12% and the additional equity interest is held by the following company:

(i)	Berjaya Corporation Berhad	3.84 %
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NOTES TO THE FINANCIAL STATEMENTS

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Group Berhad (continued)				
Berjaya Papa John’s Pizza Sdn Bhd*	Malaysia	100.0	100.0	Temporary ceased operations.
Berjaya Paper Trading Sdn Bhd (formerly known as Inter-Pacific Paper (M) Sdn Bhd)*	Malaysia	51.0	-	Trading of paper and paper products.
Berjaya Pharmacy Sdn Bhd	Malaysia	80.0	80.0	Owner and operator of pharmacy stores and engage in importation, trading, distribution, marketing and retail sales of products sold in pharmacies and health and beauty retailers.
Berjaya Pizza (Philippines) Inc*	Philippines	70.0	⁶ 70.0	Development and operation of the “Papa John’s Pizza” chain of restaurants in the Philippines.
Berjaya Premier Restaurants Sdn Bhd*	Malaysia	100.0	100.0	Investment holding.
Berjaya Property Sdn Bhd*	Malaysia	100.0	100.0	Property investment.
Berjaya Registration Services Sdn Bhd*	Malaysia	100.0	100.0	Provision of securities and printing services.
Berjaya Roasters Pte Ltd#	Singapore	100.0	100.0	Dormant.
Berjaya Soutex Sdn Bhd	Malaysia	100.0	100.0	Holding of property.
Berjaya Wood Furniture (Malaysia) Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Bizurai Bijak (M) Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
BLoyalty Sdn Bhd*	Malaysia	100.0	⁷ 100.0	Managing and operation of Berjaya Loyalty card programme.
BLoyalty Marketing Sdn Bhd*	Malaysia	100.0	100.0	Dormant.

⁶ The total equity interests held by the Berjaya Group Berhad group is 70.00% and it is held by the following companies:

(i)	Berjaya Corporation (Cayman) Limited	21.62 %
(ii)	Berjaya Philippines Inc	48.38 %

⁷ The total equity interests held by the Group is 100.0% and it is held by the following companies:

(i)	Berjaya Group Berhad	60.03 %
(ii)	BLoyalty Pte Ltd	39.97 %

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Group Berhad (continued)				
BLoyalty Pte Ltd*	Singapore	60.0	60.0	To act as loyalty solutions provider to engage, manage and operate customer loyalty programmes on behalf of third parties.
Boxit Holdings Sdn Bhd*	Malaysia	67.0	51.0	Provide logistics consultancy and management services, distribution, material handling to customers and businesses.
Bukit Pinang Leisure Sdn Bhd*	Malaysia	100.0	100.0	Investment holding and property development.
Changan Berjaya Auto Sdn Bhd*	Malaysia	70.8	68.8	Production and selling of motor vehicles.
Cosway Corporation Berhad	Malaysia	100.0	⁸ 100.0	Investment holding.
Country Farms Sdn Bhd*	Malaysia	100.0	100.0	Dealers in organic food.
Espeetex Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
E.V.A. Management Sdn Bhd*	Malaysia	100.0	100.0	Provision of management services and agent for marketing agricultural commodities.
Garima Holdings Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Global Empires Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Graphic Press Group Sdn Bhd*	Malaysia	69.8	69.8	Printing including security printing.
Inai Jaya Sdn Bhd*	Malaysia	100.0	100.0	Investment holding.
Inter-Pacific Development Sdn Bhd*	Malaysia	100.0	100.0	Investment holding.

⁸ The total equity interests held by the Group is 100.0% and it is held by the following companies:

(i)	Garima Holdings Sdn Bhd	47.83 %
(ii)	Juara Sejati Sdn Bhd	17.04 %
(iii)	Bizurai Bijak (M) Sdn Bhd	3.75 %
(iv)	Global Empires Sdn Bhd	31.38 %

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Group Berhad (continued)				
Inter-Pacific Trading Sdn Bhd*	Malaysia	70.0	70.0	General trading.
Juara Sejati Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Kalimas Sendirian Berhad	Malaysia	100.0	100.0	Dormant.
KUB-Berjaya Enviro Sdn Bhd	Malaysia	60.0	60.0	Sanitary landfill operation.
Mothers en Vogue Sdn Bhd*	Malaysia	51.0	51.0	Investment holding and retail sale of wearing apparel for adults, maternity and breastfeeding/nursing apparel.
Natural Intelligence Solutions Pte Ltd*	Singapore	100.0	⁹ 100.0	Provision of information technology management and consultancy services.
Natural Intelligence Solutions Sdn Bhd (formerly known as BeConnect Sdn Bhd)*	Malaysia	100.0	100.0	Dormant.
Novacomm Integrated Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Prime Assets (Cayman) Limited*	Cayman Islands	100.0	100.0	Investment holding.
Rangkaian Sejahtera Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
REDtone International Berhad	Malaysia	51.7	¹⁰ 51.7	Investment holding and provision of management services.
RU Cafe Sdn Bhd*	Malaysia	100.0	100.0	Development and operation of the "Rasa Utara" chain of restaurants.
Shinca Electronics Sdn Bhd*	Malaysia	100.0	100.0	Dormant.

⁹ The total equity interests held by the Group is 100.00% and it is held by the following companies:

(i)	Berjaya Group Berhad	90.00 %
(ii)	Berjaya Philippines Inc	10.00 %

¹⁰ The total equity interests held by the Group is 51.67% and it is held by the following companies:

(i)	Juara Sejati Sdn Bhd	46.03 %
(ii)	Prime Credit Leasing Sdn Bhd	0.72 %
(iii)	Berjaya Philippines Inc	4.92 %

NOTES TO THE FINANCIAL STATEMENTS

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Group Berhad (continued)				
Successline (M) Sdn Bhd*	Malaysia	100.0	100.0	Investment holding and renting of motor vehicles.
Sweet Spot Digital (Malaysia) Sdn Bhd*	Malaysia	60.2	60.2	Provision of mobile digital media for targeting marketing, advertisement and mobile commerce transaction.
Teras Mewah Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
United Approach Sdn Bhd*	Malaysia	100.0	100.0	Property investment.
VRS (Malaysia) Sdn Bhd*	Malaysia	99.0	99.0	Property investment.
Wangsa Tegap Sdn Bhd	Malaysia	100.0	100.0	Property development and investment.
Subsidiaries of Berjaya Capital Berhad				
Cahaya Nominees (Tempatan) Sdn Bhd	Malaysia	100.0	100.0	Dormant.
Inter-Pacific Capital Sdn Bhd	Malaysia	91.5	91.5	Investment holding and provision of management services.
Prime Credit Leasing Sdn Bhd	Malaysia	100.0	100.0	Hire purchase, lease and loan financing.
Rantau Embun Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
The Tropical Veneer Company Berhad	Malaysia	100.0	100.0	Dormant.
Subsidiaries of Inter-Pacific Capital Sdn Bhd				
Ambilan Imej Sdn Bhd	Malaysia	100.0	100.0	Property investment.
Inter-Pacific Management Sdn Bhd	Malaysia	100.0	100.0	Money lending.
Inter-Pacific Research Sdn Bhd	Malaysia	100.0	100.0	Providing investment research services.
Inter-Pacific Securities Sdn Bhd	Malaysia	100.0	100.0	Stock and futures broking.
Eng Equities Sdn Bhd	Malaysia	100.0	100.0	Dormant, under liquidation.
UT Equities Sdn Bhd	Malaysia	100.0	100.0	Dormant.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Inter-Pacific Securities Sdn Bhd				
Inter-Pacific Asset Management Sdn Bhd	Malaysia	100.0	100.0	Fund manager, investment adviser and manager of unit trust funds.
Inter-Pacific Equity Nominees (Asing) Sdn Bhd	Malaysia	100.0	100.0	Nominee services for foreign clients.
Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd	Malaysia	100.0	100.0	Nominee services for Malaysian clients.
Subsidiaries of Berjaya Corporation (Cayman) Limited				
Berjaya Trading (UK) Ltd*	United Kingdom	100.0	100.0	Dormant.
JL Morison (Malaya) Sdn Bhd*	Malaysia	100.0	100.0	Importation, exportation and distribution of consumer goods.
Subsidiary of Berjaya Engineering Construction Sdn Bhd				
BPJ- Berjaya Sdn Bhd*	Malaysia	51.0	51.0	To manage and operate sanitary landfill and other construction activities.
Subsidiaries of Berjaya Food Berhad				
Berjaya Food (International) Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Berjaya Food Trading Sdn Bhd	Malaysia	100.0	100.0	Sale and distribution of food and beverage in Malaysia.
Berjaya Roasters (M) Sdn Bhd	Malaysia	100.0	100.0	Development and operation of the “Kenny Rogers Roasters” chain of restaurants in Malaysia.
Berjaya Starbucks Coffee Company Sdn Bhd	Malaysia	100.0	100.0	Development and operation of the “Starbucks Coffee” chain of cafes and retail outlets in Malaysia.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Food (International) Sdn Bhd				
Berjaya Food Supreme Sdn Bhd#	Brunei	80.0	80.0	Development and operation of the “Starbucks Coffee” chain of cafes and retail outlets in Brunei.
Berjaya Roasters (Cambodia) Ltd*	Cambodia	70.0	70.0	Development and operation of the “Kenny Rogers Roasters” chain of restaurants in Cambodia. Ceased operations.
Jollibean Foods Pte Ltd*	Singapore	95.0	100.0	The operation of retail outlets and food caterers.
PT Boga Lestari Sentosa*	Indonesia	-	51.0	Development and operation of the “Kenny Rogers Roasters” chain of restaurants in Indonesia.
Subsidiary of Jollibean Foods Pte Ltd				
Berjaya Jollibean (M) Sdn Bhd	Malaysia	100.0	100.0	Development and operation of the “Jollibean” chain of retail outlets in Malaysia. Temporary ceased operations.
Subsidiaries of Berjaya Group (Cayman) Limited				
Berjaya Engineering & Construction (HK) Limited#	Hong Kong	100.0	¹¹ 100.0	Investment holding.
Berjaya Forest Products (Luxembourg) S.à r.l.*	Luxembourg	100.0	100.0	Investment holding.
Berjaya Group Equity (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.

¹¹ The total equity interests held by the Berjaya Group (Cayman) Limited group is 100.0% and it is held by the following companies:

(i)	Berjaya Group (Cayman) Limited	75.00 %
(ii)	SIG Holdings (Cayman) Limited	25.00 %

NOTES TO THE FINANCIAL STATEMENTS

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Group (Cayman) Limited (continued)				
Berjaya Manufacturing (HK) Limited#	Hong Kong	100.0	100.0	Dormant.
Berjaya Roasters (UK) Limited*	United Kingdom	100.0	100.0	Dormant.
Berjaya Sanhe Real Estate Development Co Ltd*	People's Republic of China	100.0	¹² 100.0	Property development and management.
Berjaya Timber Industries (Guyana) Ltd*	Guyana	-	100.0	De-registered.
Roadhouse Grill Asia Pacific (HK) Limited#	Hong Kong	100.0	100.0	Owner, operator and franchisor of the "Roadhouse Grill Restaurant" chain for Asia Pacific region and certain other countries in Asia.
Roasters Asia Pacific (HK) Limited#	Hong Kong	100.0	100.0	Owner, operator and franchisor of the "Kenny Rogers Roasters Restaurant" chain for Asia Pacific region.
Roasters Corp.*	United States of America	-	73.5	Dissolved.
SIG Holdings (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
South Pacific Textiles Industries (Singapore) Pte Ltd *	Singapore	100.0	100.0	Sale agent and dealer in textile goods.
STAR Harbour Timber Company Limited*	Solomon Islands	-	100.0	De-registered.
Subsidiary of Berjaya Group Equity (Cayman) Limited				
Berjaya Group (Aust) Pty Ltd*	Australia	100.0	100.0	Investment holding.

¹² The total equity interests held by the Berjaya Group (Cayman) Limited group is 100.0% and it is held by the following companies:

(i)	Berjaya Group (Cayman) Limited	77.95 %
(ii)	Berjaya Engineering & Construction (HK) Limited	22.05 %

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiary of Berjaya Group (Aust) Pty Ltd				
Carlovers Carwash Limited*	Australia	57.8	¹³ 57.8	Under liquidation and receivership.
Subsidiaries of Carlovers Carwash Limited				
Carlovers (Maroochydore) Pty Limited*	Australia	100.0	100.0	Under liquidation and receivership.
Carlovers Carwash (Aust) Pty Limited*	Australia	100.0	100.0	Under liquidation and receivership.
The Carwash Kings Pty Limited*	Australia	100.0	100.0	Under liquidation and receivership.
Subsidiaries of Roadhouse Grill Asia Pacific (HK) Limited				
Roadhouse Grill Asia Pacific (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Roadhouse Grill Asia Pacific (M) Sdn Bhd*	Malaysia	100.0	100.0	Grant franchise to operate restaurant under the “Roadhouse Grill” name and related trademark.
Subsidiaries of Roasters Asia Pacific (HK) Limited				
Kenny Rogers Roasters Catering (Shenzhen) Company Ltd*	People's Republic of China	100.0	100.0	Development and operation of the “Kenny Rogers Roasters” chain of restaurants in the People's Republic of China.
Roasters Asia Pacific (Cayman) Limited	Cayman Islands	100.0	100.0	Franchisor of the "Kenny Rogers Roasters Restaurant" chains.

¹³ The total equity interests held by the Berjaya Group (Cayman) Limited group is 96.86% and it is held by the following companies:

(i)	Berjaya Group (Aust) Pty Ltd	57.75 %
(ii)	Berjaya Group (Cayman) Limited	39.11 %

NOTES TO THE FINANCIAL STATEMENTS

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Roasters Asia Pacific (HK) Limited (continued)				
Roasters Asia Pacific (M) Sdn Bhd*	Malaysia	100.0	100.0	Provision of marketing services and to grant franchises to operate restaurants under the “Kenny Rogers Roasters” name and related trademarks in Malaysia.
Subsidiary of Roasters Asia Pacific (Cayman) Limited				
KRR International Corp*	United States of America	100.0	100.0	Owner of the "Kenny Rogers Roasters" brand and investment holding.
Subsidiaries of KRR International Corp				
NF Roasters of Commack Inc.*	United States of America	100.0	100.0	Dormant.
NF Roasters of Rockville Center Inc.*	United States of America	100.0	100.0	Dormant.
Subsidiary of Berjaya Higher Education Sdn Bhd				
Berjaya Global Professional Development Sdn Bhd*	Malaysia	100.0	100.0	To establish, manage, administer and carry on a non-profit academy via sourcing for sponsorship.
Subsidiaries of Berjaya Land Berhad				
Alam Baiduri Sdn Bhd*	Malaysia	100.0	100.0	Property investment.
AM Prestige Sdn Bhd*	Malaysia	100.0	100.0	Ceased operations.
Amat Muhibah Sdn Bhd	Malaysia	52.6	52.6	Dormant.
Amat Teguh Sdn Bhd*	Malaysia	100.0	100.0	Property development.
Angsana Gemilang Sdn Bhd	Malaysia	100.0	100.0	Property investment.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Land Berhad (continued)				
Awan Suria Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
B.T. Properties Sdn Bhd*	Malaysia	100.0	100.0	Property development, temporarily ceased operations.
Bahan Cendana Sdn Bhd	Malaysia	100.0	100.0	Property investment.
Berjaya Air Capital (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Berjaya Enamelware Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Berjaya Fukuoka Development (S) Pte Ltd*	Singapore	100.0	-	Investment holding.
Berjaya Guard Services Sdn Bhd	Malaysia	100.0	100.0	Provision of security services.
Berjaya Holiday Cruise Sdn Bhd*	Malaysia	86.4	86.4	Investment holding.
Berjaya Hotels & Resorts (Seychelles) Limited*	Republic of Seychelles	100.0	100.0	Management and operation of hotel resorts in Seychelles.
Berjaya Hotels & Resorts Vietnam Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Berjaya Jet Charter Sdn Bhd	Malaysia	100.0	100.0	Jet charter.
Berjaya Kawat Industries Sdn Bhd	Malaysia	100.0	100.0	Property investment and rental of properties.
Berjaya Land Development Sdn Bhd	Malaysia	100.0	100.0	Property development and investment holding.
Berjaya Land (Labuan) Limited	Malaysia	100.0	100.0	Investment holding.
Berjaya Leasing (Labuan) Limited	Malaysia	100.0	100.0	Provision of aircraft leasing services and undertaking of offshore financial related business.
Berjaya Leisure (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Berjaya Leisure Capital (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Berjaya Megamall Management Sdn Bhd*	Malaysia	100.0	100.0	Property management, temporary ceased operations.
Berjaya Myanmar Holdings Sdn Bhd	Malaysia	100.0	-	Investment holding.
Berjaya North Asia Holdings Pte Ltd*	Singapore	100.0	100.0	Investment holding.

