



BERJAYA

BERJAYA SPORTS TOTO BERHAD

(Company No. 9109-K)

برجاي سפורتس توتو برحد

成功多多博彩有限公司

**ANNUAL
REPORT
2013**





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 the 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.

OUR MISSION AND VISION

To generate consistently profitable returns for our shareholders from investments in core business activities:

- By providing direction, financial resources and management support for each operating unit;
- Through establishing a major market presence for each activity;
- Through dynamic and innovative management, teamwork and a commitment to excellence.

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CORPORATE PROFILE

Berjaya Sports Toto Berhad ("BToto") was incorporated in 1969 as Unilite Electrical Industries Berhad. The Company changed its name to Far East Asset Berhad in 1987. On 31 October 1992, the Company completed its acquisition of the entire issued and paid-up share capital of 112,522,500 ordinary shares of 50 sen each in Sports Toto Malaysia Sdn Bhd ("Sports Toto") for a purchase consideration of RM600 million through an issue of RM390.97 million 9% nominal amount of RM1.00 Redeemable Convertible Unsecured Loan Stocks 1992/97 in the Company and the balance in cash of RM209.03 million. On 17 May 1993, the Company was renamed Berjaya Sports Toto Berhad.

The principal activities of the Group are:

- operation of Toto betting under Section 5 of the Pool Betting Act, 1967;
- leasing of on-line lottery equipment and provision of software support;
- manufacture and distribution of computerised lottery and voting systems;
- property investment and development;
- operation of health and fitness centre;
- operation of hotel;
- investment holding; and
- asset management (trustee manager).

The history of Sports Toto began in 1969 when it was incorporated to run the Toto betting business. It was essentially the Government's effort to raise funds to promote and develop sports, youth and cultural activities.

Sports Toto was privatised in 1985 when its Chief Executive Officer, Tan Sri Dato' Seri Vincent Tan Chee Yioun, through his private company acquired 70% of the paid-up capital.

Sports Toto's financial growth over the past 27 years after its privatisation in 1985 is highlighted below:

	30/4/13 (Million)		31/12/85 (Million)		27 Years' Annualised Increase (%)
	RM	US\$	RM	US\$	
Revenue	3,441.8	1,136.5	76.0	21.3	164.0
Pre-tax Profit	561.7	185.5	5.0	1.4	412.4
Equity Funds	411.6	135.9	1.0	0.3	1,520.7
Total Assets	1,361.1	449.4	12.7	3.6	393.2

Exchange rate as at 30 April 2013: US\$1.00 : RM3.0285

Sports Toto offers 7 games which are drawn 3 days in a week.

Internationally, BToto operates in the Philippines through its subsidiary Berjaya Philippines Inc. ("BPI") which is listed on the Philippine Stock Exchange. Its wholly-owned subsidiary, Philippine Gaming Management Corporation ("PGMC") supplies and maintains a computerised on-line lottery system and software support to Philippine Charity Sweepstakes Office ("PCSO") in Luzon Island, Philippines. BPI through Perdana Hotel Philippines Inc ("PHPI"), runs and manages Berjaya Makati Hotel in Makati City, Philippines.

In the USA, BToto's subsidiary, International Lottery & Totalizator Systems, Inc. ("ILTS") provides computerised wagering equipment and systems to the online lottery and pari-mutuel racing industries worldwide and voting jurisdictions in the USA.

The Group has a total employee strength of 932 as at 30 April 2013.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

Cheah Tek Kuang

Chief Executive Officer

Dato' Robin Tan Yeong Ching

Executive Directors

Freddie Pang Hock Cheng
Chan Kien Sing
Seow Swee Pin

Non-Executive Directors

Dato' Dickson Tan Yong Loong
Mohamed Saleh Bin Gomu
Datuk Robert Yong Kuen Loke

AUDIT COMMITTEE

Chairman/Independent Non-Executive Director

Cheah Tek Kuang

Independent/ Non-Executive Directors

Mohamed Saleh Bin Gomu
Datuk Robert Yong Kuen Loke

SECRETARIES

Su Swee Hong
(MAICSA No. 0776729)
Tham Lai Heng, Michelle
(MAICSA No. 7013702)

SHARE REGISTRAR

Berjaya Registration Services Sdn Bhd
Lot 06-03, Level 6 (East Wing)
Berjaya Times Square
No. 1 Jalan Imbi
55100 Kuala Lumpur
Tel : 03-2145 0533
Fax : 03-2145 9702

AUDITORS

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

REGISTERED OFFICE

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

PRINCIPAL BANKERS

Malayan Banking Berhad
CIMB Bank Berhad

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market

STOCK SHORT NAME

BJTOTO (1562)

PLACE OF INCORPORATION AND DOMICILE

Malaysia



PROFILE OF DIRECTORS



CHEAH TEK KUANG

66 years of age, Malaysian
Chairman
(Independent/Non-Executive Director)

He was appointed to the Board on 25 July 2012 as the Chairman. He graduated with a Bachelor of Economics (Honours) from the University of Malaya and is a Fellow of the Institute of Bankers Malaysia. He was appointed the Justice of Peace by His Royal Majesty the Sultan of Selangor in 1999. He joined the AmBank Group in 1978 and he retired as the Group Managing Director on 1 April 2012.

Currently, he still continues to be active in the banking industry and serves as a Non-Executive Director of AmBank (M) Berhad, AmInvestment Bank Berhad and AmIslamic Bank Berhad. Prior to joining the AmBank Group he was with Malaysian Industrial Development Authority.

He is presently a member of the Board of IOI Corporation Berhad. He is also the Alternate Chairman of the Malaysian Investment Banking Association. He also holds directorships in Danajamin Nasional Berhad, UMW Oil & Gas Corporation Berhad and Cagamas Holdings Bhd.

Cheah Tek Kuang is the Chairman of the Audit Committee, Remuneration Committee, Risk Management Committee and Nomination Committee of the Company.

He was appointed to the Board on 21 February 1998 as an Executive Director and subsequently, was appointed as the Chief Executive Officer of the Company on 21 December 2006. 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 and Chief Executive Officer of Berjaya Corporation Berhad and an Executive Director of Sports Toto Malaysia Sdn Bhd. He is the Executive Chairman of Berjaya Food Berhad and the Chairman of Berjaya Media Berhad, Sun Media Corporation Sdn Bhd and Informatics Education Limited, Singapore. He is also a Director of Atlan Holdings Bhd, Berjaya Sampo Insurance Berhad, Berjaya Golf Resort Berhad and KDE Recreation Berhad. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

His cousin, Dato' Dickson Tan Yong Loong, is also a member of the Board while his father, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company.

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



DATO' ROBIN TAN YEONG CHING

39 years of age, Malaysian
Chief Executive Officer
(Non-Independent)

PROFILE OF DIRECTORS



FREDDIE PANG HOCK CHENG

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

He was appointed to the Board on 1 December 1992. He began his career with a predecessor firm of Messrs Ernst & Young where he worked for seven years until 1982 during which he qualified for entry as a member of the Malaysian Institute of Certified Public Accountants. He is also a member of the Malaysian Institute of Accountants. Thereafter, he joined the Corporate Advisory Department of Malaysian International Merchant Bankers Berhad where he was actively involved in a wide variety of corporate exercises in an advisory capacity until his departure in 1990 to join Berjaya Group Berhad.

He is currently the Chairman of Intan Utilities Berhad, an Executive Director of Berjaya Corporation Berhad and a Director of Berjaya Group Berhad, Berjaya Vacation Club Berhad and TMC Life Sciences Berhad. He also holds directorships in several other private limited companies.

He was appointed to the Board on 1 December 1992. 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 AmMerchant Bank Berhad) specialising in corporate finance until 1989 when he joined Berjaya Group Berhad.

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



CHAN KIEN SING

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



SEOW SWEE PIN

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

He was appointed to the Board 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 and Chairman of Philippine Gaming Management Corporation. He is also a Director of Berjaya Philippines Inc. and several other private limited companies.

Seow Swee Pin is a member of the Risk Management Committee of the Company.

He was appointed to the Board on 15 March 2011. He graduated with a Bachelor of Science (Honours) in Business Management from King's College, University of London, United Kingdom in 2002. He obtained a Master of Science in Internal Auditing and Management from Cass Business School, City University, United Kingdom in 2003.

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

He also holds directorships in Tropicana Golf & Country Resort Berhad, TT Resources Berhad, Berjaya Corporation Berhad, Berjaya Land Berhad and Berjaya Assets Berhad.

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

His cousin, Dato' Robin Tan Yeong Ching, is also a member of the Board while his uncle, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company.



DATO' DICKSON TAN YONG LOONG

32 years of age, Malaysian
(Non-Independent/ Non-Executive)

PROFILE OF DIRECTORS



MOHAMED SALEH BIN GOMU

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

He was appointed to the Board on 22 December 1999 as an Independent Non-Executive Director. He joined Polis Diraja Malaysia ("PDRM") as an Inspector in June 1970 and left for England to further his studies in 1981. He graduated with a Bachelor of Laws (Hons) Degree in 1982 and obtained a Certificate in Legal Practice in 1984. Upon graduation, he continued to serve PDRM in various capacities including as a Staff Officer in the Special Branch, Officer-in-charge of Prosecution (Lower Courts) Kuala Lumpur and Officer-in-charge of Brickfields Police District. Before his optional retirement in June 1992, he was Head of the INTERPOL/National Central Bureau Secretariat. Soon after his retirement, he went into private legal practice.

Mohamed Saleh Bin Gomu is a member of the Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee of the Company.

He was appointed to the Board on 1 December 1992. He is a Fellow member of The Institute of Chartered Accountants in England and Wales and a member of The Institute of Certified Public Accountants of Singapore 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 for more than five years in chartered accounting firms in London. Subsequently, he was with Price Waterhouse, Singapore from 1979 to 1982. From 1983 to 1986, he served as Group Finance Manager in UMW Holdings Berhad and Group Treasurer in Edaran Otomobil Nasional Bhd. He joined Berjaya Group of companies in 1987 until his retirement as Executive Director on 30 November 2007 and is currently an Independent Non-Executive Director of the Company.

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

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



DATUK ROBERT YONG KUEN LOKE

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

Save as disclosed, none of the Directors have:

- 1. any family relationship with any Director and/or major shareholder of the Company;*
- 2. any conflict of interest with the Company; and*
- 3. any convictions for offences within the past 10 years other than traffic offences.*

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Berjaya Sports Toto Berhad ("BToto"), I am pleased to present to you the Annual Report and Audited Financial Statements for the financial year ended 30 April 2013.

FINANCIAL RESULTS

For the financial year under review, the Group registered an increase in revenue to RM3.63 billion from RM3.61 billion in the previous financial year. Group pre-tax profit decreased 1.66% to RM569.53 million as compared to RM579.15 million in the previous financial year mainly due to higher operating expenses incurred by the Group during the financial year ended 30 April 2013. The decrease, however, was mitigated by the gain on disposal of certain quoted and unquoted investments in the financial year under review.

DIVIDEND

For the financial year ended 30 April 2013, BToto had declared and paid / distributed four interim dividends of an aggregate of 28 sen single tier exempt dividend (inclusive of share dividend distribution equivalent to 9.5 sen per share). The total dividend distribution in respect of the financial year ended 30 April 2013 was RM372.91 million representing about 95% of the attributable profit of the Group.

The dividend distribution is consistent with BToto's dividend policy of distributing at least 75% of its Group's annual net earnings to shareholders. BToto will continue to maintain its 75% dividend policy subject to factors such as availability of distributable reserves as well as the Group's cash flow requirements.

SIGNIFICANT CORPORATE DEVELOPMENTS

1. On 5 June 2012, BToto announced the proposed transfer of 100% equity interest in its wholly-owned subsidiary, Sports Toto Malaysia Sdn Bhd ("Sports Toto") for a consideration of RM6 billion to a business trust to be constituted and registered in Singapore to be known as Sports

Toto Malaysia Trust ("STM-Trust") and thereafter, the proposed listing of up to 4.89 billion STM-Trust units on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Proposed Business Trust").

Approvals from Ministry of Finance (Malaysia), Controller of Foreign Exchange of Bank Negara (Malaysia), holders of the Medium Term Notes, SGX-ST, Shareholders of BToto and The Monetary Authority of Singapore have been obtained for the Proposed Business Trust. On 20 August 2013, BToto submitted an application to SGX-ST to seek for further extension of validity period of the conditional eligible-to-list by additional 3 months to 10 December 2013.

2. On 12 July 2012, FEAB Properties Sdn Bhd, a wholly-owned subsidiary company of BToto disposed of its 17.19% entire interest in Cassis International Pte Ltd, Singapore, for a consideration of about USD4.3 million (or about RM13.7 million).
3. On 18 July 2013, BPI announced that it had made a cash offer to acquire the entire issued and to be issued share capital of H.R. Owen Plc ("H.R. Owen") not already owned by BPI for approximately £23.4 million (equivalent to about RM113.70 million) at an offer price of 130 pence per H.R. Owen share ("Offer"). H.R. Owen is listed on the London Stock Exchange. Prior to the Offer, BPI holds approximately 7.04 million shares representing 29.81% equity interest in H.R. Owen. The offer period of the Offer has been extended and will close on 16 September 2013.



A toto draw in progress.



4D Jackpot.

CHAIRMAN'S STATEMENT

REVIEW OF OPERATIONS

Malaysia

Sports Toto Malaysia Sdn Bhd ("Sports Toto") recorded an increase in revenue of 0.3% and pre-tax profit of 7.7% respectively as compared to the previous financial year.

During the financial year under review, the highest jackpot winnings within their respective game categories were Supreme Toto 6/58's RM47.53 million and Power Toto 6/55's RM41.43 million. A popular Jackpot game among betting customers, Toto 4D Jackpot first prize winning of RM20.75 million was the highest among 12 jackpot first prizes won in its category in the same year. To date, the highest Jackpot ever won in Malaysian history was Supreme Toto 6/58 of RM57.18 million in early 2012.

The upgrading of the online lottery central system pursuant to an agreement that was signed with International Lottery & Totalizator Systems, Inc. ("ILTS") in December 2011 was completed in April 2013. As part of its customer service improvement initiatives, Sports Toto further signed an agreement with ILTS on 4 January 2013 for the replacement and upgrading of its online lottery terminals and CheckWin scanners. This exercise is expected to be commissioned in stages between the last quarter of 2013 and early 2014.

The Philippines

Berjaya Philippines Inc. ("BPI") reported revenue of Peso2.12 billion and pre-tax profit of Peso1.41 billion in the financial year under review.

PGMC reported revenue of Peso1.97 billion and pre-tax profit of Peso1.31 billion during the financial year under review.

Other than the business of leasing of on-line lottery equipment, BPI also expanded its business interests and ventures into the hospitality business. Perdana Hotel Philippines Inc. ("PHPI"), a subsidiary of BPI operates the Berjaya Makati Hotel which is located in the heart of the metropolitan Makati City, Philippines.

Berjaya Pizza Philippines Inc. ("BPPI"), an associated company of BPI, is the official and sole franchisee of Papa John's Pizza in the Philippines which currently operates 14 restaurant-based pizza stores in Metro Manila.

Berjaya Auto Philippines ("BAP"), another associate company of BPI, is the exclusive distributor of Mazda cars in the Philippines, commenced operations on 1 January 2013. Only 4 months into operations, BAP recorded a revenue of Peso778.8 million and profit after tax of Peso38.9 million.

The outlook for the car industry looks encouraging based on the Chamber of Automotive Manufacturers of the Philippines Inc (CAMPI) forecast of vehicle sales of about 11% increase for 2013.

The United States of America

For the financial year under review, International Lottery & Totalizator Systems, Inc. ("ILTS") reported a revenue of USD10.57 million and net income of USD3.10 million. During the financial year under review, ILTS completed its contract with Sports Toto to supply a new DataTrakII lottery system and equipment, including central system hardware and software together with licensing, installation, training and technical support. ILTS also completed its shipment of new terminals to PGMC. ILTS commenced the progress shipments of terminal hardware components to its Swedish customer, AbTravochGalopp ("ATG"). ATG is the only company licensed by the Swedish government to provide betting on horse racing in Sweden.



For its voting business segment, ILTS' wholly-owned subsidiary, Unisyn Voting Solutions, Inc. ("Unisyn") remains as one of three companies to receive the 2005 Voluntary Voting System Guidelines ("VVSG") certification of the U.S.A. Election Assistance Commission ("EAC") for its OpenElect® suite of voting products. Unisyn continued to make progress through its authorised sales representatives and its own direct sales efforts. It achieved new sales in counties in the states of Iowa, Indiana, Missouri and Virginia. Its OpenElect® product was successfully deployed in close to 50 county elections in five states in the November 2012 U.S. Presidential and General Elections. In the certification area, the OpenElect® suite of voting products received federal certification upgrades from the EAC, and new state certifications from Ohio, Iowa, Virginia, Missouri and Tennessee. Certification processes are still under way in other states in support of its sales and marketing activities.

Unisyn also extended its contract to provide technical support to Los Angeles County, the largest voting jurisdiction in the U.S. and other counties as well. Unisyn's OpenElect® suite of products include OpenElect® Voting Optical Scan, OpenElect® Optical Voting Interface, OpenElect® Central Scan and the OpenElect® Central Suite.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

While Sports Toto has grown from strength to strength to its established position today and continued to create shareholder value, it has also conscientiously discharged its corporate social responsibility for the community. During the financial year under review, Sports Toto implemented a series of CSR initiatives that emphasised on social return and benefits for the stakeholders involved.

Community In Need

Contributing to the underprivileged, disadvantaged and needy is always the main thrust of Sports Toto's CSR agenda. A sizeable portion of Sports Toto's CSR resources have been put aside for this section of the community.

Sports Toto has over the years chosen the festive occasions to reach out to the less fortunate groups considering these are the best of times to spread cheer. Regardless of social status or background, they deserve a heart-warming time during the festive period.

One of the most significant CSR events was the annual Sports Toto Chinese New Year Ang Pow Donation Campaign which marked its 25th anniversary this year. Dedicated to needy senior citizens in 41 cities and towns throughout the country, the number of beneficiaries increased gradually over the years from about 10,000 in 1989 to 17,000 beneficiaries in 2013. Sports Toto contributed more than RM15 million to provide more than 300,000 packets of angpows and hampers since the inception of this charity campaign in 1989.

Besides Chinese New Year, festive charity events were also carried out during Hari Raya, Deepavali and Christmas.

During the Ramadhan month, Sports Toto organised goodwill visits to the paediatric wards of government hospitals in Seremban, Tampin and Port Dickson to share Hari Raya cheer with approximately 100 child patients of various races contributing cash as well as mini hampers comprising stationery, story books and soft toys.

ILTS terminal installed in an ATG agent's outlet.



YB Dato' Donald Lim Siang Chai, the then Deputy Minister of Finance giving out goody bags and angpows to senior citizens accompanied by Dato' Robin Tan and Mr Vincent Seow.

CHAIRMAN'S STATEMENT



Goodwill visit to the paediatric ward of hospital by Sports Toto staff.



Recipients of OCM-Sports Toto Outstanding Athletes of the Games Award, Pandelega Rinong (left) and Dato' Lee Chong Wei.

As for Deepavali celebrations, festive goodies were distributed to about 2,200 needy families in Cameron Highlands, Port Dickson, Sungai Buloh, Kuala Selangor, Batu Caves, Kajang and 2 areas in Klang. In addition to that, Sports Toto brought Deepavali cheer to 90 children from Sinthamani Divine Life Ashram Children's Home in Jinjang, Waja Orphanage in Klang and Barathi Illam Children's Centre in Brickfields by serving children's favourite food and presenting fun games, hilarious clowns and cash donation to the homes.

During the Christmas season, Sports Toto reached out to some 300 indigenous folks of all ages at Kampung Pak Senam in Tanjong Gahai, Pahang by hosting a luncheon and contributing festive goodies.

Sports Toto also collaborated with NTV7 for the third consecutive year in the production of a 13-episode charity-themed programme entitled "Helping Hands Season 3" which provided 13 impoverished families with necessary home improvements, medical provisions and other necessities to improve their living conditions.

In the Philippines, PGMC contributed Peso44 million to Gawad Kalinga Community Development Foundation Inc. for the construction of 400 housing units for the poor. Of the Peso44 million, Peso11 million was used to help reconstruct 100 houses destroyed by Typhoon Pablo in Compostela Valley and Davao Oriental, Peso29.7 million at the recent 2013 GK Bayanihan Challenge for the construction of 270 houses in 9 sites across the country, while Peso3.3 million was allocated for reconstruction of 30 houses in Lantawan, Basilan. Berjaya Makati Hotel also participated in a food distribution programme for the fire victims at Barangay Santolan, Sta. Mesa City.

Besides these initiatives, there were numerous other community-related CSR initiatives that Sports Toto was involved in either through collaboration with Berjaya Cares Foundation or various non-profit organisations.

Sports

The promotion of sports was one of the key reasons for the establishment of Sports Toto at the very beginning. Today, sports remain a key CSR focus for Sports Toto.

During the financial year under review, Sports Toto supported 20 community sports events. Among those were the 25th PJ Half Marathon, Penang Bridge International Marathon 2012, 25th Seremban Half Marathon, Sin Chew Daily Basketball Championship 2012 and Sports Toto 3-on-3 Basketball Jamboree at Kuching Festival 2012.

On a bigger scale, Sports Toto made substantial annual financial contributions to the National Sports Council. Sports Toto also tied up with the Olympic Council of Malaysia (OCM) in recognising 2 outstanding Malaysian athletes during the London Olympics 2012 ie. Dato' Lee Chong Wei, Silver Medalist in Badminton Men's Singles event and Pandelega Rinong, Bronze Medalist in Diving Women's 10M Platform event through OCM – Sports Toto Outstanding Athletes of the Games Award 2012.

Education

In response to the need to promote literacy and learning among underprivileged children, Sports Toto in collaboration with Berjaya Cares Foundation, made available at no charge 2 floors of a 5-storey office building at Sentul Raya Boulevard, Kuala



Lumpur to Persatuan Kebajikan HOPE Worldwide Kuala Lumpur (“HOPE Worldwide KL”) for its operations. This contribution has resulted in an annual rental saving of approximately RM48,000 for HOPE Worldwide KL. This is in addition to an existing 6-storey shop lot made available for the use of Harvest Centre in the same vicinity which translated to an annual rental savings of approximately RM150,000.

Reading is undoubtedly an age-old pastime that builds up one’s knowledge base. Sports Toto embarked on a reading programme titled “Reading My Companion” benefitting approximately 750 students in 7 rural Chinese primary schools in Selangor. Each student was given a story book to inculcate the reading habit. Story-telling sessions, books exchange and sharing among students as well as donation of books to the respective school libraries made the reading programme a much-appreciated initiative for the participating schools.

In the Philippines, Berjaya Philippines Inc. through Berjaya Foundation Inc. provided financial assistance valued at Peso36.4 million to 32 underprivileged and deserving Filipino students for diploma programmes such as Culinary Arts, Hospitality Management, Tourism Management, Retail Management and Events Management at Berjaya University College of Hospitality, Kuala Lumpur.

Popular Entertainment & Culture

During the financial year under review, Sports Toto co-presented Ice-Cream 4U Charity Concert 2012 which raised more than RM300,000 in aid of Taman Megah Handicapped & Disabled Children’s Home and Hope Education Foundation.

Sports Toto also presented Power Music Extravaganza, a yearly musical road show launched by Sports Toto in 2009, featuring local performing artistes in 36 cities and towns throughout the country. During the financial year under review, Sports Toto sponsored the NTV7 Yuan Carnival which brought a myriad of fun and entertainment activities to the local communities in 8 cities and towns nationwide and presented Astro Hua Hee Karaoke Competition 2012 which appealed to many Hokkien karaoke enthusiasts.

In the promotion of culture and arts, Sports Toto supported Wizard of Oz-The Musical, Princess Wen Cheng-The Musical, Yin Ngai Heart to Heart Charity Night 2012, Penang Chingay Parade, Johor Bahru Chingay Parade 2013 and Muar Chinese New Year Street Show.

Workplace

Staff welfare has always been given due attention and emphasis with the group-initiated Staff Welfare Fund looking into the areas of need.

As part of a continuous effort to create a conducive working environment, interaction and engagement among staff is essential. Towards this end, Sports Toto Sports Club has been actively carrying out various activities such as festive get-togethers, birthday celebrations, outings and sports competitions, among others.

Group Synergy

Sports Toto has always been very supportive of all the CSR initiatives driven at the Berjaya Corporation group level.

One of the most significant events was the 3rd Berjaya Founder’s Day celebration which was held on 23 February 2013 at Berjaya Times Square, Kuala Lumpur. Sports Toto was actively involved in organising and managing more than 30 game stalls and fun activities for the family day carnival meant for all Berjaya staff and their family members.

The highlight of the event was the contribution of RM20.2 million to 74 charitable organisations by Berjaya’s founder, Tan Sri Dato’ Seri Vincent Tan Chee Yioun, Better Malaysia Foundation and Berjaya Cares Foundation. The charitable organisations which benefitted from the contribution included those involved in causes for the community, education, healthcare, international humanitarian aid, local performing arts as well as environmental awareness and animal protection.

CHAIRMAN'S STATEMENT



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1. *Contribution to Sarawak Children's Cancer Society.*
2. *"Reading My Companion" learning programme at SJK(C) Simpang Morib, Banting.*
3. *Deepavali Angpow Donation Campaign in Sungai Buloh, Selangor.*
4. *Power Music Extravaganza road show in Pasir Putih, Perak.*
5. *BPI employees took part in building houses for the poor in Barangay Villaflor, Puerto Galero in Oriental Mindoro as part of the Gawad Kalinga Bayani Challenge 2013.*
6. *Contribution to "The Wizard of Oz" Musical in support of local performing arts.*

In conjunction with this celebration, a public donation campaign was also carried out nationwide at all Sports Toto outlets and proceeds were channelled to Berjaya Cares Foundation for its charitable causes.

FUTURE OUTLOOK AND PROSPECTS

The Malaysian economy grew at a modest rate of 4.3% in the second quarter of 2013, in line with the slower growth pace across Asia. This was affected by the prolonged weakness in the external environment and lacklustre recovery in global markets. Domestically, we expect growth to be supported by sustained private consumption, capital spending in the domestic-oriented industries and the on-going implementation of infrastructure projects. Expecting a challenging environment in the second half of the year, Bank Negara Malaysia has projected the economic growth target to be about 4.5% to 5% for 2013.

In the Philippines, BPI through the operations of PGMC will continue to work closely with the Philippine Charity Sweepstakes Office ("PCSO") to monitor the sales and the marketing and promotion of all the eight games in play. It is envisaged that PHPI would generate higher revenue from rooms, food and beverages and banquet sales, resulting from upgraded facilities and construction of more rooms in the financial year under review.

BPI's recent investments in BPPI and BAP are expected to help in generating positive contribution to the Group.

In spite of the cautious economic outlook, the number forecast operator sector is expected to be resilient and the Directors expect the Group to maintain its market share in the number forecast operator business. In addition, with the targeted completion of the proposed listing of STM-Trust on SGX-ST in the third quarter of financial year ending 30 April 2014, the Group will continue to consolidate the earnings from Sports Toto for the financial year ending 30 April 2014 subject to certain dilution effect arising from the proposed public issue and proposed placement of STM-Trust units pursuant to the Proposed Business Trust.

APPRECIATION

On behalf of the Board, I would like to express our thanks and sincere appreciation to Mr Rayvin Tan Yeong Sheik who resigned as Executive Director of the Company on 1 October 2012 for his past contributions and support.

Our deepest appreciation goes to the management, employees and agents for their dedication, hard work and commitment in their work throughout the year. To all our customers, shareholders, business associates, financiers, analysts, members of the media and the government authorities, I thank them for their valued support and co-operation.

I would also like to thank my fellow colleagues on the Board for their guidance and active participation in the Board and look forward to their continuous support.

CHEAH TEK KUANG

Chairman

30 August 2013



Sports Toto Supreme Challenge Trophy 2012.

