



**BERJAYA**

**BERJAYA SPORTS TOTO BERHAD**

(Company No. 9109-K)

برجاي سפורتس توتو برحد

成功多多博彩有限公司





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

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

## 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.

## Contents

1	Corporate Profile	39	Audit Committee Report
2	Corporate Information	43	Financial Statements
3	Profile of Directors	167	List of Major Properties
7	Chairman’s Statement	167	Material Contracts
20	Group Financial Summary	167	Additional Information
22	Group Financial Highlights	168	Recurrent Related Party Transactions of a Revenue or Trading Nature
23	Management Discussion & Analysis	170	Statement of Directors’ Shareholdings
27	Corporate Structure	172	Statistics on Shareholdings
28	Statement on Corporate Governance	175	Notice of Annual General Meeting
37	Statement on Risk Management and Internal Control		Form of Proxy



The number chits at all Toto outlets.



The new CheckWin scanners at outlets nationwide.



Customers purchasing their tickets at a Toto outlet.

## 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;
- motor retailer and provision of aftersales services;
- 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 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 supplies and maintains a computerised on-line lottery system and software support to Philippine Charity Sweepstakes Office in Luzon Island, Philippines. BPI through Perdana Hotel Philippines Inc, runs and manages Berjaya Makati Hotel in Makati City, Philippines.

In the United Kingdom, BPI’s subsidiary, H.R. Owen Plc operates a number of luxury vehicle dealerships in the prestige and specialist car market for both sales and aftersales in United Kingdom.

In the U.S.A., BToto’s subsidiary, International Lottery & Totalizator Systems, Inc. provides computerised wagering equipment and systems to the on-line lottery and pari-mutuel racing industries worldwide and voting jurisdictions in the U.S.A.

The Group has a total employee strength of 1,277 as at 30 April 2014.

Sports Toto’s financial growth over the past 28 years after its privatisation in 1985 is highlighted below:

	30/4/14 (Million)		31/12/85 (Million)		28 Years’ Annualised Increase (%)
	RM	USD	RM	USD	
Revenue	3,376.3	1,035.7	76.0	21.3	155.1
Pre-tax Profit	497.3	152.5	5.0	1.4	351.6
Equity Funds	168.6	51.7	1.0	0.3	598.6
Total Assets	1,178.9	361.6	12.7	3.6	328.0

Exchange rate as at 30 April 2014 : USD1.00 : RM3.26



Premier Room at Berjaya Makati Hotel, Philippines.



A Toto draw in progress.



A lotto outlet in the Philippines.

# 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 Independent/Non-Executive Director

**Dato' Dickson Tan Yong Loong**

Independent/Non-Executive Directors

**Datuk Robert Yong Kuen Loke**

**Dato' Oon Weng Boon**

## AUDIT COMMITTEE

Chairman/Independent Non-Executive Director

**Cheah Tek Kuang**

Independent/Non-Executive Directors

**Datuk Robert Yong Kuen Loke**

**Dato' Oon Weng Boon**

## 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**

67 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 and UMW Oil & Gas Corporation Berhad. He also holds directorships in Danajamin Nasional 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.



### **DATO' ROBIN TAN YEONG CHING**

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

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. He has also been appointed as a Commission Member of the Companies Commission of Malaysia with effect from 16 January 2014.

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.

## Profile of Directors



### **FREDDIE PANG HOCK CHENG**

59 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.



### **CHAN KIEN SING**

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

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 AmInvestment Bank Berhad) specialising in corporate finance until 1989 when he joined Berjaya Group Berhad.

Currently, he is an Executive Director of Berjaya Corporation Berhad, Berjaya Media Berhad and 7-Eleven Malaysia Holdings Berhad (formerly known as Seven Convenience Berhad). He is the Managing Director of Sun Media Corporation 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 and International Lottery & Totalizator Systems, Inc. United States of America. He also holds directorships in several other private limited companies.

## Profile of Directors



### **SEOW SWEE PIN**

57 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.



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

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

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

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

He also holds directorships in 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.

## Profile of Directors



### DATUK ROBERT YONG KUEN LOKE

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

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 Singapore Chartered Accountants and the Malaysian Institute of Accountants. He is also a Council Member of the Malaysian Institute of Certified Public Accountants and presently serves as a member of its executive committee. He has many years of working experience in the fields of accounting, audit, treasury and financial management. He started his career in London in 1973 and worked 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.