NOTES TO THE FINANCIAL STATEMENTS

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Land Berhad (continued)				
Berjaya Okinawa Investment (S) Pte Ltd*	Singapore	100.0	100.0	Investment holding.
Berjaya Project Management Sdn Bhd	Malaysia	100.0	100.0	Project management.
Berjaya Property Management Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Berjaya Racing Management Sdn Bhd*	Malaysia	80.0	¹⁴ 80.0	Dormant.
Berjaya Sports Toto Berhad	Malaysia	40.2	¹⁵ 40.0	Investment holding.
Berjaya Tagar Sdn Bhd	Malaysia	100.0	100.0	Property development and investment holding.
Berjaya Theme Park Management Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Berjaya Vacation Club Berhad	Malaysia	100.0	100.0	Time sharing vacation operator, property investment and investment holding.
BL Capital Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
BTS Leaseback Management Sdn Bhd	Malaysia	100.0	100.0	Coordination of pool-profit sharing of owner-owned suites.

¹⁴ The total equity interests held by the Berjaya Land Berhad group is 80.0% and it is held by the following companies:

(i)	Berjaya Land Berhad	60.00 %
(ii)	Berjaya Sports Toto Berhad	20.00 %

The total equity interests held by the Group is 100.0% and the additional equity interest is held by the following company:

(i)	Berjaya Group Berhad	20.00 %
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¹⁵ The total equity interests held by the Berjaya Land Berhad group is 40.22% and it is held by the following companies:

(i)	Gateway Benefit Sdn Bhd	23.18 %
(ii)	Berjaya Land Berhad	13.55 %
(iii)	BL Capital Sdn Bhd	3.15 %
(iv)	Immediate Capital Sdn Bhd	0.34 %

The total equity interests held by the Group is 48.61% and the additional equity interest is held by the following companies:

(i)	Berjaya Corporation Berhad	2.98 %
(ii)	Bizurai Bijak (M) Sdn Bhd	3.65 %
(iii)	Berjaya Group Berhad	1.13 %
(iv)	Inter-Pacific Securities Sdn Bhd	0.63 %

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Land Berhad (continued)				
Budi Impian Sdn Bhd*	Malaysia	100.0	100.0	Operator of restaurant. Ceased operations during the year.
Cempaka Properties Sdn Bhd	Malaysia	100.0	100.0	Property development and investment.
Cerah Bakti Sdn Bhd	Malaysia	70.0	70.0	Property development.
Cerah Tropika Sdn Bhd	Malaysia	70.0	70.0	Investment holding.
Cergas Jati Sdn Bhd*	Malaysia	100.0	100.0	Property investment.
Flexiwang Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Gateway Benefit Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Gemilang Cergas Sdn Bhd*	Malaysia	100.0	100.0	Property investment.
Immediate Capital Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Junjung Delima Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Klasik Mewah Sdn Bhd	Malaysia	100.0	100.0	Property investment.
Kota Raya Development Sdn Bhd	Malaysia	100.0	100.0	Investment and rental of property.
Leisure World Sdn Bhd*	Malaysia	100.0	100.0	Investment holding.
Marvel Fresh Sdn Bhd	Malaysia	100.0	100.0	Trading.
Nada Embun Sdn Bhd	Malaysia	100.0	100.0	Property investment.
Noble Circle (M) Sdn Bhd	Malaysia	100.0	100.0	Investment and rental of property.
Nural Enterprise Sdn Bhd	Malaysia	100.0	100.0	Investment and rental of property.
One Network Hotel Management Sdn Bhd	Malaysia	100.0	100.0	Hotel operator.
Pakar Angsana Sdn Bhd	Malaysia	80.0	80.0	Property development.
Pembinaan Stepro Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Portal Access Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Punca Damai Sdn Bhd	Malaysia	100.0	100.0	Property investment.
Regnis Industries (Malaysia) Sdn Bhd	Malaysia	87.1	¹⁶ 87.1	Investment and rental of property.

¹⁶ The total equity interests held by the Berjaya Land Berhad group is 87.12% and it is held by the following companies:

(i)	Berjaya Land Berhad	57.12 %
(ii)	BL Capital Sdn Bhd	30.00 %

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Land Berhad (continued)				
Securiservices Sdn Bhd	Malaysia	100.0	100.0	Property development.
Semakin Sinar Sdn Bhd*	Malaysia	51.0	51.0	Dormant.
Semangat Cergas Sdn Bhd	Malaysia	100.0	100.0	Property development.
Stephens Properties Plantations Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Taaras Spa Sdn Bhd*	Malaysia	100.0	100.0	Spa management.
Tekun Permata Sdn Bhd*	Malaysia	100.0	100.0	Property development.
Tioman Island Resort Berhad	Malaysia	86.3	86.3	Property development and operator of resort hotel.
Tiram Jaya Sdn Bhd*	Malaysia	100.0	100.0	Property development.
Wangsa Sejati Sdn Bhd*	Malaysia	52.6	52.6	Dormant.
Wisma Stephens Management Co Sdn Bhd*	Malaysia	100.0	100.0	Investment holding.
Subsidiary of Berjaya Fukuoka Development (S) Pte Ltd				
Hakata Waterfront Development Godo Kaisha*	Japan	100.0	-	Hotel and resort operation.
Subsidiaries of Berjaya Land Development Sdn Bhd				
Indra Ehsan Sdn Bhd	Malaysia	100.0	100.0	Property development.
Kim Rim Enterprise Sdn Bhd*	Malaysia	100.0	100.0	Property development, temporarily ceased operations.
Sri Panglima Sdn Bhd	Malaysia	100.0	100.0	Property development.
Subsidiaries of Berjaya Leisure (Cayman) Limited				
Berjaya (China) Great Mall Co. Ltd*	People's Republic of China	51.0	51.0	Property development and investment, temporarily ceased operations.
Berjaya Asset (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Leisure (Cayman) Limited (continued)				
Berjaya International Casino Management (Seychelles) Limited*	Republic of Seychelles	60.0	¹⁷ 60.0	Casino operations.
Berjaya Investment Holdings Pte Ltd*	Singapore	-	100.0	Investment holding.
Berjaya Jeju Resort Limited*	Republic of Korea	72.6	72.6	Property development and investment.
Berjaya Long Beach Limited Liability Company*	Socialist Republic of Vietnam	70.0	70.0	Owner and operator of hotel.
Berjaya Mount Royal Beach Hotel Limited#	Sri Lanka	92.6	92.6	Owner and operator of hotel.
Berjaya Nhon Trach New City Center*	Socialist Republic of Vietnam	-	100.0	Dissolved.
Berjaya Properties (HK) Limited#	Hong Kong	60.0	60.0	Dormant.
Berjaya Vietnam Financial Center Limited#	Socialist Republic of Vietnam	-	100.0	Property development and investment.
Berjaya Vietnam International University Township One Member Limited Liability Company#	Socialist Republic of Vietnam	-	100.0	Property development and investment.
Berjaya-D2D Company Limited#	Socialist Republic of Vietnam	75.0	75.0	Property development and investment.
BHR (Cayman) Limited	Cayman Islands	100.0	100.0	Property investment and investment holding.
Mahameru Consultancy d.o.o. Visoko*	Bosnia and Herzegovina	100.0	100.0	Property investment.
Natural Gain Investments Limited#	Hong Kong	100.0	100.0	Dormant.
T.P.C. Development Limited#	Hong Kong	100.0	100.0	Investment holding.

¹⁷ The total equity interests held by the Berjaya Land Berhad group is 100.0% and it is held by the following companies:

(i)	Berjaya Leisure (Cayman) Limited	60.00 %
(ii)	Berjaya International Casino Management (HK) Limited	40.00 %

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiary of Berjaya North Asia Holdings Pte Ltd				
Berjaya Okinawa Development Co Ltd*	Japan	100.0	100.0	Resort hotel and residence development.
Subsidiaries of Berjaya Okinawa Investment (S) Pte Ltd				
Berjaya Okinawa Hospitality Asset TMK*	Japan	100.0	100.0	Property investment and development.
Berjaya Okinawa Investment Godo Kaisha*	Japan	100.0	100.0	Investment holding.
Subsidiary of Berjaya Property Management Sdn Bhd				
Taman TAR Development Sdn Bhd	Malaysia	100.0	100.0	Property development.
Subsidiary of Taman TAR Development Sdn Bhd				
The Peak Property Management Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Subsidiaries of Berjaya Sports Toto Berhad				
Berjaya-ILTS Limited#	Hong Kong	100.0	100.0	Dormant.
FEAB Equities Sdn Bhd	Malaysia	100.0	100.0	Dormant.
FEAB Land Sdn Bhd	Malaysia	100.0	100.0	Property development and investment.
FEAB Properties Sdn Bhd	Malaysia	100.0	100.0	Property investment and development and investment holding.
Magna Mahsuri Sdn Bhd	Malaysia	100.0	100.0	Property investment and investment holding.
Sports Toto Fitness Sdn Bhd	Malaysia	100.0	100.0	Operations of health and fitness centre.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Sports Toto Berhad (continued)				
Sports Toto Malaysia Sdn Bhd	Malaysia	100.0	100.0	Toto betting operations.
STM Resort Sdn Bhd	Malaysia	100.0	100.0	Property investment.
Subsidiary of FEAB Land Sdn Bhd				
FEAB Realty Sdn Bhd	Malaysia	100.0	100.0	Dormant.
Subsidiaries of Magna Mahsuri Sdn Bhd				
Berjaya Sports Toto (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Sports Toto Apparel Sdn Bhd	Malaysia	100.0	100.0	Dormant.
Sports Toto Computer Sdn Bhd	Malaysia	100.0	100.0	Computer consultancy services.
Sports Toto Products Sdn Bhd	Malaysia	100.0	100.0	Dormant.
Subsidiary of Berjaya Sports Toto (Cayman) Limited				
Berjaya Lottery Management (HK) Limited#	Hong Kong	100.0	100.0	Investment holding.
Subsidiaries of Berjaya Lottery Management (HK) Limited				
Berjaya Philippines Inc*	Philippines	74.2	¹⁸ 74.2	Investment holding.
International Lottery & Totalizator Systems, Inc*	United States of America	100.0	100.0	Manufacturer and distributor of computerised lottery and voting systems.

¹⁸ The total equity interests held by the Berjaya Sports Toto (Cayman) Limited group in Berjaya Philippines Inc. is 88.26% and it is held by the following companies:

(i)	Berjaya Lottery Management (HK) Limited	74.20 %
(ii)	Berjaya Sports Toto (Cayman) Limited	14.06 %

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Philippines Inc.				
Floridablanca Enviro Corporation (formerly known as Berjaya Enviro Philippines Inc)*	Philippines	100.0	100.0	To engage in the service business of protecting and cleaning the environment, including but not limited to the dredging and cleaning of rivers, other bodies of water, cleaning dumpsites or sanitary landfill facilities, recycling garbage and other waste products and all other lawful activities necessarily included or incidental in the pursuance of service for the preservation and protection of the environment.
H.R. Owen PLC*	United Kingdom	99.3	98.4	Investment holding.
Perdana Hotel Philippines Inc*	Philippines	100.0	100.0	Operation of a hotel in the Philippines.
Philippine Gaming Management Corporation*	Philippines	100.0	100.0	Leasing of online lottery equipment and provision of software support.
Subsidiaries of H.R. Owen PLC				
Bodytechnics Limited*	United Kingdom	100.0	100.0	Maintenance and repair of motor vehicles.
Bradshaw Webb (Chelsea) Limited*	United Kingdom	100.0	100.0	Dormant.
Broughtons of Cheltenham Limited*	United Kingdom	100.0	100.0	Motor retailing and provision of aftersales services.
EDOC Holdings Limited*	United Kingdom	100.0	-	Investment holding.
H.R. Owen Dealerships Limited*	United Kingdom	100.0	100.0	Motor retailing and provision of aftersales services.
H R Owen Insurance Services Limited*	United Kingdom	60.0	60.0	Insurance agents and brokers.
H.R. Owen Investments Limited*	United Kingdom	100.0	100.0	Dormant.
H.R. Owen Leasing Limited*	United Kingdom	100.0	100.0	Dormant.
H.R. Owen Motor Dealerships Limited*	United Kingdom	100.0	100.0	Dormant.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of H.R. Owen PLC (continued)				
H.R. Owen Motor Properties Limited*	United Kingdom	100.0	100.0	Dormant.
H.R. Owen Vehicle Leasing Company Limited*	United Kingdom	100.0	100.0	Dormant.
Heathrow Limited*	United Kingdom	100.0	100.0	Dormant.
Holland Park Limited*	United Kingdom	100.0	100.0	Provision of aftersales services.
Jack Barclay Limited*	United Kingdom	100.0	100.0	Motor retailing and provision of aftersales services.
London Lotus Centre Limited*	United Kingdom	100.0	100.0	Dormant.
Malaya Dealerships Limited*	United Kingdom	100.0	100.0	Dormant.
Netprofit.com Limited*	United Kingdom	100.0	¹⁹ 100.0	Dormant.
Upbrook Mews Limited*	United Kingdom	100.0	100.0	Letting and operating of own or leased real estate.
Subsidiary of H.R. Owen Investments Limited				
H.R. Owen Finance Limited*	United Kingdom	-	100.0	Dissolved during the financial year.
Subsidiaries of International Lottery & Totalizator Systems, Inc.				
ILTS Vietnam Company Limited*	Socialist Republic of Vietnam	100.0	-	Provision of lottery technical support services.
Unisyn Voting Solutions, Inc.*	United States of America	100.0	100.0	Develops, manufactures and provision of licenses and supports for voting systems.

¹⁹ The total equity interests held by the H.R. Owen PLC group is 100.0% and it is held by the following companies:

(i)	H.R. Owen PLC	50.00 %
(ii)	Bradshaw Webb (Chelsea) Limited	50.00 %

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Vacation Club Berhad				
Berjaya Air Sdn Bhd	Malaysia	100.0	100.0	Charter flight operator.
Berjaya Beau Vallon Bay (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Berjaya Golf Resort Berhad	Malaysia	100.0	100.0	Property development and investment and operator of golf and recreation club.
Berjaya Hospitality Services Sdn Bhd	Malaysia	100.0	100.0	Hotel operator.
Berjaya Hotels & Resorts (HK) Limited#	Hong Kong	60.0	²⁰ 60.0	Investment holding.
Berjaya Hotels & Resorts (M) Sdn Bhd	Malaysia	100.0	100.0	Resort management.
Berjaya International Casino Management (HK) Limited#	Hong Kong	100.0	80.0	Investment holding.
Berjaya Langkawi Beach Resort Sdn Bhd	Malaysia	100.0	100.0	Hotel and resort operation.
Berjaya Praslin Beach (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Berjaya Vacation Club (Cayman) Limited	Cayman Islands	100.0	100.0	Investment holding.
Berjaya Vacation Club (HK) Limited#	Hong Kong	100.0	100.0	Dormant.
Berjaya Vacation Club (Philippines) Inc*	Philippines	100.0	100.0	Dormant.
Berjaya Vacation Club (S) Pte Ltd*	Singapore	100.0	100.0	Vacation time sharing.