主席报告

本人谨代表成功多多博彩有限公司(“成功多多博彩”)董事部，欣然向各位提呈截至2013年4月30日财政年的年度报告及经审计财务报告。

业绩

在检讨中的财政年，本集团录得的营收从上一财政年的36亿1000万令吉增至36亿3000万令吉。其税前盈利则从上一财政年的5亿7915万令吉减少了1.66%至今年的5亿6953万令吉，主要是因为本集团在截至2013年4月30日的财政年中承担了更高的营运开支。然而，本集团在检讨中的财政年中通过脱售特定上市及非上市投资所获得的收益，已部分抵消了税前盈利的下降。

股息

成功多多博彩已在截至2013年4月30日的财政年四度宣布和派发单层次免税中期股息，股息的总额为28仙(包括相等于每股9.5仙的股息派发额)。在截至2013年4月30日的财政年中所派发的股息总额达至3亿7291万令吉，相等于本集团可分派盈利的大约95%。

以上派发的股息符合成功多多博彩的股息政策，即派发至少75%年度净利给股东们。成功多多博彩将延续其75%派息政策，惟胥视有否可分派储备金，以及本集团的现金流状况等因素而定。

重大企业发展

1. 在2012年6月5日，成功多多博彩宣布，将旗下全资子公司多多博彩马来西亚私人有限公司(“多多博彩”)的100%股份，以60亿令吉的代价将其转移至一家在新加坡注册成立的商业信托—多多博彩马来西亚信托(“STM-Trust”)。随后，成功多多博彩建议将多达48亿9000万STM-Trust单位在新加坡证券交易所主要交易板挂牌上市。

财政部(大马)、国家银行外汇管制单位(大马)、中期票据持有人、新加坡证券交易所、成功多多博彩的股东及新加坡金融管理局已批准建议中的商业信托计划。在2013年8月20日，成功多多博彩向新加坡证券交易所提呈一项申请，以延长附带条件的符合上市资格有效期多3个月至2013年12月10日。

2. 在2012年7月12日，成功多多博彩旗下全资子公司FEAB产业私人有限公司以大约430万美元(大约1370万令吉)的售价全面脱售其在新加坡Cassis国际私人有限公司中所持有的17.19%股权。
3. 在2013年7月18日，BPI宣布以现金2340万英镑(相等于大约1亿1370万令吉)的总代价，即每股130便士全面献购其在H.R. Owen公司(“H.R. Owen”)仍未持有的股份。H.R. Owen是一家在伦敦股票交易所挂牌交易的上市公司。在此之前，BPI持有H.R. Owen的大约704万股股票，相等于29.81%股份。这项献购案的有效期限已延长，并于2013年9月16日截止。

营业检讨

马来西亚

比较上一财政年，多多博彩马来西亚私人有限公司(“多多博彩”)录得的营收及税前盈利分别增长了0.3%及7.7%。



多多博彩销售站的柜台。



多多开奖进行中。

在检讨中的财政年，该公司各游戏组别中被赢取的最高积宝累积奖金分别是总值4753万令吉的好运多多六合彩(6/58)积宝，以及总值4143万令吉的至尊多多六合彩(6/55)积宝。多多万字积宝是备受投注客欢迎的积宝游戏，在同年被赢取的12份多多万字积宝首奖奖金中，奖金累积最高的一份总值2075万令吉。大马有史以来累积最高的积宝奖金—总值5718万令吉的好运多多六合彩(6/58)积宝是于2012年初被赢走。

该公司与国际博彩与赛马测彩系统有限公司(International Lottery & Totalizator Systems, Inc.)(“ILTS”)于2011年12月签署的一项协议，即提升其线上彩票中央系统的工作已在2013年4月完成。作为其客户服务改善措施的一部份，多多博彩进一步与ILTS于2013年1月4日签署另一项协议，以更换和提升其线上彩票终端机及中奖彩票扫描机。这项计划预料可在2013年末季至2014年初之间分阶段落实。

菲律宾

菲律宾成功股份有限公司(Berjaya Philippines Inc.)(“BPI”)于检讨中的财政年分别录得21亿2000万比索及14亿1000万比索的营收及税前盈利。

PGMC则在检讨中的财政年分别录得19亿7000万比索及13亿1000万比索的营收及税前盈利。

除了经营线上博彩配备的租赁业务之外，BPI也扩大其业务版图至酒店行业。BPI旗下子公司Perdana Hotel Philippines Inc (“PHPI”)经营位于菲律宾马卡迪市的成功马卡迪酒店。

BPI的联号公司，菲律宾成功比萨公司(Berjaya Pizza Philippines Inc.)(“BPPI”)，乃是 Papa John's 比萨在菲律宾的正式独家特许经营权持有者，目前在马尼拉大都会经营14家餐馆型比萨店。

BPI的另一家联号公司，菲律宾成功汽车 (Berjaya Auto Philippines)(“BAP”)，乃是马自达汽车在菲律宾的独家经销商，并在2013年1月1日开始营业。在营业仅4个月后，BAP就已分别取得7亿7880万比索及3890万比索的营收及净利。

菲律宾汽车制造商总会(CAMPPI)的预测显示，车辆销量将在2013年增长大约11%，因此该国汽车业的前景令人鼓舞。

美国

在检讨中的财政年，国际博彩与赛马测彩系统有限公司(International Lottery & Totalizator Systems, Inc.)(“ILTS”)分别录得1057万美元及310万美元的营收及净利。

在检讨中的财政年，ILTS完成了该公司与多多博彩签署的合约，即供应新的DataTrakII彩票系统和配备，包括中央系统的软硬件连同执照、安装、培训和技术支援。ILTS也完成了运送新的终端机给PGMC。ILTS已开始运送终端机的硬体部件给其来自瑞典的客户AbTravoch Galopp (“ATG”)。ATG是该国唯一一家获得瑞典政府发出执照以在瑞典提供赛马投注服务的公司。

在投票业务方面，ILTS旗下独资子公司Unisyn投票解决方案公司(Unisyn Voting Solutions, Inc.)(“Unisyn”)持续通过其OpenElect® 配套产品，而获得美国选举援助委员会(“EAC”)颁发2005年自愿投票系统指南证书(“VVSG”)认证的3家公司之一。Unisyn持续通过其授权销售员和本身的直销活动而取得进展。它在爱荷华州、印第安纳州、密苏里州和维吉尼亚州的几个郡取得新的销售。在2012年11月的美国总统选举和全国大选期间，其OpenElect®产品成功应用在5个州的将近50个郡选举中。在认证方面，该OpenElect®配套产品分别获颁来自EAC升级版的联邦认证，以及俄亥俄州、爱荷华州、维吉尼亚州、密苏里州和田纳西州所颁发的新州级认证。认证申请程序还在另外几个州进行中，以配合其销售和营销活动。



安装在ATG代理门市的LTS终端机。



多多博彩开彩成绩板。

主席报告

Unisyn也扩大其合约服务，以便为美国最大的选区—洛杉矶郡以及其他郡提供技术支持。Unisyn的OpenElect®配套产品包括OpenElect®投票光学扫描、OpenElect®光学投票介面、OpenElect®中央扫描及OpenElect®中央配套。

企业社会责任

多多博彩在茁壮成长至今时今日的地位并持续为股东创造价值之余，也不忘致力于履行造福社群的企业社会责任。在检讨中的财政年，多多博彩落实了一系列的企业社会责任举措，以回馈社会和惠及各利益相关者。

亟需群体

捐助弱势和亟需群体向来是多多博彩之企业社会责任议程的重要一环。多多博彩有一大部份的企业社会责任资源是用以援助这些社群。

多多博彩多年来都会在佳节期间向较不幸的一群伸出援手，因为这是与他们分享欢乐的最佳时刻。不论来自哪一个社会阶层或背景，他们都理应享有佳节的温馨时刻。

其中一项最受瞩目的企业社会责任活动是在今年迈入第25周年的“多多博彩华人新年慈善施赠贫老”活动。该活动惠及全国各地41个城镇的亟需贫老，而受惠者人数从1989年的大约1万人逐年增至2013年的1万7000人。这项捐赠活动自1989年开始推行至今，多多博彩共拨出逾1500万令吉，以派发超过30万份红包及礼包给贫老人们。

除了农历新年，多多博彩也在其他佳节期间如开斋节、屠妖节和圣诞节举办慈善活动。

在斋戒月期间，多多博彩慈善团队前往芙蓉、淡边和波德申亲善探访当地政府医院的儿童病房，与大约100名各族病童分享开斋节的喜悦，并捐赠现款和装有文具、故事书和绒毛玩具的迷你礼包。

至于屠妖节，多多博彩则分别在金马仑高原、波德申、双溪毛糯、瓜拉雪兰莪、峇都唵、加影和巴生的两个地区分发佳节礼品给大约2200个亟需印裔家庭。此外，多多博彩也为90名来自增江Sinthamani Divine Life Ashram儿童院、巴生Waja孤儿院和十五碑Barathi Illam儿童院的孩童带来屠妖节喜悦，也端上他们爱吃的佳肴和呈献趣味游戏、令人捧腹的小丑表演和捐赠现款予各家儿童院。

在圣诞节期间，多多博彩慈善团队也前往彭亨州丹戎咖海(Tanjong Gajah)的甘榜伯南深，为当地大约300名原住民带来一场丰盛午餐，并且赠送佳节礼品给他们。



多多博彩也连续第3年与NTV7电视台携手合作，制作了长达13集以慈善为主题的节目—《檐下温情》第3季，伸援13个贫困家庭，为他们装修家园、提供医药援助和其他必需品以改善他们的生活状况。

在菲律宾，PGMC捐赠4400万比索给Gawad Kalinga社区发展基金会，以便为清贫人士建造400间房屋。在这4400万比索当中，1100万比索是用来在Compostela谷和Davao Oriental协助重建被台风Pablo摧毁的100间房屋；2970万比索用在最近的2013年GK Bayanihan挑战活动，以便在该国9个地点建造270间房屋；330万比索则是用以在Basilan的Lantawan重建30间房屋。成功马卡迪酒店也参与了一项慈善计划，在Sta. Mesa市的Barangay Santolan分派食物给当地的火灾灾民。

除了这些举措之外，多多博彩也与成功关怀基金会或其他非盈利组织合作，以推动各类奉献社群的企业社会责任举措。

体育

推广体育活动正是最初创立多多博彩的主要原因之一。时至今日，体育依然是多多博彩的主要企业社会责任焦点。

在检讨中的财政年，多多博彩支持了20项社区体育活动。其中包括第25届八打灵再也半程马拉松、2012年檳城大桥国际马拉松、第25届芙蓉半程马拉松、2012年《星洲日报》篮球锦标赛和2012年古晋节的多多博彩3人制篮球赛。

至于较大规模的捐献方面，多多博彩每年都大力资助国家体育理事会。多多博彩也与马来西亚奥理事会(OCM)携手合作，通过大马奥理会—多多博彩2012年杰出运动员奖来表扬2位在2012年伦敦奥运会中表现杰出的马来西亚运动员，即羽毛球男子单打项目银牌得主拿督李宗伟和女子10公尺平台跳水项目铜牌得主潘德雷拉。



“多多博彩华人新年慈善施赠贫老”活动(檳城站)。



赞助研艺爱心慈善夜2012。



丹斯里拿督斯里陈志远(左一)捐赠1亿比索给 Gawad Kalinga 社区发展基金会, 以在菲律宾建造房屋, 由Gawad Kalinga主席 Tony Meloto 代为接领。

教育

多多博彩意识到有必要提升弱势儿童的教育水平, 因此该公司与成功关怀基金会合作, 将座落于吉隆坡Sentul Raya Boulevard的一座5层办公大楼中的2个楼层, 免费提供给吉隆坡全球希望福利协会, 以让后者充当营运用途。这项捐赠每年为吉隆坡全球希望福利协会节省了大约4万8000令吉租金。除了这项捐赠之外, 本公司早前也在同一区免费提供一座6层楼店铺让Harvest中心使用, 每年为后者省下了大约15万令吉租金。

阅读无疑是一项自古以来人们爱好的消遣, 并且有助一个人增广见闻。多多博彩推动了一项称为“多多阅读, 获益良多”的阅读计划, 惠及了来自雪兰莪州7所乡区华小的大约750名学生。每位学生皆获赠一本故事绘本以培养阅读习惯。这项计划也包括了讲故事环节、学生之间交换故事绘本和分享读后感以及捐赠故事绘本给各有关学校的图书馆, 亦令这项阅读计划成为备受校方称誉的举措。

在菲律宾, 菲律宾成功股份有限公司通过成功基金会公司为该国32名弱势学生提供总值3640万比索的财务援助, 保送他们入读吉隆坡成功礼待大学学院, 以进修烹饪艺术、礼待管理、旅游管理、零售管理和活动管理文凭课程。

文娱

在检讨中的财政年, 多多博彩联合呈献了2012年《买冰淇淋给你》慈善演唱会, 为美嘉花园身心残障儿童之家及希望教育基金会筹获超过30万令吉。

多多博彩也呈献《好歌动感音乐会》。这是一项由多多博彩在2009年推介的年度音乐路演, 在全国各地36个城镇邀得当地表演艺人在舞台上载歌载舞。在检讨中的财政年, 多多博彩赞助了NTV7《圆游会》, 在全国各地8个城镇为当地社区呈献多姿多彩的欢乐和娱乐活动, 以及呈献吸引无数福建卡拉OK演唱爱好者的2012年Astro欢喜台《欢喜来卡拉》歌唱大赛。

在宣扬文化和艺术方面, 多多博彩赞助了《绿野仙踪》(Wizard of Oz)音乐剧、《文成公主》音乐剧、研艺爱心慈善夜2012、檳城青艺大旗鼓游行、2013年新山大旗鼓游行和麻坡贪食街新春嘉年华。

职场

本集团向来关注和重视员工的福利, 因此本集团所推动的员工福利基金也正视这方面的需求。

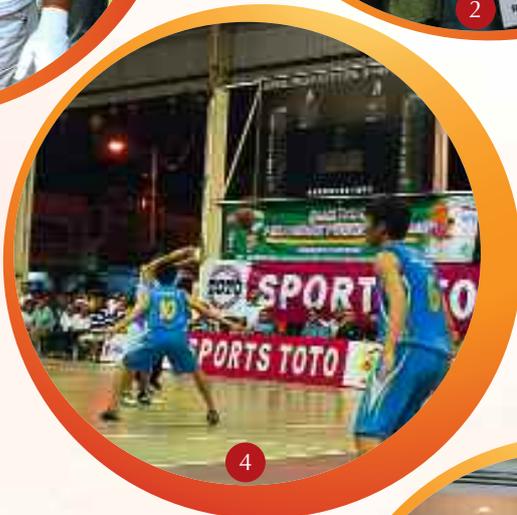
为了持续努力创造良好的工作环境, 员工之间的互动和接触是很重要的。因此, 多多博彩体育俱乐部向来积极举办各种活动, 例如佳节聚会、生日庆祝会、郊游和体育竞赛等。

集团协作

多多博彩向来十分支持成功机构所推行的所有企业社会责任举措。

其中一项最重要的活动是于2013年2月23日在吉隆坡成功时代广场举行的第3届成功集团创办人日庆祝活动。多多博彩积极参与安排和管理家庭日嘉年华中超过30个游戏摊位和欢乐活动, 让所有成功集团员工及其家属尽情参与。

主席报告



1. BPI的员工参与2013年GK Bayani挑战活动，为清贫人士建造房屋。

2. 捐助Barathi Illam儿童院。

3. 赞助2012年古晋节。

4. 多多博彩赞助《星洲日报》篮球锦标赛。

5. 赞助《文成公主》音乐剧以支持本地艺人的艺术表演。

6. 多多博彩销售及营运总经理陈雪冰小姐在2012年《买冰淇淋给你》慈善演唱会的支票移交仪式上，与来自美嘉花园身心残障儿童之家的儿童们合照。

该盛会的重点节目则是成功集团创办人丹斯里拿督斯里陈志远、更美好马来西亚基金会及成功关怀基金会联合捐献2020万令吉给74家慈善机构。受惠的慈善机构包括那些支援社区、教育、保健、国际人道援助、本地艺术表演，以及致力提升环保意识和动物保护团体。

配合这项庆祝活动，所有多多博彩的销售站皆展开了一项全国性公众募款运动，所筹获的义款已注入成功关怀基金会以推行慈善活动。

未来展望及前景

马来西亚在2013年次季取得适度的4.3%经济成长率，相同于亚洲各经济体的略缓慢成长步伐。我国经济也受到外在环境的长期疲弱和全球市场的缓慢复苏所影响。国内方面，我们预期持续性的私人消费、国内导向工业的资本开支和目前正在推行的基本建设项目，将支撑经济增长。由于预料今年下半年的环境将深具挑战，国家银行预期2013年的经济成长目标将介于大约4.5%至5%。

在菲律宾，经营PGMC的BPI将持续与菲律宾慈善大彩办事处(Philippine Charity Sweepstakes Office)(“PCSO”)密切合作，监督其所有8种游戏的销售和行销活动。PHPI预期将可在检讨中的财政年，通过提升设施及增建更多客房而取得来自餐饮及宴会销售的营收。

BPI近期投资于BPPI和BAP，预料将有助为本集团带来正面的贡献。

尽管经济前景谨慎，测字业预料将持续展现其韧性，董事部则预期本集团将可维持其测字业市占率。此外，随着STM-Trust建议在新加坡证券交易所挂牌上市的计划预期在截至2014年4月30日之财政年次季完成，本集团将继续在截至2014年4月30日之财政年整合多多博彩的盈利，惟胥视商业信托计划下的公开发售及配售议案所造成的稀释效应而定。

感谢

本人谨代表董事部，向已在2012年10月1日卸下本公司执行董事职位的陈永硕先生，以他在任期间所付出的贡献与支持，致真诚和衷心的感谢及深切激赏。

我们由衷感谢管理层、员工和代理们在这一年来对公司所付出的贡献、不辞劳苦及敬业乐业的精神。本人也感谢所有给予支持与合作的客户、股东、商业伙伴、融资机构、分析员、传媒和政府机构。

本人也要衷心感谢诸位董事部成员，领导董事部并给予指引，积极参与董事职务，并期望他们能够继续给予支持。

谢德光
主席
2013年8月30日



赞助由马来西亚残奥理事会主办的残疾人士运动会。



提供财务援助予来自菲律宾的弱势学生，保送他们入读吉隆坡成功礼待大学学院。

GROUP FINANCIAL SUMMARY

Description	2013 USD'000	2013 RM'000	2012 RM'000	2011 RM'000
Revenue	1,198,072	3,628,362	3,607,754	3,433,216
Profit Before Tax	188,055	569,526	579,150	508,402
Profit For The Year	133,236	403,506	415,685	357,441
Non-controlling interests	(4,101)	(12,421)	(10,209)	(7,680)
Profit Attributable To Owners of the Parent	129,135	391,085	405,476	349,761
Share Capital	44,610	135,103	135,103	135,103
Share Premium	–	–	–	–
8% Irredeemable Convertible Unsecured Loan Stocks 2002/2012 ("ICULS")				
– Equity Component	–	–	–	–
Reserves	154,522	467,969	464,715	380,301
Equity Funds	199,132	603,072	599,818	515,404
Treasury Shares	(10,866)	(32,907)	(120,295)	(57,341)
Premium Over ICULS Bought Back	–	–	–	–
Net Equity Funds	188,266	570,165	479,523	458,063
Non-controlling interests	14,215	43,049	31,399	23,723
Total Equity	202,481	613,214	510,922	481,786
Other Long Term Liabilities	1,100	3,333	2,597	2,423
Borrowings	–	–	–	–
Medium Term Notes	132,079	400,000	550,000	550,000
Deferred Liabilities / Income	–	–	–	–
Deferred Tax Liabilities	120	364	380	326
ICULS – Liability Component	–	–	–	–
Current Liabilities	173,736	526,159	364,159	412,729
Total Equity And Liabilities	509,516	1,543,070	1,428,058	1,447,264
Property, Plant & Equipment	40,239	121,864	131,139	135,900
Intangible Assets	212,807	644,485	643,857	642,757
Investments	54,747	165,803	136,755	113,759
Deferred Tax Assets	6,081	18,417	12,718	9,776
Long Term Receivable	–	–	–	–
Current Assets	195,642	592,501	503,589	545,072
Total Assets	509,516	1,543,070	1,428,058	1,447,264
Net Assets Per Share (Cents/Sen)	14.02	42.45	36.25	34.25
Net Earnings Per Share (Cents/Sen)	9.72	29.43	30.37	26.15
Gross Dividend Rate Per Share (Cents/Sen)	9	28 **	27	21
Net Dividend Amount (US\$'000/RM'000)	123,134	372,912 ##	359,406	280,875

Notes:

Where additional shares are issued, the earnings per share are calculated on a weighted average number of shares with voting rights in issue.

Exchange rate as at 30 April 2013 : USD1.00 : RM3.0285

** This figure includes a share dividend of 9.5 sen per share.

The dividend amount included share dividend based on treasury shares book cost of RM125.956 million.

* This figure includes a share dividend of 30.5 sen per share.

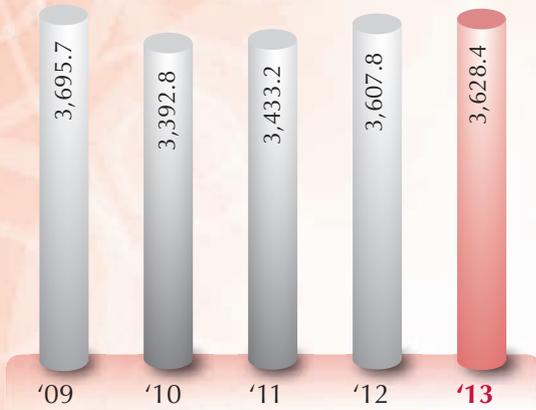
The dividend amount included share dividend based on treasury shares book cost of RM383.314 million.

GROUP FINANCIAL SUMMARY

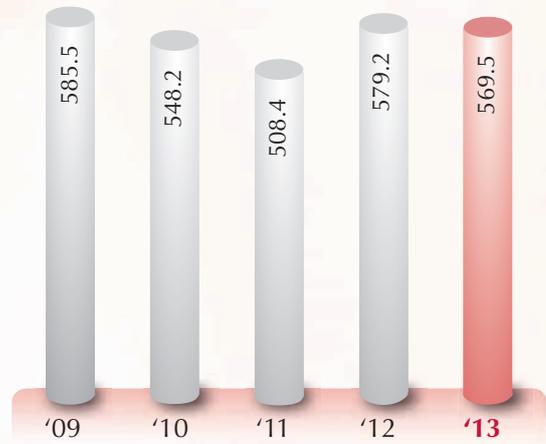
2010 RM'000	2009 RM'000	2008 RM'000	2007 RM'000	2006 RM'000	2005 RM'000	2004 RM'000
3,392,810	3,695,686	3,277,797	3,035,288	2,938,322	2,670,206	2,477,296
548,188	585,544	502,627	545,332	571,914	487,497	437,989
388,478	422,016	358,749	382,526	467,314	329,463	297,232
(4,974)	(8,462)	(10,086)	(6,839)	(2,789)	(1,307)	(159,193)
383,504	413,554	348,663	375,687	464,525	328,156	138,039
135,103	135,103	135,103	135,103	675,515	1,212,105	1,037,588
–	207,431	207,431	207,431	336,904	296,411	261,607
–	–	–	–	–	52,296	133,134
371,715	546,512	394,241	356,990	463,891	443,458	366,719
506,818	889,046	736,775	699,524	1,476,310	2,004,270	1,799,048
(57,341)	(406,099)	(406,099)	(281,239)	(238,427)	(373,568)	(215,258)
–	–	–	–	–	(57,355)	(57,355)
449,477	482,947	330,676	418,285	1,237,883	1,573,347	1,526,435
15,074	15,959	23,244	10,179	10,306	7,429	8,485
464,551	498,906	353,920	428,464	1,248,189	1,580,776	1,534,920
2,513	1,308	1,004	774	895	2,223	1,858
305,000	124,247	262,686	360,000	472,500	–	–
–	–	–	–	–	–	–
37,202	37,147	34,992	46,639	33,784	32,364	31,528
2,129	1,710	2,473	3,400	2,378	17,059	11,889
–	–	–	–	–	18,394	116,865
420,189	451,156	369,113	373,958	325,332	229,399	423,173
1,231,584	1,114,474	1,024,188	1,213,235	2,083,078	1,880,215	2,120,233
96,701	101,067	97,653	92,132	72,224	72,777	79,453
643,986	618,358	618,425	617,810	607,995	609,422	619,768
100,921	86,534	86,779	81,427	67,542	71,882	85,250
9,674	5,214	858	1,468	969	407	243
–	–	–	–	–	3,393	3,504
380,302	303,301	220,473	420,398	1,334,348	1,122,334	1,332,015
1,231,584	1,114,474	1,024,188	1,213,235	2,083,078	1,880,215	2,120,233
33.61	38.45	26.33	32.66	95.6	134.2	139.3
29.02	32.93	27.60	29.05	37.9	32.6	16.3
57.5 *	29	35	45	51	45	28
728,954 #	316,669	325,974	421,079	467,360	343,365	193,342

GROUP FINANCIAL HIGHLIGHTS

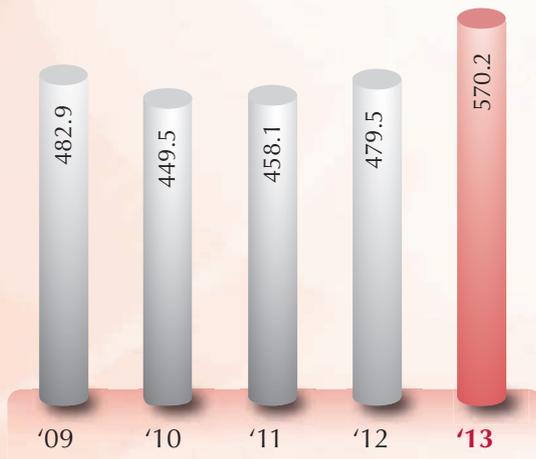
Revenue (RM' Million)



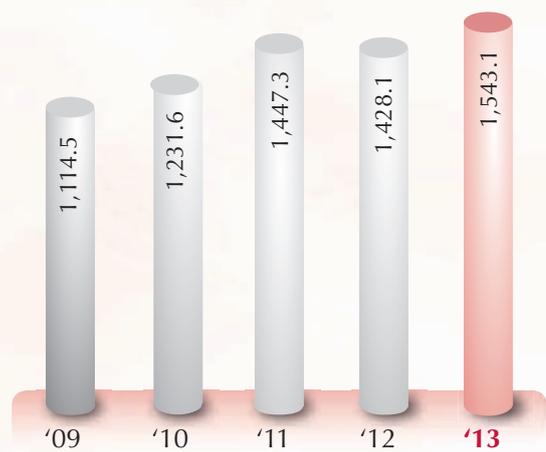
Profit Before Tax (RM' Million)



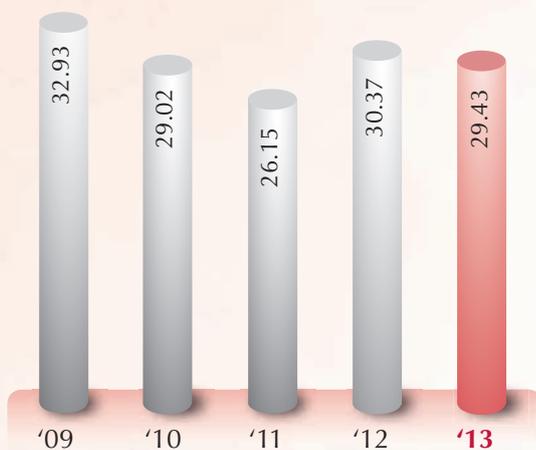
Net Equity Funds (RM' Million)



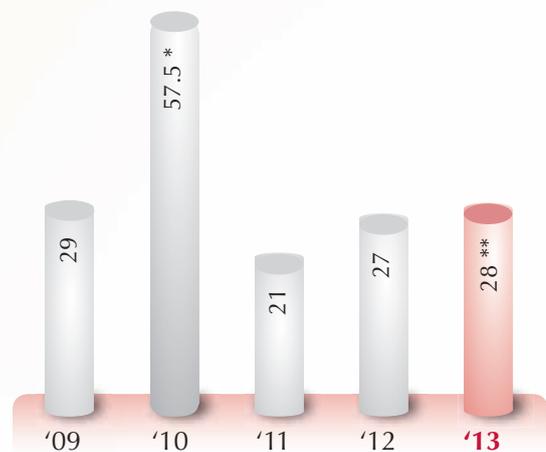
Total Assets (RM' Million)



Net Earnings Per Share (Sen)



Gross Dividend Rate (Sen)



* This figure includes a share dividend of 30.5 sen per share.

** This figure includes a share dividend of 9.5 sen per share.

MANAGEMENT DISCUSSION & ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Berjaya Sports Toto Berhad (“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. BToto’s other business segments include operation of a hotel as well as a health and fitness centre.

BToto has three main operating subsidiary companies, namely Sports Toto Malaysia Sdn Bhd, Berjaya Philippines Inc. and International Lottery & Totalizator Systems, Inc.

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 and Toto 4D Jackpot, Toto 5D, Toto 6D, Mega Toto 6/52, Power 6/55 and Supreme Toto 6/58 which are drawn three days in a week.

Revenue

For the financial year ended 30 April 2013, Sports Toto recorded a revenue of RM3.442 billion compared to the previous year’s revenue of RM3.432 billion. Despite a marginal increase which was mainly due to increased competition during the year, Sports Toto continued to remain as the market leader among all the Number Forecast Operators in the country in terms of total revenue for the financial year under review.

Gross Profit / Operating Profit

Gross profit rose 2.8% to RM790.0 million compared to RM768.6 million in the previous financial year mainly due to a lower prize payout in the financial year under review.

Operating profit increased by 3.2% to RM540.2 million in the financial year under review compared to RM523.6 million in the previous financial year.

The increase in operating profit was attributable to lower recurring operating expenses which was partially offset by increase in contribution to the National Sports Council (“NSC”) in tandem with higher profit achieved in the financial year under review and higher contribution to Corporate Social Responsibility (“CSR”) activities.

Profit before tax

Pre-tax profit increased by 7.7% to RM561.7 million compared to RM521.6 million in the previous financial year. The higher profit before tax was due to an exceptional capital gain of RM26.8 million from the disposal of subsidiaries pursuant to an internal restructuring as well as lower prize payout in the financial year under review.

Income Tax

Sports Toto incurred a taxation expense of RM147.7 million compared to RM140.1 million in the previous financial year. The effective tax rate of 26.3% for the financial year under review was higher than the prevailing statutory tax rate of 25.0%. This was due to certain expenses not deductible for tax purposes, offset by the exceptional capital gain of RM26.8 million (which is not taxable) recognised in the financial year under review.

MANAGEMENT DISCUSSION & ANALYSIS

Profit after tax

As a result of the above, profit after tax recorded an increase of 8.5% to RM413.9 million compared to RM381.4 million in the previous financial year. The higher profit after tax margin of 12.0% compared to 11.1% in the previous financial year was mainly due to a lower effective tax rate as a result of non-taxable capital gain from the disposal of subsidiaries pursuant to an internal restructuring as well as lower prize payout in the financial year under review.

Capital Investment

The recent capital investments in upgrading the online lottery central system and new online lottery terminals for operating efficiency will add value to customer service.

Prospects

The Malaysian economy grew at a modest rate of 4.3% in the second quarter of 2013, in line with the slower growth pace across Asia. Expecting a challenging environment in the second half of the year, Bank Negara has projected the economic growth target to be about 4.5% – 5% for the year 2013. Our domestic economy is expected to continue to grow in the second half of the year supported by sustained private consumption, capital spending in the domestic-oriented industries and the on-going implementation of infrastructure projects under the Economic Transformation Programme.

The Number Forecast sector is closely linked to consumer spending and disposable income of its customers. In this context, any growth in the country's economic climate is bound to have a positive impact on the company's performance.

With its extensive network of outlets in the country and variety of games offered and given a growing economic climate, opportunities exist for Sports Toto to tap further revenue growth. In addition to the on-going marketing efforts to increase revenue and extend its market share, Sports Toto will also continue to improve on its operating efficiency and customer service to ensure long term success of the business.

THE PHILIPPINES

BToto operates in the Philippines through its subsidiary, Berjaya Philippines Inc. ("BPI") listed on the Philippine Stock Exchange. Its wholly-owned subsidiary, Philippine Gaming Management Corporation ("PGMC"), is involved in the business of leasing on-line lottery equipment and providing software support for the Philippine Charity Sweepstakes Office ("PCSO"), a Philippine government agency responsible for lottery and sweepstakes in the Luzon Region.

BPI group recorded a 1.8% increase in revenue to Peso2.12 billion from Peso2.08 billion in the previous financial year due to revenue increase from PGMC and additional revenue from its other subsidiary, Perdana Hotel Philippines Inc. ("PHPI").