### DATO' OON WENG BOON

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

He was appointed to the Board on 27 February 2014 as an Independent Non-Executive Director. He graduated with Bachelor of Science (Hons) in Physics from University of Science Malaysia. Upon graduation, he started his career in real estate at Henry Butcher Lim & Long (North) Sdn Bhd in 1994 and was with them for six years as Marketing Manager. During his tenure at Henry Butcher, he had gained a solid foundation and knowledge in the property industry that are exclusive and localised according to various geographical areas. Geared with vast hands-on experience, Dato' Oon embarked into property development in year 2001.

Dato' Oon founded Island LandCap Properties Group Sdn Bhd and Island LandCap Construction Sdn Bhd in 2001 and is presently the Executive Chairman and Chief Executive Officer of the companies respectively (or "ILCP Group"). ILCP Group is principally involved in property development and construction. As Executive Chairman and Chief Executive Officer of the said companies, he is actively involved in all aspects of management and operations of the ILCP Group to ensure higher and sustainable growth are achieved continuously so as to meet the long term goals of the Group.

Dato' Oon is also a Vice President (2012-2015) for Penang Chinese Chamber of Commerce ("PCCC") and Advisor to PCCC, Young Entrepreneur Section (2012-2015). At the national level, Dato' Oon has been appointed as Advisor to the Associated Chinese Chamber of Commerce Malaysia, Young Entrepreneur Committee (2013-2015).

Dato' Oon Weng Boon is a member of the Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee of the Company.

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 2014.

### FINANCIAL RESULTS

For the financial year under review, the Group registered an increase in revenue to RM4.34 billion from RM3.63 billion in the previous financial year. The increase in revenue of 19.6% was mainly attributed to the consolidation of H.R. Owen Plc's ("H.R. Owen") results in the financial year under review. However, the Group's pre-tax profit fell by 10.5% to RM509.7 million from RM569.5 million in the previous financial year mainly due to the previous financial year benefiting from the gain on disposal of certain investments coupled with corporate exercises expenses incurred in the financial year under review. Excluding the corporate exercises related items, the drop in the Group's pre-tax profit would have been lower at 6.7%.

### DIVIDEND

For the financial year ended 30 April 2014, BToto had declared and paid/distributed four interim dividends of an aggregate of 26.5 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 2014 was approximately RM352.3 million representing about 107.2% of the attributable profit of the Group.

### SIGNIFICANT CORPORATE DEVELOPMENTS

1. On 2 December 2013, BToto announced that the Board decided not to proceed with the proposed listing of Sports Toto Malaysia Trust ("STM-Trust") on the Singapore Stock Exchange after considering the challenging market conditions and the poor performances of the listed yield stocks such as real estate investment trusts ("REIT") and other business trusts in Singapore.

On 21 January 2014, BToto announced that following the abortion of the proposed listing of STM-Trust, the relevant parties have unwound the transfer of BToto's 100% equity interest in Sports Toto Malaysia Sdn Bhd ("Sports Toto") to STM-Trust which was completed on 31 October 2013 and Sports Toto has been reverted back as a 100% direct subsidiary of BToto.

2. On 17 July 2013, Berjaya Philippines Inc. ("BPI") made a cash offer to acquire the entire issued share capital of H.R. Owen at an offer price of 130 pence per share and the offer price was subsequently increased to 170 pence per share ("Offer").

On 23 September 2013, the Offer was declared wholly unconditional with BPI being the beneficial owner of over 50% equity interest in H.R. Owen. BPI's shareholdings in H.R. Owen was further increased to 71.2% on the closing date of the Offer on 11 October 2013.

On 19 February 2014, H.R. Owen announced the proposed cancellation of Admission to the Official List and to trading on the London Stock Exchange's ("LSE") main market for listed securities (the "De-Listing") due to H.R. Owen's non-compliance with the LSE listing requirements where at least 25% of its shares must be publicly owned. As at 18 February 2014 (being the last practicable date prior to the publication of the announcement by H.R. Owen), the share register of H.R. Owen comprised two substantial shareholders (including BPI) holding a total of 97.5% of the shares of H.R. Owen with the remaining 2.5% in the hands of the public. In view of the De-Listing, BPI offered the qualifying shareholders of H.R. Owen a further opportunity to sell their shares to BPI at 170 pence per share. The said offer closed on 14 April 2014 and BPI's shareholdings in H.R. Owen was further increased to 72.03% after an acquisition of about 211,000 H.R. Owen shares for a total consideration of about £0.37 million (equivalent to approximately RM1.8 million). The De-Listing was completed on 15 April 2014.