²⁰ The total equity interests held by the Group is 100.0% and it is held by the following companies:

(i)	Berjaya Vacation Club Berhad	60.00 %
(ii)	Berjaya Group (Cayman) Limited	40.00 %

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Vacation Club Berhad (continued)				
BTS Hotel Sdn Bhd	Malaysia	100.0	100.0	Owner of hotel.
Bukit Kiara Resort Berhad	Malaysia	100.0	100.0	Developer and operator of equestrian and recreational club.
Georgetown City Hotel Sdn Bhd	Malaysia	100.0	100.0	Hotel operator.
Hotel Integrations Sdn Bhd	Malaysia	70.0	70.0	Provision of hotel consultancy and related services.
Indah Corporation Berhad	Malaysia	100.0	100.0	Developer and operator of golf resort and property development.
KDE Recreation Berhad	Malaysia	100.0	100.0	Developer and operator of golf and recreational club.
Redang Village Resort Sdn Bhd*	Malaysia	51.0	51.0	Dormant.
Sinar Merdu Sdn Bhd	Malaysia	100.0	100.0	Investment and rental of property.
Staffield Country Resort Berhad	Malaysia	80.0	80.0	Developer and operator of golf resort.
The Taaras Beach & Spa Resort (Redang) Sdn Bhd	Malaysia	99.5	99.5	Hotel and resort operation.
The Taaras Luxury Group Sdn Bhd	Malaysia	100.0	100.0	Management of hotel operations.
Tioman Pearl Sdn Bhd*	Malaysia	70.0	70.0	Development of hotel and resort.
Tioman Travel & Tours Sdn Bhd	Malaysia	100.0	100.0	Property investment.
Subsidiary of Berjaya Air Sdn Bhd				
Berjaya Air Cargo Sdn Bhd	Malaysia	100.0	100.0	Dormant.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiary of Berjaya Beau Vallon Bay (Cayman) Limited				
Berjaya Beau Vallon Bay Beach Resort Limited*	Republic of Seychelles	100.0	100.0	Operation of a hotel resort in Seychelles.
Subsidiary of Berjaya Praslin Beach (Cayman) Limited				
Berjaya Praslin Limited*	Republic of Seychelles	100.0	100.0	Operation of a hotel resort in Seychelles.
Subsidiary of Berjaya Vacation Club (Cayman) Limited				
Berjaya Vacation Club (UK) Limited*	United Kingdom	100.0	100.0	Hoteliers and hotel management.
Subsidiaries of Georgetown City Hotel Sdn Bhd				
Berjaya Georgetown Sharksfin Restaurant Sdn Bhd	Malaysia	100.0	100.0	Dormant.
BG Karaoke Sdn Bhd	Malaysia	69.0	69.0	Dormant.
Subsidiary of KDE Recreation Berhad				
Infinity Worth Creation Sdn Bhd	Malaysia	100.0	-	Dormant.
Subsidiary of The Taaras Beach & Spa Resort (Redang) Sdn Bhd				
Redang Island Golf and Country Club Berhad*	Malaysia	100.0	100.0	Dormant.
Subsidiary of Sinar Merdu Sdn Bhd				
ANSA Hotel KL Sdn Bhd*	Malaysia	100.0	100.0	Property investment and hoteliers.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiary of Cerah Tropika Sdn Bhd				
Penstate Corp Sdn Bhd	Malaysia	100.0	100.0	Property development.
Subsidiary of Kota Raya Development Sdn Bhd				
Kota Raya Complex Management Sdn Bhd*	Malaysia	100.0	100.0	Property management, temporary ceased operations.
Subsidiary of Noble Circle (M) Sdn Bhd				
Noble Circle Management Sdn Bhd*	Malaysia	100.0	100.0	Property management, temporary ceased operations.
Subsidiary of Nural Enterprise Sdn Bhd				
Aras Klasik Sdn Bhd*	Malaysia	100.0	100.0	Property management, temporary ceased operations.
Subsidiaries of Tioman Island Resort Berhad				
ANSA Hotels & Resorts Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Berjaya Hotels & Resorts (Singapore) Pte Ltd*	Singapore	100.0	100.0	Hotel booking, marketing agent and investment holding.
Ever Perpetual Growth Sdn Bhd	Malaysia	100.0	-	Dormant.
Ever Revenue Sdn Bhd	Malaysia	100.0	-	Dormant.
Tioman Golf Management Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Subsidiary of Berjaya Hotels & Resorts (Singapore) Pte Ltd				
BHR Okinawa Management Godo Kaisha*	Japan	100.0	100.0	Hotel management.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiary of Wisma Stephens Management Co Sdn Bhd				
Wujud Jaya Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Subsidiaries of Berjaya Pharmacy Sdn Bhd				
Berjaya Pharmacy Distribution Sdn Bhd	Malaysia	100.0	100.0	Owner and operator of community pharmacy stores and engage in trading, distribution, marketing and retail sales of pharmaceutical and non-pharmaceutical products (commonly available in pharmacies and health and beauty retailers) and the provision of pharmacy services.
Berjaya Pharmacy Retail Sdn Bhd	Malaysia	100.0	100.0	Operator of community pharmacy stores.
Subsidiaries of Berjaya Premier Restaurants Sdn Bhd				
Berjaya Burger Sdn Bhd*	Malaysia	90.0	90.0	Development and operation of the “Wendy’s” chain of restaurants.
Berjaya Krispy Kreme Doughnuts Sdn Bhd*	Malaysia	70.0	70.0	Development and operation of the “Krispy Kreme Doughnuts” chain of retail outlets.
Subsidiary of Bukit Pinang Leisure Sdn Bhd				
Bukit Pinang Rel Sdn Bhd*	Malaysia	100.0	100.0	Dormant.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiary of Changan Berjaya Auto Sdn Bhd				
Berjaya Brilliance Auto Sdn Bhd*	Malaysia	85.0	85.0	Marketing, importing and distribution of motor vehicles.
Subsidiaries of Cosway Corporation Berhad				
Cosway Corporation Limited#	Hong Kong	90.9	²¹ 90.9	Property investment and investment holding.
First Ever Marketing Sdn Bhd	Malaysia	100.0	100.0	Dormant.
Tegas Kinta Sdn Bhd	Malaysia	100.0	100.0	Property investment.
The Catalog Shop Sdn Bhd	Malaysia	100.0	100.0	Collection and administration of hire purchase and equal payment receivables.
Subsidiaries of Cosway Corporation Limited				
Berjaya Holdings (HK) Limited#	Hong Kong	100.0	100.0	Investment holding.
Berjaya U-Luck Investments Limited#	Hong Kong	51.0	51.0	Dormant.
Cosway (M) Sdn Bhd	Malaysia	100.0	100.0	Direct selling of household, personal care, healthcare and other consumer products.
Mallia Limited#	Hong Kong	100.0	100.0	Dormant.
Panluck Limited#	Hong Kong	100.0	100.0	Dormant.
Wing Hung Kee Commodities Limited#	Hong Kong	100.0	100.0	Dormant.

²¹ The total equity interests held by the Berjaya Group Berhad group is 99.94% and it is held by the following companies:

(i)	Cosway Corporation Berhad	90.87 %
(ii)	Berjaya Group (Cayman) Limited	7.26 %
(iii)	Prime Credit Leasing Sdn Bhd	1.80 %
(iv)	Inter-Pacific Securities Sdn Bhd	0.01 %

The total equity interests held by the Group is 100.00% and the additional equity interest is held by the following company:

(i)	Berjaya Hills Resort Berhad	0.06 %
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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiary of Berjaya Holdings (HK) Limited				
Vmart (Tianjin) Trading Co Limited#	People's Republic of China	100.0	100.0	Retailing and wholesaling of consumer, household and skin care products.
Subsidiaries of Cosway (M) Sdn Bhd				
Cosway (Cayman) Limited*	Cayman Islands	100.0	100.0	Investment holding.
Cosway (S) Pte Ltd*	Singapore	100.0	100.0	Dormant.
Cosway (HK) Limited#	Hong Kong	100.0	100.0	Direct selling of consumer, household and skin care products.
Cosway India Private Limited*	India	100.0	100.0	Dormant.
Cosway New Zealand Limited*	New Zealand	100.0	100.0	Direct selling of consumer, household and skin care products.
Cosway USA, Inc.*	United States of America	100.0	100.0	Direct selling of consumer, household and skin care products.
eCosway Colombia Ltda.	Colombia	99.0	99.0	Marketing, distribution and import of consumer products.
eCosway Japan K. K.*	Japan	100.0	100.0	Direct selling of household, personal care, healthcare and other consumer products.
eCosway Mexico, S.A. de C.V.	Mexico	99.0	99.0	Marketing, distribution and import of consumer products.
eCosway Pty Ltd*	Australia	100.0	100.0	Direct selling of consumer, household and skin care products.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Cosway (M) Sdn Bhd (continued)				
eCosway Rus LLC	Russia	99.9	99.9	Marketing, distribution and import of consumer products.
eCosway Trading Mexico, S.A. de C.V.	Mexico	99.0	99.0	Import, export and commercial trading.
eCosway.com Sdn Bhd	Malaysia	60.0	²² 60.0	Internet based direct selling of consumer products.
Golden Works (M) Sdn Bhd	Malaysia	100.0	100.0	Property investment.
Juara Budi Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
Kimia Suchi Sdn Bhd	Malaysia	100.0	100.0	Investment holding, contract manufacture and trading of industrial and household cleaning products.
PT Berjaya Cosway Indonesia*	Indonesia	95.0	95.0	Direct selling of consumer, household and skin care products.
Rank Distributors Sdn Bhd	Malaysia	100.0	100.0	Trading of healthcare and cosmetic products.
Tact Full Limited#	Hong Kong	100.0	100.0	Provision of payment services.
Subsidiaries of Cosway (Cayman) Limited				
Cosway Argentina S.R.L.*	Argentina	90.0	90.0	Dormant.
Cosway Colombia Ltda.*	Colombia	90.0	90.0	Dormant.
Cosway Do Brasil Ltda. *	Brazil	99.0	99.0	Dormant.
Cosway Mexico, S.A. de C.V.*	Mexico	98.0	98.0	Dormant.
Cosway Peru S.R. Ltda.*	Peru	96.0	96.0	Dormant.
Cosway (UK) Limited*	United Kingdom	100.0	100.0	Direct selling of consumer, household and skin care products.

²² The total equity interests held by the Cosway Corporation Limited group is 100.0% and it is held by the following companies:

(i)	Cosway (M) Sdn Bhd	60.00 %
(ii)	Cosway Corporation Limited	40.00 %

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Cosway (Cayman) Limited (continued)				
eCosway Inc.*	United States of America	100.0	100.0	Dormant.
One Qualityways Phils Inc *	Philippines	95.0	95.0	Dormant.
Subsidiaries of Cosway (HK) Limited				
Cosway (China) Co. Ltd#	People's Republic of China	100.0	100.0	Research, development and manufacturing of cleaning products and cosmetics; selling self-produced products; provide technical consultancy and technical service relating to self-produced products; engaging in the wholesale, import and export of the same.
Cosway (Macau) Limited*	Macau	99.0	99.0	Direct selling of consumer, household and skin care products.
Vmart Corp (HK) Limited#	Hong Kong	100.0	100.0	Investment holding.
Subsidiary of Vmart Corp (HK) Limited				
eCosway Korea, Inc	Republic of Korea	100.0	100.0	Direct selling of consumer, household and skin care products.
Subsidiary of Juara Budi Sdn Bhd				
Stephens Properties Sdn Bhd	Malaysia	100.0	100.0	Investment holding and property investment.
Subsidiary of Stephens Properties Sdn Bhd				
Stephens Properties Management Corporation Sdn Bhd	Malaysia	100.0	100.0	Dormant.

NOTES TO THE FINANCIAL STATEMENTS

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiary of Kimia Suchi Sdn Bhd				
Kimia Suchi Marketing Sdn Bhd	Malaysia	100.0	100.0	Trading of industrial cleaning products.
Subsidiary of Rank Distributors Sdn Bhd				
Vital Degree Sdn Bhd	Malaysia	100.0	100.0	Trading of healthcare and cosmetic products.
Subsidiary of Country Farms Sdn Bhd				
CountryFarm Organics Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Subsidiary of Inter-Pacific Development Sdn Bhd				
Inter-Pacific Construction Sdn Bhd*	Malaysia	100.0	100.0	Dormant.
Subsidiary of Inter-Pacific Trading Sdn Bhd				
Berjaya Paper Trading Sdn Bhd (formerly known as Inter-Pacific Paper (M) Sdn Bhd)*	Malaysia	-	100.0	Trading of paper and paper products.
Subsidiary of KUB-Berjaya Enviro Sdn Bhd				
KUB-Berjaya Energy Sdn Bhd	Malaysia	100.0	100.0	Generation and sale of electricity.
Subsidiary of Mothers en Vogue Sdn Bhd				
Mothers en Vogue Pte Ltd*	Singapore	100.0	100.0	Retail sale of wearing apparel for adults, maternity and breastfeeding/nursing fashion.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of REDtone International Berhad				
Ansar Mobile Sdn Bhd	Malaysia	100.0	100.0	Provision of telecommunications services including fixed and mobile services and telecommunications related services.
REDtone Data Centre Sdn Bhd	Malaysia	70.0	70.0	Provides system integration, software solutions and trading in computer hardware.
REDtone Engineering & Network Services Sdn Bhd	Malaysia	100.0	100.0	Research and development, manufacturing and marketing of telecommunication and multimedia solutions.
REDtone IOT Sdn Bhd	Malaysia	100.0	100.0	Provider of business solutions in information technology and to build interconnection of uniquely identifiable embedded computing devices within existing internet infrastructure and investment holding.
REDtone MEX Sdn Bhd	Malaysia	56.0	56.0	Building of tele-consultation/ tele-radiology exchange and distributing, designing and development of information system, mobile solutions and healthcare solution.
REDtone Technology Sdn Bhd	Malaysia	100.0	100.0	Provider of total solutions in business communication and telecommunication services and investment holding.
REDtone Telecommunications Sdn Bhd	Malaysia	100.0	100.0	Research, development, manufacturing and marketing of computer-telephony integration, provision of communication services and investment holding.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of REDtone Technology Sdn Bhd				
Meridianotch Sdn Bhd	Malaysia	100.0	100.0	Investment holding.
REDtone Mytel Sdn Bhd	Malaysia	60.0	60.0	Provision of telecommunication services.
REDtone Technology Pte Ltd*	Singapore	100.0	100.0	Provision of telecommunication related products and services.
SEA Telco Engineering Services Sdn Bhd	Malaysia	80.0	80.0	Provision of information technology services.
Subsidiary of Rangkaian Sejahtera Sdn Bhd				
BerjayaCity Sdn Bhd	Malaysia	100.0	100.0	Property investment, development, cultivation and sale of palm oil and palm kernel.
Subsidiaries of Successline (M) Sdn Bhd				
Securexpress Services Sdn Bhd*	Malaysia	100.0	100.0	Provide logistics, warehousing and transportation services.
Successline Haulers Sdn Bhd*	Malaysia	90.0	90.0	Provide courier and transport services to the general public.
Subsidiary of Wangsa Tegap Sdn Bhd				
BCP Service Suites Sdn Bhd*	Malaysia	100.0	100.0	Provision of property maintenance services.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of Berjaya Hills Resort Berhad				
Avetani Sdn Bhd	Malaysia	100.0	100.0	Property development and investment.
BTR Property Management Sdn Bhd	Malaysia	100.0	100.0	Rental pool programme operator.
BTR Leisure Sdn Bhd	Malaysia	100.0	100.0	Recreational activities operator.
Bukit Tinggi Tours Sdn Bhd	Malaysia	100.0	100.0	To carry on the business as travel and tour agents.
Subsidiaries of Berjaya Kyoto Development (S) Pte Ltd				
Berjaya Kyoto Development Kabushiki Kaisha*	Japan	100.0	100.0	Hotel and residence development.
Berjaya Kyoto Holdings Godo Kaisha*	Japan	100.0	100.0	Investment holding.
Kyoto Higashiyama Hospitality Assets TMK*	Japan	100.0	100.0	Property investment.
Subsidiary of Berjaya Kyoto Development Kabushiki Kaisha				
Berjaya Japan Holdings TMK*	Japan	100.0	100.0	Dormant.
Subsidiary of Berjaya Lottery Vietnam Limited				
Berjaya Gia Thinh Investment Technology Joint Stock Company*	Socialist Republic of Vietnam	51.0	51.0	Management consultancy.
Subsidiary of Berjaya Myanmar Limited				
Berjaya Myanmar Investment Limited*	Myanmar	95.0	95.0	Investment holding.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Subsidiaries of DSG Holdings Limited				
Dragon Spring Environment (HK) Co Ltd*	Hong Kong	100.0	100.0	Investment holding.
Dragon Spring Group (M) Ltd*	Malaysia	100.0	100.0	Investment holding.
Dragon Spring Water Services Limited*	Hong Kong	100.0	100.0	Investment holding.
Subsidiary of Dragon Spring Environment (HK) Co Ltd				
Dragon Spring Water (Taian) Co Ltd*	People's Republic of China	100.0	100.0	Water treatment services.
Subsidiary of Dragon Spring Group (M) Ltd				
Dragon Spring Water (Linqu) Co Ltd*	People's Republic of China	100.0	100.0	Production and supply of potable water.
Subsidiaries of Dragon Spring Water Services Limited				
Dragon Spring Water (Tianchang) Co Ltd*	People's Republic of China	100.0	100.0	Production and supply of potable water.
Eminent Resources (Shandong) Environment Co Ltd*	People's Republic of China	100.0	100.0	Provision of advisory and management services on the construction project/work, water treatment technology, investment and international economic information.
Subsidiary of Eminent Resources (Shandong) Environment Co Ltd				
Shandong Shengxiang Construction Co Ltd*	People's Republic of China	100.0	100.0	Provision of construction and project management for water and wastewater projects.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
ASSOCIATED COMPANIES:				
Associates of Berjaya Corporation Berhad				
Atlan Holdings Bhd	Malaysia	23.9	²³ 23.9	Investment holding and the provision of management, financial, technical and other ancillary services.
Tioman Hill Resort Sdn Bhd	Malaysia	50.0	50.0	Investment holding.
Associates of Berjaya Group Berhad				
Adcas Lifescience Sdn Bhd	Malaysia	50.0	-	Provision of personalised healthcare.
Berjaya Media Berhad	Malaysia	12.4	²⁴ 12.4	Investment holding.
Berjaya Racing Management Sdn Bhd	Malaysia	20.0	20.0	Dormant.
Ezyhealth Malaysia Sdn Bhd	Malaysia	49.0	49.0	In the process of being de-registered.
Jubli Mentari Sdn Bhd	Malaysia	30.0	-	Dormant.