Pre-tax profit increased to Peso1.41 billion compared to Peso1.40 billion in the previous financial year. Gain on sale of certain quoted investments was offset by higher expenses during the financial year.

PGMC recorded a revenue of Peso1.97 billion, an increase of 1.63% from Peso1.94 billion in the previous financial year mainly from an increase in sales of lotto and digit games by PCSO. The main contributors to the revenue growth were EZ2 Lotto game with three draws per day and Grandlotto 6/55 game with three draws a week.

The EZ2 game (2-number digit) has proven to be the most popular among betting customers as it is perceived to have a better winning chance due to the inherent simplicity of the game and high frequency of draws. The Grandlotto 6/55 continued to attract punters with its high jackpot prizes.

PGMC's pre-tax profit decreased by 6.2% to Peso1.31 billion mainly due to higher indirect expenses including charitable donations made to Gawad Kalinga Community Development Foundation Inc. for the construction of houses for the poor community in various parts of the country during the financial year.

PHPI which operates the Berjaya Makati Hotel located in Makati City recorded an increased revenue of Peso146.4 million compared to Peso140.5 million in the previous financial year. The increase of 4.2% or Peso5.9 million in revenue was mainly contributed by the improvement in sale of rooms.

However, pre-tax profit decreased by 75.5% to Peso3.2 million from the preceding year mainly due to higher expenses. During the financial year under review, PHPI added another 33 rooms and also refurbished certain floors in the hotel.

Income Tax

Income tax of BPI decreased to Peso307.2 million for the financial year under review compared to Peso313.1 million in the previous financial year mainly due to decrease in other income.

Capital Investment

During the financial year under review, BPI purchased 500 units of new lottery terminals for the on-line lottery leasing and constructed 33 new rooms for the hotel segment costing Peso81.0 million and Peso33.0 million respectively.

Prospects

The Philippines reported an impressive economic growth of 7.5% for first half of 2013 due to its strong domestic consumption, improved global financial conditions and recovery in exports. Growth is expected to remain strong in the second half of the year driven by solid consumer spending and supported by sustained inflow of remittances.

Government spending will also support GDP growth amid the expected boost from the mid-term election spending. On the other hand, the services sector would be supported by the positive outlook for the real estate and tourism sectors.

For the on-line lottery leasing segment, PCSO will introduce additional new digit games which will generate more excitement to punters and is anticipated to have a positive impact on revenue.

The hotel segment is expected to grow steadily with higher tourist arrivals and campaigns by the Department of Tourism ("DOT") to attract more foreign and domestic tourists which will contribute positively to the Group's revenue.

THE UNITED STATES OF AMERICA

In the United States, BToto's subsidiary, International Lottery & Totalizator Systems, Inc. ("ILTS") provides computerised wagering equipment and systems to the online lottery and pari-mutuel racing industries worldwide. ILTS also has a voting business segment operated through Unisyn Voting Solutions, Inc. ("Unisyn") which develops and markets the OpenElect® digital optical scan election system to election jurisdictions. The OpenElect® election system is the only digital optical scan voting system built with Java on a streamlined and hardened Linux platform, and Unisyn became the first U.S. voting company to receive, in January 2010, the U.S. 2005 Voluntary Voting System Guidelines ("VVSG") certification from the United States Election Assistance Commission ("EAC") for its OpenElect® election system.

Revenue recorded for the financial year under review was US\$10.57 million compared to US\$12.08 million in the previous financial year. The decrease was primarily due to lower turnkey lottery system sales, decreased contract activities in the voting segment and lower spare parts sale revenue, compared to fiscal year 2012.

ILTS' pre-tax profit increased to US\$1.55 million from US\$1.25 million in the previous financial year. ILTS reported tax benefits of US\$1.5 million as a result of recognition of deferred tax asset in relation to valuation allowance for the financial year ended 30 April 2013, compared to US\$25,000 income tax provision for fiscal year 2012.

MANAGEMENT DISCUSSION & ANALYSIS

Prospects

ILTS continues to examine new and emerging technologies based upon current industry developments with the intention to increase its customers' market share, to stay competitive in the market and to explore new markets where its core competencies can be applied. ILTS dedicates its efforts to applying cutting-edge technology and developing innovative and secure voting solutions.

ILTS is actively conducting sales and marketing efforts for its lottery products in the international market for sales opportunities. In the voting business segment, ILTS continues to leverage on the long term relationships in the market to create sales and business relationship opportunities. ILTS also holds on-going discussions with other select regional-based election companies regarding possible sales representative relationships.

Liquidity and financial resources

BToto Group generally has been financing its operations through internally generated funds. BToto Group retained strong cash flows with total cash and cash equivalents of RM429.6 million at the end of the financial year under review (2012: RM408.8 million)

The current ratio of the Group was recorded at 1.13 times (2012: 1.38 times) in the financial year under review. The decrease in current ratio was mainly due to the reclassification of Medium Term Notes ("MTN") of RM150.0 million issued by Sports Toto, which matured in June 2013, from non-current liabilities to current liabilities.

BToto Group's total indebtedness as at 30 April 2013 was RM550.0 million, consisting of MTNs. The first repayment of MTNs of RM150.0 million was due in June 2013. The Group's gearing ratio (which is interest-bearing borrowing divided by net equity funds) was 0.96 times for the financial year under review (2012: 1.15 times). The lower gearing ratio in the financial year under review was attributable to a higher net equity funds as at 30 April 2013.

CORPORATE STRUCTURE

of main subsidiary companies as at 30 August 2013



STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors ("Board") of Berjaya Sports Toto Berhad ("the Company") recognises the importance of adopting good corporate governance throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value and the financial performance of the Group. The Group will continue to endeavour to apply the recommendations of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012") in its effort to observe high standards of transparency, accountability and integrity.

The Board is pleased to provide the following statement which outlined how the Group had applied the principles and recommendations as set out in the MCCG 2012 throughout the financial year ended 30 April 2013.

A) PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

Board composition and balance

The Board has eight (8) members, comprising the Chief Executive officer, three Executive Directors, one Non-Independent Non-Executive Director and three Independent Non-Executive Directors (including the Chairman). This composition fulfils the requirements mandated by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") which stipulate that at least two (2) Directors or one-third of the Board, whichever is higher must be independent.

The Board is satisfied with its current composition which comprises balanced mix of skills, knowledge and experience in the business, professional and management fields and which are relevant to enable the Board to carry out its responsibilities in an effective and competent manner.

The Board recognises the importance and contribution of its Independent Directors. They represent the element of objectivity, impartiality and independent judgement of the Board. This ensures that there is adequate check and balance at the Board level. The three (3) independent Directors of the Company provide the Board with vast and varied exposure, expertise and broad business and commercial experience.

The positions of Chairman and Chief Executive Officer are held by two different individuals. The distinct and separate role of the Chairman and Chief Executive Officer, with a clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making.

The Chairman is primarily responsible for the leadership of the Board and ensures effectiveness of the Board and standards of conduct. He has authority over the agenda for each Board meeting to ensure that all Directors are provided with relevant information on a timely basis. The general agenda may include minutes of previous meetings of the Board and its sub-committees, quarterly financial results of the Group, issues requiring the Board's deliberation and approval, reports or briefings on operational and financial issues of major subsidiaries and other ad-hoc reportings.

The Chief Executive Officer has overall responsibility for the Group's business operations, organisational effectiveness and the implementation of Board policies and decisions.

Mr Cheah Tek Kuang has been identified as the Senior Independent Non-Executive Director of the Board to whom concerns may be conveyed.

The qualifications and experience of each of the Director are set out in the Directors' profile on page 3 to page 6 of the Annual Report.

Roles and Responsibilities of the Board

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

The Board has adopted, amongst others, the following major responsibilities to facilitate the Board in discharging its fiduciary duties:-

- Reviewing and adopting strategic plans and policies for the Company and the Group;
- Overseeing and monitoring the conduct of the businesses and financial performance and major capital commitments of the Company and the Group;
- Identifying principal risks of the business and ensuring the implementation of appropriate systems to manage these risks;
- Establishing a succession plan for the Company and the Group including the remuneration and compensation policy thereof;
- Overseeing the development and implementation of a shareholder communication policy for the Company;
- Reviewing the adequacy and integrity of the internal control systems and management information of the Company and the Group.

Directors' Code of Conduct/Ethics

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

Corporate's strategy to promote sustainability

The Board views the commitment to sustainability and environmental, social and governance performance as part of its broader responsibility to clients, shareholders and the communities in which it operates. A detailed report on the Company's approach to sustainability activities for the financial year under review appears in the Corporate Social Responsibility Statement as set out on page 9 to page 13 of the Annual Report.

Supply of Information

All Directors have full unrestricted and timely access to information concerning the Company and the Group's business and affairs necessary for the discharge of their responsibilities. The Board papers and reports which include the Group's performance and major operational, financial and corporate information are distributed to the Directors in sufficient time prior to Board Meetings to enable Directors to obtain further clarifications and/or explanations, where necessary, in order to be properly briefed before the meeting.

The Board is supported by suitably qualified, experienced and competent Company Secretaries who are also members of a professional body. The Company Secretary plays an advisory role to the Board in relation to the Company's constitution and advises the Board on any updates relating to new statutory and relevant regulatory requirements pertaining to the duties and responsibilities of Directors as and when necessary.

All Directors have access to the advice and services of the Company Secretaries and the senior Management staff in the Group. They may also obtain independent professional advice at the Company's expense in furtherance of their duties.

STATEMENT ON CORPORATE GOVERNANCE

Board Meetings

The Board meets regularly on a quarterly basis with additional meetings being convened as necessary. For the financial year ended 30 April 2013, the Board met seven (7) times. The record of attendance for the Directors who held office as at the end of the financial year is set out below:-

Directors	Attendance
Cheah Tek Kuang #	4/4*
Dato' Robin Tan Yeong Ching	5/7
Chan Kien Sing	6/7
Freddie Pang Hock Cheng	7/7
Seow Swee Pin	7/7
Dato' Dickson Tan Yong Loong	7/7
Mohamed Saleh Bin Gomu #	7/7
Datuk Robert Yong Kuen Loke #	6/7

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

Denotes Independent Non-Executive Directors

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.

B) PRINCIPLE 2: STRENGTHEN COMPOSITION

1. Nomination Committee

The Nomination Committee of the Company comprises exclusively of Independent Non-Executive Directors. Its composition is as follows:-

Cheah Tek Kuang	- Chairman/Independent Non-Executive (Senior Independent Director)
Mohamed Saleh Bin Gomu	- Independent/Non-Executive
Datuk Robert Yong Kuen Loke	- Independent/Non-Executive

The Nomination Committee meets as and when required, and at least once a year. The Nomination Committee met twice during the financial year ended 30 April 2013.

The Nomination Committee's responsibilities include, amongst others, reviewing the Board composition and making recommendations to the Board for appointments of new Directors (including gender considerations) by evaluating and assessing the suitability of candidates as Board member or Board Committee member. In making these recommendations, due consideration is given to the required mix of skills, knowledge, expertise and experience, professionalism and integrity that the proposed Directors shall bring to the Board.

The Nomination Committee also assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director, including Independent Non-Executive Directors, as well as the Chief Executive Officer on an annual basis. All assessments and evaluation carried out by the Nomination Committee in discharging its duties were also properly documented.

In respect of the assessment for the financial year ended 30 April 2013, the Board was satisfied that the Board and Board Committees have discharged their duties and responsibilities effectively. The Board was also satisfied that the Board composition in terms of size, the balance between executive, non-executive and independent Directors and mix of skills and experience was adequate.

The Board acknowledges the recommendation of MCCG 2012 pertaining to the establishment of boardroom gender diversity policy and will take the necessary measures to comply with the recommendation should the need arises. The Board currently has no female Director.

Re-elections 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, 1965.

The Company's Articles of Association provides that a Director appointed during the year is required to retire and seek election by shareholders at the following AGM immediately after their appointment. The Articles also requires that one-third of the Directors including the Managing Director, if any, to retire by rotation and seek re-election at each AGM and that each Director shall submit himself for re-election once every three years.

Pursuant to Section 129(6) of the Companies Act, 1965, a Director who is over seventy (70) years of age must retire at the AGM of the Company and may offer himself for re-appointment to hold office until the next AGM.

2. Remuneration Committee

The Remuneration Committee of the Company comprises a majority of non-executive Directors and its composition is as follows:-

- Cheah Tek Kuang – Chairman/Independent Non-Executive
- Dato’ Robin Tan Yeong Ching – Non-Independent Executive
- Mohamed Saleh Bin Gomu – Independent Non-Executive

The primary function of the Remuneration Committee is to set up the policy framework and to recommend to the Board on all elements of the remuneration package of the Executive Directors. The determination of remuneration packages of non-executive Directors, including the non-executive Chairman, is a matter for the Board as a whole with the Directors concerned abstaining from deliberation and voting on decision in respect of his individual remuneration.

The fees payable to the Directors will be recommended by the Board for approval by shareholders at the Annual General Meeting.

Details of the Directors' Remuneration

The aggregate Directors’ remuneration paid or payable to the Directors in office at the end of the financial year by the Company and the Group categorised into appropriate components for the financial year ended 30 April 2013 are as follows:-

	Executive ←	Non-Executive RM'000	Total →
Fees	26	125	151
Benefits-in-kind	78	19	97
Salaries and other emoluments	5,803	490	6,293
Bonus	1,113	11	1,124
	7,020	645	7,665

The number of Directors of the Company in office at the end of the financial year and whose total remuneration from the Group falling within the respective band are as follows:-

	Executive	Non-Executive
RM50,001 – RM100,000	–	1
RM200,001 – RM250,000	–	1
RM350,001 – RM400,000	–	1
RM950,001 – RM1,000,000	1	–
RM1,100,001 – RM1,150,000	1	–
RM1,350,001 – RM1,400,000	1	–
RM3,100,001 – RM3,150,000	1	–
	4	3

STATEMENT ON CORPORATE GOVERNANCE

C) PRINCIPLE 3: REINFORCE INDEPENDENCE

Assessment of Independent Directors

The Board through the Nomination Committee assessed the Independent Directors on an annual basis with a view to ensure that the Independent Directors bring independent and objective judgement to the Board deliberations. The Board has adopted the same criteria used in the definition of "Independent Directors" as prescribed in Chapter 1 of the Bursa Securities Listing Requirements ("LR") in its assessment of the Independent Directors.

For the financial year ended 30 April 2013, each of the three (3) Independent Non-Executive Directors had provided an annual confirmation of his independence to the Board based on its policy on criteria of assessing independence in line with the definition of "Independent Directors" prescribed by Bursa Securities LR. The Board had assessed and concluded that three (3) Independent Non-Executive Directors of the Company remain objective and independent.

Tenure of Independent Directors

The Nomination Committee noted that pursuant to Recommendation 3.2 of the MCCG 2012, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, an Independent Director may continue to serve on the Board subject to the Directors' re-designation as a Non-Independent Director.

Currently, the longest serving Independent Director is Encik Mohamed Saleh Bin Gomu who has served the Board for more than nine (9) years. The Nomination Committee and the Board have assessed the independence of Encik Mohamed Saleh Bin Gomu and was satisfied with his contribution and independent judgement that he brings to the Board.

In line with Recommendation 3.3 of the MCCG 2012, the Company will be seeking approval from the shareholders of the Company at the forthcoming Annual General Meeting to retain Encik Mohamed Saleh Bin Gomu, who has served the Company for more than nine (9) years, to continue to act as an Independent Director of the Company based on the following justifications:-

- i) he fulfilled the criteria under the definition of Independent Director as stated in the main Market Listing Requirements of Bursa Securities, and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board.
- ii) he has been with the Company for more than nine (9) years and is familiar with the Company's business operations.
- iii) he has exercised his due care during his tenure as an Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and the shareholders.

D) PRINCIPLE 4: FOSTER COMMITMENT

Recommendation 4.1 of the MCCG 2012 recommends that the Board should set out the expectations on time commitment for its members and protocols for accepting new directorships. Each Director is required to notify the Chairman of the Board prior to accepting directorships outside the Group. Similarly, the Chairman of the Board shall also do likewise before taking up any additional appointment of directorships. The notification will also include an approximate indication of time that will be spent by the Directors on the new directorships.

Directors' Training

All the Directors had attended the Mandatory Accreditation Programme as prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities").

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

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

STATEMENT ON CORPORATE GOVERNANCE

The Board is also updated by the Company Secretary on the latest update/amendments on the Listing Requirements of Bursa Securities and other regulatory requirements relating to the discharge of the Directors' duties and responsibilities.

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

Director	Title of Programmes/Seminars/Courses/Forum
Cheah Tek Kuang	<ul style="list-style-type: none"> - Invest Malaysia 2012 - Update on Directors' Duties and Obligations - Competition Law – How it may impact the way we do business - International Malaysia Law Conference 2012 - FIDE Elective Program – The Nomination and Remuneration Committee
Dato' Robin Tan Yeong Ching	<ul style="list-style-type: none"> - New Transfer Pricing Rules - Global Sports Summit 2012
Freddie Pang Hock Cheng	<ul style="list-style-type: none"> - The key components of establishing and maintaining world class audit committee reporting capabilities - CEO Forum - Managing Corporate Risk and Achieving Internal Control Through Statutory Compliance - Sustainability Training for Directors & Practitioners
Chan Kien Sing	<ul style="list-style-type: none"> - Role of the Audit Committee in assuming Audit Quality - CEO Forum - MIA Conference - Managing Corporate Risk and Achieving Internal Control Through Statutory Compliance
Seow Swee Pin	<ul style="list-style-type: none"> - Malaysian Code on Corporate Governance 2012 - New Transfer Pricing Rules and Advanced Pricing Arrangement - Perdana Leadership Foundation CEO Forum 2012 - The key components of establishing and maintaining world class audit committee reporting capabilities - What keeps an audit committee up at night - Asia Pacific Lottery Association Conference – Sydney
Mohamed Saleh Bin Gomu	<ul style="list-style-type: none"> - Role of the Audit Committee in Assuring Audit Quality - Fraud Detection & Prevention – A necessity, not a choice - Governance Advocacy Session – Making the most of the Chief Financial Officer role: Everyone Responsibility - Transfer Pricing Update Training - Governance, Risk Management and Compliance:- What Directors Should Know
Dato' Dickson Tan Yong Loong	<ul style="list-style-type: none"> - Economic overview for Malaysia in the Regional Context: Opportunities & Challenges - Corporate Integrity System Malaysia: CEO Dialogue Session - Understanding Financial Statements – Use of Healthy Scepticism
Datuk Robert Yong Kuen Loke	<ul style="list-style-type: none"> - Governance, Risk Management and Compliance: What Directors Should Know - MICPA Business Forum Navigating Turbulence

STATEMENT ON CORPORATE GOVERNANCE

E) PRINCIPLE 5: UPHOLD INTEGRITY IN FINANCIAL REPORTING

i. Financial Reporting

The Audit Committee is tasked to assist the Board in ensuring that the financial statements comply with the provisions of the Companies Act, 1965 and the applicable Financial Reporting Standards in Malaysia.

In presenting the annual audited financial statements to the shareholders, the Board takes responsibility to present a balanced and meaningful assessment of the Group's financial performance and prospects and ensure that the financial statements reviewed and recommended by the Audit Committee for Board's approval are prepared in accordance with the provisions of the Companies Act, 1965 and the applicable Financial Reporting Standards so as to present a true and fair view of the state of affairs of the Group.

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

ii. Statement of Directors' Responsibility in respect of the Financial Statements

Company Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group and of the results and cash flows of the Company and of the Group for that period. In preparing those financial statements, the Directors are required to:-

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

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

iii. Relationship with the auditors

Through the Audit Committee, the Company has established a transparent and appropriate relationship with the Group's auditors, both internal and external. From time to time, the auditors highlight to the Audit Committee and the Board on matters that require the Board's attention, including the latest amendments to the Financial Reporting Standards and its implementation thereof.

In addition, the external auditors were invited to attend the Company's AGM in order to address clarifications sought pertaining to the Audited Financial Statements by shareholders.

The Audit Committee is responsible for the annual assessment of the competency and independence of the external auditors. Having assessed their performance, the Audit Committee will recommend their re-appointment to the Board, upon which the shareholders' approval will be sought at the AGM.

The external auditors are required to declare their independence annually to the Audit Committee as specified by the By-Laws issued by the Malaysian Institute of Accountants. The external auditors have provided the declaration in their annual audit plan presented to the Audit Committee of the Company.

The Audit Committee also reviewed the provision of non-audit services rendered to the Group by the Company's auditors or a firm affiliated to the auditors' firm and noted that the total amount of fees paid for non-audit services for the financial year ended 30 April 2013 amounted to RM106,000.

F) PRINCIPLE 6: RECOGNISE AND MANAGE RISKS

The Board is responsible for the Group's risk management framework and system of internal control and for reviewing their adequacy and integrity. 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 shareholders' investments and the Group's assets, the Group has in place, an adequately resourced internal audit department. The activities of this department which reports regularly to the Audit Committee provide 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.

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 page 36 and page 37 of the Annual Report.

G) PRINCIPLE 7: ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

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

The Company continues to recognise the importance of transparency and accountability to its shareholders and investors. The Board endeavours to keep its shareholders and investors informed of its progress through a comprehensive annual report and financial statements, circulars to shareholders, quarterly financial reports, periodic press releases and the various announcements made during the year. These will enable the shareholders, investors and members of the public to have an overview of the Group's performance and operations.

The Group also maintains a corporate website at www.berjaya.com whereby shareholders as well as members of the public may access for the latest information on the Group. Alternatively, they may obtain the Company's latest announcements via the website of Bursa Malaysia Securities Berhad at www.bursamalaysia.com.

The Chief Executive Officer, Executive Directors and senior Management have periodical dialogues and briefings with existing and prospective investors and the analysts to enhance understanding of the Group's objectives and provide insight on the latest developments in the Group.

H) PRINCIPLE 8: STRENGTHEN RELATIONSHIPS BETWEEN COMPANY AND SHAREHOLDERS

The Company's Annual General Meeting ("AGM") remains the principal forum for dialogue with 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 Company will provide information to the shareholders with regards to, amongst others, details of any shareholders' meetings, their entitlement to attend the said meeting, the right to appoint a proxy and also the qualifications of a proxy.

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

COMPLIANCE WITH THE MCCG 2012

The Board is satisfied that the Company has, in all material aspects, complied with the principles and recommendations of the MCCG 2012 that were in place during the financial year ended 30 April 2013.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RESPONSIBILITY

The Board of Directors of Berjaya Sports Toto Berhad (“BTOTO” or “the Group”) recognises that it is responsible for the Group’s system of internal control and for reviewing its adequacy and integrity. Notwithstanding that, in view of the limitations that are inherent in any system of internal control, the Group’s system can only provide reasonable but not absolute assurance against material misstatement or loss, as it is designed to manage rather than eliminate the risk of failure to achieve business objectives.

The Board’s primary objective and direction in managing the Group’s principal business risks are to enhance the Group’s ability to achieve its business objectives. In order to achieve these objectives, the Board has identified, evaluated and managed the significant risks being faced by the Group by monitoring the Group’s performance and profitability at its Board meetings. The management of the Group as a whole is assigned to the Executive Directors.

A Risk Management Committee (“RMC”) has been established by the Company with the intention to further enhance the Group’s system of internal control and be in line with the Malaysian Code of Corporate Governance. The RMC together with the audit committee are entrusted to ensure more effective and efficient identification, evaluation, management and reporting of the Group’s risks. During the financial year ended 30 April 2013, the RMC held 4 meetings to review the reports tabled by the Risk Management Working Committee (“RMWC”) consisting of all heads of departments of the principal subsidiary company. The RMC had evaluated and monitored the progress of any risk factors and internal control matters relating to the operations raised by the RMWC. The current members of the RMC are Mr. Cheah Tek Kuang (Chairman), Mohamed Saleh bin Gomu, Datuk Robert Yong Kuen Loke and Seow Swee Pin.

The RMC terms of reference include, inter alia:

- To determine the overall risk management processes;
- To establish effectiveness of risk management process;
- To ensure that the strategic context of the risk management strategy is complete;
- To ensure that risk management processes are integrated into all core business processes;
- To establish risk reporting mechanism;
- To establish business benefits;
- 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 alignment and coordination of assurance activity across the organisation; and
- To act as steering committee for the group wide risk management programme.

The Board has received assurance from the Chief Executive Officer and the Executive Director, who is primarily responsible for the financial management of the Group that the Group’s risk management and internal control system are operating adequately and effectively, in all material aspects.

ASSURANCE MECHANISM

The Board has assigned the Audit Committee with the duty of reviewing and monitoring the effectiveness of the Group’s system of internal control. The Audit Committee receives assurance reports from the internal auditors on findings from their visits to the operating units, as well as from the external auditors on areas for improvement identified during the course of their statutory audit. The Board reviews the minutes of the Audit Committee’s meetings. The Report of the Audit Committee is set out on pages 38 to 40 of the Annual Report.

MANAGEMENT STYLE AND CONTROL CONSCIOUSNESS

The Executive Directors and management practised ‘close to operations’ policy and have various scheduled management meetings as well as carry out regular review of financial and operations reports. These provide the platform for timely identification of the Group’s risks and systems to manage risks. The Executive Directors update the Board on any significant matters which require the latter’s attention.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The management of the Group's individual operating units is assigned to local management who are accountable for the conduct and performance of their businesses within the agreed business strategy. At Sports Toto Malaysia Sdn Bhd, the Group's principal subsidiary company, operations are divided into regions and areas due to dispersed locations of agents' outlets. Regional and area offices are staffed by experienced personnel to ensure that the operations of the outlets are well controlled and in line with the operating procedures. Similarly, the overseas operations are being managed by experienced personnel in their respective country offices. Regular reporting on performance of their businesses is provided to the Executive Directors of BTOTO who are assigned to manage the respective overseas operations. In addition, the Executive Directors in charge also made field visits to these overseas operations as well as to conduct periodic performance review meetings with the management personnel, thus ensuring the business plans and targets are met.

INTERNAL AUDIT FUNCTION

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. In this respect, the internal auditors provide the Audit Committee with independent and objective reports on the state of internal controls of the operating units within the Group to assist the Audit Committee in monitoring and assessing the effectiveness of the internal control system. Observations from internal audits are presented to the Audit Committee together with management's responses and proposed action plans for its review. The action plans are then followed up during subsequent internal audits with implementation status reported to the Audit Committee.

The internal audit function is principally carried out by the Internal Audit Department of Sports Toto Malaysia Sdn Bhd, the principal operating subsidiary of the Group.

KEY FEATURES OF THE INTERNAL CONTROL SYSTEM

Some key features of BTOTO's system of internal control include:

- Clear organisation structure with defined reporting lines;
- Capable workforce with clear job descriptions, and continuous training efforts;
- Monitoring mechanisms in the form of financial and operations reports, and scheduled management meetings;
- Formal employee appraisal system which enables appraisal of employees and rewarding employees based on performance;
- Formal operating and draw procedures which set out the expected standards for its operations;
- Surprise checks on agents to ensure compliance with the Group's policies and procedures;
- Physical security and systems access controls;
- Independent assurance on the system of internal control from regular internal audit visits;
- Business continuity planning; and
- Succession planning to ensure that key positions in the Group are always being held by capable employees who are well aware of the Group's risks, and operating policies and procedures.

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

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

AUDIT COMMITTEE REPORT

The Board of Directors of Berjaya Sports Toto Berhad ("BToto") is pleased to present the report of the Audit Committee for the financial year ended 30 April 2013.

AUDIT COMMITTEE MEMBERS AND MEETING ATTENDANCES

The members of the Audit Committee comprises the following:-

Cheah Tek Kuang	- Chairman/Independent/ Non-Executive Director
Mohamed Saleh Bin Gomu	- Independent/ Non-Executive Director
Datuk Robert Yong Kuen Loke	- Independent/ Non-Executive Director

The Audit Committee held five (5) meetings during the financial year ended 30 April 2013. The details of attendance of the Audit Committee members are as follows:-

Name	Attendance
Cheah Tek Kuang	4/4*
Mohamed Saleh Bin Gomu	5/5
Datuk Robert Yong Kuen Loke	4/5

The Senior Manager of Internal Audit of Sports Toto Malaysia Sdn Bhd and the Head of Group Accounts and Budgets were also invited to attend the audit committee meetings. The external auditors were also invited to attend three (3) of these meetings. The Audit Committee also met with the external auditors without the presence of executive Board members and the Management.

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

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

During the financial year ended 30 April 2013, the activities undertaken by the Audit Committee included the following:-

1. Reviewed the quarterly and year-to-date unaudited financial results before submission to the Board for consideration and approval;
2. Reviewed the external auditors' scope of work and audit plan for the year;
3. Reviewed and discussed the external auditors' audit report and areas of concern in the management letter thereof;
4. Assessed the adequacy and effectiveness of the system of internal control and accounting control procedures and the weaknesses of the Group's principal operating subsidiary by reviewing the various internal audit reports and management's responses thereto and ensuring significant findings are adequately addressed by management;
5. Reviewed the shareholders' circulars in relation to the recurrent related party transactions;
6. Reported to the Board on its activities and significant findings and results.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The primary function of Internal Audit Department is to assist the Audit Committee in discharging its duties and responsibilities. Their role is to provide the Committee with independent and objective reports on the state of internal controls of the operating units within the Group and the extent of compliance by such units with the Group's established policies and procedures.

The internal audit function was principally carried out by the Internal Audit Department of Sports Toto Malaysia Sdn Bhd ("STMSB"), the principal operating subsidiary of the Group which is involved in the gaming operations.

During the financial year ended 30 April 2013, the Internal Audit Department carried out various audit assignments on STMSB. The areas audited included branch audit of company's sales offices, audit of Head Office operating departments, IT audit and software testing of on-line gaming systems. Internal audit reports were issued to the Audit Committee and the STMSB management, incorporating

audit recommendations and management's responses with regard to any audit findings on the weaknesses in the systems and controls of the operation. The Internal Audit Department also followed up with management on the implementation of the agreed audit recommendations.

The total cost incurred for the internal audit function of the Company for the financial year ended 30 April 2013 was RM692,360.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

1. Membership

The Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three (3) members, all of whom shall be non-executive Directors. The majority of the Committee Members shall be Independent Directors and at least one (1) member of the Committee must be a member of the Malaysian Institute of Accountants or possesses such other qualifications and/or experience as approved by the Bursa Malaysia Securities Berhad ("BMSB").

A quorum shall consist of two (2) members and a majority of the members present must be Independent Directors.