H.R. Owen is now a 72.03%-owned subsidiary of BPI.

3. On 10 January 2014, International Lottery & Totalizator Systems, Inc. ("ILTS"), a 71.32%-owned subsidiary of Berjaya Lottery Management (HK) Limited ("BLM"), which in turn is a wholly-owned subsidiary of the Company, had filed Form 8-K pursuant to the United States Securities Exchange Act of 1934 ("the Act").



A H.R. Owen showroom in London.

## Chairman's Statement

As disclosed in Form 8-K, ILTS will be merged with and into its present 100% subsidiary, Delaware International Lottery & Totalizator Systems, Inc. ("ILTS Delaware") and thereafter, ILTS Delaware will carry out a reverse stock split of ILTS Delaware's common stock such that BLM will be the sole shareholder of ILTS Delaware. Each shareholder of ILTS Delaware holding less than one whole share of common stock would be paid USD1.33 in cash per pre-reverse stock split shares in lieu of fractional share interests.

ILTS Delaware (as successor to ILTS) will thereafter terminate its registration and reporting obligations under the Act. Upon completion of these transactions, ILTS Delaware will be wholly-owned by BToto via BLM and its shares will cease to be traded on the Over-The-Counter Markets.

ILTS had obtained the written consent of BLM, approving the merger and the reverse stock split.

A preliminary Information Statement had been filed with the United States Securities and Exchange Commission ("SEC") and currently remains under review. The merger and reverse stock split will be consummated promptly no earlier than 20 calendar days following the date on which the Information Statement is first mailed to the shareholders of ILTS.

- On 12 May 2014, the Company jointly announced with its ultimate holding company, Berjaya Corporation Berhad ("BCorp") on the commencement of negotiations on a business cooperation contract in relation to the establishment of a computerised lottery system in Vietnam. The Vietnam Lottery Business would be undertaken via Berjaya Gia Think Investment Technology Company Limited ("Berjaya GTI"), a company incorporated in Vietnam.

Berjaya GTI is 51%-owned by Berjaya Lottery Vietnam Limited ("BLV"), a company incorporated in Labuan. BLV is in turn 80%-owned by BCorp and 20%-owned by BToto.



A Toto draw in progress.

## REVIEW OF OPERATIONS

### Malaysia

For the financial year under review, Sports Toto recorded a revenue of RM3.38 billion, a marginal decrease when compared to the previous year's revenue of RM3.44 billion while pre-tax profit decreased by 11.5% to RM497.3 million.

During the financial year, the highest jackpot winning among the games in play was Supreme Toto 6/58's RM42.7 million, while the second highest was Power Toto 6/55's RM31.4 million. The Toto 4D Jackpot game which is a favourite game among betting customers, recorded the most frequent winnings. The Toto 4D Jackpot first prize of RM27.1 million was the highest among 12 jackpot first prizes won in its category in the financial year under review. To date, Supreme Toto 6/58's prize of RM57.2 million won in early 2012, remains the highest ever Jackpot won in Malaysian history.

As part of its customer service initiatives, the replacement and upgrading of its on-line lottery terminals with enhanced features and installation of CheckWin scanners for all the outlets nationwide was completed in November 2013 and February 2014 respectively, pursuant to an agreement that was signed with ILTS in early 2013. This upgrading was necessary to improve customer turnaround time at the point-of-sale and also enable all betting customers to self-validate their tickets without the need to refer to the sales counter. This allows the counter sales staff to focus on selling activities and other customer services.



The new results board at the Sports Toto draw venue.



"EZ-Bet System" Play for Mega Toto 6/52, Power Toto 6/55 and Supreme Toto 6/58.



Executive Deluxe Room at Berjaya Makati Hotel, Philippines.