²³ The total equity interests held by the Group is 26.69% and it is held by the following companies:

(i)	Berjaya Corporation Berhad	23.89 %
(ii)	Berjaya Philippines Inc	2.01 %
(iii)	Inter-Pacific Capital Sdn Bhd	0.79 %

²⁴ The total equity interests held by the Berjaya Group Berhad group is 12.36% and it is held by the following companies:

(i)	Regnis Industries (Malaysia) Sdn Bhd	2.33 %
(ii)	FEAB Properties Sdn Bhd	2.01 %
(iii)	Prime Credit Leasing Sdn Bhd	8.02 %

The total equity interests held by the Group is 13.27% and the additional equity interest is held by the following company:

(i)	Berjaya Hills Resort Berhad	0.91 %
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The Group has significant influence, as defined in FRS 128: Investments in Associates, over Berjaya Media Berhad ("BMedia") and therefore treated BMedia as an associated company of the Group.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Associates of Berjaya Group Berhad (continued)				
Le Proton LIMA Sdn Bhd	Malaysia	40.0	40.0	Organise trade fairs to promote Malaysian products through exhibitions.
Tunas Cempaka Sdn Bhd	Malaysia	49.0	49.0	
Associate of Berjaya Capital Berhad				
Berjaya Sampo Insurance Berhad	Malaysia	30.0	30.0	General insurance.
Associate of Inter-Pacific Securities Sdn Bhd				
SaigonBank Berjaya Securities Joint Stock Company	Socialist Republic of Vietnam	49.0	49.0	Stock and share broking.
Associates of Berjaya Group (Cayman) Limited				
Beijing Zhongcai Printing Co.Ltd	People's Republic of China	20.0	20.0	Printing of lottery tickets and undertaking of printing-related works.
Berjaya Hotels & Resorts (HK) Limited	Hong Kong	40.0	40.0	Investment holding.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Associates of Berjaya Group (Cayman) Limited (continued)				
Berjaya International Casino Management (HK) Limited	Hong Kong	-	20.0	Investment holding.
Berjaya Properties (HK) Limited	Hong Kong	40.0	40.0	Dormant.
Carlovers Carwash Limited	Australia	39.1	39.1	Under liquidation and receivership.
Associate of Berjaya Engineering & Construction (HK) Limited				
Berjaya Sanhe Real Estate Development Co Ltd	People's Republic of China	22.0	22.0	Property development and management.
Associate of Roasters Asia Pacific (HK) Limited				
Roasters Korea Co. Ltd	Republic of Korea	25.0	25.0	Dormant.
Associate of SIG Holdings (Cayman) Limited				
Berjaya Engineering & Construction (HK) Limited	Hong Kong	25.0	25.0	Investment holding.

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48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Associates of Berjaya Corporation (Cayman) Limited				
Berjaya Pizza (Philippines) Inc	Philippines	21.6	21.6	Development and operation of the “Papa John’s Pizza” chain of restaurants in the Philippines.
M & A Investments Pte Ltd	Singapore	31.4	31.4	Investment holding.
Ssangyong Berjaya Motor Philippines Inc	Philippines	25.0	25.0	Selling and distribution of Ssangyong brand vehicles within the territory of the Philippines.
Associate of BLoyalty Pte Ltd				
BLoyalty Sdn Bhd*	Malaysia	25.0	25.0	Managing and operation of Berjaya Loyalty card programme.
Associates of Cosway Corporation Limited				
eCosway.com Sdn Bhd	Malaysia	40.0	40.0	Internet-based direct selling of consumer products.
Greenland Timber Industries (Private) Limited	Singapore	20.0	20.0	Investment holding.
Associate of Juara Sejati Sdn Bhd				
REDtone International Berhad	Malaysia	46.1	46.1	Investment holding and the provision of management services.
Associate of Successline (M) Sdn Bhd				
Successline Express Sdn Bhd	Malaysia	49.0	49.0	Transportation of goods.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Associates of Cosway (Cayman) Limited				
Cosway Overseas Company Limited	Thailand	49.0	49.0	Investment holding.
Cosway (Thailand) Company Limited	Thailand	49.0	49.0	Direct selling and trading in consumer products.
Associate of Rank Distributors Sdn Bhd				
Coswin (M) Sdn Bhd	Malaysia	40.0	40.0	Trading of consumer products.
Associates of Berjaya Land Berhad				
Berjaya Assets Berhad	Malaysia	8.6	²⁵ 14.6	Investment holding.
Berjaya Kyoto Development (S) Pte Ltd*	Singapore	50.0	50.0	Investment holding.
Centreplus Sdn Bhd	Malaysia	30.0	30.0	Dormant.
Focus Equity Sdn Bhd	Malaysia	32.5	32.5	Dormant, under liquidation.
Jaya Bowl Sdn Bhd	Malaysia	-	20.0	Dissolved.
Resort Cruises (S) Pte Ltd	Singapore	49.0	49.0	Dormant.

²⁵ The total equity interests held by the Berjaya Land Berhad group is 8.59% and it is held by the following companies:

(i)	Portal Access Sdn Bhd	3.49 %
(ii)	Berjaya Land Berhad	2.60 %
(iii)	BTS Hotel Sdn Bhd	0.41 %
(iv)	Nada Embun Sdn Bhd	0.04 %
(v)	Immediate Capital Sdn Bhd	0.41 %
(vi)	Magna Mahsuri Sdn Bhd	0.86 %
(vii)	Berjaya Philippines Inc	0.78 %

The total equity interests held by the Group is 10.58% and the additional equity interest is held by the following companies:

(i)	Ambilan Imej Sdn Bhd	1.06 %
(ii)	Berjaya Capital Berhad	0.66 %
(iii)	Inter-Pacific Capital Sdn Bhd	0.27 %

The Berjaya Land Berhad group has significant influence, as defined in FRS 128: Investments in Associates, over Berjaya Assets Berhad ("BASSETS") and therefore treated BASSETS as an associated company of the Berjaya Land Berhad group.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Associates of Berjaya Leisure (Cayman) Limited				
AM Automotive (S) Pte Ltd	Singapore	49.9	49.9	Ceased to be a dealer for "Aston Martin" vehicles.
Asian Atlantic Holdings Limited	British Virgin Islands	24.5	24.5	Investment holding.
Berjaya Land (Thailand) Company Ltd	Thailand	40.0	40.0	Property development and investment.
Berjaya Property (Thailand) Company Ltd	Thailand	40.0	40.0	Dormant.
Berjaya Vietnam Financial Center Limited#	Socialist Republic of Vietnam	32.5	-	Property development and investment.
Inter-Capital Holdings Pte Ltd	Singapore	50.0	50.0	Investment holding.
Portsworth Holdings Pte Ltd	Singapore	-	50.0	Struck off.
Singapore Institute of Advanced Medicine Holdings Pte Ltd	Singapore	34.3	26 21.0	Provision of medical laboratory services, clinic and other general medical services, sale of pharmaceuticals, surgical and consumables.
Associate of Berjaya Okinawa Development Co Ltd				
Nubaru Tochi Kanri Godo Kaisya	Japan	33.0	33.0	Investment holding.
Associate of Berjaya Leisure Capital (Cayman) Limited				
Informatics Education Limited	Singapore	27.1	27 27.1	Investment holding, franchisor and licensor for computer and commercial training centres and examination facilitators.

²⁶ The total equity interests held by the Berjaya Group Berhad group is 48.27% and it is held by the following companies:

(i)	Berjaya Leisure (Cayman) Limited	34.27 %
(ii)	Espeetex Sdn Bhd	14.00 %

²⁷ The total equity interests held by the Berjaya Group Berhad group is 28.38% and it is held by the following companies:

(i)	Berjaya Leisure Capital (Cayman) Limited	27.09 %
(ii)	Rantau Embun Sdn Bhd	1.29 %

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Associate of BL Capital Sdn Bhd				
Regnis Industries (Malaysia) Sdn Bhd	Malaysia	30.0	30.0	Property investment and rental of property.
Associate of Berjaya International Casino Management (HK) Limited				
Berjaya International Casino Management (Seychelles) Limited	Republic of Seychelles	40.0	40.0	Management of casino and investment holding.
Associate of Tioman Island Resort Berhad				
Tioman Ferry Services Sdn Bhd	Malaysia	20.0	20.0	Dormant.
Associates of Berjaya Sports Toto Berhad				
Berjaya Lottery Vietnam Limited	Malaysia	20.0	20.0	Investment holding.
Berjaya Racing Management Sdn Bhd	Malaysia	20.0	20.0	Dormant.
Associates of Berjaya Philippines Inc.				
Bermaz Auto Philippines Inc	Philippines	28.3	25.5	Purchasing, acquiring, owning, leasing, selling, transferring, encumbering and generally dealing in all types of new automobiles, trucks and other motor vehicles and dealing in all types of supplies used by all types of motor vehicles in the Philippines.
Berjaya Pizza (Philippines) Inc	Philippines	48.4	48.4	Development and operation of the “Papa John’s Pizza” chain of restaurants in the Philippines.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

48. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONTINUED)

Name	Country of incorporation	Equity interest held		Principal activities
		2018 %	2017 %	
Associates of Berjaya Philippines Inc. (continued)				
Chailease Berjaya Finance Corporation	Philippines	25.0	-	Providing hire purchase and loan financing services.
Cosway Philippines Inc	Philippines	40.0	40.0	Dormant.
Neptune Properties Inc	Philippines	41.5	41.5	To engage in real estate business.
Perdana Land Philippines Inc	Philippines	40.0	40.0	Acquire, develop and lease real estate.
Ssangyong Berjaya Motor Philippines Inc	Philippines	20.0	20.0	Selling and distribution of Ssangyong brand vehicles within the territory of the Philippines.
Associate of EDOC Holdings Limited				
VideoDoc Ltd	United Kingdom	20.2	-	Providing general and specialists medical practice services.
Associate of FEAB Properties Sdn Bhd				
Cashsystems Asia Technology Sdn Bhd	Malaysia	30.0	30.0	Dormant, under liquidation.
Associate of REDtone International Berhad				
REDtone Network Sdn Bhd	Malaysia	49.0	49.0	Research and development and marketing of communication applications

Notes:

* Subsidiaries audited by other firms of chartered accountants.

Subsidiaries audited by other member firms of Ernst & Young Global.

NOTES TO THE FINANCIAL STATEMENTS

30 APRIL 2018

49. PRIOR YEAR ADJUSTMENT

BJR, a 72.6% owned subsidiary company of the Group, entered into the Land SPA") with JDC, a company incorporated in the Republic of Korea, to acquire a parcel of land, for the proposed mixed development of an international themed village known as "Jeju Airst City" in Jeju Island, Republic of Korea. The land was acquired by JDC from the former land owners by way of purchase or expropriation and was subsequently sold to BJR under the Land SPA. After the completion of the acquisition of the land under the Land SPA, BJR commenced the development of Phase 1 ("Jeju Project") of the mixed development project.

However, several former landowners filed lawsuits against JDC seeking a revocation of the expropriation of their lands that were acquired by JDC via the land expropriation process. On 20 March 2015 the Korean Supreme Court ruled that the implementation plan approval and the land expropriation process undertaken by JDC were invalid and therefore nullified. As such, JDC did not obtain a good title to the land that it sold to BJR under the Land SPA.

Following the Korean Supreme Court decision in March 2015 and as a consequence thereof, certain other former owners of the said lands had also filed lawsuits against JDC and BJR, seeking for cancellation of the registration of their land titles ("Landowners Lawsuits"), which were transferred to and registered by BJR. Further, as a result of the Korean Supreme Court decision, BJR had suspended the development of Phase 1 of the Jeju Project in July 2015. On 6 November 2015, the Group announced that BJR had instituted legal proceedings against JDC in the Republic of Korea for breach of certain terms and conditions of the Land SPA to claim for losses and damages suffered by BJR as a result of JDC's failure to pass good title to the land to BJR pursuant to the Land SPA.

During the financial year ended 30 April 2018, the Korean courts ruled in favour of some of the former landowners in the Landowners Lawsuits. The Court's judgment rendered all the development approvals issued in connection to the Jeju Project null and void. Under the circumstances, the Group has had to re-assess the appropriateness of the classification of land cost and development cost for the Jeju Project as land held for development and concluded that, since March 2015, it is deemed more appropriate to reclassify the land held for development as a long term receivable and to apply the reclassification retrospectively.

As a result of the above, certain comparative amounts as at 30 April 2017 and 1 May 2016 have been adjusted as disclosed below:

Group	As previously reported RM'000	Prior year adjustment RM'000	As restated RM'000
At 30 April 2017			
Group			
Statements of Financial Position			
Other long term receivables	756,452	604,255	1,360,707
Land held for development	2,640,614	(604,255)	2,036,359
At 1 May 2016			
Statements of Financial Position			
Other long term receivables	647,470	541,965	1,189,435
Land held for development	2,607,092	(541,965)	2,065,127

The prior year adjustment has no impact on the Group's statements of profit or loss and cash flows.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD

(INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Berjaya Corporation Berhad, which comprise the statements of financial position as at 30 April 2018 of the Group and of the Company, and statements of profit or loss and statements of other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 90 to 303.

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 April 2018, and of their financial performance and their cash flows for the year then ended in accordance with 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 Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("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 year. 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

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 in respect of audit of the financial statements of the Group

1. Impairment assessment of intangible assets

(Refer to summary of significant accounting policies in Note 2.2.9, significant accounting estimates and judgement in Note 2.5(2)(a), and Intangible assets in Note 12 to the financial statements.)

The Group performs impairment tests on its goodwill and intangible assets with indefinite useful life at least annually, and on its intangible assets with definite useful life when there is an indication that the asset may be impaired. For purposes of impairment testing, goodwill is allocated to cash-generating units ("CGUs") or groups of CGUs. The Group estimates the recoverable amounts of the CGUs based on either the estimated value-in-use ("VIU") or the fair value less cost to sell ("FVLCTS") of the respective CGU, whichever is higher.

Estimating the VIUs of the CGUs involves estimates made by management relating to the future cash inflows and outflows that will be derived from the CGUs, and discounting them at an appropriate rate. The cash flow forecasts to derive the VIU contain a number of significant judgements and estimates including estimates on revenue growth rates, gross margins, payout ratio, terminal growth rates, inflation rates and the discount rates to be applied.

In estimating the FVLCTS of the CGU, the Group relies on valuations performed by independent professional valuers. These valuations are based on relevant assumptions which includes, amongst others, comparable historical transactions and adjustments to factor in comparable location, size, condition, accessibility, design and market knowledge.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

Key audit matters in respect of audit of the financial statements of the Group (cont'd.)

1. Impairment assessment of intangible assets (cont'd.)

Arising from these impairment assessments, the Group has recognised a reversal of impairment loss of RM96 million in gaming rights in respect of the Malaysian gaming operations. The reversal of impairment of gaming rights was recognised in the statement of comprehensive income against the fair value reserve.

We have focused our audit effort on the testing of impairment of goodwill and intangible assets as the amounts which they represent are significant to the financial statements, the assumptions applied in arriving at the VIU and FVLCTS are highly subjective and changes in these assumptions may lead to significant changes in the recoverable amounts of the CGUs. The following table summarises the carrying amount of goodwill and intangible assets of the CGUs within these business segments which we have applied our focus on.

Business segments	Carrying amount (RM'000)		% of non-current assets	% of total assets	Measurement of recoverable amount
	As at 30 April 2018	Amount in focus			
Goodwill					
• Restaurants	429,828	422,005	2.8%	2.0%	VIU
• Property investments and development	214,344	201,436	1.3%	1.0%	FVLCTS
• Consumer products and services	288,967	212,497	1.4%	1.0%	VIU/FVLCTS
Intangible assets					
• Gaming rights	3,854,617	3,854,617	25.8%	18.5%	VIU
• Telecommunications licences with allocated spectrum	314,601	314,601	2.1%	1.5%	FVLCTS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

Key audit matters in respect of audit of the financial statements of the Group (cont'd.)