If a member of the audit committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

2. Chairman

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

3. Secretary

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

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

4. Frequency of Meetings

Meetings shall be held not less than four (4) times a year and will normally be attended by the Director charged with the responsibilities of the Group's finance and Head of Internal Audit. The presence of external auditors will be requested if required and the external auditors may also request a meeting if they consider it necessary.

5. Authority

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

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

6. Duties

The duties of the Committee shall be:-

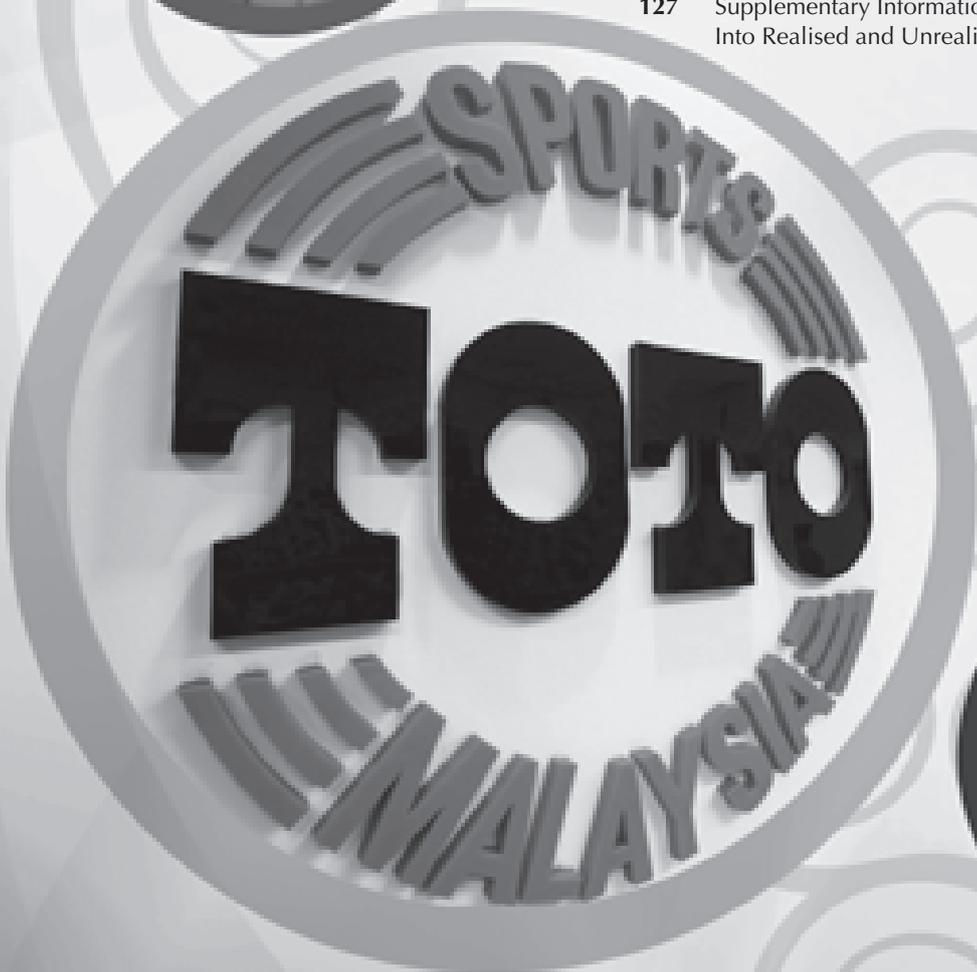
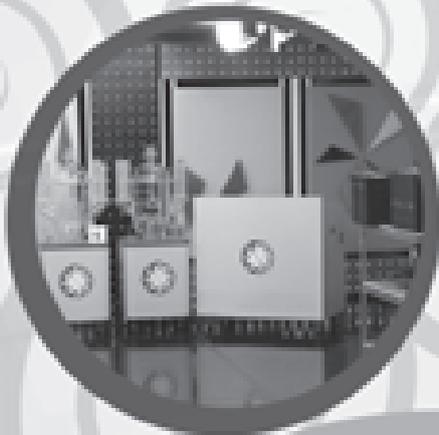
- (a) To review and recommend the appointment of external auditors, the audit fee and any questions of resignation or dismissal including the nomination of person or persons as external auditors;
- (b) To discuss with the external auditors where necessary, on the nature and scope of audit and to ensure coordination of audit where more than one (1) audit firm is involved;

AUDIT COMMITTEE REPORT

- (c) To review the quarterly results and year end financial statements prior to the approval by the Board, focusing on:-
 - going concern assumption
 - compliance with applicable financial reporting standards and regulatory requirements
 - any changes in accounting policies and practices
 - significant issues arising from the audit
 - major judgemental areas
- (d) To prepare Audit Committee Report at the end of each financial year;
- (e) To discuss problems and reservations arising from the interim and final external audits, and any matters the external auditors may wish to discuss (in the absence of management, where necessary);
- (f) To review the external auditors' management letter and management's response;
- (g) To review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (h) To do the following with regards to the internal audit function:-
 - review the adequacy of scope, functions, competency and resources of the internal audit department and that it has the necessary authority to carry out its work;
 - review internal audit programme;
 - ensure coordination of external audit with internal audit;
 - consider the major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;
 - review any appraisal or assessment of the performance of the staff of the internal audit function;
 - approve any appointment or termination of senior staff member of the internal audit function;
 - inform itself of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his/her reason for resignation;
 - to monitor related party transactions entered into by the Company and its subsidiaries, and to ensure that the Directors report such transactions annually to shareholders via the annual report;
 - to review and monitor the effectiveness of internal control systems and to evaluate the systems with the external auditors;
- (i) To carry out such other responsibilities, functions or assignments as may be defined jointly by the Audit Committee and the Board of Directors from time to time;
- (j) In compliance with Paragraph 15.16 of the Main Market Listing Requirements of BMSB ("Main Listing Requirements"), where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Main Listing Requirements, the Committee must promptly report such matter to BMSB.

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DIRECTORS' REPORT

For the financial year ended 30 April 2013

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2013.

PRINCIPAL ACTIVITIES

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

The principal activities of the Group are:

- operation of Toto betting under Section 5 of the Pool Betting Act, 1967;
- leasing of on-line lottery equipment and provision of software support;
- manufacture and distribution of computerised lottery and voting systems;
- property investment and development;
- operation of health and fitness centre;
- operation of hotel;
- investment holding; and
- asset management (trustee-manager).

Details of the subsidiaries are disclosed in Note 4 to the financial statements.

There have been no significant changes in the nature of the above principal activities during the financial year except for the incorporation of a subsidiary company as disclosed in Note 4 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the year	403,506	131,246
Attributable to:		
Owners of the parent	391,085	131,246
Non-controlling interests	12,421	-
	403,506	131,246

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

In the opinion of the Directors, the results 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.

The financial impact of transition from FRS framework to MFRS framework and application of new accounting policies from new and revised MFRS are disclosed in Note 2.3 and 2.4 to the financial statements.

DIVIDENDS

The amount of dividends paid by the Company since 30 April 2012 were as follows:

	RM'000
<u>In respect of the financial year ended 30 April 2012 as reported in the Directors' Report of that year:</u>	
Fourth interim single tier exempt dividend of 5 sen per share on 1,323,000,000 ordinary shares with voting rights, paid on 8 August 2012	66,150 # <hr/>
<u>In respect of the financial year ended 30 April 2013:</u>	
First interim single tier exempt dividend of 6.5 sen per share on 1,320,700,000 ordinary shares with voting rights, paid on 16 October 2012	85,846
Second interim dividend via a share dividend distribution of 29,330,612 treasury shares on the basis of one treasury share for every forty five existing ordinary shares held with voting rights, distributed on 30 January 2013 (equivalent to 9.5 sen per share)	125,956
Third interim single tier exempt dividend of 8 sen per share on 1,344,352,912 ordinary shares with voting rights, paid on 23 April 2013	107,548 <hr/>
	<u>319,350</u>
The Directors declared and approved on 18 June 2013: A fourth interim single tier exempt dividend of 4 sen per share on 1,339,040,000 ordinary shares with voting rights, paid on 1 August 2013 in respect of financial year ended 30 April 2013	53,562 * <hr/>

This dividend was accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ended 30 April 2013.

* The financial statements for the current financial year do not reflect this dividend. This dividend will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 30 April 2014.

The Directors do not recommend the payment of a final dividend in respect of the current financial year.

DIRECTORS' REPORT

For the financial year ended 30 April 2013

DIRECTORS

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

Cheah Tek Kuang
Dato' Robin Tan Yeong Ching
Seow Swee Pin
Chan Kien Sing
Freddie Pang Hock Cheng
Datuk Robert Yong Kuen Loke
Mohamed Saleh Bin Gomu
Dato' Dickson Tan Yong Loong
Rayvin Tan Yeong Sheik (Resigned on 1 October 2012)

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full time employee of the Company as shown in Note 28(a) to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except as disclosed in Note 38 to the financial statements.

DIRECTORS' INTERESTS

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

The Company Berjaya Sports Toto Berhad

	Number of ordinary shares of RM0.10 each			
	At 1.5.12	Acquired	Disposed	At 30.4.13
Dato' Robin Tan Yeong Ching	828,000	18,400 #	-	846,400
Chan Kien Sing	3,428	76 #	-	3,504
Freddie Pang Hock Cheng	390,000	8,666 #	-	398,666
	162,066 ^	3,601 #	-	165,667 ^
Seow Swee Pin	60,000	30,000 #	-	90,000
	7,500 ^	166 #	-	7,666 ^
Datuk Robert Yong Kuen Loke	1,956,857	43,485 #	(1,880,242)	120,100

Penultimate Holding Company Berjaya Land Berhad

	Number of ordinary shares of RM0.50 each			
	At 1.5.12	Acquired	Disposed	At 30.4.13
Dato' Robin Tan Yeong Ching	600,000	-	-	600,000
	56,600,000 *	-	-	56,600,000 *
Freddie Pang Hock Cheng	160,000	-	-	160,000
	4,000 ^	-	-	4,000 ^
Datuk Robert Yong Kuen Loke	360,808	-	-	360,808

DIRECTORS' REPORT
For the financial year ended 30 April 2013

DIRECTORS' INTERESTS (CONT'D)

**Ultimate Holding Company
Berjaya Corporation Berhad**

	Number of ordinary shares of RM1.00 each			
	At 1.5.12	Acquired	Disposed	At 30.4.13
Dato' Robin Tan Yeong Ching	722,847	1,500,000	-	2,222,847
	597,141,995 *	2,275,000	-	599,416,995 *
	5,000 ^	-	-	5,000 ^
Chan Kien Sing	47,688	-	-	47,688
Freddie Pang Hock Cheng	217,388	-	-	217,388
	143,300 ^	-	-	143,300 ^
Datuk Robert Yong Kuen Loke	1,020,548	-	-	1,020,548

	Number of RM0.50 nominal value of 0% Irredeemable Convertible Unsecured Loan Stocks 2005/2015			
	At 1.5.12	Acquired	Converted	At 30.4.13
Dato' Robin Tan Yeong Ching	12,401,200 *	-	-	12,401,200 *
Datuk Robert Yong Kuen Loke	741	-	-	741

	Number of RM1.00 nominal value of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022			
	At 1.5.12	Acquired	Converted	At 30.4.13
Dato' Robin Tan Yeong Ching	2,620,500	-	-	2,620,500
	87,029,000 *	-	-	87,029,000 *
	1,000 ^	-	-	1,000 ^
Chan Kien Sing	10,000	-	-	10,000
Freddie Pang Hock Cheng	40,000	-	-	40,000
	25,200 ^	-	-	25,200 ^
Datuk Robert Yong Kuen Loke	170,108	1,830,000	-	2,000,108

	Number of Warrants			
	At 1.5.12	Acquired	Converted	At 30.4.13
Dato' Robin Tan Yeong Ching	2,620,500	-	-	2,620,500
	87,029,000 *	-	-	87,029,000 *
	1,000 ^	-	-	1,000 ^
Chan Kien Sing	10,000	-	-	10,000
Freddie Pang Hock Cheng	40,000	-	-	40,000
	25,200 ^	-	-	25,200 ^
Datuk Robert Yong Kuen Loke	170,108	-	-	170,108

**Related Companies
Cosway Corporation Limited**

	Number of ordinary shares of HKD0.20 each			
	At 1.5.12	Acquired	Disposed	At 30.4.13
Dato' Robin Tan Yeong Ching	1,300,000 ^	-	(1,300,000)	-

DIRECTORS' REPORT

For the financial year ended 30 April 2013

DIRECTORS' INTERESTS (CONT'D)

Berjaya Food Berhad

	Number of ordinary shares of RM0.50 each			
	At 1.5.12	Acquired	Disposed	At 30.4.13
Dato' Robin Tan Yeong Ching	500,000	465,300	-	965,300

	Number of ordinary shares of RM0.50 each under the Employees' Share Option Scheme			
	At 1.5.12	Granted	Exercised	At 30.4.13
Dato' Robin Tan Yeong Ching	600,000	-	-	600,000

	Number of Warrants			At 30.4.13
	At 1.5.12	Acquired	Converted	
Dato' Robin Tan Yeong Ching	-	465,300	-	465,300

* Denotes indirect interests.

^ Denotes indirect interests held pursuant to Section 134(12)(c) of the Companies Act, 1965.

Share dividend distribution on the basis of one (1) treasury share for every forty five (45) existing ordinary shares on 30 January 2013.

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

SHARE CAPITAL AND TREASURY SHARES

On 18 December 2012, the Company declared and approved a share dividend in respect of financial year ended 30 April 2013 via distribution of 29,330,612 treasury shares on the basis of one treasury share for every forty five existing ordinary shares held. The share dividend was distributed on 30 January 2013.

The number and carrying amounts of treasury shares as at 30 April were as follows:

	Number of shares		Carrying amounts	
	2013 '000	2012 '000	2013 RM'000	2012 RM'000
Balance as at 1 May	28,030	13,530	120,295	57,341
Acquisition of additional treasury shares during the year	9,141	14,500	38,568	62,954
Distribution of treasury shares as share dividend during the year	(29,331)	-	(125,956)	-
Total treasury shares as at 30 April (Note 20)	7,840	28,030	32,907	120,295

As at 30 April 2013, the issued and paid up share capital of the Company with voting rights was 1,343,190,000 (2012 : 1,323,000,000) ordinary shares of RM0.10 each.

OTHER STATUTORY INFORMATION

- (a) Before the statements of financial position, income statements and statements of comprehensive income of the Group and of the Company were made out, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts in these financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability or financial guarantee of the Group or of the Company which has arisen since the end of the financial year other than as disclosed in Note 36 to the financial statements.
- (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

For the financial year ended 30 April 2013

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are as disclosed in Note 43 to the financial statements.

SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR

The significant events after the financial year are as disclosed in Note 44 to the financial statements.

AUDITORS

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

Signed on behalf of the Board in accordance with a resolution of the Directors dated 16 August 2013

DATO' ROBIN TAN YEONG CHING

SEOW SWEE PIN

STATEMENT BY DIRECTORS

Pursuant to Section 169(15) of the Companies Act, 1965

We, DATO' ROBIN TAN YEONG CHING and SEOW SWEE PIN, being two of the Directors of BERJAYA SPORTS TOTO BERHAD, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 52 to 126 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 April 2013 and of the results and the cash flows of the Group and of the Company for the year then ended.

The information set out in Note 45 on page 127 to the financial statements have been prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 16 August 2013

DATO' ROBIN TAN YEONG CHING

SEOW SWEE PIN

STATUTORY DECLARATION

Pursuant to Section 169(16) of the Companies Act, 1965

I, SEOW SWEE PIN, being the Director primarily responsible for the financial management of BERJAYA SPORTS TOTO BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 52 to 127 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 }
SEOW SWEE PIN at Kuala Lumpur }
in the Federal Territory on 16 August 2013 } **SEOW SWEE PIN**

Before me,

TENGGU FARIDDUDIN BIN TENGGU SULAIMAN (W533)
Commissioner for Oaths
Kuala Lumpur, Malaysia

INDEPENDENT AUDITORS' REPORT

To the Members of Berjaya Sports Toto Berhad

Report on the financial statements

We have audited the financial statements of Berjaya Sports Toto Berhad, which comprise the statements of financial position as at 30 April 2013 of the Group and of the Company, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 52 to 126.

Directors' responsibility for the financial statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors deem necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2013 and of the financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the Companies Act, 1965.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 4 to the financial statements, being financial statements that have been included in the consolidated financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

INDEPENDENT AUDITORS' REPORT To the Members of Berjaya Sports Toto Berhad

Other reporting responsibilities

The supplementary information set out in Note 45 on page 127 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of supplementary information in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other matters

- (a) As stated in Note 2.3 to the financial statements, the Company adopted Malaysian Financial Reporting Standards on 1 May 2012 with a transition date of 1 May 2011. These standards were applied retrospectively by directors to the comparative information in these financial statements, including the statements of financial position as at 30 April 2012 and 1 May 2011, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year ended 30 April 2012 and related disclosures. We were not engaged to report on the comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and of the Company for the year ended 30 April 2013 have, in these circumstances, included obtaining sufficient appropriate audit evidence that opening balances as at 1 May 2012 do not contain misstatements that materially affect the financial position as of 30 April 2013 and financial performance and cash flows for the year then ended.
- (b) This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ERNST & YOUNG
AF:0039
Chartered Accountants

KUA CHOO KAI
2030/03/14(J)
Chartered Accountant

Kuala Lumpur, Malaysia
16 August 2013

STATEMENTS OF FINANCIAL POSITION

As at 30 April 2013

	Note	Group			Company		
		2013 RM'000	2012 RM'000 (Restated)	As at 1 May 2011 RM'000 (Restated)	2013 RM'000	2012 RM'000 (Restated)	As at 1 May 2011 RM'000 (Restated)
ASSETS							
Non-current assets							
Property, plant and equipment	3	121,864	131,139	135,900	3,845	4,449	4,777
Investment in subsidiary companies	4	-	-	-	6,594,900	6,594,900	6,588,900
Investment in associated companies	5	7,793	6,379	2,238	167	2,038	2,116
Long term investments	6	58,987	38,140	30,745	113	113	113
Investment properties	7	99,023	92,236	80,776	-	-	-
Deferred tax assets	8	18,417	12,718	9,776	-	-	-
Intangible assets	9	644,485	643,857	642,757	-	-	-
		950,569	924,469	902,192	6,599,025	6,601,500	6,595,906
Current assets							
Inventories	10	16,878	14,082	5,919	-	-	-
Receivables	11	142,105	74,984	87,712	63,871	70,438	123,577
Tax recoverable		121	136	61	-	-	-
Amounts due from subsidiary companies	12	-	-	-	146,504	137,699	156,227
Short term investments	13	3,771	759	1,483	-	-	-
Deposits with financial institutions	14	360,766	363,957	395,915	5,500	18,721	20,153
Cash and bank balances		68,860	44,890	53,982	1,374	353	1,212
		592,501	498,808	545,072	217,249	227,211	301,169
Asset classified as held for sale	6	-	4,781	-	-	-	-
		592,501	503,589	545,072	217,249	227,211	301,169
TOTAL ASSETS		1,543,070	1,428,058	1,447,264	6,816,274	6,828,711	6,897,075

STATEMENTS OF FINANCIAL POSITION

As at 30 April 2013

	Note	Group			Company		
		2013 RM'000	2012 RM'000 (Restated)	As at 1 May 2011 RM'000 (Restated)	2013 RM'000	2012 RM'000 (Restated)	As at 1 May 2011 RM'000 (Restated)
EQUITY AND LIABILITIES							
Equity attributable to owners of the parent							
Share capital	15	135,103	135,103	135,103	135,103	135,103	
Capital reserve	16	21,327	21,327	21,327	-	-	
Exchange reserve	17	12,997	8,248	(1,582)	-	-	
Available-for-sale ("AFS") reserve	18	10,424	17,504	15,015	-	-	
Retained earnings	19	423,221	417,636	345,541	5,773,870	6,028,124	
					6,028,124	5,990,772	
Equity funds		603,072	599,818	515,404	5,908,973	6,163,227	
Treasury shares	20	(32,907)	(120,295)	(57,341)	(32,907)	(120,295)	
						6,125,875	
Net equity funds		570,165	479,523	458,063	5,876,066	6,042,932	
Non-controlling interests		43,049	31,399	23,723	-	-	
						6,068,534	
Total equity		613,214	510,922	481,786	5,876,066	6,042,932	
						6,068,534	
Non-current liabilities							
Retirement benefit obligations	21	2,406	1,903	1,556	-	-	
Medium term notes	22	400,000	550,000	550,000	-	-	
Other long term liability	23	927	694	867	106	-	
Deferred tax liabilities	8	364	380	326	364	326	
		403,697	552,977	552,749	470	348	
						326	
Current liabilities							
Medium term notes	22	150,000	-	-	-	-	
Provisions	24	421	513	92	-	-	
Payables	25	348,186	337,425	389,162	3,839	5,609	
Amounts due to subsidiary companies	26	-	-	-	935,899	779,822	
Tax payable		27,552	26,221	23,475	-	-	
		526,159	364,159	412,729	939,738	785,431	
						828,215	
TOTAL LIABILITIES		929,856	917,136	965,478	940,208	785,779	
						828,541	
TOTAL EQUITY AND LIABILITIES		1,543,070	1,428,058	1,447,264	6,816,274	6,828,711	
						6,897,075	

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

INCOME STATEMENTS

For the financial year ended 30 April 2013

	Note	Group		Company	
		2013 RM'000	2012 RM'000 (Restated)	2013 RM'000	2012 RM'000
Revenue	27	3,628,362	3,607,754	182,042	409,337
Cost of sales		(2,671,859)	(2,684,289)	-	-
GROSS PROFIT		956,503	923,465	182,042	409,337
Selling and distribution expenses		(168,720)	(137,401)	-	-
General and administrative expenses		(226,019)	(207,856)	(19,575)	(12,678)
PROFIT BEFORE OTHER INCOME AND EXPENSES	28	561,764	578,208	162,467	396,659
Investment related income	29	20,855	5,096	-	-
Investment related expenses	30	-	(427)	(1,883)	(92)
Other income	31	21,632	25,201	9,400	10,513
		604,251	608,078	169,984	407,080
Finance costs	32	(31,371)	(30,367)	(38,722)	(36,325)
Share of results of associated companies		(3,354)	1,439	-	-
PROFIT BEFORE TAX		569,526	579,150	131,262	370,755
Income tax expense	33	(166,020)	(163,465)	(16)	(22)
PROFIT FOR THE YEAR		403,506	415,685	131,246	370,733
ATTRIBUTABLE TO:					
Owners of the parent		391,085	405,476	131,246	370,733
Non-controlling interests		12,421	10,209	-	-
		403,506	415,685	131,246	370,733
Earnings per share					
attributable to owners of the parent	34				
- Basic (sen)		29.43	30.37		
- Diluted (sen)		29.43	30.37		
NET DIVIDENDS PER SHARE (SEN)					
- First interim dividend				6.50	8.00
- Second interim dividend - share dividend				9.50	-
- Second interim dividend				-	8.00
- Third interim dividend				8.00	6.00
- Fourth interim dividend				4.00	5.00

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

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 30 April 2013

	Group		Company	
	2013 RM'000	2012 RM'000 (Restated)	2013 RM'000	2012 RM'000
PROFIT AFTER TAXATION	403,506	415,685	131,246	370,733
OTHER COMPREHENSIVE INCOME				
Gain on changes in fair value of available-for-sale investments	3,318	3,618	-	-
Transfer to profit or loss upon disposal	(11,357)	-	-	-
Effects of foreign exchange differences	5,702	10,320	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	401,169	429,623	131,246	370,733
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the parent	388,754	417,795	131,246	370,733
Non-controlling interests	12,415	11,828	-	-
	401,169	429,623	131,246	370,733

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 April 2013

	Attributable to Owners of the Parent						Total to owners of parent company RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Capital reserve RM'000	Exchange reserve RM'000	AFS reserve RM'000	Distributable Retained earnings RM'000			
GROUP									
As at 1 May 2011 (as previously reported)	135,103	(57,341)	21,327	(1,582)	15,015	341,846	454,368	23,723	478,091
Effects of adopting MFRS 112 (Note 2.4)	-	-	-	-	-	3,695	3,695	-	3,695
As at 1 May 2011 (as restated)	135,103	(57,341)	21,327	(1,582)	15,015	345,541	458,063	23,723	481,786
Total comprehensive income for the year	-	-	-	9,830	2,489	405,476	417,795	11,828	429,623
Transactions with owners									
Adjustment due to foreign subsidiary company's share buyback	-	-	-	-	-	-	-	(3,406)	(3,406)
Dividends (Note 35)	-	-	-	-	-	(333,381)	(333,381)	-	(333,381)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(746)	(746)
Purchase of treasury shares (Note 20)	-	(62,954)	-	-	-	-	(62,954)	-	(62,954)
Total transactions with owners	-	(62,954)	-	-	-	(333,381)	(396,335)	(4,152)	(400,487)
As at 30 April 2012 (as restated)	135,103	(120,295)	21,327	8,248	17,504	417,636	479,523	31,399	510,922

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 30 April 2013

	Attributable to Owners of the Parent						Total to owners of parent company RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Capital reserve RM'000	Exchange reserve RM'000	AFS reserve RM'000	Distributable Retained earnings RM'000			
GROUP (CONT'D)									
As at 1 May 2012 (as previously reported)	135,103	(120,295)	21,327	8,248	17,504	412,303	474,190	31,399	505,589
Effects of adopting MFRS 112 (Note 2.4)	-	-	-	-	-	5,333	5,333	-	5,333
As at 1 May 2012 (as restated)	135,103	(120,295)	21,327	8,248	17,504	417,636	479,523	31,399	510,922
Total comprehensive income for the year	-	-	-	4,749	(7,080)	391,085	388,754	12,415	401,169
Transactions with owners									
Adjustment due to foreign subsidiary company's share buyback	-	-	-	-	-	-	-	(765)	(765)
Distribution of treasury shares as share dividend (Notes 20 and 35)	-	125,956	-	-	-	(125,956)	-	-	-
Dividends (Note 35)	-	-	-	-	-	(259,544)	(259,544)	-	(259,544)
Purchase of treasury shares (Note 20)	-	(38,568)	-	-	-	-	(38,568)	-	(38,568)
Total transactions with owners	-	87,388	-	-	-	(385,500)	(298,112)	(765)	(298,877)
As at 30 April 2013	135,103	(32,907)	21,327	12,997	10,424	423,221	570,165	43,049	613,214

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 April 2013

	Share capital RM'000	Treasury shares RM'000	<u>Distributable</u> Retained earnings RM'000	Total equity RM'000
COMPANY				
As at 1 May 2011 (as previously reported)	135,103	(57,341)	594,719	672,481
Effect of adopting MFRS 1 (Note 2.3)	-	-	5,396,053	5,396,053
As at 1 May 2011 (as restated)	135,103	(57,341)	5,990,772	6,068,534
Total comprehensive income for the year	-	-	370,733	370,733
Transactions with owners				
Dividends (Note 35)	-	-	(333,381)	(333,381)
Purchase of treasury shares (Note 20)	-	(62,954)	-	(62,954)
Total transactions with owners	-	(62,954)	(333,381)	(396,335)
As at 30 April 2012	135,103	(120,295)	6,028,124	6,042,932
As at 1 May 2012 (as previously reported)	135,103	(120,295)	632,071	646,879
Effect of adopting MFRS 1 (Note 2.3)	-	-	5,396,053	5,396,053
As at 1 May 2012 (as restated)	135,103	(120,295)	6,028,124	6,042,932
Total comprehensive income for the year	-	-	131,246	131,246
Transactions with owners				
Distribution of treasury shares as share dividend (Notes 20 and 35)	-	125,956	(125,956)	-
Dividends (Note 35)	-	-	(259,544)	(259,544)
Purchase of treasury shares (Note 20)	-	(38,568)	-	(38,568)
Total transactions with owners	-	87,388	(385,500)	(298,112)
As at 30 April 2013	135,103	(32,907)	5,773,870	5,876,066

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 April 2013

	2013 RM'000	2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	3,943,044	3,921,992
Payments to prize winners, suppliers and for other operating expenses	(2,742,855)	(2,651,023)
Payments for pool betting duties, gaming tax and other government contributions	(622,080)	(623,995)
Payment of taxes	(170,483)	(163,562)
Refund of taxes	58	15
Other receipts	78	86
Net cash generated from operating activities	407,762	483,513
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	873	1,232
Proceeds from disposal of long term investments	24,713	-
Proceeds from disposal of short term investments	759	2,242
Acquisition of property, plant and equipment (Note A)	(15,345)	(20,113)
Acquisition of investment in associated company	(4,645)	(1,868)
Acquisition of an investment property	(5,002)	(6,392)
Acquisition of treasury shares from non-controlling interests by a foreign subsidiary company	(765)	(3,406)
Acquisition of long term investments	(31,650)	(9,564)
Acquisition of short term investments	(3,771)	(1,518)
Dividend received	441	28
Interest received	13,319	13,153
Other receipts arising from investments	1,276	3,058
Other payments arising from investments	(37,786)	-
Net cash used in investing activities	(57,583)	(23,148)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase liabilities	(300)	(251)
Interest paid on borrowings	(31,515)	(30,298)
Dividends paid to shareholders of the Company	(259,891)	(411,586)
Dividends paid to non-controlling interests	-	(746)
Treasury shares acquired (Note B)	(40,118)	(60,981)
Net cash used in financing activities	(331,824)	(503,862)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	18,355	(43,497)
CASH AND CASH EQUIVALENTS AS AT 1 MAY	408,847	449,897
Effects of exchange rate changes	2,424	2,447
CASH AND CASH EQUIVALENTS AS AT 30 APRIL (Note C)	429,626	408,847

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 April 2013

	2013 RM'000	2012 RM'000
Note A Acquisition of property, plant and equipment		
Hire purchase	679	129
Cash	15,345	20,113
Provision for restoration costs	248	-
Reclassified from inventories	397	-
	<hr/> 16,669	<hr/> 20,242
Note B Treasury shares acquired		
Cash	40,118	60,981
Other payables	423	1,973
Less : Payment made for previous year acquisition	(1,973)	-
	<hr/> 38,568	<hr/> 62,954
Note C Cash and cash equivalents comprise the following:		
Deposits with financial institutions (Note 14)	360,766	363,957
Cash and bank balances	68,860	44,890
	<hr/> 429,626	<hr/> 408,847

Included in the Group's deposits with financial institutions is an amount of RM163,000 (2012 : RM158,000) which is pledged to bank for facilities granted to a subsidiary company.