1. Impairment assessment of intangible assets (cont'd.)

Our procedures to address this area of focus include, amongst others, the following:

Recoverable amounts based on VIU

- involved our internal valuation experts in reviewing the impairment assessment performed by management on the CGUs;
- 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, and considered whether they are commonly used in the industry;
- assessed the basis of preparing the cash flow forecasts taking into consideration the assessment of management's historical budgeting accuracy;
- evaluated whether key assumptions which comprise the revenue growth rates, gross margins, payout ratio, terminal growth rates, inflation rates are reasonable by making comparisons to historical trends, taking into consideration the current and expected outlook of economic growth in the respective country in which the CGU operates;
- 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.

Recoverable amounts based on FVLCTS

- assessed the objectivity, independence, reputation and expertise of the independent valuers;
- obtained an understanding of the methodology adopted by the independent valuers in estimating the fair value of the intangible asset and land and assessed whether such methodology is consistent with those used in the industry;
- evaluated the appropriateness of the data used by the independent valuers as inputs into their valuations. We interviewed the independent valuers, discussed and challenged the significant estimates and assumptions applied in their valuation process.

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 12 to the financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

Key audit matters in respect of audit of the financial statements of the Group (cont'd.)

2. Litigation relating to the Property Development Project in Jeju Island, South Korea

(Refer to significant accounting estimates and judgement in Note 2.5(1)(c), the disclosure of receivable in Note 11(e), and Material Litigation in Note 41(4) to the financial statements.)

As disclosed in Note 41(4) 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 and Purchase Agreement entered into with JDC ("Land SPA") while claiming for losses and damages arising from those breaches ("Litigation"). The Group has incurred approximately RM593 million up to 30 April 2018 and has classified these costs as compensation receivable, which represents approximately 4% and 3% 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 be 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(1)(c) and Note 41(4).

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

Key audit matters in respect of audit of the financial statements of the Group (cont'd.)

3. Recoverability of debts due from the purchaser of the Berjaya (China) Great Mall Co. Ltd. development project

(Refer to significant accounting estimates and judgement in Note 2.5(1)(d), the disclosure of receivable in Note 11(d), and material litigation in Note 41(5) to the financial statements.)

As disclosed in Note 41(5) 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 RMB2.039billion (equivalent to RM1.261billion) and has collected RMB1.065billion (equivalent to RM0.659billion) from Beijing SkyOcean. The holding company of Beijing SkyOcean and one of its shareholders have provided guarantees for the outstanding debt. The Group, having considered the timeframe required to complete the Arbitration Proceedings and the recovery of the debt, has recognised an impairment loss of approximately RM153million to account for the time value of money of the debt receivable. As at 30 April 2018, the debt receivable from Beijing SkyOcean net of impairment loss amounting to RM474million, 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 become 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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

Key audit matters in respect of audit of the financial statements of the Group (cont'd.)

3. Recoverability of debts due from the purchaser of the Berjaya (China) Great Mall Co. Ltd. development project (cont'd.)

Our procedures to address this area of focus include, amongst others, the following (cont'd.):

- 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 Litigation as disclosed in Note 2.5(1)(d) and Note 41(5).

4. Revenue and cost of sales from toto betting operations involving processing of large volume of individually insignificant transactions

(Refer to summary of significant accounting policies in Note 2.2.28, and the disclosure of revenue in Note 31 to the financial statements.)

The Group relies heavily on its information technology systems to account for revenue and related cost of sales from its toto betting operations. During the financial year, revenue and cost of sales from toto betting operations account for 38% and 41% of the Group's revenue and cost of sales respectively.

Revenue and cost of sales from toto betting operations is a key audit matter because the amounts they represent are significant to the financial statements of the Group and they involved the processing of a large volume of individually insignificant transactions using the Group's information technology systems.

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 such automated controls. 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;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

Key audit matters in respect of audit of the financial statements of the Group (cont'd.)

4. Revenue and cost of sales from toto betting operations involving processing of large volume of individually insignificant transactions (cont'd.)

- 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 year end, including draw sales after year 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.

5. Valuation of investment properties

(Refer to summary of significant accounting policies in Note 2.2.5, significant accounting estimates and judgements in Note 2.5(2)(e), the disclosure of investment properties in Note 5, and fair value measurements in Note 42.1 to the financial statements.)

As at 30 April 2018, the carrying amount of investment properties amounted to RM877.9 million representing 6% and 4% of the Group's total non-current assets and total assets respectively.

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 year in which they arise. The Group has appointed independent professional valuers to perform valuations 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;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

Key audit matters in respect of audit of the financial statements of the Group (cont'd.)

5. Valuation of investment properties (cont'd.)

Our procedures to address this area of focus include, amongst others, the following (cont'd.):

- 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

1. Impairment assessment of investment in subsidiary companies

(Refer to summary of significant accounting policies in Note 2.2.1, significant accounting estimates and judgements in Note 2.5(2)(c) and the disclosure of investment in subsidiary in Note 7 to the financial statements.)

As at 30 April 2018, the carrying amount of the investment in subsidiary companies of the Company amounted to RM5.3 billion, representing 90.4% and 68.5% of the Company's total non-current assets and total assets respectively.

At the reporting date, the Company reviewed its investments 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 ("CGU"s) 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, payout ratio, discount rate and terminal growth rate.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

Key audit matters in respect of audit of the financial statements of the Company

1. 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, payout ratio for the gaming operations, 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;
- 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 in specific market in which the respective subsidiary company operates or equivalent data for peer companies;
- 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 where valuations were performed, discussed with the independent valuers 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 to the recoverable amount.

We have also evaluated the adequacy of the note disclosures concerning those key assumptions to which the outcome of the impairment test was most sensitive.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

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 Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the annual report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

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 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

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;
- 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;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

- 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 year 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.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 48 to the financial statements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BERJAYA CORPORATION BERHAD
(INCORPORATED IN MALAYSIA)

Other matters

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

Kuala Lumpur, Malaysia
15 August 2018

Kua Choo Kai
No. 02030/03/2020 J
Chartered Accountant

MATERIAL PROPERTIES OF THE GROUP

30 APRIL 2018

Location	Tenure	Size	Description	Estimated age of building (Years)	Date of acquisition	Net book value RM'000
PT41, The Ritz-Carlton Residences, Laman Sentral Berjaya, No. 105, Jalan Ampang, 50450 Kuala Lumpur	Freehold	405,354 sq ft	235 units of residences	1	16/01/2017	748,775
445-2,445-3,Myohoin Maekawa-Cho, Higashiojitori Shibutani-sagaru, Higashiyama-ku, Kyoto (Four Seasons Hotel)	Freehold	28,240.06 sq m	Hotel with 123 hotel rooms	1.5	28/06/2016	673,023
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	580,938
KM 48, Persimpangan Bertingkat Lebuhraya Karak, 28750 Bukit Tinggi, Bentong Pahang Darul Makmur	Leasehold and freehold	13,617.22 acres	Land held for development	N/A	1990 - 1997	286,533
Lot 352 Sek 20, Bandar Kuantan District of Kuantan, Kuantan, Pahang Darul Makmur	Freehold	5.46 acres	Shopping mall for rental	20	05/02/1991	270,004
KM 48, Persimpangan Bertingkat Lebuhraya Karak, 28750 Bukit Tinggi, Bentong Pahang Darul Makmur	Leasehold	43.69 acres	Chateau, Colmar Tropicale, Convention Centre No.1, Japanese Tea House, Japanese Tatami Suites & Spa, Staff Quarters, Ryo Zan Tei Restaurant & Botanical Garden, Central Laundry.	5-22	N/A	225,897
445-2,445-3,Myohoin Maekawa-Cho, Higashiojitori Shibutani-sagaru, Higashiyama-ku, Kyoto (Four Seasons Residence)	Freehold	4,536 sq m	57 condos with 40 units unsold	1.5	28/06/2016	199,485

MATERIAL PROPERTIES OF THE GROUP

30 APRIL 2018

Location	Tenure	Size	Description	Estimated age of building (Years)	Date of acquisition	Net book value RM'000
Berjaya Times Square 14th, 15th floor and Service Suites at Tower B No. 1, Jln Imbi, Kuala Lumpur	Freehold	345,773 sq ft	327 units of service suites	15	06/01/1998	196,548
Berjaya Times Square Premises at ground floor 14th & 16th floor Service suites at Tower A & B No. 1, Jln Imbi, Kuala Lumpur	Freehold	30,957 sq ft	Hotel lobby, function rooms & storage area	15	10/02/2010	
B44-04, Tower B Berjaya Times Square No.1 Jalan Imbi, Kuala Lumpur	Freehold	3,821 sq ft	Penthouse	15	08/05/2012	
Berjaya Times Square Service Suites at Tower A & B No. 1, Jln Imbi, Kuala Lumpur	Freehold	136,497 sq ft	181 units of service suites	15	13/03/2007	
Berjaya Times Square Service Suites at Tower A No. 1, Jln Imbi, Kuala Lumpur	Freehold	21,765 sq ft	32 units of service suites	15	01/07/2008	
Berjaya Times Square B-35-013, Tower B No. 1, Jln Imbi, Kuala Lumpur	Freehold	624 sq ft	1 unit service suite	15	01/07/2008	
Mukim of Sungei Tinggi (7 lots) and Mukim of Batang Berjuntai (8 lots) District of Ulu Selangor, Kuala Selangor Selangor Darul Ehsan	Freehold	2,329.75 acres	Land for development	N/A	04/08/1995	157,486
HS(D) 52466, PT No. 4625, HS(D) 52467, PT No. 4626, HS(D) 52468, PT No. 4627, HS(D) 52471, PT No. 4630, HS(D) 52472, PT No. 4631, HS(D) 52473, PT No. 4632, HS(D) 52474, PT No. 4633, HS(D) 52475, PT No. 4634, Mukim Sungai Tinggi, Daerah Ulu Selangor, Selangor Darul Ehsan	Freehold	871.10 acres	Land for mixed development	N/A	31/03/2017	154,169

MATERIAL PROPERTIES OF THE GROUP

30 APRIL 2018

Location	Tenure	Size	Description	Estimated age of building (Years)	Date of acquisition	Net book value RM'000
HS(D) 4/94, PT278 HS(D) 1017, PT140 HS(D) 1018, PT141 Mukim Padang Matsirat Daerah Langkawi Pulau Langkawi Kedah Darul Aman	PT278 - Leasehold expiring on 30/04/2069 PT140, 141 - Leasehold expiring on 30/03/2070	85.83 acres	Beach resort (424 guest rooms/ chalets)	25	PT278 : 27/05/1994 PT140, 141 : 30/03/2010	125,747
Lot 558, Lot 239, Lot 240-242, Lot 50000, Lot 50001, Lot 50002, Lot 705, PT 925-929 Teluk Dalam & Teluk Siang Pulau Redang Terengganu Darul Iman	Lot 558 - Freehold Lot 705, 50000 to 50002 -Leasehold 60 years expiring in year 2070 Lot 239, 240-242, PT 925-929 - Leasehold 60 years expiring in year 2051	613.68 acres	Beach resort (189 guest rooms and a villa)	>22	Lot 558 - in year 1990 Lot 705,50000 to 50002 -in year 2010 Lot 239, 240-242, PT 925-929 - 16/10/1993	122,967
Geran No. 29726, Lot No. 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	32	27/11/1989	104,560
Lot 5001 - 5005, Lot 5007 - 5020 PN 14706 to 14710, 14712 to 14714, 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 & resort operations	31	30/12/1985	103,221
342 parcels of land at Onna-son Okinawa Island, Japan	Freehold	111,331 sq m	Land held for development	N/A	Since 15/07/2009	101,735

MATERIAL PROPERTIES OF THE GROUP

30 APRIL 2018

Location	Tenure	Size	Description	Estimated age of building (Years)	Date of acquisition	Net book value RM'000
GM931 Lot 57, GM841 Lot58, 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
Lot PT No.4805 & 4806 HS (D) No 81319 & 81320 Mukim Petaling, Kuala Lumpur	Freehold	7,129,260 sq ft	Club house and golf course	>26	05/09/1991	84,255
KM48, Persimpangan Bertingkat Lebuhraya Karak, 28750 Bukit Tinggi, Bentong Pahang Darul Makmur	Leasehold	185.55 acres	Convention Centre No.2, Golf Course, Club House, Sports Complex	11 – 22	1998	83,086
Lot 001165 Geran 5868 Wisma Cosway Jalan Raja Chulan Kuala Lumpur	Freehold	293,303 sq ft	Shopping podium with shop lots/ offices/ apartments for rental	34	08/11/1997	82,469
12-01, Berjaya Times Square No.1 Jalan Imbi Kuala Lumpur	Freehold	106,890 sq ft	Commercial office premises	14	11/09/1996	68,500
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	15	06/01/1998	65,556
10 parcels of land at Uruma-shi Okinawa Island, Japan	Freehold	57,479 sq m	Land with a building (123 guest rooms)	24	30/03/2017	63,588
13th Floor, Berjaya Times Square No.1 Jalan Imbi Kuala Lumpur	Freehold	106,315.13 sq ft	1 floor of office space of an integrated commercial development for rental	15	06/01/1998	54,278

MATERIAL PROPERTIES OF THE GROUP

30 APRIL 2018

Location	Tenure	Size	Description	Estimated age of building (Years)	Date of acquisition	Net book value RM'000
Lots 1-1-1, 1-2-1&1M, 1-3A-1, 1-2-2, 1-10-1, 1-10-7, 1-11-5, 1-12-5, Menara Bangkok Bank, Laman Sentral Berjaya, No. 105, Jalan Ampang, 50450 Kuala Lumpur	Freehold	33,379 sq ft	Office space, commercial kiosk and car park	2	26/07/1995	52,419
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)	>39	05/05/2008	51,728
164-166 Sussex Gardens London W2 1UD United Kingdom	Freehold	Approx 3,926 sq ft	Hotel (46 guests rooms)	>153	21/09/2014	51,229
HS(D) 11814, Lot 11527 Lot 1 to 8, Lot 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
139 strata shop lots located on Ground, First and Second floor Wisma Cosway No. 88, Jalan Raja Chulan Kuala Lumpur	Freehold	44,941 sq ft	Shop lots & office for rental	34	08/06/2009	50,037

MATERIAL CONTRACTS

Other than as disclosed in Notes 11, 15, 28, 31, 33, 34, 39, 40, 46 and 47 to the financial statements for the financial year ended 30 April 2018, there were no other material contracts entered into by Berjaya Corporation Berhad and its subsidiary companies, involving Directors and major shareholders.

ADDITIONAL INFORMATION

The amount of non-audit fees incurred for services rendered to the Group for the financial year ended 30 April 2018 amounted to RM676,000.

GROUP ADDRESSES

FINANCIAL SERVICES

Inter-Pacific Securities Sdn Bhd
Inter-Pacific Asset Management Sdn Bhd
 Level 13, West Wing
 Berjaya Times Square
 No. 1, Jalan Imbi
 55100 Kuala Lumpur
 Tel : 603-2117 1888
 Fax : 603-2144 1686
 Website : www.paconline.com.my

Penang Office:
 Canton Square
 Level 2 & 3
 56 Cantonment Road
 10250 Penang
 Tel : 604-226 8288
 Fax : 604-227 6288

Johor Bahru Office:
 95, Jalan Tun Abdul Razak
 80000 Johor Bahru, Johor Darul Takzim
 Tel : 607-223 1211
 Fax : 607-224 6266

Danau Desa Office:
 Ground Floor, 7-0-8
 Jalan 3/109F
 Danau Business Center
 Danau Desa
 58100 Kuala Lumpur
 Tel : 603-7984 7796
 Fax : 603-7984 7798

Bandar Baru Seri Petaling Office:
 No.33-1 (1st Floor), Jalan Radin Bagus
 Bandar Baru Seri Petaling
 57000 Kuala Lumpur
 Tel : 603-9056 2922
 Fax : 603-9056 2923

SaigonBank Berjaya Securities
Joint Stock Company
 Level 5 & 6, 2C Pho Duc Chinh Street
 Nguyen Thai Binh Ward
 District 1, Ho Chi Minh City
 Socialist Republic of Vietnam
 Tel : 84-28-3914 3399
 Fax : 84-28-3914 3388
 Website : www.sbbjscom.vn

Prime Credit Leasing Sdn Bhd
 Level 13, West Wing
 Berjaya Times Square
 No. 1, Jalan Imbi
 55100 Kuala Lumpur
 Tel : 03-2148 1009

HOTELS & RESORTS DEVELOPMENT & MANAGEMENT

Berjaya Hotels & Resorts
Corporate Office:
 Level 15 West, Berjaya Times Square Hotel,
 Kuala Lumpur
 1 Jalan Imbi, 55100 Kuala Lumpur
 Tel : 603-2142 9611
 Fax : 603-2144 2526/2527
 Email : bhr@berjahotel.com
 Website : www.berjahotel.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@berjahotel.com

Berjaya Langkawi Resort
 Karong Berkunci 200
 Burau Bay
 07000 Langkawi
 Kedah Darul Aman
 Tel : 604-959 1888
 Fax : 604-959 1886
 Email : langkawi.rsvn@berjahotel.com

The Taaras Beach & Spa Resort, Redang
 P.O. Box 126, Main Post Office
 20928 Kuala Terengganu
 Terengganu Darul Iman
 Tel : 609-630 8888
 Fax : 609-630 8880
 Email : rsvn.manager@thetaaras.com

Redang Island Resort
 P.O.Box 106
 20710 Kuala Terengganu
 Terengganu Darul Iman
 Tel : 609-630 8787
 Fax : 609-630 8788
 Email : reservation@redangislandresort.com

Berjaya Penang Hotel
 1-Stop Midlands Park
 Jalan Burmah
 10350 Pulau Pinang
 Tel : 604-227 7111
 Fax : 604-226 7111
 Email : pg.reservation@berjahotel.com

Berjaya Times Square Hotel, Kuala Lumpur
 No. 1, Jalan Imbi
 55100 Kuala Lumpur
 Tel : 603-2117 8000
 Fax : 603-2143 3352
 Email : bth.rsvn@berjahotel.com

ANSA Kuala Lumpur
 101, Jalan Bukit Bintang
 55100 Kuala Lumpur
 Tel : 603-2146 5000
 Fax : 603-2146 5001
 Email : reservation@ansahotels.com

Colmar Tropicale Berjaya Hills, Pahang
 KM48, Persimpangan Bertingkat Lebuhraya Karak
 28750 Bukit Tinggi
 Bentong, Pahang Darul Makmur
 Tel : 609-221 3666
 Fax : 609-221 3828
 Email : sales@colmartropicale.com.my

**The Chateau Spa & Organic Wellness Resort
 Berjaya Hills, Pahang**
 KM48, Persimpangan Bertingkat Lebuhraya Karak
 28750 Bukit Tinggi
 Bentong, Pahang Darul Makmur
 Tel : 609-221 3888
 Fax : 609-221 3886
 Email : sales@thechateau.com.my

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@berjahotel.com

Berjaya Praslin Resort – Seychelles
 Anse Volbert, Praslin, Seychelles
 Tel : 248-4286 286
 Fax : 248-4232 244
 Email : praslin.rsvn@berjahotel.com

**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 : info.london@berjahotel.com

**The Castleton Hotel, London
 – United Kingdom**
 164-166 Sussex Gardens
 London W2 1UD, United Kingdom
 Tel : 44-20-7706 4666
 Fax : 44-20-7706 2288
 Email : info@castletonhotel.com

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@berjahotel.com

Sheraton Hanoi Hotel – Vietnam
 K5 Nghi Tam
 11, Xuan Dieu Road
 Tay Ho District
 Hanoi, Socialist Republic of Vietnam
 Tel : 84-24-3719 9000
 Fax : 84-24-3719 9001
 Email : reservations.hanoi@sheraton.com

InterContinental Hanoi Westlake – Vietnam
 1A, Nghi Tam, Tay Ho District
 Hanoi, Socialist Republic of Vietnam
 Tel : 84-24-6270 8888
 Fax : 84-24-6270 9999
 Email : res.hanoi@ihg.com

Berjaya Makati Hotel – Philippines
 7835, Makati Ave
 cor. Eduque Street
 Makati City, Manila
 Philippines 1209
 Tel : 632-750 7500
 Fax : 632-750 6783
 Email : manila.inquiry@berjahotel.com

**Four Seasons Hotel and Hotel Residences
 Kyoto, Japan**
 445-3, Myohoin Maekawa-cho
 Higashiyama-ku
 Kyoto 605-0932, Japan
 Tel : +81-75-541 8288
 Fax : +81-75-541 8287
 Email : contactus.kyoto@fourseasons.com

GROUP ADDRESSES

CLUBS & RECREATION

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

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

Berjaya Hills Golf & Country Club

KM48, Persimpangan Bertingkat Lebuhraya Karak
Bukit Tinggi
28750 Bukit Tinggi, Bentong
Pahang Darul Makmur
Tel : 609-288 8180
Email : bhgccc@bhillsgolf.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

Tioman Island Golf Club, Pahang

P.O. Box 4
86807 Mersing
Johor Darul Takzim
Tel : 609-419 1000 (Ext. 1574)
Email : tioman.golf@berjayahotel.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

Head Office:
Lot AM1, Skypark Terminal
Sultan Abdul Aziz Shah Airport
47200 Subang, Selangor Darul Ehsan
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 : 03-2149 1999/2142 8028
Fax : 03-2143 2028/2145 2126
Email : property@berjaya.com.my

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

Vietnam Office:

Berjaya – D2D Co. Limited

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., Hanoi

The Pavilion
Ha Noi Garden City
Thach Ban Ward, Long Bien District
Hanoi, Socialist Republic of Vietnam
Tel : 84-24-3652 6666
Fax : 84-24-3652 6668

China Office:

Berjaya Sanhe Real Estate Development Co. Ltd.

Berjaya (China) Great Wall Co. Ltd.
38 Xing Gong West Street
Yanjiao Development Zone
065201 Sanhe City
People's Republic of China
Tel : 86-316-332 0309/332
Fax : 86-316-332 0310

Korea Office:

Berjaya Jeju Resort Limited

2572 Jungmun-dong
Seogwipo City
Jeju Special Self-Governing Province
697-120 Republic of Korea
Tel : 82-64-738-5030
Fax : 82-64-738 5033

Property Addresses:

Indah UPC Shops
3 1/2 Mile, Jalan Klang Lama
58000 Kuala Lumpur

Klang Lama New Business Centre

Gemilang Indah Apartments
Jalan 2/110A
Batu 3 1/2, Jalan Klang Lama
58200 Kuala Lumpur

Pines Condominiums

No. 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
No. 8, Jalan 1/155B, Bukit Jalil
57000 Kuala Lumpur

Arena Green Apartments

Residensi Lanai
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

GROUP ADDRESSES

The Link 2 @ Bukit Jalil

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

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

Ritz-Carlton Residences

Menara Bangkok Bank@Berjaya Central Park
Jalan Sultan Ismail/Jalan Ampang
50250 Kuala Lumpur

Berjaya Hills

KM48
Persimpangan Bertingkat Lebuhraya Karak
28750 Bukit Tinggi
Bentong, Pahang Darul Makmur
Malaysia
Tel : 609-288 8888
Fax : 609-288 3018

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

Wisma Cosway

Jalan Raja Chulan
50200 Kuala Lumpur

CONSUMER MARKETING, DIRECT SELLING & RETAIL

Cosway (M) Sdn Bhd

Head Office:
18-01-01B Menara Cosway
Plaza Berjaya
No. 12, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-21161188/6688
Email : info@cosway.com.my
Website : www.cosway.com.my

Country Farms Sdn Bhd

Unit-C2 Natco Industrial Park
Lot 9 Lorong Keluli 1B
Kawasan Perindustrian Bukit Raja Selatan
Seksyen 7, 40000 Shah Alam
Selangor Darul Ehsan
Tel : 603-3342 4401/3342 4402
Fax : 603-3342 4404
Email : info@countryfarmorganics.com

Berjaya Books Sdn Bhd

Borders Headquarters
No. 26, Jalan PJU 3/49
Sunway Technology Park
Sunway Damansara,
47810 Petaling Jaya, Selangor Darul Ehsan
Tel : 603-7803 9000

Berjaya Pharmacy Sdn Bhd

Lot 15 C & D, Level 15, Plaza Berjaya,
Jalan Imbi, 55100 Kuala Lumpur.
Tel : 603-2110 6688

Mothers En Vogue Sdn Bhd

Lot 5.45.02, Level 5, Pavillion KL
168, Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 603-2141 0252

Sweet Spot Digital (Malaysia) Sdn Bhd

18th Floor, Office Block
Plaza Berjaya
No. 12 Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2142 7288

MOTOR TRADING AND DISTRIBUTION

Berjaya China Motor Sdn Bhd

Lot 3, Jalan 225, Section 51A
46100 Petaling Jaya, Selangor Darul Ehsan
Tel : 603-7954 1188
Fax : 603-7955 1189

H.R. Owen Plc.

Melton Court
25-27 Old Brompton Road
London SW7 3TD United Kingdom
Tel : 020-7245 1122
Website : www.hrowen.co.uk

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

Berjaya Philippines Inc.

Philippine Gaming Management Corporation
9th Floor, Rufino Pacific Tower
6784 Ayala Avenue corner V.A. Rufino Street
Makati City
Metro Manila, Philippines
Tel : 632-811 0668
Fax : 632-811 2293
Website : www.berjaya.com.ph

International Lottery & Totalizator Systems, Inc., USA

2310 Cousteau Court
Vista (San Diego)
California 92081-8346
United States of America
Tel : 1-760-598 1655
Fax : 1-760-598 0219
Email : mktg@ilts.com
Website : www.ilts.com

Berjaya Gia Thinh Investment Technology Joint Stock Company

Level 17, Lim II Building
62A Cach Mang Thang Tam
Ward 6, District 3
Ho Chi Minh City
Socialist Republic of Vietnam
Email : info@bgt.com.vn

GROUP ADDRESSES

FOOD & BEVERAGE

Berjaya Roasters (M) Sdn Bhd
Lot 09-16, Level 9, East Wing
Berjaya Times Square
No. 1, Jalan Imbi, 55100 Kuala Lumpur
Tel : 603-2119 9888
Fax : 603-2142 7688
Email : broasters@krr.com.my

Roasters Asia Pacific (M) Sdn Bhd
Lot 7-33, Level 7, West Wing
Berjaya Times Square
No. 1, Jalan Imbi, 55100 Kuala Lumpur
Tel : 603-2145 3259
Fax : 603-2143 4085

Jollibean Foods Pte Ltd, Singapore
No. 63, Ubi Avenue 1
07-06, Boustead House
Singapore 408937
Tel : +65 6746 3877
Fax : +65 6746 8802

Berjaya Starbucks Coffee Company Sdn Bhd
Lot 10-04, Level 10, West Wing
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2052 5888
Fax : 603-2052 5889

Berjaya Food Supreme Sdn Bhd
95, Jalan Pemancha
Bandar Seri Begawan BS8811
Brunei Darussalam
Tel : 03-2052 5888
Fax : 03-2052 5889

Berjaya Burger Sdn Bhd
Lot 09-23, Level 9, West Wing
Berjaya Times Square
No. 1, Jalan Imbi, 55100 Kuala Lumpur
Tel : 603-2119 7272
Fax : 603-2119 7200

Berjaya Krispy Kreme Doughnuts Sdn Bhd
Lot 7-33, Level 7, West Wing
Berjaya Times Square
No. 1, Jalan Imbi, 55100 Kuala Lumpur
Tel : 603-2141 2699
Fax : 603-2143 4085

RU Cafe Sdn Bhd
Head Office:
Level 9, East Wing,
Berjaya Times Square
No.1, Jalan Imbi, 55100 Kuala Lumpur
Tel : 603-2119 6660
Fax : 603-2141 0501
Email : info@rasautara.com.my

ENVIRONMENTAL SERVICES

KUB-Berjaya Enviro Sdn Bhd
KUB-Berjaya Energy Sdn Bhd
Berjaya Engineering Construction Sdn Bhd
Amita KUB-Berjaya Kitar Sdn Bhd
09-03 & 09-05, Level 9, East Wing
Berjaya Times Square
No. 1, Jalan Imbi, 55100 Kuala Lumpur
Tel : 603-2688 6333
Fax : 603-2688 6332

Longxi Water Supply Co
Level 4, Hong Hui Building, Longxi Town
Bolou County, Huizhou, Guangdong Province
People's Republic of China
Tel : +86-752-667 8337

Pengfa Water Supply Co
Xiao Feng Gang, Longxi Town, Bolou County
Huizhou, Guangdong Province
People's Republic of China
Tel : +86-752-638 7000

Zhiwang Water Supply Co
Xiao Feng Gang, Longxi Town, Bolou County
Huizhou, Guangdong Province
People's Republic of China
Tel : +86-752-638 7000

WHOLESALE DISTRIBUTION

Kimia Suchi Sdn Bhd
21, Jalan TUDM, Subang New Village
40000 Shah Alam
Selangor Darul Ehsan
Tel : 603-7847 6268
Email : nrathor@ksuchi.com.my

EDUCATION

Informatics Education Ltd
Informatics Campus
133, Middle Road
05-01, BOC Plaza
Singapore 188974
Tel : 65-6580 4555
Fax : 65-6565 1371
Website : www.informaticseducation.com

Berjaya Higher Education Sdn Bhd
Berjaya University College
Level 11 (West Wing), Berjaya Times Square
No. 1, Jalan Imbi, 55100 Kuala Lumpur
Tel : 603-2687 7000
Fax : 603-2687 7001
Email : info@berjaya.edu.my

TELECOMMUNICATIONS

REDtone International Berhad
Suites 22-30, 5th floor, IOI Business Park
47100 Puchong, Selangor Darul Ehsan
Tel : 603-8073 2288
Fax : 603-2773 9015
Website : www.redtone.com

OTHERS

Graphic Press Group Sdn Bhd
3, Jalan PJS 3/2 (Jalan Medan 3)
Taman Medan, PJS3
46000 Petaling Jaya
Selangor Darul Ehsan
Tel : 603-7783 9988
Fax : 603-7785 3633

BLoyalty Sdn Bhd
16th Floor, Office Block
Plaza Berjaya
Jalan Imbi
55100 Kuala Lumpur
Email : enquiry@binfinite.com.my

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

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Berjaya Corporation Berhad ("BCorp") Group with the following Related Parties	Nature of transactions undertaken by BCorp and/or its unlisted subsidiary companies	Amount transacted during the financial year (RM'000)
Berjaya Assets Berhad ("BAssets") and its unlisted subsidiaries:		
BAssets	Provision of share registration services by Berjaya Registration Services Sdn Bhd ("BRegistration")	55
BAssets and its subsidiary companies	Provision of leasing and hire purchase facilities by Prime Credit Leasing Sdn Bhd	350
	Supply of stationery products and printing services by Inter-Pacific Trading Sdn Bhd ("IPTSB")	62
	Supply of cleaning chemical products by Kimia Suchi Marketing Sdn Bhd	1
	Provision of human resource management services by EVA Management Sdn Bhd ("EVA Management")	6
	Loyalty reward fees receivable by BLoyalty Sdn Bhd ("BLoyalty") for managing the loyalty card programme	1
BTS Car Park Sdn Bhd	Parking charges payable monthly by the BCorp Group for leasing of parking bays	498
Sapphire Transform Sdn Bhd	Rental payable by RU Café Sdn Bhd ("RU Café") for renting of shoplot at Lot G-09, Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	90
Berjaya Times Square Sdn Bhd ("BTSSB")	Rental payable by KUB-Berjaya Enviro Sdn Bhd for renting of office premises at Lots 09-01, 09-02 & 09-03, 9th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	251
	Rental payable by Berjaya Burger Sdn Bhd ("BBurger") for renting of café at Lot 03-89, 3rd Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	266
	Rental payable by BBurger for renting of office premises at Lots 09-16, 09-17 & 09-18, 9th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	77
	Rental payable by Berjaya Engineering Construction Sdn Bhd for renting of office premises at Lots 09-37 & 09-39, 9th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	40
	Rental payable by Roasters Asia Pacific (M) Sdn Bhd for renting of office premises at Lot 07-24, 7th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	145

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Berjaya Corporation Berhad ("BCorp") Group with the following Related Parties	Nature of transactions undertaken by BCorp and/or its unlisted subsidiary companies	Amount transacted during the financial year (RM'000)
	Rental payable by Cosway (M) Sdn Bhd for renting of shoplots at Lots LG-12 & LG-20, Lower Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	447
	Rental payable by Berjaya Krispy Kreme Doughnuts Sdn Bhd ("Berjaya Krispy Kreme") for renting of showroom cum office at Lots 08-29, 08-30, 08-32 & 08-33, 8th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	25
	Rental payable by Berjaya Krispy Kreme for renting of kiosk at Lot LG19-C, Lower Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	99
	Rental payable by Berjaya College Sdn Bhd for renting of office premises at Lots 10-11, 10-12 & 10-12A, 10th Floor, and Lot 11-02A, 11th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	569
	Rental payable by Berjaya Hills Resort Berhad ("BHills") for renting of office premises at Lots 08-65, 08-66 & 08-67, 8th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	69
	Rental payable by BRegistration for renting of office premises at Lot 10-02A, 10th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	265
	Rental payable by Berjaya Higher Education Sdn Bhd ("Berjaya Higher Education") for renting of premises at Lot 14-01, 14th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	1,076
	Rental payable by Berjaya Higher Education for renting of shoplots at Lots 09-23, 09-24 & 09-25, 9th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	203
	Rental payable by RU Café for renting of office premises at Lot 09-05, 9th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	36
	Rental payable by Inter-Pacific Securities Sdn Bhd for renting of premises at rooftop, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	6
Total		4,637