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

STATEMENT OF CASH FLOWS

For the financial year ended 30 April 2013

	2013 RM'000	2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payment for operating expenses	(18,496)	(11,863)
Dividends received	188,475	462,186
Net cash generated from operating activities	169,979	450,323
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment (Note A)	(277)	(619)
Interest received	549	567
Advances from a subsidiary company	114,022	-
Repayment of advances to subsidiary companies	(5)	(2,473)
Repayment of advances from subsidiary companies	13,538	32,598
Advances given to subsidiary companies	(9,997)	(10,120)
Net cash generated from investing activities	117,830	19,953
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(259,891)	(411,586)
Treasury shares acquired (Note B)	(40,118)	(60,981)
Net cash used in financing activities	(300,009)	(472,567)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(12,200)	(2,291)
CASH AND CASH EQUIVALENTS AS AT 1 MAY	19,074	21,365
CASH AND CASH EQUIVALENTS AS AT 30 APRIL (Note C)	6,874	19,074
Note A Acquisition of property, plant and equipment		
Hire purchase	129	-
Cash	277	619
	406	619
Note B Treasury shares acquired		
Cash	40,118	60,981
Other payables	423	1,973
Less : Payment made for previous year acquisition	(1,973)	-
	38,568	62,954
Note C Cash and cash equivalents comprise the following:		
Deposits with financial institutions (Note 14)	5,500	18,721
Cash and bank balances	1,374	353
	6,874	19,074

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

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

1 CORPORATE INFORMATION

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

The principal activities of the Group are:

- operation of Toto betting under Section 5 of the Pool Betting Act, 1967;
- leasing of on-line lottery equipment and provision of software support;
- manufacture and distribution of computerised lottery and voting systems;
- property investment and development;
- operation of health and fitness centre;
- operation of hotel;
- investment holding; and
- asset management (trustee-manager).

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. 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 penultimate holding and ultimate holding companies of the Company are Berjaya Land Berhad and Berjaya Corporation Berhad ("BCorp") respectively, both of which are incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 16 August 2013.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of the Group and of the Company have been prepared on a historical cost basis unless otherwise indicated in the accounting policies below and comply with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

At the beginning of the current financial year, the Group and the Company had adopted the MFRSs which is mandated for period beginning on or after 1 May 2012 as described in Note 2.3.

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

2.2 Summary of Significant Accounting Policies

(a) Subsidiaries and basis of consolidation

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

Subsidiary companies are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

Subsidiary companies are consolidated using the acquisition method of accounting. Subsidiary companies are consolidated from the date of acquisition being the date on which the Group obtain control, and continue to be consolidated until the date that such control ceases.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(a) Subsidiaries and basis of consolidation (cont'd)

Under the acquisition method of accounting, the results of subsidiary companies acquired during the financial year are included in the consolidated financial statements from the effective date of acquisition. The acquisition method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities assumed at the date of acquisition. 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. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities assumed, and equity instruments issued. Any costs directly attributable to the acquisition are recognised immediately in profit or loss.

When control in a business is acquired in stages, the 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 the profit or loss. Similarly, when control over a subsidiary company is lost, any interest retained is measured at fair value and the corresponding gain or loss recognised in the profit or loss.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree, and the fair value of any of the Group's previously held equity interest in the acquiree (hereinafter referred to as cost of business combination), over the net amount of the fair value of identifiable assets acquired and liabilities assumed is recognised as goodwill.

Any excess of 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.

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 balances, transactions, income and expenses are eliminated in full.

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 in 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 and attributable to owners of the parent.

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

(b) Transactions with non-controlling interests

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 in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. Profit or loss and each component of other comprehensive income are attributed to the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(b) Transactions with non-controlling interests (cont'd)

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary company. Any difference between the amount by which the non-controlling interest are adjusted and the fair value of consideration paid or received shall be recognised directly in equity and attributed to the owners of the parent.

(c) Associated companies

Associated companies are entities in which the Group has significant influence and where the Group participates in its financial and operating policies through Board representation. Investments in associated companies are accounted for in the consolidated financial statements by the equity method of accounting based on the latest audited or management financial statements of the companies concerned made up to the Group's financial year-end. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

Under the equity method of accounting, the Group's investment in associated companies is carried in the consolidated statement of financial position at cost adjusted for the Group's share of post-acquisition changes in the share of the net assets of the associated companies, less impairment losses. The Group's share of results of associated companies during the financial year is included in the consolidated financial statements. The Group's share of results of associated companies acquired or disposed of during the year, is included in the consolidated profit or loss from the date that significant influence effectively commences until the date that significant influence effectively ceases, as appropriate.

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

Goodwill relating to an associated company is 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 identifiable assets acquired and liabilities incurred over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of associated company's profit or loss in the period in which the investment is acquired.

When the Group's share of losses equals or exceeds its interest in an equity accounted associated company including any long-term interest that, in substance, form part of the Group's net investment in the associated company, 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 an obligation or has made payment on behalf of the associated companies.

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

(d) Intangible assets

(i) Goodwill

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

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(d) Intangible assets (cont'd)

(ii) Research and development costs

Research costs are recognised in the profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditures which do not meet these criteria are expensed when incurred.

Development costs, considered to have finite useful lives, are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products. Impairment is assessed whenever there is an indication of impairment and the amortisation period and method are also reviewed at each reporting date.

(iii) Other intangible assets

The cost of intangible assets acquired in a business combination is at their fair values as at the date of acquisition. The intangible assets acquired separately are measured on initial recognition at cost. 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.

(e) Property, plant and equipment and depreciation

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

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

Freehold land that has an unlimited useful life is not depreciated. 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 and buildings	Amortised over the lease period
Buildings	2%
Plant and machinery	20% - 33%
Computer equipment	10% - 33%
Office equipment	10% - 67%
Furniture and fittings	10% - 33%
Motor vehicles	20% - 33%
Renovations	10% - 20%
Gym equipment	20%
Hotel and kitchen equipment and utensils	20%

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(e) Property, plant and equipment and depreciation (cont'd)

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.

(f) Investment properties

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

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.

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

(g) Impairment of non-financial assets

The carrying amounts of the Group's assets, other than 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 any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, intangible assets that have 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 indicators of impairment are identified.

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

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market 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.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(g) Impairment of non-financial assets (cont'd)

An impairment loss is recognised in profit or loss in the period except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

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.

(h) Inventories

Inventories comprise raw materials, work-in-progress and finished goods that are stated at the lower of cost and net realisable value. Cost, in the case of work-in-progress and finished goods, comprises raw materials, direct labour and an attributable proportion of production overheads. Cost is determined on the first-in first-out basis, the weighted average cost method, or by specific identification. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Ticket inventories and gaming equipment components and parts are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis.

(i) 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.

The Group and the Company categorise the financial instruments as follows:

(i) 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 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(i) Financial assets (cont'd)

(ii) 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 fair value through profit or loss, loans and receivables and held-to-maturity investments.

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, foreign exchange gains 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 on 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.

Investment 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 where the contractual right to receive cash flows from the asset has expired. 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 that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group and the Company commit to purchase or sell the asset.

(j) 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.

(i) 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.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(j) Impairment of financial assets (cont'd)

(i) Trade and other receivables and other financial assets carried at amortised cost (cont'd)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

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.

(ii) 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 assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the Group and Company's share of net assets of the issuer or 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.

(iii) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, 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.

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 investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, 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.

(k) Cash and cash equivalents

For the purposes of the statements of cash flow, cash and cash equivalents include cash on hand and at bank, deposits at call and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts, if any.

(l) 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, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become 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.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(l) Financial liabilities (cont'd)

The Group and the Company categorise the financial instruments as follows:

(i) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables, loans and borrowings including medium term notes.

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 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.

(m) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared and 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, reissuance or cancellation of treasury shares. When treasury shares are reissued by resale, the credit difference arising shall be taken to the share premium account. Conversely, the debit difference shall be set off against the share premium account or any suitable reserves.

(n) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.2 Summary of Significant Accounting Policies (cont'd)****(o) Leases****(i) As lessee**

Finance leases, which transfer to the Group 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 period in which they incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group 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 the profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(ii) As lessor

Leases where the Group 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 bases as rental income. The accounting policy for rental income is set out in Note 2.2(t)(iv).

(p) Income tax**(i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, 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

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(p) Income tax (cont'd)

(ii) Deferred tax (cont'd)

- in respect of deductible temporary differences associated with investments in subsidiaries and associates, 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.

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.

(q) Provisions

Provisions are recognised when the Group 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 there 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.

(r) Employee benefits

(i) 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.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Company pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current 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 its respective country's statutory pension schemes.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(r) Employee benefits (cont'd)

(iii) Retirement benefit obligations

Pension benefits are provided to employees of the Group's foreign subsidiaries through a defined benefit plan.

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. 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 liability recognised in the consolidated statement of financial position for defined benefit plans is the present value of the defined benefit obligation ("DBO") at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The DBO is regularly calculated by independent actuaries using the projected unit credit method. The present value of the DBO is 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 pension liability.

Actuarial gains and losses are not recognised in the profit or loss unless the total unrecognised gain or loss exceeds 10% of the greater of the obligation and related plan assets. The amount exceeding this 10% corridor is charged to or credited to profit or loss over the employees' expected average remaining working lives. Actuarial gains or losses within the 10% corridor are disclosed separately. Past service costs are recognised immediately in the profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

(s) Foreign currencies

(i) 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 ("the functional currency"). The consolidated financial statements are presented in RM, which is also the Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at 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 in terms of historical cost in a foreign currency are translated using the exchange rate at the date of 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 of the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(s) Foreign currencies (cont'd)

(ii) Foreign currency transactions (cont'd)

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss 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 recognised directly in equity.

(iii) Foreign operations

The results and financial position of the 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 statement of comprehensive income are translated at average exchange rates for the 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.

The principal exchange rates used for each respective unit of foreign currencies ruling at the reporting date are as follows:

	2013 RM	2012 RM
1 United States Dollar ("USD")	3.0285	3.0360
1 Hong Kong Dollar ("HKD")	0.3903	0.3913
1 Philippine Peso ("Php")	0.0736	0.0719
1 Singapore Dollar ("SGD")	2.4543	*

* Not applicable

(t) Revenue and other income recognition

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

(i) Toto betting

Revenue from toto betting is recognised based on ticket sales, net of gaming tax relating to draw days within the financial year.

(ii) Dividend income

Dividend income from subsidiary, associated companies and other investments are recognised when the right to receive the dividend payment is established.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.2 Summary of Significant Accounting Policies (cont'd)****(t) Revenue and other income recognition (cont'd)****(iii) Interest income**

Interest income is recognised on an accrual basis unless recoverability is in doubt, in which case, it is recognised on receipt basis.

(iv) Rental income

Rental income, including those from investment properties, is recognised, on the accrual basis unless collection is in doubt, in which case, it is recognised on receipt basis.

(v) Management fee income

Management fee income is recognised on an accrual basis.

(vi) Lease of lottery equipment

Revenue from the lease of lottery equipment is recognised based on certain percentage of gross receipts from lottery ticket sales, excluding the foreign value-added tax and trade discounts.

(vii) Lottery and voting products sales, services and licencing income

Revenue from lottery and voting products sales, services and licencing 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.

(viii) Fitness centre operationsMembership fees

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

Revenue from services

Revenue from services arises from the provision of professional training to members. Revenue from services rendered is recognised when services are performed.

(ix) Hotel operationsRevenue from room services

Revenue from room services are recognised when the services are rendered.

Sale of food, beverages and others

Revenue from sale of food, beverages and others are recognised upon delivery to and receipt of goods by the customers.

(x) Other income

Other than the above, all other income are recognised on the accrual basis.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (cont'd)

(u) Segmental reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

The Group adopts business segment analysis as its primary reporting format and geographical segment analysis as its secondary reporting format.

Segment revenue and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Revenue and expenses do not include items arising on investing or financing activities.

Revenue presented under geographical segments are based on location of customer where sale is transacted.

Segment assets include all operating assets used by a segment and do not include items arising on investing or financing activities. Assets are allocated to a segment based on location of assets for that presented under geographical segments. Segment liabilities comprise operating liabilities and do not include liabilities arising on investing or financing activities such as bank borrowings.

(v) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group except for contingent liabilities assumed in a business combination of which the fair value can be reliably measured.

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

Non-current assets 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 MFRSs. 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 MFRS 5 that is at the lower of carrying amount and fair value less cost 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.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 First-time adoption of Malaysian Financial Reporting Standards ("MFRS")

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS framework").

The MFRS framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

These financial statements, for the year ended 30 April 2013, are the first set of financial statements of the Group and the Company that have been prepared in accordance with MFRSs and MFRS 1 First Time Adoption of Malaysian Reporting Standards have been applied.

For the periods up to the financial year ended 30 April 2012, the Group and the Company prepared its financial statements in accordance with Financial Reporting Standards ("FRSs") in Malaysia. Except for certain differences, the requirements under FRSs and MFRSs are similar.

In preparing these financial statements, the Group's and the Company's opening statements of financial position were prepared as at 1 May 2011, the date of transition to MFRS framework.

The transition from FRS framework to MFRS framework has not had financial impact on the statements of financial position, statements of comprehensive income and statements of cash flows except for those disclosed below. Accordingly, notes relating to the statements of financial position as at date of transition to MFRSs framework are only presented for those items.

Investment in subsidiaries, jointly controlled entities and associates

MFRS 1 allows a first-time adopter to measure its subsidiaries, jointly controlled entities and associates in its separate financial statements on its date of transition either at cost, in accordance with MFRS 127 Consolidated and Separate Financial Statements; or deemed cost. The deemed cost of such an investment shall be either the fair value at the entity's date of transition to MFRS in its separate financial statements or the previous GAAP carrying amount at that date.

The Company has elected to measure its investment in one of the subsidiaries at fair value at the entity's date of transition, i.e. 1 May 2011 by determining the fair value based on discounted cash flow computation.

The following are the effects to the Statement of Financial Position as at 30 April 2012 and 1 May 2011 arising from the above:

	As previously reported RM'000	Company Effect of adoption of MFRS 1 RM'000	As restated RM'000
Statement of Financial Position as at 30 April 2012			
Investment in subsidiary companies	1,198,847	5,396,053	6,594,900
Reserves - retained earnings	632,071	5,396,053	6,028,124
Statement of Financial Position as at 1 May 2011			
Investment in subsidiary companies	1,192,847	5,396,053	6,588,900
Reserves - retained earnings	594,719	5,396,053	5,990,772

There is no impact to the Group as this only applies to the entity's separate financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Effects Arising from Application of New Accounting Policies from the New and Revised MFRSs

The adoption of the new and revised MFRSs, Amendments to MFRSs, Interpretations and Technical Releases did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

Amendments to MFRS 112 Income Taxes

The amendments introduces the rebuttable presumption that deferred tax on investment properties measured using the fair value model in MFRS 140 Investment Property should be determined on the basis that its carrying amount will be recovered through sale.

The adoption of the amendments to MFRS 112 has resulted in the Group to remeasure the prior year's deferred tax on fair values changes of investment properties. The Group has applied this change in accounting policy retrospectively and certain comparatives have been restated.

The following are the effects arising from the above changes in accounting policies:

	As previously reported RM'000	Group Effect of adoption of Amendments to MFRS 112 RM'000	As restated RM'000
Statement of Financial Position as at 30 April 2012			
Deferred tax assets	11,417	1,301	12,718
Reserves - retained earnings	412,303	5,333	417,636
Deferred tax liabilities	4,412	(4,032)	380
Income Statement for the year ended 30 April 2012			
Income tax expense	165,103	(1,638)	163,465
Statement of Financial Position as at 1 May 2011			
Deferred tax assets	8,820	956	9,776
Reserves - retained earnings	341,846	3,695	345,541
Deferred tax liabilities	3,065	(2,739)	326

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 MFRSs, Amendments to MFRSs and Issues Committee ("IC") Interpretation Issued but Not Yet Effective

The Group and the Company had not adopted the following MFRSs, Amendments to MFRSs and IC Interpretations which have been issued but not yet effective:

Effective for financial periods beginning on or after 1 July 2012

MFRS 101	Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)
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Effective for financial periods beginning on or after 1 January 2013

Amendments to MFRS 1	Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
MFRS 3	Business Combinations (IFRS <i>Business Combinations</i> issued by IASB in March 2004)
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
MFRS 127	Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)
Amendment to IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle)
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to MFRS 7	Disclosure - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards - Government Loans
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 101	Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 132	Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 134	Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of interests in Other Entities: Transition Guidance

Effective for financial periods beginning on or after 1 January 2014

Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities

Effective for financial periods beginning on or after 1 January 2015

MFRS 9	Financial Instruments
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NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 MFRSs, Amendments to MFRSs and Issues Committee ("IC") Interpretation Issued but Not Yet Effective (cont'd)

The Directors expect that the initial application of the above standards and interpretations will have no material impact (other than changes in presentation and disclosures) on the financial statements in the respective period when they become effective except as discussed below:

MFRS 10 Consolidated Financial Statements

MFRS 10 replaces the portion of MFRS 127 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also includes the issues raised in IC Interpretations 112 Consolidation - Special Purpose Entities. MFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by MFRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in MFRS 127.

MFRS 127 defines control as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

MFRS 13 Fair Value Measurement

MFRS 13 establishes a single source of guidance under MFRS for all fair value measurements. MFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under MFRS when fair value is required or permitted.

MFRS 119 Employee Benefits

The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and fair value of plan assets when they occur, and hence eliminate the "corridor approach" as permitted under the previous version of MFRS 119 and accelerate the recognition of past service cost. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability to be recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus.

The amendments to MFRS 119 require retrospective application with certain exceptions. The Directors anticipate that the application of the amendments to MFRS 119 may have impact on amounts reported in respect of the Group's defined benefit plans. However, the Group is currently assessing the impact that this standard will have on the financial position and performance of the Group.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments to MFRS 101 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations and net loss or gain on available-for-sale financial assets) would be presented separately from items which will never be reclassified (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affects presentation only and has no impact on the Group's financial position and performance.

MFRS 9 Financial Instruments: Classification and Measurement

MFRS 9 reflects the first phase of the International Accounting Standards Board's (IASB's) work on the replacement of MFRS 139 Financial Instruments: Recognition and Measurement and applies to classification and measurement of financial instruments in MFRS 139 Financial Instruments: Recognition and Measurement. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The Group and the Company will quantify the effect of adopting this MFRS when the full standard is issued.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Significant Accounting Estimates and Judgements

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

(a) Critical judgements made in applying accounting policies

The following are the judgements made by the 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.

(i) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for own use. Since these properties cannot be sold separately and the portion held for own use is insignificant, the Group has classified the whole of the properties as investment properties.

(ii) Leases - As lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards ownership of these properties which are leased out on operating leases.

(iii) Impairment of available-for-sale investments

The Group reviews its equity instruments classified as available-for-sale investments at each reporting date to assess whether they are impaired. The Group also records impairment charges on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost.

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, and will impair quoted and unquoted equity instruments with "significant" decline in fair value greater than 20% or "prolonged" period, being greater than 12 months.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the CGU to which goodwill is allocated. Estimating a value-in-use amount requires 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. The carrying amount of goodwill as at 30 April 2013 was RM644,485,000 (2012 : RM643,857,000). Further details are disclosed in Note 9.

NOTES TO THE FINANCIAL STATEMENTS

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2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Significant Accounting Estimates and Judgements (cont'd)

(b) Key sources of estimation uncertainty (cont'd)

(i) Impairment of goodwill (cont'd)

The Group considers that the licence for toto betting operation in Malaysia ("Licence") and the lottery equipment lease agreement in the Philippines ("ELA") are expected to contribute to the Group's net cash inflows indefinitely. The Group intends to continue the annual renewal of the Licence and the extension of the ELA indefinitely. Historically, there has been no compelling challenge to the Licence renewal and ELA extension. The technology used in the gaming activities is supplied and support 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.

Notwithstanding the matter mentioned in Note 43(iv), the Group is confident that the ELA will be renewed when it next expires in 2015.

(ii) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the reporting date is disclosed in Note 11.

(iii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(iv) Useful life of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimate due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

3 PROPERTY, PLANT AND EQUIPMENT

Group

	Net book value as at 1 May 2012 RM'000	Additions RM'000	Disposals RM'000	Write-off RM'000	Reclassi- fications RM'000	Translation exchange differences RM'000	Depreciation RM'000	Net book value as at 30 April 2013 RM'000
As at 30 April 2013								
Building - hotel	47,345	1,699	-	-	-	1,178	(1,031)	49,191
Land and buildings	5,578	-	-	-	-	-	(112)	5,466
Plant and machinery	452	100	-	-	-	2	(136)	418
Computer equipment	31,500	7,063	(12)	(2)	-	930	(14,493)	24,986
Office equipment	3,769	562	-	(32)	(49)	23	(1,087)	3,186
Furniture and fittings	3,309	142	(1)	(3)	-	-	(728)	2,719
Motor vehicles	26,032	5,079	(723)	(98)	-	40	(6,175)	24,155
Renovations	11,944	1,589	-	(129)	-	88	(2,844)	10,648
Gym equipment	657	-	-	-	49	-	(225)	481
Hotel and kitchen equipment and utensils	553	435	-	-	-	16	(390)	614
	131,139	16,669	(736)	(264)	-	2,277	(27,221)	121,864

	Net book value as at 1 May 2011 RM'000	Additions RM'000	Disposals RM'000	Write-off RM'000	Reclassi- fications RM'000	Translation exchange differences RM'000	Depreciation RM'000	Net book value as at 30 April 2012 RM'000
As at 30 April 2012								
Building - hotel	44,926	1,437	-	-	-	1,932	(950)	47,345
Land and buildings	5,690	-	-	-	-	-	(112)	5,578
Plant and machinery	390	149	-	-	12	8	(107)	452
Computer equipment	38,571	6,135	(41)	-	87	966	(14,218)	31,500
Office equipment	4,232	638	(13)	-	(27)	32	(1,093)	3,769
Furniture and fittings	3,671	356	-	(1)	-	1	(718)	3,309
Motor vehicles	25,628	8,337	(1,377)	-	8	33	(6,597)	26,032
Renovations	11,528	2,793	-	(4)	69	38	(2,480)	11,944
Gym equipment	760	105	-	-	-	-	(208)	657
Capital work-in-progress	149	-	-	(3)	(149)	3	-	-
Hotel and kitchen equipment and utensils	355	292	-	-	-	15	(109)	553
	135,900	20,242	(1,431)	(8)	-	3,028	(26,592)	131,139

NOTES TO THE FINANCIAL STATEMENTS

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3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group

	Cost RM'000	Accumulated depreciation RM'000	Net book value RM'000
As at 30 April 2013			
Building - hotel	52,171	(2,980)	49,191
Land and buildings	6,462	(996)	5,466
Plant and machinery	2,293	(1,875)	418
Computer equipment	157,109	(132,123)	24,986
Office equipment	12,777	(9,591)	3,186
Furniture and fittings	7,761	(5,042)	2,719
Motor vehicles	56,155	(32,000)	24,155
Renovations	24,841	(14,193)	10,648
Gym equipment	1,123	(642)	481
Hotel and kitchen equipment and utensils	1,125	(511)	614
	321,817	(199,953)	121,864
As at 30 April 2012			
Building - hotel	49,260	(1,915)	47,345
Land and buildings	6,462	(884)	5,578
Plant and machinery	2,198	(1,746)	452
Computer equipment	151,311	(119,811)	31,500
Office equipment	12,494	(8,725)	3,769
Furniture and fittings	7,652	(4,343)	3,309
Motor vehicles	54,632	(28,600)	26,032
Renovations	23,828	(11,884)	11,944
Gym equipment	1,074	(417)	657
Hotel and kitchen equipment and utensils	673	(120)	553
	309,584	(178,445)	131,139

Net book value of property, plant and equipment of the Group held under hire purchase arrangements are as follows:

	Group	
	2013 RM'000	2012 RM'000
Computer equipment	23	54
Office equipment	89	102
Motor vehicles	799	-
Gym equipment	425	624
	1,336	780

NOTES TO THE FINANCIAL STATEMENTS

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3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company

	Net book value as at 1 May 2012 RM'000	Additions RM'000	Write-off RM'000	Depreciation RM'000	Net book value as at 30 April 2013 RM'000
As at 30 April 2013					
Computer equipment	63	18	(1)	(21)	59
Office equipment	118	78	(2)	(31)	163
Furniture and fittings	2,380	71	-	(549)	1,902
Motor vehicles	302	156	-	(51)	407
Renovations	1,586	83	-	(355)	1,314
	4,449	406	(3)	(1,007)	3,845

	Net book value as at 1 May 2011 RM'000	Additions RM'000	Depreciation RM'000	Net book value as at 30 April 2012 RM'000
As at 30 April 2012				
Computer equipment	37	48	(22)	63
Office equipment	123	22	(27)	118
Furniture and fittings	2,726	193	(539)	2,380
Motor vehicles	141	174	(13)	302
Renovations	1,750	182	(346)	1,586
	4,777	619	(947)	4,449

	Cost RM'000	Accumulated depreciation RM'000	Net book value RM'000
As at 30 April 2013			
Computer equipment	800	(741)	59
Office equipment	340	(177)	163
Furniture and fittings	5,510	(3,608)	1,902
Motor vehicles	617	(210)	407
Renovations	3,569	(2,255)	1,314
	10,836	(6,991)	3,845

	Cost RM'000	Accumulated depreciation RM'000	Net book value RM'000
As at 30 April 2012			
Computer equipment	784	(721)	63
Office equipment	265	(147)	118
Furniture and fittings	5,439	(3,059)	2,380
Motor vehicles	461	(159)	302
Renovations	3,487	(1,901)	1,586
	10,436	(5,987)	4,449

Net book value of property, plant and equipment of the Company held under hire purchase arrangements are as follows:

	2013 RM'000	2012 RM'000
Motor vehicles	152	-

NOTES TO THE FINANCIAL STATEMENTS

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4 INVESTMENT IN SUBSIDIARY COMPANIES

	Company		
	2013 RM'000	2012 RM'000 (Restated)	As at 1 May 2011 RM'000 (Restated)
Unquoted shares, at cost	6,594,900	6,594,900	1,192,847
Effect of adopting MFRS 1 (Note 2.3)	-	-	5,396,053
	6,594,900	6,594,900	6,588,900

Details of the subsidiary companies are as follows:

Name of Company	Country of Incorporation	Principal Activities	Equity Interest		
			2013 %	2012 %	As at 1 May 2011 %
Subsidiary companies of Berjaya Sports Toto Berhad					
FEAB Properties Sdn Bhd	Malaysia	Property investment and development and investment holding	100	100	100
FEAB Land Sdn Bhd	Malaysia	Property development and property investment	100	100	100
FEAB Equities Sdn Bhd	Malaysia	Dormant	100	100	100
Sports Toto Fitness Sdn Bhd	Malaysia	Operation of health and fitness centre	100	100	100
STM Resort Sdn Bhd	Malaysia	Property investment	100	100	100
Sports Toto Malaysia Sdn Bhd	Malaysia	Toto betting operations	100	100	100
Magna Mahsuri Sdn Bhd	Malaysia	Property investment and investment holding	100	100	100
Berjaya-ILTS Limited #	Hong Kong	Dormant	100	100	100
Sports Toto Malaysia Management Pte Ltd (Note a)	Singapore	Asset management (trustee-manager)	100	-	-
Subsidiary company of FEAB Land Sdn Bhd					
FEAB Realty Sdn Bhd	Malaysia	Dormant	100	100	100
Subsidiary companies of Sports Toto Malaysia Sdn Bhd					
Sports Toto Products Sdn Bhd **	Malaysia	Dormant	-	100	100
Sports Toto Apparel Sdn Bhd **	Malaysia	Dormant	-	100	100
Sports Toto Computer Sdn Bhd **	Malaysia	Computer consultancy services	-	100	100
Subsidiary companies of Magna Mahsuri Sdn Bhd					
Berjaya Sports Toto (Cayman) Limited ("BSTC")	Cayman Islands	Investment holding	100	100	100
Sports Toto Products Sdn Bhd **	Malaysia	Dormant	100	-	-
Sports Toto Apparel Sdn Bhd **	Malaysia	Dormant	100	-	-
Sports Toto Computer Sdn Bhd **	Malaysia	Computer consultancy services	100	-	-

NOTES TO THE FINANCIAL STATEMENTS
30 April 2013

4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest		
			2013 %	2012 %	As at 1 May 2011 %
Subsidiary company of Berjaya Sports Toto (Cayman) Limited					
Berjaya Lottery Management (HK) Limited ("BLM") #	Hong Kong	Investment holding	100	100	100
Subsidiary companies of Berjaya Lottery Management (HK) Limited					
Berjaya Philippines Inc. ("BPI") *	Philippines	Investment holding	[^] 74.20	73.91	72.33
International Lottery & Totalizator System, Inc. *	United States of America	Manufacturer and distributor of computerised lottery and voting systems	71.32	71.32	71.32
Subsidiary companies of Berjaya Philippines Inc.					
Philippine Gaming Management Corporation *	Philippines	Leasing of on-line lottery equipment and provision of software support	100	100	100
Perdana Hotel Philippines Inc. *	Philippines	Operation of a hotel in the Philippines	100	100	100
Subsidiary companies of International Lottery & Totalizator Systems, Inc.					
ILTS.Com, Inc. *	United States of America	Dormant	100	100	100
Unisyn Voting Solutions, Inc. *	United States of America	Develops, manufactures and provision of licenses and supports for voting systems	100	100	100
International Totalizator Systems, Inc. *	United States of America	Dormant	100	100	100

* Audited by firms of auditors other than Ernst & Young

Audited by other member firm of Ernst & Young Global

[^] The total equity interests held by BSTC group in BPI is 88.26% (2012 : 88.26%) and it is held by the following companies respectively:

	2013	2012	As at 1 May 2011
i) BLM	74.20%	73.91%	72.33%
ii) BSTC	14.06%	14.35%	15.93%
	88.26%	88.26%	88.26%

** Please refer to Note 43(i) for the change of composition of the Group.

(a) On 17 October 2012, a wholly-owned subsidiary company namely Sports Toto Malaysia Management Pte Ltd, was incorporated in Singapore as disclosed in Note 43 (ii) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

5 INVESTMENT IN ASSOCIATED COMPANIES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Unquoted shares, at cost	16,418	13,301	3,557	3,557
Less: Share of post-acquisition losses	(5,407)	(3,581)	-	-
	11,011	9,720	3,557	3,557
Exchange differences	138	15	-	-
	11,149	9,735	3,557	3,557
Less: Accumulated impairment losses (Note 30)	(3,356)	(3,356)	(3,390)	(1,519)
	7,793	6,379	167	2,038

Details of the associated companies are as follows:

Name of Company	Country of Incorporation	Principal Activities	Equity Interest	
			2013 %	2012 %
Associated companies of Berjaya Sports Toto Berhad				
Berjaya Racing Management Sdn Bhd	Malaysia	Dormant	20	20
Berjaya Lottery Vietnam Limited	Malaysia	Investment holding	20	20
Associated company of Berjaya Sports Toto (Cayman) Limited				
Suncoast Limited ("Suncoast")	British Virgin Islands	Dissolved	-	48
Associated company of FEAB Properties Sdn Bhd				
Cashsystems Asia Technology Sdn Bhd ("Cashsystems") *	Malaysia	Dormant, under liquidation	30	30
Associated companies of Berjaya Philippines Inc.				
Perdana Land Philippines Inc. *	Philippines	Acquire, develop or lease real estate	40	40
Berjaya Pizza Philippines Inc. *	Philippines	Development and operation "Papa John's Pizza" chain of restaurants in the Philippines	30	30
Berjaya Auto Philippines Inc. * (Note a)	Philippines	Selling and distribution of Mazda brand cars within the territory of the Philippines	30	-
Cosway Philippines Inc. * (Note b)	Philippines	Dormant	40	-

* Audited by firms of auditors other than Ernst & Young

5 INVESTMENT IN ASSOCIATED COMPANIES (CONT'D)

The financial statements of the above associated companies are coterminous with those of the Group except for Cashsystems which has financial year end of 31 December.