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Berjaya Corporation Berhad ("BCorp") Group with the following Related Parties	Nature of transactions undertaken by BCorp and/or its unlisted subsidiary companies	Amount transacted during the financial year (RM'000)
Berjaya Media Berhad ("BMedia") and its unlisted subsidiaries		
BMedia	Provision of share registration services and printing to mailing by BRegistration	62
	Management fees receivable by BCorp for services rendered that include, inter-alia, the provision of finance, secretarial, internal audit and general administrative services	120
	Provision of human resource management services by EVA Management	16
Sun Media Corporation Sdn Bhd	Procurement of advertising and publishing services by the BCorp Group	590
	Provision of transportation services by Successline (M) Sdn Bhd and Securexpress Services Sdn Bhd ("Securexpress Services")	113
Total		901
7-Eleven Holdings Berhad and its unlisted subsidiary companies:		
7-Eleven Malaysia Sdn Bhd	Provision of transportation services by Securexpress Services	9,725
	Provision of share registration services and other related services by BRegistration	47
	Rental payable by Berjaya Channel Sdn Bhd ("Berjaya Channel") for renting of advertisement space at outlets of 7-Eleven.	600
	Provision of human resource management services by EVA Management	6
	Rental payable monthly by Boxit Holdings Sdn Bhd for placement of parcel lockers in 7-Eleven stores	72
Total		10,450

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Berjaya Corporation Berhad ("BCorp") Group with the following Related Parties	Nature of transactions undertaken by BCorp and/or its unlisted subsidiary companies	Amount transacted during the financial year (RM'000)
Other related parties:-		
MOL.com Sdn Bhd and its subsidiary companies (a)	Provision of human resource management services by EVA Management	2
Qinetics Solutions Sdn Bhd and its subsidiary company (a)	Purchase of hardware and networking equipment and receipt of information technology consultancy, maintenance, management and other services by the BCorp Group	1,379
	Provision of education and staff training services by Berjaya Education Sdn Bhd ("BEducation")	8
	Receipt of network hosting services by EVA Management	118
Roda Indah Sdn Bhd (a)	Loyalty reward fees receivable by BLoyalty for managing the loyalty card programme	1
	Provision of human resource management services by EVA Management	7
	Provision of education and staff training services by BEducation	2
	Supply of stationery products by IPTSB	11
U Mobile Sdn Bhd ("UMobile") (b)	Rental income receivable by BHills for renting of broadcasting facility at KM48, Persimpangan Bertingkat, Lebuhraya Karak, Bukit Tinggi, Bentong, Pahang	107
	Provision of printing and mailing services by BRegistration	1,568
	Loyalty reward fees receivable by BLoyalty for managing the loyalty card programme	2,362
	Rental income receivable by Stephens Properties Sdn Bhd for renting of premises at rooftop, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	29
	Provision of advertising services by Berjaya Channel	555
Berjaya Retail Berhad (a)	Provision of share registration services and printing to mailing by BRegistration	3
	Provision of human resource management services by EVA Management	5

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Berjaya Corporation Berhad ("BCorp") Group with the following Related Parties	Nature of transactions undertaken by BCorp and/or its unlisted subsidiary companies	Amount transacted during the financial year (RM'000)
Singer (Malaysia) Sdn Bhd (a)	Provision of education and staff training services by BEducation	4
	Supply of stationery products by IPTSB	500
Berjaya RadioShack Sdn Bhd (a)	Rental income receivable by Berjaya Books Sdn Bhd for renting of shoplot at Lot S-209, 2nd Floor, Garden Mall Mid Valley, Lingkaran Syed Putra, Kuala Lumpur	21
Deru Klasik Sdn Bhd (c)	Rental payable by RU Café for renting of shoplot at Lot G-09B, Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	199
Total		6,881
Grand Total		22,869

Notes:

- Company where Tan Sri Dato' Seri Vincent Tan Chee Yioun ("TSVT"), a major shareholder of the Company is deemed to have an interest.
- A company in which Dato' Sri Robin Tan Yeong Ching ("DSRTYC") has interests. TSVT is also a substantial shareholder of UMobile. TSVT is the father of DSRTYC.
- A company in which a person connected with TSVT has interest.

STATEMENT OF DIRECTORS' SHAREHOLDINGS

AS AT 30 JULY 2018

The Company

	NUMBER OF ORDINARY SHARES			
	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	1,113,850,808	22.85	1,203,424,148	24.69
	—	—	8,604,910 [#]	0.18
Dato' Sri Robin Tan Yeong Ching	2,289,532	0.05	645,107,122	13.23
	—	—	5,150 [#]	0.00
Chan Kien Sing	49,118	0.00	—	—
Vivienne Cheng Chi Fan	12,360	0.00	—	—
Dato' Sri Azlan Meah Bin Hj Ahmed Meah	5,703	0.00	—	—
Datuk Robert Yong Kuen Loke	1,051,545	0.02	—	—

NUMBER OF 5% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS 2012/2022 OF RM1.00 NOMINAL VALUE EACH

	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	174,713,065	27.09	123,736,700	19.18
	—	—	98,866,549 [#]	15.33
Dato' Sri Robin Tan Yeong Ching	2,620,500	0.41	66,329,000	10.28
	—	—	1,000 [#]	0.00
Chan Kien Sing	10,000	0.00	—	—
Vivienne Cheng Chi Fan	2,000	0.00	—	—
Nerine Tan Sheik Ping	132,000	0.02	—	—
Datuk Robert Yong Kuen Loke	2,516,508	0.39	—	—

NUMBER OF WARRANTS 2012/2022

	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	211,082,731	30.15	156,043,500	22.29
	—	—	1,500,000 [#]	0.21
Dato' Sri Robin Tan Yeong Ching	2,620,500	0.37	87,029,000	12.43
	—	—	1,000 [#]	0.00
Chan Kien Sing	10,000	0.00	—	—
Vivienne Cheng Chi Fan	2,000	0.00	—	—
Datuk Robert Yong Kuen Loke	170,108	0.02	—	—

NUMBER OF 2% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS 2016/2026 OF RM1.00 NOMINAL VALUE EACH

	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	102,627,780	99.80	—	—

NUMBER OF WARRANTS 2016/2026

	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	353,135,340	49.98	—	—

STATEMENT OF DIRECTORS' SHAREHOLDINGS AS AT 30 JULY 2018

Subsidiary companies

Berjaya Land Berhad

	NUMBER OF ORDINARY SHARES			
	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	69,150,400	1.39	3,912,086,872*	78.41
Dato' Sri Robin Tan Yeong Ching	600,000	0.01	56,600,000*	1.13
Nerine Tan Sheik Ping	2,000,000	0.04	—	—
Dato' Zurainah Binti Musa	680,000	0.01	—	—
Datuk Robert Yong Kuen Loke	360,808	0.00	—	—

Berjaya Sports Toto Berhad

	NUMBER OF ORDINARY SHARES			
	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	10,305,641	0.77	667,183,566*	49.53
Dato' Sri Robin Tan Yeong Ching	1,007,142	0.07	—	—
Vivienne Cheng Chi Fan	—	—	41,211#	0.00
Chan Kien Sing	3,610	0.00	—	—
Datuk Robert Yong Kuen Loke	123,667	0.00	—	—
Penelope Gan Paik Ling	10,000	0.00	—	—

Berjaya Food Berhad

	NUMBER OF ORDINARY SHARES			
	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	1,000,000	0.26	180,841,720*	48.04
Dato' Sri Robin Tan Yeong Ching	2,570,000	0.68	—	—

	NUMBER OF ORDINARY SHARES UNDER EMPLOYEES' SHARE SCHEME ("ESS")			
	Direct Interest	%	Deemed Interest	%

ESS Options

Dato' Sri Robin Tan Yeong Ching	1,224,000	0.33	—	—
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ESS Shares

Dato' Sri Robin Tan Yeong Ching	306,000	0.08	—	—
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STATEMENT OF DIRECTORS' SHAREHOLDINGS AS AT 30 JULY 2018

REDtone International Berhad	NUMBER OF ORDINARY SHARES			
	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	7,000,000	0.93	386,812,912*	51.66
Penelope Gan Paik Ling	100,000	0.01	—	—

	NUMBER OF 2.75% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS 2010/2020 OF RM1.00 NOMINAL VALUE EACH			
	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	—	—	45,129,450*	74.51

Notes:

* Indirect interests pursuant to Section 8 of the Companies Act 2016.

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

By virtue of his interests in the shares of Berjaya Corporation Berhad, Tan Sri Dato' Seri Vincent Tan Chee Yioun is also deemed interested in the shares of all the subsidiary companies of the Company to the extent the Company has an interest.

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

STATISTICS ON SHARES AND CONVERTIBLE SECURITIES

AS AT 30 JULY 2018

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Ordinary Shares	%
less than 100	8,723	11.87	262,233	0.01
100 - 1,000	24,414	33.22	9,979,039	0.20
1,001 - 10,000	24,163	32.88	83,101,457	1.71
10,001 - 100,000	13,217	17.98	406,998,409	8.35
100,001 - 243,729,151	2,978	4.05	3,721,921,041	76.35
243,729,152* and above	2	0.00	652,320,863	13.38
Total	73,497	100.00	4,874,583,042	100.00

Note: Each share entitles the holder to one vote.

* Denotes 5% of the total number of issued shares with voting rights.

THIRTY LARGEST SHAREHOLDERS

	Name of Shareholders	No. of Ordinary Shares	%
1	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee YOUN (EDG&CBD)	347,384,391	7.13
2	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	304,936,472	6.26
3	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee YOUN (8087489)	178,218,403	3.66
4	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Malayan Banking Berhad (MBB2 SWAP-M)	164,800,000	3.38
5	Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	128,235,000	2.63
6	Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee YOUN	107,544,681	2.21
7	BBL Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee YOUN	93,000,000	1.91
8	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Bright Sdn Bhd (fka Sublime Cartel Sdn Bhd) (41408491163A)	70,040,000	1.44
9	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	68,183,118	1.40
10	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee YOUN (MGN-VTC0001M)	60,209,560	1.24
11	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account - Ambank (M) Berhad For Premier Merchandise Sdn Bhd	53,418,845	1.10
12	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Bright Sdn Bhd (fka Sublime Cartel Sdn Bhd) (AS0052)	51,500,000	1.06
13	Cartaban Nominees (Asing) Sdn Bhd Exempt An For State Street Bank & Trust Company (West CLT OD67)	48,984,923	1.00

STATISTICS ON SHARES AND CONVERTIBLE SECURITIES

AS AT 30 JULY 2018

	Name of Shareholders	No. of Ordinary Shares	%
14	Premier Merchandise Sdn Bhd	46,800,000	0.96
15	HSBC Nominees (Asing) Sdn Bhd JPMCB NA For Vanguard Total International Stock Index Fund	43,539,114	0.89
16	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	42,150,000	0.86
17	Citigroup Nominees (Asing) Sdn Bhd CBNY For Dimensional Emerging Markets Value Fund	42,004,978	0.86
18	HSBC Nominees (Asing) Sdn Bhd JPMCB NA For Vanguard Emerging Markets Stock Index Fund	40,686,589	0.83
19	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	40,654,100	0.83
20	Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank For Tan Sri Dato' Seri Vincent Tan Chee Yioun (PBCL-0G0361)	40,000,000	0.82
21	BBL Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Gemtech (M) Sdn Bhd	39,850,000	0.82
22	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (OD Facility)	39,819,800	0.82
23	Citigroup Nominees (Asing) Sdn Bhd CBNY For Emerging Market Core Equity Portfolio DFA Investment Dimensions Group Inc	37,819,283	0.78
24	Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (01-00856-003)	37,056,052	0.76
25	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account - Ambank (M) Berhad For Hotel Resort Enterprise Sdn Bhd	36,812,064	0.76
26	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (Singer CBM)	36,200,000	0.74
27	Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Superior Structure Sdn Bhd	36,153,000	0.74
28	Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (01-00820-000)	36,050,000	0.74
29	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Bright Sdn Bhd (fka Sublime Cartel Sdn Bhd) (3002208)	35,606,000	0.73
30	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	33,608,900	0.69
		2,341,265,273	48.05

STATISTICS ON SHARES AND CONVERTIBLE SECURITIES

AS AT 30 JULY 2018

ANALYSIS OF 5% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS 2012/2022 ("5% ICULS")

Size of 5% ICULS Shareholdings	No. of 5% ICULS Holders	%	No. of 5% ICULS	%
less than 100	164	3.92	7,769	0.00
100 - 1,000	1,280	30.57	826,783	0.13
1,001 - 10,000	1,587	37.90	6,983,533	1.08
10,001 - 100,000	831	19.85	29,508,225	4.57
100,001 - 32,249,909	321	7.66	401,027,268	62.18
32,249,910* and above	4	0.10	206,644,615	32.04
Total	4,187	100.00	644,998,193	100.00

* Denote 5% of the 5% ICULS outstanding.

THIRTY LARGEST 5% ICULS HOLDERS

	Name of 5% ICULS Holders	No. of 5% ICULS	%
1	Cimsec Nominees (Tempatan) Sdn Bhd CIMB For Rayvin Tan Yeong Sheik (PB)	76,826,449	11.91
2	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (EDG&CBD)	58,430,866	9.06
3	Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	36,103,300	5.60
4	Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	35,284,000	5.47
5	Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Superior Structure Sdn Bhd	19,351,000	3.00
6	Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank For Rayvin Tan Yeong Sheik (PBCL-0G0022)	19,349,000	3.00
7	Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (01-00856-003)	18,737,899	2.91
8	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (MGN-VTC0001M)	18,297,000	2.84
9	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (MX3999)	18,000,000	2.79
10	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account - Ambank (M) Berhad For Hotel Resort Enterprise Sdn Bhd	15,623,000	2.42
11	Wong Yoke Lian	14,111,000	2.19
12	Teo Kwee Hock	10,302,400	1.60
13	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Bright Sdn Bhd (fka Sublime Cartel Sdn Bhd) (41408491163A)	10,000,000	1.55
14	Lim Khuan Eng	9,203,900	1.43
15	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (8087489)	9,100,000	1.41

STATISTICS ON SHARES AND CONVERTIBLE SECURITIES

AS AT 30 JULY 2018

	Name of 5% ICULS Holders	No. of 5% ICULS	%
16	Ho Chu Chai	8,920,100	1.38
17	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Bright Sdn Bhd (fka Sublime Cartel Sdn Bhd) (3002208)	8,830,000	1.37
18	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account - Ambank (M) Berhad For Hotel Resort Enterprise Sdn Bhd (CIB057)	8,455,000	1.31
19	Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (01-00856-004)	7,500,000	1.16
20	Ho Chu Chai	7,335,800	1.14
21	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teo Siew Lai	6,919,000	1.07
22	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For B & B Enterprise Sdn Bhd	5,880,000	0.91
23	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teo Kwee Hock	5,518,600	0.86
24	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (OD Facility)	5,444,000	0.84
25	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	5,000,000	0.78
26	Berjaya Bright Sdn Bhd (fka Sublime Cartel Sdn Bhd)	4,920,000	0.76
27	Tan Lee Hwa	4,500,000	0.70
28	Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank For Teo Ah Seng (PBCL-0G0241)	4,002,200	0.62
29	Palmo Enterprises Sdn Berhad	4,000,000	0.62
30	Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For HQZ Credit Sdn Bhd (01-00856-002)	3,682,000	0.57
		459,626,514	71.27

STATISTICS ON SHARES AND CONVERTIBLE SECURITIES

AS AT 30 JULY 2018

ANALYSIS OF WARRANTS HOLDERS ("WARRANT 2012/2022")

Size of Warrant 2012/2022 Holdings	No. of Warrant 2012/2022 Holders	%	No. of Warrants 2012/2022	%
less than 100	194	4.69	9,110	0.00
100 - 1,000	1,302	31.49	805,453	0.12
1,001 - 10,000	1,391	33.64	5,847,995	0.84
10,001 - 100,000	823	19.90	34,388,900	4.91
100,001 - 35,004,291	422	10.21	416,935,653	59.55
35,004,292* and above	3	0.07	242,098,731	34.58
Total	4,135	100.00	700,085,842	100.00

* Denote 5% of the Warrant 2012/2022 outstanding.