During the financial year, Berjaya Philippines Inc. ("BPI"), an indirect subsidiary company of the Company subscribed for shares in the following associated companies:

- (a) On 10 August 2012, BPI completed its subscription of 4.0 million new shares of Php1.00 each, representing 40% equity interest in Berjaya Auto Philippines Inc. ("BAP"), a company incorporated in the Philippines, for a cash consideration of Php4.0 million (equivalent to approximately RM300,000). Subsequently on 29 November 2012, BPI subscribed for a further 58.7 million new shares of Php1.00 each in BAP for a cash consideration of Php58.7 million (equivalent to approximately RM4.5 million) in relation to the increase in the paid-up share capital of BAP from Php10.0 million to Php209.0 million, thereby reducing BPI's equity interest in BAP from 40% to 30%.

As at 30 April 2013, BPI's 30% equity interest in BAP comprised 62.7 million shares of Php1.00 each at a total cost of Php62.7 million (equivalent to approximately RM4.6 million).

- (b) On 28 September 2012, BPI subscribed for 400,000 shares of Php1.00 each representing 40% equity interest in Cosway Philippines Inc. ("CPI"), a company incorporated in the Philippines, for a cash consideration of Php400,000 (equivalent to approximately RM30,000).

During the financial year, the Group wrote off the investment cost in an associated company which was dissolved amounting to RM1,528,000 with a post-acquisition losses of RM1,528,000.

The summarised financial information of the associates are as follows:

	Group	
	2013 RM'000	2012 RM'000
Assets and liabilities		
Total non-current assets	<u>27,336</u>	27,446
Total current assets	<u>43,387</u>	17,572
Total current liabilities	<u>36,958</u>	22,584
Results		
Loss for the year	<u>14,157</u>	1,137

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

6 LONG TERM INVESTMENTS

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Non-current				
Available-for-sale financial assets				
Carrying amount:				
<u>Equity instruments</u>				
- Quoted shares in Malaysia	39,861	18,568	-	-
- Quoted shares outside Malaysia	12,650	14,099	-	-
- Quoted warrants in Malaysia	1,518	1,137	-	-
- Quoted loan stocks in Malaysia	1,621	1,004	-	-
- Malaysian Government Securities	3,146	3,141	-	-
	58,796	37,949	-	-
Club memberships	191	191	113	113
	58,987	38,140	113	113
Market value:				
- Quoted shares in Malaysia	40,440	18,650	-	-
- Quoted shares outside Malaysia	12,592	14,099	-	-
- Quoted warrants in Malaysia	1,825	1,531	-	-
- Quoted loan stocks in Malaysia	1,621	1,004	-	-
- Malaysian Government Securities	3,146	3,141	-	-

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% (2012 : 4.24%) per annum.

The disposal of the unquoted shares outside Malaysia by a subsidiary company as disclosed in Note 43 (iii) was completed during the financial year. The unquoted shares with carrying amount of RM4.781 million was presented as asset held for sale at the last financial year.

7 INVESTMENT PROPERTIES

	Group	
	2013 RM'000	2012 RM'000
At 1 May	92,236	80,776
Additions	5,002	6,392
Fair value adjustments (Note 29)	1,785	5,068
At 30 April	99,023	92,236

	Group	
	2013 RM'000	2012 RM'000
The carrying amount of investment properties held under lease terms are as follows:		
Leasehold land	2,625	2,625
Buildings	2,360	2,360
	4,985	4,985

The fair value of the investment properties was valued by the Directors based on comparable available market data.

The application for the strata titles of the leasehold land and buildings of certain subsidiary companies have been submitted to the relevant authority for processing.

NOTES TO THE FINANCIAL STATEMENTS
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8 DEFERRED TAX (ASSETS) / LIABILITIES

	Group		Company	
	2013 RM'000	2012 RM'000 (Restated)	2013 RM'000	2012 RM'000
At 1 May (as previously reported)	(12,338)	(5,755)	348	326
Effects of adopting MFRS 112 (Note 2.4)	-	(3,695)	-	-
At 1 May (as restated)	(12,338)	(9,450)	348	326
Recognised in the income statement (Note 33)	(5,806)	(2,861)	16	22
Exchange differences	91	(27)	-	-
At 30 April	(18,053)	(12,338)	364	348

	Group		As at
	2013 RM'000	2012 RM'000 (Restated)	1 May 2011 RM'000 (Restated)
Presented after appropriate offsetting as follows:			
Deferred tax assets	(18,417)	(12,718)	(9,776)
Deferred tax liabilities	364	380	326
	(18,053)	(12,338)	(9,450)

	Company		As at
	2013 RM'000	2012 RM'000	1 May 2011 RM'000
Presented after appropriate offsetting as follows:			
Deferred tax assets	-	-	-
Deferred tax liabilities	364	348	326
	364	348	326

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred Tax Assets of the Group:

2013	Recognised in the income statement		Exchange differences RM'000	At 30 April RM'000
	At 1 May RM'000	RM'000		
Retirement cost obligation	(571)	(145)	(12)	(728)
Payables	(20,321)	(2,181)	(3)	(22,505)
Tax losses and unabsorbed capital allowances	(538)	(4,847)	103	(5,282)
	(21,430)	(7,173)	88	(28,515)
Less: set-off against deferred tax liabilities				10,098
				(18,417)

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

8 DEFERRED TAX (ASSETS) / LIABILITIES (CONT'D)

Deferred Tax Assets of the Group (cont'd):

	At 1 May RM'000	Recognised in the income statement RM'000	Exchange differences RM'000	At 30 April RM'000
2012 (Restated)				
Retirement cost obligation	(468)	(83)	(20)	(571)
Payables	(19,853)	(468)	-	(20,321)
Receivables	(59)	61	(2)	-
Tax losses and unabsorbed capital allowances	(502)	(26)	(10)	(538)
	(20,882)	(516)	(32)	(21,430)
Less: set-off against deferred tax liabilities	11,106			8,712
	<u>(9,776)</u>			<u>(12,718)</u>

Deferred Tax Liabilities of the Group:

	At 1 May RM'000	Recognised in the income statement RM'000	Exchange differences RM'000	At 30 April RM'000
2013				
Accelerated capital allowances	8,875	1,286	-	10,161
Investment properties	22	85	-	107
Others	195	(4)	3	194
	<u>9,092</u>	<u>1,367</u>	<u>3</u>	<u>10,462</u>
Less: set-off against deferred tax assets				(10,098)
				<u>364</u>
2012 (Restated)				
Accelerated capital allowances	11,221	(2,346)	-	8,875
Investment properties	91	(69)	-	22
Others	120	70	5	195
	11,432	(2,345)	5	9,092
Less: set-off against deferred tax assets	(11,106)			(8,712)
	<u>326</u>			<u>380</u>

8 DEFERRED TAX (ASSETS) / LIABILITIES (CONT'D)**Deferred Tax Assets of the Company:**

	At 1 May RM'000	Recognised in the income statement RM'000	At 30 April RM'000
2013			
Other payables	(14)	(6)	(20)
Unabsorbed capital allowances	(128)	-	(128)
	<u>(142)</u>	<u>(6)</u>	<u>(148)</u>
Less: set-off against deferred tax liability			<u>148</u>
			<u>-</u>
2012			
Other payables	(11)	(3)	(14)
Unabsorbed capital allowances	(128)	-	(128)
	<u>(139)</u>	<u>(3)</u>	<u>(142)</u>
Less: set-off against deferred tax liability			<u>142</u>
			<u>-</u>

Deferred Tax Liability of the Company:

	At 1 May RM'000	Recognised in the income statement RM'000	At 30 April RM'000
2013			
Accelerated capital allowances	490	22	512
Less: set-off against deferred tax assets			<u>(148)</u>
			<u>364</u>
2012			
Accelerated capital allowances	465	25	490
Less: set-off against deferred tax assets			<u>(142)</u>
			<u>348</u>

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

8 DEFERRED TAX (ASSETS) / LIABILITIES (CONT'D)

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Unutilised tax losses				
- Malaysian income tax	27,309	19,344	10,832	6,536
- foreign tax	4,583	7,790	-	-
Unabsorbed capital allowances	183	183	-	-
Others	362	10	-	-
	32,437	27,327	10,832	6,536

Deferred tax assets have not been recognised in respect of the unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences as it is not probable that future taxable profits from a business source as defined by the Malaysian tax legislature will be available against which the unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised.

Subject to agreement by the Malaysian Inland Revenue Board, unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences are available indefinitely for offset against future business profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities 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 provisions of Section 44(5A) and Paragraph 75A, Schedule 3 of the Act respectively.

The foreign unutilised tax losses are applicable to a foreign subsidiary company which are pre-determined by the tax legislations of that country. Certain foreign unutilised tax losses carried forward can be utilised before its expiry up to year 2029.

9 INTANGIBLE ASSETS

	Group	
	2013 RM'000	2012 RM'000
At carrying amount:		
Goodwill on consolidation		
At 1 May	643,857	642,710
Translation exchange differences	628	1,147
At 30 April	644,485	643,857
Patent rights		
At 1 May	-	47
Translation exchange differences	-	2
Impairment loss (Note 28)	-	(49)
At 30 April	-	-
Total	644,485	643,857

9 INTANGIBLE ASSETS (CONT'D)**Impairment test for goodwill****Allocation of intangible assets**

Goodwill has been allocated to the Group's CGUs identified according to business segments as follows:

	Group	
	2013	2012
	RM'000	RM'000
Toto betting operations and leasing of lottery equipment	635,402	634,961
Others	9,083	8,896
	644,485	643,857

Key assumptions used in value-in-use calculations

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets covering a ten-year period.

The key assumptions used for value-in-use calculations are:

i) 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.

ii) Discount rates

The significant post-tax discount rates, applied to post-tax cash flows, used for the respective identified CGUs are in the range of 9.5% to 13.0% (2012 : 8.6% to 13.0%).

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 goodwill to materially exceed their recoverable amounts.

As for the leasing of lottery equipment operations, the achievability of the value-in-use would be dependent on the successful renewal of the ELA by August 2015, for which the Directors are confident of.

10 INVENTORIES

	Group	
	2013	2012
	RM'000	RM'000
At cost:		
Gaming equipment components and parts	1,598	2,333
Ticket inventories	3,692	3,147
Stores and consumables	487	529
	5,777	6,009
At net realisable value:		
Raw materials	8,699	5,389
Work-in-progress	100	191
Finished goods and inventories for resale	2,302	2,493
	16,878	14,082

The cost of inventories recognised as an expense during the financial year in the Group amounted to RM18,502,000 (2012 : RM18,347,000).

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11 RECEIVABLES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Trade receivables	34,149	37,241	-	-
Other receivables	83,946	8,660	149	-
Dividend receivable	-	-	63,013	69,764
Refundable deposits	661	610	61	55
Amount due from associated companies	10,480	9,711	-	-
	129,236	56,222	63,223	69,819
Less : Allowance for doubtful debts				
- trade receivables	(227)	(223)	-	-
- other receivables	(229)	(231)	-	-
	128,780	55,768	63,223	69,819
Non-refundable deposits	1,706	2,066	611	582
Prepayments	11,619	17,150	37	37
	142,105	74,984	63,871	70,438

(a) Trade receivables

The Group's trade receivables are non-interest bearing and normal credit term ranges from 1 to 60 days (2012 : 1 to 60 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2013 RM'000	2012 RM'000
Neither past due nor impaired	33,434	36,138
Past due but not impaired	488	880
Due and impaired	227	223
	34,149	37,241

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

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	
	2013 RM'000	2012 RM'000
<u>Individually impaired</u>		
Trade receivables - nominal amounts	227	223
Less: Allowance for impairment	(227)	(223)
	-	-

11 RECEIVABLES (CONT'D)

(a) Trade receivables (cont'd)

Movement in allowance accounts

	Group	
	2013 RM'000	2012 RM'000
At 1 May	223	223
- Exchange differences	4	-
At 30 April	227	223

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.

(b) Other receivables

Other receivables that are impaired

Included in the allowance for doubtful debts of other receivables are provision for individually impaired receivables which have been fully provided for as at the end of the reporting date.

Included in other receivables of the Group is an advance made by a foreign subsidiary company for property investments venture amounting to RM34,674,000. The advance is payable on demand subject to interest which will commence on 1 January 2014.

Amounts due from associated companies of a foreign subsidiary are unsecured, repayable on demand and interest bearing except for the amount of RM2,589,000 (2012 : RM2,527,000) which are non-interest bearing.

12 AMOUNTS DUE FROM SUBSIDIARY COMPANIES

	Company	
	2013 RM'000	2012 RM'000
Amounts due from subsidiary companies	146,576	137,759
Less: Allowance for doubtful debts (Note 30)	(72)	(60)
	146,504	137,699

Amounts due from subsidiary companies are unsecured, interest bearing and repayable on demand except for the amount of RM232,000 (2012 : RM152,000) which is non-interest bearing.

13 SHORT TERM INVESTMENTS

	Group	
	2013 RM'000	2012 RM'000
At carrying amount:		
Unquoted securities outside Malaysia	3,771	759

The short term investments invested by a foreign subsidiary company comprise investments in certificates of deposits with maturities exceeding three months.

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14 DEPOSITS WITH FINANCIAL INSTITUTIONS

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
These comprise term deposits with:				
Licensed banks	278,270	290,399	5,500	18,721
Other financial institutions	82,496	73,558	-	-
	360,766	363,957	5,500	18,721

Included in the Group's deposits with financial institutions is an amount of RM163,000 (2012 : RM158,000) which is pledged to bank for facilities granted to a subsidiary company.

The weighted average effective interest rates per annum of deposits at the reporting date were as follows:

	Group		Company	
	2013	2012	2013	2012
Licensed banks	2.98%	3.20%	2.65%	2.74%
Other financial institutions	2.99%	2.96%	-	-

The average maturities of deposits as at the end of the financial year were as follows:

	Group		Company	
	2013	2012	2013	2012
Licensed banks	15 days	17 days	2 days	6 days
Other financial institutions	4 days	5 days	-	-

15 SHARE CAPITAL

	Group and Company			
	Number of ordinary shares of RM0.10 each		Amount	
	2013 Units '000	2012 Units '000	2013 RM'000	2012 RM'000
Authorised:				
At 1 May/30 April	20,000,000	20,000,000	2,000,000	2,000,000
Issued and fully paid:				
At 1 May/30 April	1,351,030	1,351,030	135,103	135,103

The number of issued and fully paid shares with voting rights as at 30 April are as follows:

	Number of ordinary shares	
	2013 Units '000	2012 Units '000
Total number of issued and paid up ordinary shares	1,351,030	1,351,030
Less : Ordinary shares held as treasury shares (Note 20)	(7,840)	(28,030)
	1,343,190	1,323,000

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 ordinary shares (other than treasury shares) rank equally with regard to the Company's residual assets.

16 CAPITAL RESERVE

The capital reserve of RM21,327,000 (2012 : RM21,327,000) represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.

17 EXCHANGE RESERVE

	Group	
	2013 RM'000	2012 RM'000
At 1 May	8,248	(1,582)
Currency translation differences	4,749	9,830
At 30 April	12,997	8,248

18 AVAILABLE-FOR-SALE ("AFS") RESERVE

	Group	
	2013 RM'000	2012 RM'000
At 1 May	17,504	15,015
Gain on fair value changes through comprehensive income	4,277	2,489
Transfer to profit or loss upon disposal	(11,357)	-
At 30 April	10,424	17,504

The AFS reserve represents the cumulative fair value changes, of available-for-sale financial assets until they are disposed or impaired.

19 RETAINED EARNINGS

In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall have an irrevocable option either to continue to use the Section 108 balance to pay franked dividend up to the transitional period of 6 years until 31 December 2013 or to disregard the Section 108 balance and pay dividend under the single tier system. Under this system, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividend will be exempted from tax in the hands of the shareholders.

The Company had exercised its option to pay single tier exempt dividend after substantially utilised its Section 108 balance.

The Company also has tax exempt account balance of approximately RM13,486,000 (2012 : RM13,486,000) as at 30 April 2013.

20 TREASURY SHARES

	Group and Company			
	Number of shares		Amount	
	2013 Units '000	2012 Units '000	2013 RM'000	2012 RM'000
At 1 May	28,030	13,530	120,295	57,341
Shares bought back during the year	9,141	14,500	38,568	62,954
Distributed as share dividend	(29,331)	-	(125,956)	-
At 30 April	7,840	28,030	32,907	120,295

NOTES TO THE FINANCIAL STATEMENTS

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20 TREASURY SHARES (CONT'D)

The renewal of the Company's plan and mandate relating to the share buy back was approved by the shareholders of the Company on 17 October 2012 granting the Directors of the Company the authority to buy back its own shares up to 10% of the existing total paid-up share capital, inclusive of all treasury shares that have been bought back. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the share buyback can be applied in the best interests of the Company and its shareholders.

On 18 December 2012, the Company declared and approved a share dividend in respect of financial year ended 30 April 2013 via distribution of 29,330,612 treasury shares on the basis of one treasury share for every forty five existing ordinary shares with voting rights held. The share dividend was distributed on 30 January 2013.

During the financial year, the Company bought back 9,140,612 shares from the open market at an average price of RM4.22 each amounting to RM38,568,000. The cumulative shares bought back were held as treasury shares.

21 RETIREMENT BENEFIT OBLIGATIONS

	Group	
	2013 RM'000	2012 RM'000
At 1 May	1,903	1,556
Additional provision during the year (Note 28(b))	462	277
Exchange differences	41	70
At 30 April	2,406	1,903

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 retirement benefit obligation recognised in the consolidated statement of financial position are determined as follows:

	Group	
	2013 RM'000	2012 RM'000
Present value of the obligation	3,077	3,023
Fair value of plan assets	(434)	(384)
Deficit of plan assets	2,643	2,639
Unrecognised actuarial loss	(237)	(736)
Retirement benefit obligation	2,406	1,903

The movements in present value of the retirement benefit obligation recognised are as follows:

	Group	
	2013 RM'000	2012 RM'000
At beginning of year	3,023	1,589
Current service cost and interest cost	454	316
Actuarial (loss) / gain	(434)	1,064
Benefit paid by the plan	(40)	(34)
Exchange differences	74	88
At end of year	3,077	3,023

21 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

The movements in fair value of plan assets are presented below:

	Group	
	2013 RM'000	2012 RM'000
At beginning of year	384	392
Expected return on plan assets	24	24
Benefit paid by the plan	(40)	(34)
Actuarial gain / (loss)	57	(16)
Exchange differences	9	18
At end of year	434	384

The plan assets consist of the following:

	Group	
	2013 RM'000	2012 RM'000
Fixed income assets	423	365
Cash in bank	6	16
Others	5	3
	434	384

The amounts of retirement benefits recognised in the consolidated income statement are as follows:

	Group	
	2013 RM'000	2012 RM'000
Current service costs	253	155
Interest costs	201	161
Net actuarial gain / (loss) recognised during the year	32	(15)
Expected return on plan asset	(24)	(24)
Retirement benefits	462	277

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.

	2013 RM'000	2012 RM'000	2011 RM'000	2010 RM'000	2009 RM'000
Present value of the obligation	3,077	3,023	1,589	1,391	1,858
Fair value of the plan assets	(434)	(384)	(392)	(380)	(394)
Deficit in the plan	2,643	2,639	1,197	1,011	1,464

For the determination of retirement benefit obligation, the following actuarial assumptions were used:

	2013	2012
Discount rate	3.6%	6.4%
Expected rate of return on plan assets	6.0%	6.0%
Salaries increase rate	4.0%	8.0%
Expected average remaining working lives of employees (years)	14	14

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22 MEDIUM TERM NOTES

	Maturity	Group	
		2013 RM'000	2012 RM'000
Secured:			
5.0% p.a. fixed rate medium term notes	June 2013	150,000	150,000
5.5% p.a. fixed rate medium term notes	June 2015	200,000	200,000
4.8% p.a. fixed rate medium term notes	October 2016	50,000	50,000
6.0% p.a. fixed rate medium term notes	June 2017	150,000	150,000
		550,000	550,000

The maturities of the medium term notes as at 30 April 2013 are as follows:

	Group	
	2013 RM'000	2012 RM'000
Within one year after reporting date	150,000	-
More than one year but not later than five years	400,000	400,000
More than five years	-	150,000
	550,000	550,000
Less : amount payable within 12 months	(150,000)	-
Amount payable after 12 months	400,000	550,000

The medium term notes programme of up to RM800.0 million in nominal value was established by a wholly-owned subsidiary, Sports Toto Malaysia Sdn Bhd ("STM"). As at 30 April 2013, total medium term notes amounting to RM550.0 million (2012 : RM550.0 million) in nominal value remain outstanding.

The medium term notes are secured by:

- (i) A letter of undertaking from the Company to indorse the Promissory Note ("PN") as disclosed in Note 43 in favour of the issuer;
- (ii) A letter of undertaking from the issuer to:
 - (a) deposit proceeds from the PN up to the amount owing by the Company (as disclosed in Note 43(ii)(a)(ii)) into a reserve bank account of which a first party charge was made; and
 - (b) maintain a cash and / or bank guarantee ratio of at least 1:1 at all times up to the medium term notes outstanding from the settlement date of the PN.

23 OTHER LONG TERM LIABILITY

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Hire purchase payables (Note a)	927	694	106	-

Notes:

(a) Future minimum lease payments for hire purchase payables are summarised as follows:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Gross amount repayables:				
Within one year after reporting date	482	368	31	-
More than one year				
but not later than two years	483	368	31	-
More than two years				
but not later than five years	521	391	91	-
	1,486	1,127	153	-
Less: Unexpired interests	(119)	(139)	(24)	-
	1,367	988	129	-

The present value of hire purchase payables are summarised as follows:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Within one year after reporting date	440	294	23	-
More than one year				
but not later than two years	449	323	24	-
More than two years				
but not later than five years	478	371	82	-
	1,367	988	129	-
Less : amount payable within 12 months (Note 25)	(440)	(294)	(23)	-
Amount payable after 12 months	927	694	106	-

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24 PROVISIONS

	Group	
	2013 RM'000	2012 RM'000
Sales warranty		
At 1 May	513	92
Additional provision during the year (Note 28)	477	487
Utilised during the year	(554)	(64)
Exchange differences	(15)	(2)
	<hr/>	<hr/>
At 30 April	421	513

A foreign subsidiary gave 3 to 12 months (2012 : 3 to 12 months) warranties on certain products and undertakes to repair or replace items that fail to perform satisfactorily. A provision for warranties is recognised for all products under warranty at the reporting date based on past experience on the level of repairs and returns.

25 PAYABLES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Trade payables	44,350	47,863	-	-
Pool betting duty payables	25,287	26,719	-	-
Other payables	14,082	13,149	771	2,211
Accruals	217,773	207,669	655	661
Agency deposits	37,352	37,461	-	-
Hire purchase payable within 12 months (Note 23(a))	440	294	23	-
	<hr/>	<hr/>	<hr/>	<hr/>
	339,284	333,155	1,449	2,872
Dividend payables	2,390	2,737	2,390	2,737
Deferred income (Note a)	6,512	1,533	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	348,186	337,425	3,839	5,609

(a) Included in deferred income is RM6,229,000 (2012 : RM1,256,000) which represents amounts received from customers by a foreign subsidiary company. The Group will recognise the income upon its fulfilment of the prescribed criteria for income recognition.

Included in accruals of the Group are accrued contribution to the National Sports Council and provision for gaming tax payable to the Ministry of Finance.

Included in other payables of the Group are agency deposits represent deposits obtained from agents for operating toto betting outlets. These deposits are refundable upon termination of operation contracts.

Included in accruals of the Group are provision for restoration costs of RM949,000 (2012 : RM701,000).

The normal trade credit terms granted to the Group ranges from 1 to 183 days (2012 : 1 to 180 days).

26 AMOUNTS DUE TO SUBSIDIARY COMPANIES

	Company	
	2013	2012
	RM'000	RM'000
Amounts due to subsidiary companies	935,899	779,822

Amounts due to subsidiary companies are unsecured, repayable on demand and interest bearing except for the amount of RM2,286,000 (2012 : RM2,291,000) which is non-interest bearing.

27 REVENUE

Revenue of the Company represents management fees charged to subsidiary companies and gross dividends receivable from subsidiary companies.

Revenue of the Group comprises gross stake collections from the sale of toto betting tickets less gaming tax, lease rental income from leasing of on-line gaming equipment, invoiced and shipped value of goods sold less returns and trade discounts, invoiced value of services rendered, rental income, revenue from hotel operations, health and fitness centre operation income. Intra-group transactions are excluded.

Revenue of the Group and the Company analysed into significant categories are as follows:

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Dividend income	219	20	181,724	409,019
Management fee income	-	-	318	318
Toto betting and leasing of lottery equipment income	3,589,016	3,570,466	-	-
Sale of lottery and voting systems and spare parts	20,191	19,000	-	-
Invoiced value of goods and services from hotel operations	10,924	10,000	-	-
Rental income and service charges from investment properties	5,627	5,725	-	-
Income from health and fitness centre operation	2,385	2,543	-	-
	3,628,362	3,607,754	182,042	409,337

NOTES TO THE FINANCIAL STATEMENTS

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28 PROFIT BEFORE OTHER INCOME AND EXPENSES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Profit before other income and expenses is stated after charging:				
Auditors' remuneration				
- statutory audit:				
auditors of the Company				
- current year	204	206	60	60
- underprovision in previous year	-	8	-	4
other auditors				
- current year	344	299	-	-
- underprovision in previous year	-	12	-	-
- other services				
- auditors of the Company	106	107	11	31
- other auditors	208	258	-	-
Depreciation of property, plant and equipment	27,221	26,592	1,007	947
Directors' remuneration:				
- fees	355	294	125	135
- salaries and other emoluments	9,864	8,722	1,440	814
- defined contribution plans	3,286	2,705	322	17
- performance incentive	10,633	9,831	-	-
- bonus	2,525	2,237	429	11
Operating lease:				
- minimum lease payments of premises	10,122	8,547	2,800	2,731
- minimum lease payments of equipment	1,563	1,296	19	15
Contribution to National Sports Council	62,406	57,951	-	-
Allowance for doubtful debts				
- receivables	-	15	-	-
- amount due from subsidiary companies (Note 12)	-	-	12	14
Loss on foreign exchange	305	961	-	-
Impairment of intangible assets (Note 9)	-	49	-	-
Provision for sales warranty (Note 24)	477	487	-	-
Inventories written down	-	1,022	-	-
Direct operating expenses of investment properties:				
- revenue generating during the year	2,587	2,418	-	-
- non-revenue generating during the year	86	244	-	-
Loss on disposal of property, plant and equipment	-	199	-	-
Property, plant and equipment written off:				
- included in general and administrative expenses	264	8	3	-
Profit before other income and expenses is stated after crediting:				
Gain on disposal of property, plant and equipment	137	-	-	-
Rental income and service charges				
- included in revenue	5,627	5,725	-	-
- included in other income	2,070	2,298	-	-
Gain on foreign exchange	238	1,362	-	-
Employee information (Note b):				
Employee benefit expenses (excluding directors)	77,591	79,266	3,001	2,384

The estimated monetary value of benefits-in-kind received by the Directors were RM129,000 (2012 : RM148,000) for the Group and RM19,000 (2012 : RM16,000) for the Company.

28 PROFIT BEFORE OTHER INCOME AND EXPENSES (CONT'D)

(a) Directors' remuneration

The aggregate Directors' remuneration for Directors of the Company that are in office during the financial year received from the Group and the Company are as follows:

	Fees RM'000	Benefits- in-kind RM'000	Salaries and other emoluments RM'000	Bonus RM'000	Total RM'000
2013					
Executive	26	78	5,803	1,113	7,020
Non-executive	125	19	490	11	645
	151	97	6,293	1,124	7,665
2012					
Executive	21	110	5,952	1,245	7,328
Non-executive	135	16	831	11	993
	156	126	6,783	1,256	8,321

(b) Employee benefit expenses

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Wages, salaries and other allowances	60,311	59,668	2,167	1,700
Social security costs and employee insurance	5,532	5,126	129	120
Bonuses	6,043	8,113	367	302
Pension costs				
- defined contribution plans	5,712	5,828	315	251
- defined benefit plans (Note 21)	462	277	-	-
Provision for short term compensated absences	(469)	254	23	11
	77,591	79,266	3,001	2,384

29 INVESTMENT RELATED INCOME

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Dividend income from investments	441	28	-	-
Gain on disposal of other long term investments	18,629	-	-	-
Fair value adjustments of investment properties (Note 7)	1,785	5,068	-	-
	20,855	5,096	-	-

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30 INVESTMENT RELATED EXPENSES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Impairment in value of investment in an associated company (Note 5)	-	-	1,871	78
Impairment in value of unquoted investments	-	427	-	-
Allowance for doubtful debts for amount owing by subsidiary companies (Note 12)	-	-	12	14
	-	427	1,883	92

31 OTHER INCOME

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Other income comprise:				
Interest income on:				
- deposits with financial institutions	13,289	13,124	549	567
- advances to subsidiary companies	-	-	8,851	9,946
- short term investments	30	29	-	-
Others:				
- operating lease income	2,070	2,298	-	-
- miscellaneous	6,243	9,750	-	-
	21,632	25,201	9,400	10,513

32 FINANCE COSTS

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Interest on:				
- advances from a subsidiary company	-	-	37,394	36,063
- medium term notes	29,900	29,982	-	-
- hire purchase	76	95	-	-
Other finance charges	1,395	290	1,328	262
	31,371	30,367	38,722	36,325

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33 INCOME TAX EXPENSE

	Group		Company	
	2013 RM'000	2012 RM'000 (Restated)	2013 RM'000	2012 RM'000
Current year tax expense:				
Malaysian income tax	148,203	143,200	-	-
Foreign tax	22,964	22,584	-	-
	171,167	165,784	-	-
Under / (over) provision in prior years:				
Malaysian income tax	662	(63)	-	-
Foreign tax	(3)	(196)	-	-
	659	(259)	-	-
	171,826	165,525	-	-
Withholding tax	-	801	-	-
Deferred tax (Note 8):				
Relating to origination and reversal of temporary differences	(5,824)	(1,548)	(23)	22
Under / (over) provision in prior years	18	(1,313)	39	-
	(5,806)	(2,861)	16	22
	166,020	163,465	16	22

Domestic current income tax is calculated at the statutory tax rate of 25% (2012 : 25%) of the estimated assessable profit for the year. Taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and the Company is as follows:

	Group		Company	
	2013 RM'000	2012 RM'000 (Restated)	2013 RM'000	2012 RM'000
Profit before tax	569,526	579,150	131,262	370,755
Tax at Malaysian statutory tax rate of 25% (2012 : 25%)	142,382	144,788	32,816	92,689
Different tax rates in the foreign subsidiary companies	(8,227)	(3,943)	-	-
Expenses not deductible for tax purposes	34,310	26,927	13,398	11,087
Income not subject to tax	(4,399)	(2,708)	(47,311)	(104,346)
Effect of utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(888)	(828)	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	2,165	-	1,074	592
Under / (over) provision of tax expense in prior years	659	(259)	-	-
Under / (over) provision of deferred tax in prior years	18	(1,313)	39	-
Withholding tax	-	801	-	-
Tax expense for the year	166,020	163,465	16	22

Tax savings during the financial year arising from:

	Company	
	2013 RM'000	2012 RM'000
Utilisation of current year losses	212	197

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34 EARNINGS PER SHARE

The earnings per share is calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares with voting rights in issue during the financial year excluding treasury shares held by the Company as follows:

	Group	
	2013 RM'000	2012 RM'000 (Restated)
Profit attributable to owners of the Company	391,085	405,476
Weighted average number of shares with voting rights outstanding ('000)	1,329,010	1,334,972
Basic earnings per share (sen)	29.43	30.37

Diluted earnings per share is the same as basic earnings per share as there were no potential dilutive ordinary shares during the year.

35 DIVIDENDS PER SHARE

	Company			
	2013		2012	
	Dividends per share net of tax sen	Amount of dividend net of tax RM'000	Dividends per share net of tax sen	Amount of dividend net of tax RM'000
Recognised during the year:				
Interim dividends - cash dividend				
<u>In respect of prior year</u>				
- 4th interim - 3 sen single tier exempt per share approved in respect of financial year ended 30 April 2011 #	-	-	3.00	40,125
- 4th interim - 5 sen single tier exempt per share approved in respect of financial year ended 30 April 2012	5.00	66,150	-	-
<u>In respect of current year</u>				
- 1st interim - 6.5 sen single tier exempt per share (2012 : 8 sen single tier exempt per share)	6.50	85,846	8.00	107,000
- 2nd interim - 9.5 sen per share * (2012 : 8 sen single tier exempt per share)	9.50	125,956	8.00	106,720
- 3rd interim - 8 sen single tier exempt per share (2012 : 6 sen single tier exempt per share)	8.00	107,548	6.00	79,536
		385,500		333,381

This dividend was accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ended 30 April 2012.

* On 30 January 2013, the Company distributed share dividend in respect of financial year ended 30 April 2013, via distribution of 29.3 million treasury shares on the basis of one treasury share for every forty five existing ordinary shares held. Based on the treasury shares book costs as stated in Note 20 of RM125.956 million, the share dividend was equivalent to approximately 9.5 sen per share based on the ordinary shares in issue with voting rights as at 17 January 2013 of 1,320,700,000.

On 18 June 2013, the Company declared and approved a fourth interim single tier exempt dividend of 4 sen per share on 1,339,040,000 ordinary shares with voting rights in respect of financial year ended 30 April 2013 amounting to RM53.56 million. The financial statements for the current financial year do not reflect this dividend. This dividend will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 30 April 2014.

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36 FINANCIAL GUARANTEE

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<u>Financial guarantee - secured</u>				
Corporate guarantee of RM550.0 million given by the Company to the holders of medium term notes issued by a wholly-owned subsidiary company	-	*	-	*

* As at end of the last financial year, no value is placed on the corporate guarantee provided by the Company to secure the medium term notes issued by its wholly-owned subsidiary company. The Directors are of the opinion that the financial guarantee was not likely to be called upon and regard the value of the credit enhancement provided by the corporate guarantee as minimal.

During the financial year, the corporate guarantee provided by the Company has been released and substituted by the Letter of Undertaking from the Company and the issuer to the Trustee and Security Agent as disclosed in Note 22.

No value is placed on the financial guarantee provided to a financial institution by a foreign subsidiary company for a facility granted to its associated company of which a total amount of Php160.0 million (equivalent to RM11.8 million) was utilised as at the reporting date. The Directors are of the opinion that the financial guarantee is not likely to be called upon and regard the value of the guarantee given as minimal.

37 CAPITAL AND LEASE COMMITMENTS

(a) Other commitments

	Group	
	2013 RM'000	2012 RM'000
Capital expenditures:		
- Approved and contracted for	4,050	10,261
- Approved but not contracted for	6,752	6,790
	10,802	17,051

(b) Non-cancellable operating lease commitments - Group and Company as lessees

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Future minimum rental payable:				
Not later than one year	8,413	6,379	3,614	2,319
Later than one year but not later than five years	9,049	3,118	2,388	32
Later than 5 years	542	571	-	-
	18,004	10,068	6,002	2,351

The Group and the Company entered into operating leases which represent rental payable for the use of premises.

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37 CAPITAL AND LEASE COMMITMENTS (CONT'D)

(c) Non-cancellable operating lease commitments - Group as lessor

	Group	
	2013 RM'000	2012 RM'000
Future minimum rental receivable:		
Not later than one year	2,550	3,687
Later than one year but not later than five years	12	2,516
	<hr/>	<hr/>
	2,562	6,203

The Group entered into commercial property leases on its investment properties portfolio consisting of premises and office space.

The minimum lease payments recognised in profit or loss during the financial year are disclosed in Note 28.

A foreign subsidiary company had entered into a lease for provision of on-line lottery equipment for a period of eight years. Revenue from the leasing of lottery equipment is recognised based on certain percentage of the gross receipts from the lottery ticket sales of the lottery operator subject to an annual minimum fee as prescribed in the lease agreement. The lease income is recognised as revenue during the financial year as disclosed in Note 27.

The approved and contracted capital expenditures included the following:

- (a) balance of the purchase consideration of a hotel of approximately RM850,000 (2012 : RM2,500,000) by a foreign subsidiary and payable upon compliance with various terms and conditions.

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38 SIGNIFICANT RELATED PARTY DISCLOSURES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Interest income from				
- Berjaya Sports Toto (Cayman) Limited - (a)	-	-	7,519	8,362
- Magna Mahsuri Sdn Bhd - (a)	-	-	656	377
- FEAB Properties Sdn Bhd - (a)	-	-	594	1,131
Interest expense to				
- Sports Toto Malaysia Sdn Bhd - (a)	-	-	(37,394)	(36,063)
Purchases of consumables from				
- Graphic Press Group Sdn Bhd - (c)	(12,974)	(11,938)	-	-
Advances from / (given to)				
- Sports Toto Malaysia Sdn Bhd - (a)	-	-	114,022	-
- FEAB Properties Sdn Bhd - (a)	-	-	-	(9,968)
- Magna Mahsuri Sdn Bhd - (a)	-	-	(9,898)	-
Repayment of advances from / (to)				
- FEAB Properties Sdn Bhd - (a)	-	-	9,877	-
- Sports Toto Malaysia Sdn Bhd - (a)	-	-	-	(2,468)
- Magna Mahsuri Sdn Bhd - (a)	-	-	-	2,500
- Berjaya Sports Toto (Cayman) Limited - (a)	-	-	3,661	30,098
Management fees for services rendered by				
- Berjaya Corporation Berhad - (b)	(720)	(720)	(720)	(720)
Shared management costs with related companies - (c)	-	(3,990)	-	-
Security guard services charges by				
- Berjaya Guard Services Sdn Bhd - (c)	(3,455)	(3,477)	-	-
Rental charges by				
- Nada Embun Sdn Bhd - (c)	(1,734)	(1,688)	(293)	(284)
- Ambilan Imej Sdn Bhd - (c)	(2,324)	(1,927)	(2,324)	(1,927)
Rental charges from				
- U Mobile Sdn Bhd - (d)	1,191	1,151	-	-
- Berjaya Higher Education Sdn Bhd - (c)	2,204	2,204	-	-
Share registration services rendered by				
- Berjaya Registration Services Sdn Bhd - (c)	(823)	(630)	(823)	(630)
Research development, implementation and maintenance services as well as purchase of hardware, software and network equipments from				
- Qinetics Solutions Sdn Bhd and Qinetics Services Sdn Bhd - (e)	(1,853)	(1,441)	(851)	(205)
Aircraft leasing charges by				
- Berjaya Air Sdn Bhd - (c)	(1,500)	(1,230)	-	-
- Berjaya Jet Charter Sdn Bhd - (c)	(1,702)	(1,772)	-	-
Supply of computerised lottery systems and related services				
- Natural Avenue Sdn Bhd - (f)	427	417	-	-
Advertising and publishing services charged by				
- Sun Media Corporation Sdn Bhd - (g)	(1,284)	(1,036)	(24)	(13)

NOTES TO THE FINANCIAL STATEMENTS

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38 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

The nature of the related party relationships are as follows:

- (a) subsidiary companies;
- (b) ultimate holding company, BCorp;
- (c) related companies of BCorp Group other than subsidiary or associated companies of the Company;
- (d) a company in which a director of the Company, namely Dato' Robin Tan Yeong Ching ("DRTYC") has interest. A substantial shareholder of the Company, Tan Sri Dato' Seri Vincent Tan Chee Yioun ("TSVT") and his brother, Tan Sri Dato' Tan Chee Sing ("TSDT") also have interests. TSVT is the father of DRTYC while TSDT is the father of the Director, Dato' Dickson Tan Yong Loong;
- (e) subsidiary companies of MOL.com Sdn Bhd ("MOL"). The related companies of BCorp Group and a director of the Company, namely DRTYC as well as a substantial shareholder of the Company, namely TSVT have interests in MOL;
- (f) subsidiary company of Berjaya Assets Berhad ("BAssets"). The Company's subsidiary, related companies of BCorp Group as well as a director of the Company, namely DRTYC have interests in BAssets. A substantial shareholder of the Company, namely TSVT and his brother TSDT also have interests in BAssets;
- (g) subsidiary company of Berjaya Media Berhad ("BMedia"). The Company's subsidiary and related companies of BCorp Group as well as a director of the Company, namely DRTYC have interests in BMedia. A substantial shareholder of the Company, TSVT and his brother TSDT also have interests in BMedia.

The outstanding balances with subsidiary companies have been disclosed under Notes 12 and 26.

Certain professional fee amounting to RM9,065,000 (2012 : RM8,900,000) 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 an interest.

The compensation (including benefits-in-kind) of the key management personnel, who are the Directors of the Group are as follows:

	Group	
	2013 RM'000	2012 RM'000
Short-term benefits	23,506	21,232
Post-employment benefits	3,286	2,705
	26,792	23,937

39 FINANCIAL INSTRUMENTS

(a) Classification of Financial Instruments

Financial assets and financial liabilities are measured either at fair value or at amortised cost. The principal accounting policies in Note 2.2 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and financial 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

2013	Note	Available-for-sale financial assets RM'000	Loans and receivables RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Assets					
Long term investments	6	58,796	-	-	58,796
Trade and other receivables	11	-	128,780	-	128,780
Short term investments	13	3,771	-	-	3,771
Deposits with financial institutions	14	-	360,766	-	360,766
Cash and bank balances		-	68,860	-	68,860
Total financial assets		62,567	558,406	-	620,973
Total non-financial assets					922,097
Total assets					1,543,070
Liabilities					
Trade and other payables, representing total financial liabilities	25	-	-	339,284	339,284
Other long term liability	23	-	-	927	927
Medium term notes	22	-	-	550,000	550,000
Total financial liabilities		-	-	890,211	890,211
Total non-financial liabilities					39,645
Total liabilities					929,856
2012 (Restated)					
Assets					
Long term investments	6	37,949	-	-	37,949
Trade and other receivables	11	-	55,768	-	55,768
Short term investments	13	759	-	-	759
Deposits with financial institutions	14	-	363,957	-	363,957
Cash and bank balances		-	44,890	-	44,890
Total financial assets		38,708	464,615	-	503,323
Total non-financial assets					924,735
Total assets					1,428,058
Liabilities					
Trade and other payables, representing total financial liabilities	25	-	-	333,155	333,155
Other long term liability	23	-	-	694	694
Medium term notes	22	-	-	550,000	550,000
Total financial liabilities		-	-	883,849	883,849
Total non-financial liabilities					33,287
Total liabilities					917,136

NOTES TO THE FINANCIAL STATEMENTS

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39 FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of Financial Instruments (cont'd)

COMPANY

2013	Note	Loans and receivables RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Assets				
Other receivables	11	63,223	-	63,223
Amount due from subsidiary companies	12	146,504	-	146,504
Deposits with financial institutions	14	5,500	-	5,500
Cash and bank balances		1,374	-	1,374
Total financial assets		216,601	-	216,601
Total non-financial assets				6,599,673
Total assets				6,816,274
Liabilities				
Other payables, representing total financial liabilities	25	-	1,449	1,449
Amount due to subsidiary companies	26	-	935,899	935,899
Other long term liability	23	-	106	106
Total financial liabilities		-	937,454	937,454
Total non-financial liabilities				2,754
Total liabilities				940,208
2012				
Assets				
Other receivables	11	69,819	-	69,819
Amount due from subsidiary companies	12	137,699	-	137,699
Deposits with financial institutions	14	18,721	-	18,721
Cash and bank balances		353	-	353
Total financial assets		226,592	-	226,592
Total non-financial assets				6,602,119
Total assets				6,828,711
Liabilities				
Other payables, representing total financial liabilities	25	-	2,872	2,872
Amount due to subsidiary companies	26	-	779,822	779,822
Total financial liabilities		-	782,694	782,694
Total non-financial liabilities				3,085
Total liabilities				785,779

39 FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair values

(i) Financial instruments that are measured at fair value

The Group and the Company use the following hierarchy for determining the fair values of all financial instruments carried at fair values:

Level 1

Quoted market prices in an active market.

Level 2

Valuation inputs (other than Level 1 input) that are based on observable market data.

Level 3

Valuation inputs that are not based on observable market data.

The following table shows an analysis of financial instruments, measured at fair value by the level in the fair value hierarchy:

	Level 1 RM'000
At 30 April 2013	
Group	
Financial asset	
Other long term investments	<u>58,796</u>
At 30 April 2012	
Group	
Financial asset	
Other long term investments	<u>37,949</u>

(ii) Financial instruments that are not measured at fair value and whose carrying amounts are reasonable approximate of fair value

Included in these classes of financial instruments are certain financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	11
Trade and other payables	25
Amount due from / (to) subsidiary companies	12 and 26
Medium term notes	22
Hire purchase payables	23

NOTES TO THE FINANCIAL STATEMENTS

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39 FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair values (Cont'd)

- (ii) Financial instruments that are not measured at fair value and whose carrying amounts are reasonable approximate of fair value (cont'd)

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short term in nature except for medium term notes and hire purchase payables.

The fair values of medium term notes and hire purchase payables are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending at the reporting date. The carrying amounts of medium term notes and hire purchase payables are reasonable approximation of fair values due to the insignificant impact of discounting.

- (iii) Financial instruments that are not measured at fair value and whose carrying amounts are not reasonable approximate of fair value

	GROUP			
	2013		2012	
	RM'000	RM'000	RM'000	RM'000
	Carrying amount	Fair value	Carrying amount	Fair value
Financial asset:				
- Unquoted securities short term investments (Note 13)	3,771	*	759	*

* Fair value information has not been disclosed as the fair value cannot be measured reliably as these financial instruments are not quoted on any market and do not have any comparable industry peers that are listed.

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its credit risks, liquidity risk and market risk (including interest rate risk, foreign currency risk and equity price risk). The Group operates within clearly defined guidelines and the Group's policy is not to engage in speculative transactions.

(a) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and bank balances and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

Credit risk or risk of counterparts defaulting, is controlled by the application of credit approval limits and monitoring procedures.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Other than disclosed in the above, the Group and the Company do not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instruments.

Information regarding trade and other receivables that are neither past due nor impaired and receivables that are impaired as well as ageing analysis of trade receivables are disclosed in Note 11.

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity Risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group actively manages its operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met.

The Group maintains sufficient levels of cash and the availability of funding so as to ensure that its working capital requirements are met.

Analysis of undiscounted financial instruments by remaining contractual maturities

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
2013				
Financial liabilities:				
Group				
Trade and other payables	338,844	-	-	338,844
Medium term notes	176,150	454,000	-	630,150
Other long term liability	482	1,004	-	1,486
	515,476	455,004	-	970,480
Company				
Other payables (excluding financial guarantees)	1,426	-	-	1,426
Amount due to subsidiary companies	935,899	-	-	935,899
Other long term liability	31	122	-	153
	937,356	122	-	937,478
2012				
Financial liabilities:				
Group				
Trade and other payables	333,229	-	-	333,229
Medium term notes	29,900	475,650	154,500	660,050
Other long term liability	368	759	-	1,127
	363,497	476,409	154,500	994,406
Company				
Other payables (excluding financial guarantees)	2,872	-	-	2,872
Amount due to subsidiary companies	779,822	-	-	779,822
	782,694	-	-	782,694

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Market Risk

Market 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.

(i) 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 Group's primary interest rate risk related to interest bearing assets and interest bearing borrowings.

The interest bearing assets are made up of deposits with licensed financial institutions. 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 by placing them as short term deposits and actively reviewing its portfolio of deposits.

The Group manages its interest rate exposure by maintaining fixed 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 information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

Sensitivity analysis for interest rate risk

In view of the above, changes in market interest rates will have insignificant impact to the Group.

(ii) 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 exchange rates.

The Group predominantly operates in Malaysia even though it has some overseas subsidiary companies. The Group has limited exposure to foreign exchange risk as the transactional currencies are mostly in the functional currencies of the respective operating entities other than exposure on the advances to a subsidiary company that was treated as net investment in a foreign operation. The Group has minimal currency transaction exposures. Such exposure mainly arises from intra group sales and purchases which are eliminated at group level as well as cash and cash equivalents and available-for-sale investments which are denominated in foreign currency.

Sensitivity analysis for currency risk

The Group's exposure to sensitivity of currency risk is insignificant as the transactional currencies are mostly in the functional currencies of the respective operating entities.

(iii) Equity Price Risk

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. The quoted equity instruments in Malaysia are listed on Bursa Malaysia Securities Berhad whereas the quoted equity instruments outside Malaysia are mainly listed on the New York Stock Exchange, London Stock Exchange and Philippine Stock Exchange. These instruments are classified as available-for-sale financial assets.

The Group manages its equity price risk arising from investment in quoted equity instruments by diversifying and managing its portfolio in accordance with limits set by the Group.

Sensitivity analysis for equity price risk

At the reporting date, if the FTSE Bursa Malaysia KLCI, NYSE Composite Index of New York Stock Exchange, FTSE London Stock Exchange and PSE Index of Philippine Stock Exchange had been 1% higher / lower, with all other variables held constant, the Group's other reserve in equity would have been RM587,960 (2012 : RM379,490) higher / lower, arising as a result of an increase / decrease in fair value of equity instruments classified as available for sale.

41 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. No changes were made in the objectives, policies or processes during the years ended 30 April 2013 and 30 April 2012.

The Group monitors capital using a gearing ratio, which is debt divided by net equity funds. The Group and the Company include within debt, the medium term notes. Net equity funds represents net equity attributable to the owners of the parent. The gearing ratios as at 30 April 2013 and 30 April 2012 were as follows:

	Note	Group		Company	
		2013 RM'000	2012 RM'000 (Restated)	2013 RM'000	2012 RM'000 (Restated)
Medium term notes	22	550,000	550,000	-	-
Debt		550,000	550,000	-	-
Net equity funds attributable to the owners of the parent		570,165	479,523	5,876,066	6,042,932
Gearing ratio		0.96	1.15	-	-

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one Group / Company to another.

42 SEGMENT INFORMATION

(a) **Business Segments:**

30 April 2013

	Toto betting and leasing of lottery equipment RM'000	Others * RM'000	Inter-segment RM'000	Consolidated RM'000
Revenue				
External sales	3,589,016	39,346	-	3,628,362
Inter-segment sales		12,738	(12,738)	-
				3,628,362
Results				
Segment results	605,588	(16,944)	(7,321)	581,323
Unallocated corporate expenses				(19,559)
Profit before other income and expenses				561,764
Investment related income				20,855
Other income				21,632
Finance costs				(31,371)
Share of results of associated companies				(3,354)
Profit before tax				569,526
Income tax expense				(166,020)
Profit for the year				403,506
Non-controlling interests				(12,421)
Profit attributable to equity holders of the Company				391,085

NOTES TO THE FINANCIAL STATEMENTS

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42 SEGMENT INFORMATION (CONT'D)

(a) Business Segments: (cont'd)

30 April 2013 (cont'd)

	Toto betting and leasing of lottery equipment RM'000	Others * RM'000	Inter- segment RM'000	Consolidated RM'000
Assets				
Segment assets	2,228,724	224,772	(948,447)	1,505,049
Investment in equity method of associated companies				7,793
Unallocated corporate assets				30,228
Consolidated total assets				<u>1,543,070</u>
Liabilities				
Segment liabilities	384,550	185,789	(222,344)	347,995
Unallocated corporate liabilities				581,861
Consolidated total liabilities				<u>929,856</u>
Other information				
Capital expenditure	22,382	4,772	(10,891)	16,263
- Unallocated corporate expenses				406
				16,669
Depreciation and amortisation	29,183	4,440	(7,409)	26,214
- Unallocated corporate expenses				1,007
				27,221
Property, plant and equipment write-off	261	-	-	261
- Unallocated corporate expenses				3
				264
Other non-cash expenses	756	480	-	1,236

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

42 SEGMENT INFORMATION (CONT'D)

(a) Business Segments: (cont'd)

30 April 2012 (Restated)

	Toto betting and leasing of lottery equipment RM'000	Others * RM'000	Inter- segment RM'000	Consolidated RM'000
Revenue				
External sales	3,570,466	37,288	-	3,607,754
Inter-segment sales		18,143	(18,143)	-
				<u>3,607,754</u>
Results				
Segment results	594,960	5,076	(9,176)	590,860
Unallocated corporate expenses				(12,652)
Profit before other income and expenses				578,208
Investment related income				5,096
Investment related expenses				(427)
Other income				25,201
Finance costs				(30,367)
Share of results of associated companies				1,439
Profit before tax				579,150
Income tax expense				(163,465)
Profit for the year				415,685
Non-controlling interests				(10,209)
Profit attributable to equity holders of the Company				<u>405,476</u>
Assets				
Segment assets	1,973,493	201,829	(790,692)	1,384,630
Investment in equity method of associated companies				6,379
Unallocated corporate assets				37,049
Consolidated total assets				<u>1,428,058</u>
Liabilities				
Segment liabilities	393,064	156,712	(214,856)	334,920
Unallocated corporate liabilities				582,216
Consolidated total liabilities				<u>917,136</u>
Other information				
Capital expenditure	15,428	6,485	(2,290)	19,623
- Unallocated corporate expenses				619
				20,242
Depreciation and amortisation	28,740	3,366	(6,461)	25,645
- Unallocated corporate expenses				947
				26,592
Impairment losses	5	479	-	484
Other non-cash expenses	1,239	1,605	-	2,844

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

42 SEGMENT INFORMATION (CONT'D)

(b) Geographical Segments:

Total Revenue From External Customers

	Group	
	2013 RM'000	2012 RM'000
Malaysia	3,451,067	3,434,355
Others	177,295	173,399
	3,628,362	3,607,754

Segment Assets

	Group	
	2013 RM'000	2012 RM'000
Malaysia	1,045,234	1,017,871
Others	467,441	370,987
Unallocated corporate assets	30,395	39,200
	1,543,070	1,428,058

Capital Expenditure

	Group	
	2013 RM'000	2012 RM'000
Malaysia	10,478	7,372
Others	5,785	12,251
Unallocated corporate expenses	406	619
	16,669	20,242

Segment information is presented in respect of the Group's business segments.

Unallocated corporate items refer to items relating to investing or financing activities and items that cannot be reasonably allocated to individual segments.

Other non-cash expenses mainly include unrealised loss on foreign exchange, inventories written down, provision for sales warranty, provision for retirement benefit obligations and allowance for doubtful debts.

Inter-segment transactions / items are eliminated on consolidation.

Capital expenditure consists of additions of property, plant and equipment only.

* Other business segments include property investment and development and investment holding, manufacture and distribution of computerised lottery and voting systems, asset management as trustee manager, operation of hotel as well as operation of health and fitness centre, none of which are of a sufficient size to be reported separately.

43 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (i) On 11 May 2012, a wholly-owned subsidiary company, Sports Toto Malaysia Sdn Bhd ("STM") entered into Share Sale Agreements with another wholly-owned subsidiary company, Magna Mahsuri Sdn Bhd ("Magna Mahsuri") for the disposal of the following 3 subsidiary companies of STM, namely Sports Toto Apparel Sdn Bhd, Sports Toto Products Sdn Bhd, Sports Toto Computer Sdn Bhd ("The Disposal") for a total cash consideration of approximately RM32.39 million:
- (a) Sports Toto Apparel Sdn Bhd comprising 250,000 ordinary shares of RM1.00 each for a cash consideration of RM1.00;
 - (b) Sports Toto Products Sdn Bhd comprising 300,000 ordinary shares of RM1.00 each for a cash consideration of RM1.00; and
 - (c) Sports Toto Computer Sdn Bhd comprising 5,000,000 ordinary shares of RM1.00 each for a cash consideration of RM32,390,000.

The Disposal was completed in May 2012.

- (ii) On 5 June 2012, Maybank Investment Bank Berhad announced on behalf of the Company the proposed transfer of its 100% equity interest in its wholly-owned subsidiary company, STM, to a business trust to be constituted and registered in Singapore to be known as Sports Toto Malaysia Trust ("STM-Trust") by undertaking the following proposals:
- (a) proposed transfer by the Company of 112,522,500 ordinary shares of RM0.50 each representing 100% equity interest in STM, to STM-Trust for a consideration of RM6.0 billion (equivalent to SGD2.43 billion) to be satisfied via:
 - (i) the issuance of 4.43 billion new units in STM-Trust ("STM-Trust Units") to Berjaya Sports Toto (Cayman) Limited ("BSTC"), a wholly-owned subsidiary of Magna Mahsuri which in turn is a wholly-owned subsidiary of the Company, at an issue price of SGD0.50 (equivalent to RM1.24) per STM-Trust Unit; and
 - (ii) the balance by way of a promissory note ("PN") or bill of exchange in favour of the Company of an amount equal to about RM527.4 million (equivalent to SGD213.4 million),

collectively referred to as the "Proposed Transfer"; and

- (b) proposed listing of up to 4.89 billion STM-Trust Units on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Proposed Listing").

The Proposed Listing will involve an offer for sale of up to 540 million STM-Trust Units by BSTC and an offering of up to 460 million new STM-Trust Units by STM-Trust.

On 17 October 2012, the Company announced the incorporation of a wholly-owned subsidiary company, Sports Toto Malaysia Management Pte. Ltd. ("STMM"), a Singapore incorporated company. STMM will act as the trustee-manager of the STM Trust to be constituted under Business Trust Act, Chapter 31A of Singapore.

The Company had announced that it had obtained the following approvals from the relevant authorities / parties:

<u>Relevant authorities / parties</u>	<u>Date of Approval</u>
Ministry of Finance	27 July 2012
Controller of Foreign Exchange of Bank Negara Malaysia	24 August 2012
Holders of the Medium Term Notes ("MTN Holders")	28 November 2012
Singapore Exchange Securities Trading Limited ("SGX-ST")	10 December 2012
Shareholders of the Company	12 December 2012
The Monetary Authority of Singapore	2 April 2013

NOTES TO THE FINANCIAL STATEMENTS

30 April 2013

43 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

SGX-ST has via its letter dated 8 March 2013 granted its approval for an extension of validity period of the conditional eligibility-to-list by 3 months to 10 June 2013.

On 25 March 2013, the Company announced that MTN Holders had on 22 March 2013, approved the extension of the validity period of the MTN Holders' approval for the completion of the proposals for an additional sixty (60) days from 31 March 2013 to 31 May 2013.

The MTN Holders had on 29 May 2013 approved a further extension of the validity period for an additional six months from 31 May 2013 to 30 November 2013. A further extension of 3 months to 10 September 2013 was subsequently granted by SGX-ST via its letter dated 10 June 2013.

On 13 June 2013, the Company announced that STM-Trust has been constituted in Singapore on even date by a declaration of trust by Sport Toto Malaysia Management Pte. Ltd. ("STMM"), as trustee-manager of STM-Trust under a trust deed dated 13 June 2013.

On 17 June 2013, the Company announced that it had on 15 June 2013 executed the conditional sale and purchase agreement with BSTC and STMM, as trustee-manager of STM-Trust for the Proposed Transfer.