THIRTY LARGEST WARRANT 2012/2022 HOLDERS

Name of Warrant 2012/2022 Holders	No. of Warrant 2012/2022	%
1 Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	95,560,166	13.65
2 CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (49877 PDZM)	76,538,565	10.93
3 Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd	70,000,000	10.00
4 Cimsec Nominees (Tempatan) Sdn Bhd Exempt An For CIMB Commerce Trustee Berhad (PB-BTR2077)	29,920,149	4.27
5 Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (01-00856-003)	25,000,000	3.57
6 Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Arsam Bin Damis (AA0023)	19,500,000	2.79
7 CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Superior Structure Sdn Bhd (CBM4-TSVTCY)	19,351,000	2.76
8 Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account - Ambank (M) Berhad For Premier Merchandise Sdn.Bhd.	17,047,000	2.43
9 CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Hotel Resort Enterprise Sdn Bhd (TVTCY)	15,000,000	2.14
10 HLIB Nominees (Tempatan) Sdn Bhd Hong Leong Bank Bhd For Lau Sie Kuong	8,888,800	1.27
11 Cimsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lau Sie Kuong (Kuching)	8,500,000	1.21
12 Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank For Mak Ngia Ngia @ Mak Yoke Lum (MM0749)	8,333,500	1.19
13 Cheah Lai Peng	8,000,000	1.14

STATISTICS ON SHARES AND CONVERTIBLE SECURITIES

AS AT 30 JULY 2018

	Name of Warrant 2012/2022 Holders	No. of Warrant 2012/2022	%
14	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Bright Sdn Bhd (fka Sublime Cartel Sdn Bhd) (3002208)	7,966,700	1.14
15	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tang Sing Ling	7,958,800	1.14
16	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Pantai Cemerlang Sdn Bhd	6,400,000	0.91
17	Chin Chin Seong	6,030,000	0.86
18	Inter-Pacific Equity Nominees (Asing) Sdn Bhd Berjaya Philippines Inc	6,000,000	0.86
19	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (OD Facility)	5,444,000	0.78
20	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For B & B Enterprise Sdn Bhd	5,380,000	0.77
21	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (8087489)	5,100,000	0.73
22	Maybank Nominees (Tempatan) Sdn Bhd Jonathan Ting Ge	4,800,000	0.69
23	Lim Boon Liat	4,250,000	0.61
24	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lim Chee Seong (CEB)	4,000,000	0.57
25	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Cha Ah Phoo @ Cheah Ah Phoo	3,694,971	0.53
26	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account For HQZ Credit Sdn Bhd (MGN-IBO0001M)	3,682,000	0.53
27	Berjaya Times Square Sdn Bhd	3,313,000	0.47
28	Gemtech (M) Sdn Bhd	3,066,700	0.44
29	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Cheah Lai Peng	3,000,000	0.43
30	Chow Thin Khe	2,770,000	0.40
		484,495,351	69.21

STATISTICS ON SHARES AND CONVERTIBLE SECURITIES

AS AT 30 JULY 2018

ANALYSIS OF 2% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS 2016/2026 ("2% ICULS")

Size of 2% ICULS Shareholdings	No. of 2% ICULS Holders	%	No. of 2% ICULS	%
less than 100	–	0.00	–	0.00
100 - 1,000	73	85.88	71,800	0.07
1,001 - 10,000	4	4.71	14,300	0.01
10,001 - 100,000	3	3.53	123,200	0.12
100,001 - 5,141,853	–	0.00	–	0.00
5,141,854* and above	5	5.88	102,627,780	99.80
Total	85	100.00	102,837,080	100.00

* Denote 5% of the 2% ICULS outstanding.

THIRTY LARGEST 2% ICULS HOLDERS

	Name of 2% ICULS Holders	No. of 2% ICULS	%
1	Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	39,675,000	38.58
2	Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (01-00856-003)	28,665,780	27.87
3	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	16,077,000	15.63
4	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (MGN-VTC0001M)	12,390,000	12.05
5	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	5,820,000	5.66
6	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Arsam Bin Damis (AA0023)	87,000	0.08
7	Lee Eng Min	25,000	0.02
8	Chew Kuang Hui	11,200	0.01
9	Ling Hei Sic	5,000	0.00
10	Lew Kin Meng	4,400	0.00
11	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chan Ah Ngau	2,800	0.00
12	Ng Yong Jian	2,100	0.00
13	Loy Soo Fong	1,000	0.00
14	Lim Kwi Neo	1,000	0.00
15	Lim Ah Choo	1,000	0.00
16	Marshitah Binti Abdul Rahim	1,000	0.00
17	Mohamad Nasir Bin Mohd Yusoff	1,000	0.00
18	Chai Lay Hong	1,000	0.00
19	Lee May Yee	1,000	0.00

STATISTICS ON SHARES AND CONVERTIBLE SECURITIES

AS AT 30 JULY 2018

	Name of 2% ICULS Holders	No. of 2% ICULS	%
20	Lim Kheng Kuan	1,000	0.00
21	Ong Choo Eng	1,000	0.00
22	Goh Sie Chin	1,000	0.00
23	Ernest Lau Lub Ding	1,000	0.00
24	Lim Seed Ling	1,000	0.00
25	Chong Li Chun	1,000	0.00
26	Hoon Seong Ong	1,000	0.00
27	Lee Hor Choo	1,000	0.00
28	Tan Thiam Chai	1,000	0.00
29	Goh Siew Lian	1,000	0.00
30	Yip Wai Yee	1,000	0.00
		<hr/>	
		102,783,280	99.90

STATISTICS ON SHARES AND CONVERTIBLE SECURITIES

AS AT 30 JULY 2018

ANALYSIS OF WARRANTS HOLDERS ("WARRANT 2016/2026")

Size of Warrant Holdings	No. of Warrant 2016/2026 Holders	%	No. of Warrant 2016/2026	%
less than 100	1	0.12	40	0.00
100 - 1,000	84	9.92	79,400	0.01
1,001 - 10,000	65	7.67	534,300	0.07
10,001 - 100,000	371	43.80	21,032,400	2.98
100,001 - 35,324,833	324	38.25	438,500,540	62.07
35,324,834* and above	2	0.24	246,350,000	34.87
Total	847	100.00	706,496,680	100.00

* Denote 5% of the Warrant 2016/2026 outstanding.

THIRTY LARGEST WARRANT 2016/2026 HOLDERS

Name of Warrant 2016/2026 Holders	No. of Warrant 2016/2026	%
1 Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	180,000,000	25.48
2 Scotia Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	66,350,000	9.39
3 Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	26,154,000	3.70
4 MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (MGN-VTC0001M)	24,780,000	3.51
5 Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (8087489)	24,119,780	3.41
6 RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chan Seng Fatt	23,000,000	3.26
7 Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun	20,000,000	2.83
8 Nga Kor Kian	18,000,000	2.55
9 Lim Bee San	12,000,000	1.70
10 Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For Tan Sri Dato' Seri Vincent Tan Chee Yioun (01-00856-003)	11,731,560	1.66
11 Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank For Lee Chong Choon (MP0059)	10,800,000	1.53
12 HSBC Nominees (Tempatan) Sdn Bhd Exempt An For Morgan Stanley & Co. International PLC (PWM ACSDA R)	9,623,400	1.36
13 RHB Nominees (Tempatan) Sdn Bhd Tan Choon Piew	9,200,000	1.30

STATISTICS ON SHARES AND CONVERTIBLE SECURITIES

AS AT 30 JULY 2018

	Name of Warrant 2016/2026 Holders	No. of Warrant 2016/2026	%
14	Maybank Nominees (Tempatan) Sdn Bhd Jonathan Ting Ge	8,800,000	1.25
15	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Exempt An For Bank Of Singapore Limited	8,006,400	1.13
16	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chuah Chaw Song (REM 166-Margin)	8,000,000	1.13
17	Soo Meng Chong Holdings Sdn Bhd	7,480,000	1.06
18	Gooi Seong Chneh	7,000,000	0.99
19	Chang Jiah Horng	7,000,000	0.99
20	Cimsec Nominees (Tempatan) Sdn Bhd CIMB For Lee Soi Gek (PB)	6,500,000	0.92
21	Teo Ah Seng	6,282,100	0.89
22	Lee Chong Choon	5,337,300	0.76
23	Maybank Nominees (Tempatan) Sdn Bhd Chuah Min-Min	4,900,000	0.69
24	Soo Kim Teng	4,745,000	0.67
25	Khoo Kooi Chiew	4,515,000	0.64
26	Chuah Seong Tat @ Chuah Chee Tat	4,376,000	0.62
27	Cimsec Nominees (Tempatan) Sdn Bhd CIMB For Teo Ah Seng (PB)	4,000,000	0.57
28	Lim Teck Hee	3,740,000	0.53
29	Gan Paul @ Paul Gan	3,500,000	0.50
30	Tong Soon Moi	2,700,000	0.38
		532,640,540	75.40

SUBSTANTIAL SHAREHOLDERS

AS AT 30 JULY 2018

Name	NUMBER OF ORDINARY SHARES			
	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	1,113,850,808	22.85	1,203,424,148(a)	24.69
Hotel Resort Enterprise Sdn Bhd	644,952,622	13.23	—	—
Dato' Sri Robin Tan Yeong Ching	2,289,532	0.05	645,107,122(b)	13.23

(a) Deemed interested by virtue of his interests in Ascot Sports Sdn Bhd, Hotel Resort Enterprise Sdn Bhd, Nostalgia Kiara Sdn Bhd, Superior Structure Sdn Bhd, Berjaya Assets Berhad, (the holding company of Berjaya Bright Sdn Bhd (fka Sublime Cartel Sdn Bhd) and Berjaya Times Square Sdn Bhd), Berjaya Media Berhad (the holding company of Gemtech (M) Sdn Bhd), B & B Enterprise Sdn Bhd (the holding company of Lengkap Bahagia Sdn Bhd and the ultimate holding company of Nautilus Corporation Sdn Bhd), HQZ Credit Sdn Bhd (the ultimate holding company of Desiran Unggul Sdn Bhd and Premier Merchandise Sdn Bhd) and MOL.com Sdn Bhd (the ultimate holding company of Lim Kim Hai Sales & Services Sdn Bhd) and his deemed interests in Berjaya Infrastructure Sdn Bhd and Berjaya Sompo Insurance Berhad.

(b) Deemed interested by virtue of his interests in Ascot Sports Sdn Bhd and Hotel Resort Enterprise Sdn Bhd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting ("AGM") of Berjaya Corporation Berhad will be held at Perdana Ballroom, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 22 October 2018 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 year ended 30 April 2018 and the Directors' and Auditors' Reports thereon.
2. To approve the payment of Directors' fees amounting to RM288,000.00 to the Non-Executive Directors of the Company for the period from 23 October 2018 until the next AGM of the Company to be held in year 2019. **RESOLUTION 1**
3. To approve the payment of Director's fee amounting to RM28,208.22 to the Non-Executive Director of the Company for the period from 30 March 2018 until the forthcoming Seventeenth AGM of the Company. **RESOLUTION 2**
4. To approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company up to an amount of RM244,000.00 for the period from 23 October 2018 until the next AGM of the Company to be held in 2019. **RESOLUTION 3**
5. To re-elect the following Directors who retire pursuant to the Company's Articles of Association:-
 - I) Article 94 – Retirement by Rotation
 - (a) Dato' Sri Robin Tan Yeong Ching **RESOLUTION 4**
 - (b) Dato' Zurainah Binti Musa **RESOLUTION 5**
 - (c) Chan Kien Sing **RESOLUTION 6**
 - (d) Dr Jayanthi Naidu A/P G. Danasamy **RESOLUTION 7**
 - II) Article 100 – Retirement by Casual Vacancy
 - (e) Tan Sri Dato' Seri Vincent Tan Chee Yioun **RESOLUTION 8**
 - (f) Penelope Gan Paik Ling **RESOLUTION 9**
6. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. **RESOLUTION 10**
7. As special business:-

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 Articles of Association of the Company 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."

RESOLUTION 11

NOTICE OF ANNUAL GENERAL MEETING

(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 29 August 2018 ("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."

RESOLUTION 12

(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 Memorandum and Articles of Association, 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 ("BCorporation Shares") through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories accounts 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;

NOTICE OF ANNUAL GENERAL MEETING

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 BCorporation Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any BCorporation Shares so purchased by the Company in the following manner:-

- (a) cancel all the BCorporation Shares so purchased; or
- (b) retain all the BCorporation 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."

RESOLUTION 13

By Order of the Board

THAM LAI HENG MICHELLE
(MAICSA 7013702)
Secretary

Kuala Lumpur
29 August 2018

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' Fee and Directors' Remuneration

Section 230(1) of the CA 2016 provides that the '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 Resolutions 1 to 3.

The quantum of the Directors' fees proposed for the period from 23 October 2018 until the next AGM of the Company are also the same as the quantum paid for each of the Non-Executive directors in the financial year ended 30 April 2018 and assuming that all the Non-Executive Directors will hold office until the end of the next AGM in 2019.

NOTICE OF ANNUAL GENERAL MEETING

Following the appointment of Ms Penelope Gan Paik Ling as an Independent Non-Executive Director of the Company with effect from 30 March 2018, the Director's fee payable to Ms Penelope Gan Paik Ling was pro-rated from 30 March 2018 (Date of Appointment) until the forthcoming Seventeenth AGM.

The current Directors' remuneration (excluding Directors' fees) payable to the Non-Executive Directors for the Company comprises of meeting allowances, benefits-in-kind and other emoluments.

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 as well as the number of Non-Executive Directors involved in these meetings. The estimated amount of remuneration also caters for unforeseen circumstances, for example, the appointment of additional Directors, additional unscheduled Board meetings and/or the formation of additional Board Committees.

The proposed Resolutions 1 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 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 CA 2016

Resolution 11 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 CA 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 AGM 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 AGM held on 26 October 2017 and which will lapse at the conclusion of the Seventeenth AGM.

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

Resolution 12, 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 29 August 2018 which is despatched together with the Company's 2018 Annual Report.

5. Proposed Renewal of Authority for the Company to purchase its own shares

Resolution 13, 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 29 August 2018 which is despatched together with the Company's 2018 Annual Report.

NOTICE OF ANNUAL GENERAL MEETING

6. 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 of the Company.
- 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 15 October 2018 shall be entitled to attend and vote at the meeting.

7. 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.

FORM OF PROXY

BERJAYA CORPORATION BERHAD
(Company No. 554790-X)

I/We _____
(Name in full)

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

of _____
(Address)

being a member/members of BERJAYA CORPORATION BERHAD

hereby appoint: _____ I/C No. _____ of
(Name in full) (New and Old I.C. Nos.)

_____ (Address)

or failing him/her, _____ I/C No. _____ of
(Name in full) (New and Old I.C. Nos.)

_____ (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 Seventeenth 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, 22 October 2018 at 10.00 a.m. and at any adjournment thereof.

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

		FOR	AGAINST
RESOLUTION 1	- To approve the payment of Directors' Fees for the period from 23 October 2018 until the next AGM of the Company.		
RESOLUTION 2	- To approve the payment of Directors' Fees for the period from 30 March 2018 until the forthcoming AGM of the Company.		
RESOLUTION 3	- To approve the payment of Directors' Remuneration (excluding Directors' Fees) for the period from 23 October 2018 until the next AGM of the Company.		
RESOLUTION 4	- To re-elect Dato' Sri Robin Tan Yeong Ching as Director.		
RESOLUTION 5	- To re-elect Dato' Zurainah Binti Musa as Director.		
RESOLUTION 6	- To re-elect Chan Kien Sing as Director.		
RESOLUTION 7	- To re-elect Dr Jayanthi Naidu A/P G. Danasamy as Director.		
RESOLUTION 8	- To re-elect Tan Sri Dato' Seri Vincent Tan Chee Yioun as Director.		
RESOLUTION 9	- To re-elect Penelope Gan Paik Ling as Director.		
RESOLUTION 10	- To re-appoint Auditors.		
RESOLUTION 11	- To approve authority to issue and allot shares.		
RESOLUTION 12	- To renew and to seek shareholders' mandate for Recurrent Related Party Transactions.		
RESOLUTION 13	- To renew authority for the Company to purchase its own shares.		

No. of shares held

Signature(s)/Common Seal of Member(s)

Dated this day of, 2018.

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 of the Company.
- (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.
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- (7) Only members whose names appear in the Record of Depositors as at 15 October 2018 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 CORPORATION BERHAD**

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

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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, Malaysia

Tel: 03-2149 1999 Fax: 03-2143 1685

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