- (iii) On 25 June 2012, FEAB Properties Sdn Bhd ("FProp"), a wholly-owned subsidiary company of the Group, entered into a Share Sale and Purchase Agreement ("Agreement") with Morpho Cards (Singapore) Pte Ltd for the disposal of its entire equity interest of 17.19% comprising 25,848 ordinary shares in Cassis International Pte Ltd ("Cassis"). The Agreement was entered collectively with all existing shareholders of Cassis for the disposal of a total of 150,370 ordinary shares in Cassis for a total cash consideration of approximately USD29.7 million (equivalent to approximately RM94.6 million) subject to certain post-closing adjustments plus a contingent consideration of up to USD8 million (equivalent to approximately RM25.5 million) subject to certain conditions being met. The disposal was completed on 12 July 2012. FProp's portion of the cash consideration for the said disposal is up to USD5.4 million (equivalent to approximately RM17.2 million) inclusive of the contingent consideration of approximately USD1.1 million (equivalent to approximately RM3.5 million) and thus realising a gain on disposal of RM8.8 million.
- (iv) On 11 June 2012, Philippine Gaming Management Corporation ("PGMC"), a foreign subsidiary company of the Group filed a case for Indirect Contempt with an application for the issuance of Temporary Restraining Order and/or Writ of Preliminary Injunction against the Philippine Charity Sweepstakes Office ("PCSO") and its board members before the Makati Regional Trial Court. PCSO is a party to the Equipment Lease Agreement entered with PGMC for the lease of on-line lottery equipment.

On 17 October 2012, PGMC filed a Petition for Contempt against PCSO and its board members for their deliberate disobedience or resistance to the Writ of Preliminary Injunction Issued by the Makati Regional Trial Court.

44 SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR

- (i) On 19 and 24 June 2013, STM issued RM150.0 million and RM30.0 million of Medium Term Notes ("MTN") and the proceeds are used for refinancing of existing borrowings and working capital purposes.

The tenure for the issues is for one year. The issuance for RM150.0 million and RM30.0 million were completed on 28 June 2013 and 1 July 2013 respectively.

- (ii) On 18 July 2013, the Company announced that its subsidiary company namely Berjaya Philippines Inc. ("BPI"), listed on the Philippine Stock Exchange ("PSE") has on even date released an announcement to PSE that it had made a cash offer to acquire the entire issued and to be issued share capital of H.R. Owen Plc not already owned by BPI for approximately £23.4 million (equivalent to about RM113.70 million). The offer document was released by BPI on 30 July 2013 and the offer will lapse on 19 August 2013. H.R.Owen Plc is a company listed on the London Stock Exchange and operates as a franchised motor dealer in the United Kingdom.

45 SUPPLEMENTARY INFORMATION - BREAKDOWN OF RETAINED EARNINGS INTO REALISED AND UNREALISED

The breakdown of the retained earnings of the Group and of the Company as at 30 April 2013, into realised and unrealised profits, pursuant to the directive, is as follows:

	Group RM'000	Company RM'000
As at 30 April 2013		
Total retained earnings	-	
- Realised	613,009	378,181
- Unrealised	47,870	5,395,689
	<hr/>	<hr/>
	660,879	5,773,870
Less: Consolidation adjustments	(237,658)	-
	<hr/>	<hr/>
Total retained earnings as per financial statements	423,221	5,773,870
As at 30 April 2012 (Restated)		
Total retained earnings	-	
- Realised	598,348	632,419
- Unrealised	36,132	5,395,705
	<hr/>	<hr/>
	634,480	6,028,124
Less: Consolidation adjustments	(216,844)	-
	<hr/>	<hr/>
Total retained earnings as per financial statements	417,636	6,028,124

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

LIST OF PROPERTIES

for the year ended 30 April 2013

Location	Tenure	Date of Acquisition	Age of Building	Size	Description / Existing Use	Fair Value RM'000	Net Book Value RM'000
Lot 174 TS 18 North East District, Penang (74, 76 & 78 Rope Walk Penang)	Freehold	30.08.1990	73 yrs	4,826 sq. ft.	3 units of 2-storey shophouse - vacant	1,900	N/A
Berjaya Times Square 11th Floor No. 1, Jalan Imbi 55100 Kuala Lumpur	Freehold (Strata title)	06.01.1998	10 yrs	106,027 sq. ft.	One floor of office space of an integrated commercial development for rental	65,256	N/A
24, Jalan SS2/66 47300 Petaling Jaya Selangor Darul Ehsan	Freehold	14.01.1995	41 yrs	5,040 sq. ft.	1 unit of 3-storey shophouse for rental	3,000	N/A
No. 14, Sri Desa Entrepreneur's Park Jalan Kuchai Lama 58200 Kuala Lumpur	Freehold	19.12.1995	15 yrs	6,760 sq. ft.	1 unit of 5-storey shopoffice for rental	2,000	N/A
H.S. (D) 10222 P.T. No. 10961 Bentung Pahang Darul Makmur	Leasehold 99 years expiring on 4 May 2094	23.12.1999	-	119,845 sq. ft.	Vacant land	2,350	N/A
12, Jalan 4/91A Shamelin Perkasa 56100 Kuala Lumpur	Leasehold 81 years expiring on 11 Sept 2082	18.06.2007	18 yrs	11,950 sq. ft.	1 unit of 3-storey semi detached factory lot - logistic, field support and central sales office	N/A	3,601
No. 25, Jalan 11/48A Sentul Raya Boulevard Off Jalan Sentul, Sentul 51000 Kuala Lumpur	Freehold	16.08.2010	17 yrs	10,080 sq. ft.	1 unit of 6-storey shopoffice for rental	5,300	N/A
F130, 1st Floor Sungei Wang Plaza Jalan Bukit Bintang 55100 Kuala Lumpur	Freehold (Strata title)	24.08.2011	36 yrs	645.83 sq. ft.	1 unit of retail shoplot for rental	7,000	N/A
7835 Makati Avenue Corner Eduque Street Makati City, Philippines 1209	Freehold	4.12.2009	12 yrs	586 sq. m.	Hotel - 212 guest rooms	N/A	49,191
No. 26, Jalan 14/48A Sentul Raya Boulevard Off Jalan Sentul, Sentul 51000 Kuala Lumpur	Freehold	10.05.2012	17 yrs	8,250 sq. ft.	1 unit of 5-storey shopoffice for rental	4,362	N/A

N/A denotes Not Applicable

MATERIAL CONTRACTS

Other than as disclosed in Notes 28, 37, 38, 43 and 44 of the financial statements for the financial year ended 30 April 2013, neither Berjaya Sports Toto Berhad nor any of its subsidiaries has entered into any material contracts involving Directors and major shareholders.

ADDITIONAL INFORMATION

The amount of non-audit fees incurred for services rendered to the Group by the Company's auditors, or a firm affiliated to the auditors' firm, for the financial year ended 30 April 2013 amounted to RM106,000 (2012 : RM107,000).

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The aggregate value of transactions conducted pursuant to shareholders' mandate were as follows:

Related parties	Nature of transactions	Name of companies	Amount transacted during the financial year (RM'000)
Berjaya Corporation Berhad and / or its unlisted subsidiary companies			
Berjaya Corporation Berhad	Management fees payable for services rendered that include, inter-alia, the provision of finance, secretarial and general administrative services	Berjaya Sports Toto Berhad	720
Berjaya Education Sdn Bhd	Receipt of education and staff training services	Sports Toto Malaysia Sdn Bhd Berjaya Sports Toto Berhad	7
Berjaya Registration Services Sdn Bhd	Receipt of share registration services	Berjaya Sports Toto Berhad	823
Berjaya Higher Education Sdn Bhd	Rental income for renting of partially furnished floor space at part of Level 11, Berjaya Times Square	Magna Mahsuri Sdn Bhd	(2,204)
Ambilan Imej Sdn Bhd	Rental for renting of office at part of Level 12, Berjaya Times Square	Berjaya Sports Toto Berhad	2,324
Inter-Pacific Trading Sdn Bhd	Purchase of stationery products	Berjaya Sports Toto Berhad Sports Toto Malaysia Sdn Bhd Sports Toto Fitness Sdn Bhd	83
Berjaya Hills Berhad	Rental income for renting of Meranti Park Apartment at Bukit Tinggi Resort, Bukit Tinggi, Pahang	FEAB Properties Sdn Bhd	(3)
Graphic Press Group Sdn Bhd	Procurement of Toto betting slips printing services	Sports Toto Malaysia Sdn Bhd	12,974
Stephen Properties Sdn Bhd	Rental for renting of storage areas	Berjaya Sports Toto Berhad	4
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products and toiletries	Sports Toto Fitness Sdn Bhd	14
Berjaya Land Berhad and / or its unlisted subsidiary companies			
Berjaya Guard Services Sdn Bhd	Receipt of security guard services	Sports Toto Malaysia Sdn Bhd	3,455
Berjaya Langkawi Beach Resort Sdn Bhd	Rental of villa at Berjaya Langkawi Resort	Berjaya Sports Toto Berhad	180
	Rental income for renting restaurant premise	FEAB Properties Sdn Bhd	(108)
Nada Embun Sdn Bhd	Rental for renting of office premises at part of Level 13, Berjaya Times Square	Berjaya Sports Toto Berhad Sports Toto Malaysia Sdn Bhd	1,734
Nural Enterprise Sdn Bhd	Rental for renting of apartments at Podium Block, Plaza Berjaya	Sports Toto Malaysia Sdn Bhd	94
Berjaya Air Sdn Bhd	Dry lease charges for aircraft leasing facilities	Berjaya Sports Toto Berhad Group	1,500
Berjaya Jet Charter Sdn Bhd	Charter fees for aircraft leasing facilities	Berjaya Sports Toto Berhad Group	1,702

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Related parties	Nature of transactions	Name of companies	Amount transacted during the financial year (RM'000)
Berjaya Assets Berhad and / or its unlisted subsidiary companies			
Natural Avenue Sdn Bhd	Supply of computerised lottery systems and related services	International Lottery & Totalizator Systems, Inc.	(427)
BTS Car Park Sdn Bhd	Parking charges	Sports Toto Malaysia Sdn Bhd Berjaya Sports Toto Berhad Sports Toto Computer Sdn Bhd	337
Berjaya Times Square Sdn Bhd	Rental for renting of office at 09-51, 09-53 & 09-56, 9th Floor, Berjaya Times Square	Sports Toto Computer Sdn Bhd	62
Berjaya Media Berhad and / or its unlisted subsidiary company			
Sun Media Corporation Sdn Bhd	Procurement of promotion, advertising and publishing services	Berjaya Sports Toto Berhad Group	1,284
Other related parties			
Qinetics Solutions Sdn Bhd & Qinetics Services Sdn Bhd	Purchase of hardware, software, networking equipments, and information technology consultancy, data storage, maintenance and management services	Berjaya Sports Toto Berhad Group	1,853
Auto Tulin Sdn Bhd	Purchase of motor vehicles, component parts and other related products and services	Sports Toto Malaysia Sdn Bhd	834
Ascot Sports Sdn Bhd	Rental of office at Lot 10-01, Level 10, Berjaya Times Square	Sports Toto Malaysia Sdn Bhd	144
U Mobile Sdn Bhd	Rental income from renting office at part of Level 11, Berjaya Times Square	Magna Mahsuri Sdn Bhd	(1,191)
Roda Indah Sdn Bhd	Purchase of motor vehicles, component parts and other related products and services	Sports Toto Malaysia Sdn Bhd	205
Biofield Sdn Bhd	Rental of shoptot at Level 6, Berjaya Times Square	Sports Toto Fitness Sdn Bhd	442

STATEMENT OF DIRECTORS' SHAREHOLDINGS

As at 20 August 2013

THE COMPANY

	Direct Interest	Number of ordinary shares of RM0.10 each		%
		%	Deemed Interest	
Dato' Robin Tan Yeong Ching	846,400	0.06	-	-
Chan Kien Sing	3,504	0.00	-	-
Freddie Pang Hock Cheng	398,666	0.03	165,667 *	0.01
Seow Swee Pin	90,000	0.01	7,666 *	0.00
Datuk Robert Yong Kuen Loke	120,100	0.01	-	-

HOLDING COMPANY

BERJAYA LAND BERHAD

	Direct Interest	Number of ordinary shares of RM0.50 each		%
		%	Deemed Interest	
Dato' Robin Tan Yeong Ching	600,000	0.01	56,600,000	1.14
Freddie Pang Hock Cheng	160,000	0.00	4,000 *	0.00
Datuk Robert Yong Kuen Loke	360,808	0.01	-	-

ULTIMATE HOLDING COMPANY

BERJAYA CORPORATION BERHAD

	Direct Interest	Number of ordinary shares of RM1.00 each		%
		%	Deemed Interest	
Dato' Robin Tan Yeong Ching	2,222,847	0.05	599,416,995	14.23
			5,000 *	0.00
Chan Kien Sing	47,688	0.00	-	-
Freddie Pang Hock Cheng	217,388	0.01	143,300 *	0.00
Datuk Robert Yong Kuen Loke	1,020,548	0.02	-	-

Number of 0% Irredeemable Convertible Unsecured Loan Stocks 2005/2015 of RM0.50 nominal value each

	Direct Interest	Number of 0% Irredeemable Convertible Unsecured Loan Stocks 2005/2015 of RM0.50 nominal value each		%
		%	Deemed Interest	
Dato' Robin Tan Yeong Ching	-	-	12,401,200	1.89
Datuk Robert Yong Kuen Loke	741	0.00	-	-

Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each

	Direct Interest	Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each		%
		%	Deemed Interest	
Dato' Robin Tan Yeong Ching	2,620,500	0.38	87,029,000	12.51
			1,000 *	0.00
Chan Kien Sing	10,000	0.00	-	-
Freddie Pang Hock Cheng	40,000	0.01	25,200 *	0.00
Datuk Robert Yong Kuen Loke	2,516,508	0.36	-	-

STATEMENT OF DIRECTORS' SHAREHOLDINGS

As at 20 August 2013

ULTIMATE HOLDING COMPANY

BERJAYA CORPORATION BERHAD (CONT'D)

	Direct Interest	Number of Warrants		%
		%	Deemed Interest	
Dato' Robin Tan Yeong Ching	2,620,500	0.37	87,029,000 1,000 *	12.43 0.00
Chan Kien Sing	10,000	0.00	-	-
Freddie Pang Hock Cheng	40,000	0.01	25,200 *	0.00
Datuk Robert Yong Kuen Loke	170,108	0.02	-	-

RELATED COMPANY

BERJAYA FOOD BERHAD

	Direct Interest	Number of ordinary shares of RM0.50 each		%
		%	Deemed Interest	
Dato' Robin Tan Yeong Ching	965,300	0.37	-	-

	Direct Interest	Number of ordinary shares of RM0.50 each under the Employees' Share Option Scheme		%
		%	Deemed Interest	
Dato' Robin Tan Yeong Ching	600,000	0.23	-	-

	Direct Interest	Number of Warrants		%
		%	Deemed Interest	
Dato' Robin Tan Yeong Ching	465,300	0.42	-	-

* Indirect interests held pursuant to Section 134(12)(c) of the Companies Act, 1965.

Save as disclosed, none of the Directors of the Company had any interests in the shares and debentures of the Company or its related corporations as at 20 August 2013.

STATISTICS ON SHAREHOLDINGS

As at 20 August 2013

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
less than 100	2,673	6.92	107,626	0.01
100 - 1,000	3,055	7.91	1,359,912	0.10
1,001 - 10,000	26,882	69.58	79,230,116	5.92
10,001 - 100,000	5,400	13.98	126,311,533	9.45
100,001 - 66,874,999	622	1.61	988,939,154	73.94
66,875,000* and above	1	0.00	141,551,659	10.58
Total	38,633	100.00	1,337,500,000	100.00

Note:

There is only one class of shares in the paid-up capital of the Company. Each share entitles the holder to one vote.

* Denote 5% of the total number of shares with voting rights in issue.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

	Name of Shareholders	No. of Shares	(%)
1	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account - CIMB Investment Bank Berhad For Gateway Benefit Sdn Bhd (BLB-SSA)</i>	141,551,659	10.58
2	Malaysia Nominees (Tempatan) Sendirian Berhad <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (01-00808-014)</i>	51,111,111	3.82
3	RHB Capital Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Bhd (681124)</i>	41,911,111	3.13
4	Cartaban Nominees (Asing) Sdn Bhd <i>Exempt An For State Street Bank & Trust Company (West CLT OD67)</i>	37,277,337	2.79
5	Scotia Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For B.L. Capital Sdn Bhd</i>	35,906,355	2.68
6	Citigroup Nominees (Tempatan) Sdn Bhd <i>Exempt An For AIA Bhd</i>	31,555,525	2.36
7	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd (014011124705)</i>	29,323,160	2.19
8	Cartaban Nominees (Tempatan) Sdn Bhd <i>Exempt An For Eastspring Investments Berhad</i>	28,693,956	2.15
9	Cartaban Nominees (Tempatan) Sdn Bhd <i>Exempt An For Bank J.Safra Sarasin Ltd, Singapore Branch (BSCSG) (AC Client Local)</i>	28,677,777	2.14
10	Berjaya Corporation Berhad	27,732,759	2.07
11	Malaysia Nominees (Tempatan) Sendirian Berhad <i>Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)</i>	26,440,284	1.98
12	Malaysia Nominees (Tempatan) Sendirian Berhad <i>Pledged Securities Account For Berjaya Land Berhad (01-00808-013)</i>	22,488,888	1.68
13	HSBC Nominees (Asing) Sdn Bhd <i>BBH And Co Boston For Vanguard Emerging Markets Stock Index Fund</i>	18,665,295	1.40
14	Scotia Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Gateway Benefit Sdn Bhd</i>	15,700,000	1.17
15	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd (8081042)</i>	14,339,631	1.07
16	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (BLB-RC2-CB4)</i>	14,311,111	1.07
17	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (BLB-RC3-CB4)</i>	11,740,000	0.88
18	Scotia Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Berhad</i>	11,600,000	0.87
19	Cartaban Nominees (Tempatan) Sdn Bhd <i>Raiffeisen Bank International For Berjaya Land Berhad</i>	11,448,888	0.86

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

Name of Shareholders	No. of Shares	(%)
20 CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Berhad (CB-Group4)</i>	10,988,888	0.82
21 HSBC Nominees (Asing) Sdn Bhd <i>BNY LUX For Invesco Funds</i>	10,031,531	0.75
22 ABB Nominee (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Berhad (RC Facility)</i>	9,500,000	0.71
23 CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Berhad (CB4-RC3)</i>	8,760,000	0.65
24 ABB Nominee (Tempatan) Sdn Bhd <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (GBSB RC1/RC2)</i>	8,442,094	0.63
25 Cartaban Nominees (Asing) Sdn Bhd <i>Gic Private Limited For Government Of Singapore (C)</i>	7,995,118	0.60
26 EB Nominees (Tempatan) Sendirian Berhad <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (BBB4-GBSB)</i>	7,871,111	0.59
27 HSBC Nominees (Asing) Sdn Bhd <i>BBH And Co Boston For Prusik Asian Equity Income Fund (PRUSIK U FD PLC)</i>	7,860,000	0.59
28 CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account - CIMB Investment Bank Berhad For Berjaya Land Berhad (SSA)</i>	7,692,783	0.58
29 Malaysia Nominees (Tempatan) Sendirian Berhad <i>Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd (01-00807-000)</i>	7,395,675	0.55
30 HSBC Nominees (Asing) Sdn Bhd <i>Exempt An For JPMorgan Chase Bank, National Association (U.A.E.)</i>	7,103,260	0.53
	694,115,307	51.89

LIST OF SUBSTANTIAL SHAREHOLDERS

Names of Substantial Shareholder	No. of Shares			
	Direct	%	Indirect	%
Gateway Benefit Sdn Bhd	310,773,662	23.24	-	-
Berjaya Land Berhad	188,997,636	14.13	356,467,431(a)	26.65
Teras Mewah Sdn Bhd	-	-	545,465,067(b)	40.78
Juara Sejati Sdn Bhd	-	-	551,965,067(c)	41.27
Bizurai Bijak (M) Sdn Bhd	62,703,722	4.69	6,500,000(d)	0.49
Berjaya Group Berhad	7,000,000	0.52	614,668,789(e)	45.96
Berjaya Corporation Berhad	27,732,759	2.07	621,668,789(f)	46.48
Tan Sri Dato' Seri Vincent Tan Chee Yioun	9,670,004	0.72	655,609,858(g)	49.02

Notes:

- Deemed interested by virtue of its 100% interests in Gateway Benefit Sdn Bhd, Immediate Capital Sdn Bhd and B.L. Capital Sdn Bhd.
- Deemed interested by virtue of its interest in Berjaya Land Berhad.
- Deemed interested by virtue of its interest in Berjaya Land Berhad and its deemed interest in Inter-Pacific Securities Sdn Bhd.
- Deemed interested by virtue of its interest in Inter-Pacific Securities Sdn Bhd.
- Deemed interested by virtue of its 100% interests in Bizurai Bijak (M) Sdn Bhd, Teras Mewah Sdn Bhd and Juara Sejati Sdn Bhd.
- Deemed interested by virtue of its 100% interest in Berjaya Group Berhad.
- Deemed interested by virtue of his interests in Berjaya Corporation Berhad, B & B Enterprise Sdn Bhd and his deemed interest in Premier Merchandise Sdn Bhd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Berjaya Sports Toto Berhad will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Friday, 18 October 2013 at 10.00 a.m. for the following purposes:-

AGENDA

1. To receive and adopt the audited financial statements of the Company for the year ended 30 April 2013 and the Directors' and Auditors' Reports thereon.
2. To approve the payment of Directors' fees amounting to RM125,000 for the year ended 30 April 2013.
3. To re-elect the following Directors retiring pursuant to Article 98(A) of the Company's Articles of Association:-
 - a) Dato' Robin Tan Yeong Ching
 - b) Datuk Robert Yong Kuen Loke
 - c) Chan Kien Sing
4. To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration.
5. As special business:-
 - a) To consider and, if thought fit, pass the following Ordinary Resolutions:-

RESOLUTION 1

RESOLUTION 2

RESOLUTION 3
RESOLUTION 4
RESOLUTION 5

RESOLUTION 6

(i) Authority to Issue and Allot Shares Pursuant to Section 132D of the Companies Act, 1965

"That, subject always to the Companies Act, 1965, 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 Section 132D of the Companies Act, 1965, to issue and allot shares in the Company from time to time 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 issued share capital of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

RESOLUTION 7

(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 Bursa Malaysia Securities Berhad's Main Market Listing Requirements, 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 24 September 2013 ("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:-

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM at which the ordinary resolution for the Proposed Mandate will be passed, at which time it will lapse, unless by a resolution passed at a general meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143 (1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143 (2) of the Companies Act, 1965); or

NOTICE OF ANNUAL GENERAL MEETING

- (iii) revoked or varied by resolution passed by the shareholders at 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 8

(iii) Proposed Renewal of Authority to Purchase Its Own Shares by the Company

“THAT, subject always to the Companies Act, 1965, (“Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Memorandum and Articles of Association and Bursa Malaysia Securities Berhad (“Exchange”) Main Market Listing Requirements and any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares of RM0.10 each in the Company (“BToto Shares”) through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total issued and paid-up share capital of the Company inclusive of the 15,530,072 BToto Shares already purchased and retained as treasury shares;
2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profit or share premium reserve of the Company or both;
3. the authority shall commence immediately upon passing of this resolution until:-
 - (a) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed at which time it will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next annual general meeting after that date it is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders in general meeting;

whichever occurs first;

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

- (a) cancel all the BToto Shares so purchased; or
- (b) retain all the BToto Shares as treasury shares for future re-sale or for distribution as dividend to the shareholders of the Company; or

NOTICE OF ANNUAL GENERAL MEETING

- (c) retain part thereof as treasury shares and subsequently cancelling the balance; or
- (d) 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 9

(iv) Proposed retention of Independent Non-Executive Director

“That Encik Mohamed Saleh Bin Gomu be and is hereby retained as an Independent Non-Executive Director of the Company and he shall continue to act as an Independent Non-Executive Director of the Company notwithstanding that he has been on the Board of the Company for a cumulative term of more than nine years.”

RESOLUTION 10

- b) To consider and, if thought fit, to pass the following Special Resolution:-

Proposed Amendments to the Company’s Articles of Association

“That the proposed amendments to the Articles of Association of the Company contained in Appendix I of the Circular/Statement to Shareholders dated 24 September 2013 be and is hereby approved and adopted.”

RESOLUTION 11

By Order of the Board

SU SWEE HONG
Secretary

Kuala Lumpur
24 September 2013

NOTES:

(A) APPOINTMENT OF PROXY

1. A member entitled to attend and vote at the meeting is entitled to appoint one (1) proxy only to attend and vote in his stead. A proxy may but need not be a member of the Company.
2. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 may appoint one (1) proxy in respect of each securities account.
3. The instrument appointing a proxy, shall be in writing under the hand of the appointor or his attorney duly authorised in writing, and in the case of a corporation, it must be executed either under its common seal, if any, and, if none, then under the hand of some officer duly authorised in that behalf.
4. The instrument appointing a proxy must be deposited at the Company's Registered Office, Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.
5. Depositors whose names appear in the Record of Depositors as at 10 October 2013 shall be regarded as members of the Company entitled to attend the Annual General Meeting or appoint proxies to attend and vote on their behalf.

NOTICE OF ANNUAL GENERAL MEETING

(B) SPECIAL BUSINESS

- (i) Resolution 7 is proposed pursuant to Section 132D of the Companies Act, 1965 and if passed, will give the Directors of the Company, from the date of the above Annual General Meeting, authority to issue and allot shares not exceeding 10% of the existing issued and paid-up share capital of the Company for such purposes as the Directors may deem fit and in the interest of the Company. This authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 17 October 2012 and which will lapse at the conclusion of the Annual General Meeting.

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

- (ii) Resolution 8 is in relation to the approval on the Shareholders' Mandate on Recurrent Related Party Transactions and if passed, will allow the Company and its subsidiaries to enter into Recurrent Related Party Transactions in accordance with paragraph 10.09 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. The explanatory notes on Resolution 8 are set out in Part A of the Circular/Statement to Shareholders dated 24 September 2013 which is despatched together with the Company's 2013 Annual Report.
- (iii) Resolution 9 if passed will provide the mandate for the Company to buy back its own shares up to a limit of 10% of the issued and paid-up share capital of the Company. The explanatory notes on Resolution 9 are set out in Part B of the Circular/Statement to Shareholders dated 24 September 2013 which is despatched together with the Company's 2013 Annual Report.
- (iv) Resolution 10 is proposed pursuant to Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012 and if passed, will allow Encik Mohamed Saleh Bin Gomu to be retained and continue to act as an Independent Non-Executive Director.

The Nomination Committee has assessed the independence of Encik Mohamed Saleh Bin Gomu and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:-

- he fulfilled the criteria under the definition of Independent Director as stated in the main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board.
 - he has been with the Company for more than 9 years and is familiar with the Company's business operations.
 - he has exercised his due care during his tenure as an Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and the shareholders.
- (v) Resolution 11 if passed, will streamline the Company's Articles of Association with the recent amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The relevant information of Resolution 11 is set out in Part C of the Circular/Statement to Shareholders dated 24 September 2013 which is despatched together with the Company's 2013 Annual Report.

BERJAYA SPORTS TOTO BERHAD

(Company No. 9109-K)

FORM OF PROXY

I/We _____
(Name in full)

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

of _____
(Address)

being a member/members of BERJAYA SPORTS TOTO BERHAD hereby appoint:

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

of _____
(Address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Annual General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Friday, 18 October 2013 at 10.00 a.m. or any adjournment thereof.

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

	FOR	AGAINST
RESOLUTION 1 - To receive and adopt the Audited Financial Statements		
RESOLUTION 2 - To approve payment of Directors' Fees		
RESOLUTION 3 - To re-elect Dato' Robin Tan Yeong Ching as Director		
RESOLUTION 4 - To re-elect Datuk Robert Yong Kuen Loke as Director		
RESOLUTION 5 - To re-elect Chan Kien Sing as Director		
RESOLUTION 6 - To re-appoint Auditors		
RESOLUTION 7 - To approve authority to issue and allot shares		
RESOLUTION 8 - To renew and to seek shareholders' mandate for Recurrent Related Party Transactions		
RESOLUTION 9 - To approve the renewal of authority to purchase its own shares by the Company		
RESOLUTION 10 - To approve the proposed retention of Mohamed Saleh Bin Gomu as an Independent Non-Executive Director		
RESOLUTION 11 - To approve the proposed amendments to the Company's Articles of Association.		

No. of Shares Held

Signature of Shareholder(s)

Signed this _____ day of _____, 2013

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one (1) proxy only to attend and vote in his stead. A proxy may but need not be a member of the Company.
2. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 may appoint one (1) proxy in respect of each securities account.
3. The instrument appointing a proxy, shall be in writing under the hand of the appointor or his attorney duly authorised in writing, and in the case of a corporation, it must be executed either under its common seal, if any, and, if none, then under the hand of some officer duly authorised in that behalf.
4. The instrument appointing a proxy must be deposited at the Company's Registered Office, Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
5. Depositors whose names appear in the Record of Depositors as at 10 October 2013 shall be regarded as members of the Company entitled to attend the Annual General Meeting or appoint proxies to attend and vote on their behalf.

Fold this flap for sealing

Affix
Stamp

**THE COMPANY SECRETARY
BERJAYA SPORTS TOTO BERHAD**

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

2nd fold here

1st fold here

GROUP ADDRESSES

Sports Toto Malaysia Sdn Bhd

Lot 13-01, Level 13 (East Wing)
Berjaya Times Square
No. 1 Jalan Imbi
55100 Kuala Lumpur
Tel : 03-2148 9888
Fax: 03-2141 9581
Email : webmaster@sportstoto.com.my

Berjaya Lottery Management (HK) Limited

Level 54, Hopewell Centre
183 Queen's Road East, Hong Kong
Tel : 852-2980 1620
Fax : 852-2956 2192

International Lottery & Totalizator Systems, Inc

2310 Cousteau Court
Vista (San Diego)
California 92081-8346
USA
Tel : 1 (760) 598 1655
Fax : 1 (760) 598 0219
Email : mktg@ilts.com
www.ilts.com

Berjaya Philippines Inc.

9th Floor, Rufino Pacific Tower
6784 Ayala Ave., cor V.A. Rufino Street, Makati City
Metro Manila, Philippines
Tel : 632-811 0668
Fax : 632-811 2293

The Company Secretary
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
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