In May 2014, Sports Toto launched a game enhancement involving five games, "I-Perm" play in Toto 5D, "I-System" play in Toto 4D Jackpot, and "EZ-Bet System" play in the three Lotto games comprising Mega Toto 6/52, Power Toto 6/55 and Supreme Toto 6/58. The game enhancement is part of management's innovations and is designed to improve customers' experience and increase their winning chances with more options and an affordable way to play the various games by spending a lower bet amount to cover more combinations within the respective games. The game enhancement is also aimed at adding more excitement and richer play methods into the games.

In line with the Government's move to implement the Goods Service Tax ("GST") with effect from April 2015, Sports Toto has embarked on its planning and preparation and it is expected to be GST-ready nationwide by the end of 2014.

### The Philippines

BPI and subsidiaries, with the revenue contribution from its newly acquired subsidiary, H.R. Owen, reported a revenue of Peso12.49 billion for the financial year under review. H.R. Owen, a luxury motor retailer, operates a number of vehicle dealerships in the prestige and specialist car market for both sales and aftersales, predominantly in the London area. BPI group's pre-tax profit increased by 3.7% to Peso1.46 billion as compared to the previous financial year.

Philippine Gaming Management Corporation ("PGMC") which operates the business of leasing of on-line lottery equipment, reported a lower revenue of Peso1.72 billion and pre-tax profit of Peso1.02 billion for the financial year under review as compared to the previous financial year.

Perdana Hotel Philippines Inc. ("PHPI") which operates the Berjaya Makati Hotel located in Makati City, undertook a series of improvements such as renovation of the hotel floors and guest rooms including construction of 11 new executive rooms during the financial year.

H.R. Owen recorded a revenue and pre-tax profit of £144.0 million and £2.4 million respectively for the six months ended 30 April 2014. The revenue came from the sales of new and used cars during the period under review. The UK motor sector has recorded a healthy growth in the volume of cars sold and likewise, H.R. Owen also enjoyed strong sales with 407 new cars sold within the period under review, which is about 3.1% of the high-luxury cars sector.

BPI's associated company, Berjaya Pizza Philippines Inc. ("BPPI"), which is the Philippines franchisee for Papa John's Pizza, expanded its operations to 16 restaurant-based pizza stores in Metro Manila in the financial year under review compared to 13 restaurants in the previous financial year. Its revenue increased to Peso188.0 million for the financial year under review as compared to Peso169.1 million in the previous year due to the increase in number of stores. However, BPPI is still incurring operating losses due to high operating costs during the gestation period.

Another associated company of BPI, Berjaya Auto Philippines ("BAP"), the sole distributor for Mazda brand vehicles in the Philippines which started operations in January 2013, reported a higher revenue of Peso2.39 billion as compared to Peso750.7 million in the previous financial year due to higher volume of units sold. Accordingly, profit after tax increased to Peso110.5 million as compared to Peso38.9 million in the previous financial year.

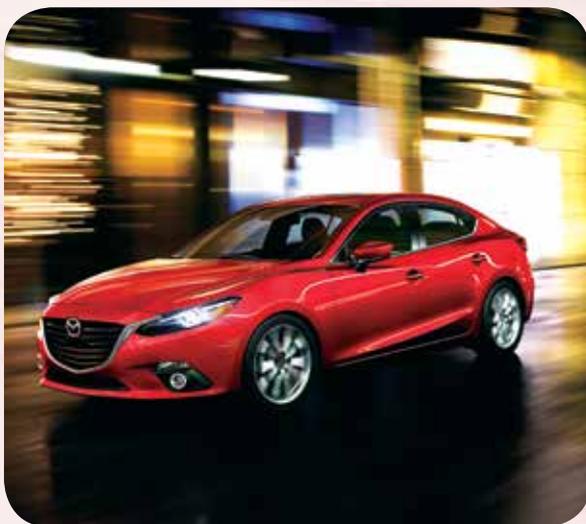
## Chairman's Statement

### The United States of America

For the financial year under review, ILTS recorded an increase in revenue of USD22.7 million compared to USD10.6 million in the previous financial year while its pre-tax profit increased to USD4.9 million compared to USD1.6 million in the previous financial year.

During the year, ILTS completed the shipments of new lottery terminals to Sports Toto and terminal hardware components to its Swedish customer, Ab Trav och Galopp ("ATG"). ATG is the only company licensed by the Swedish Government to provide betting on horse racing in Sweden.

Unisyn Voting Solutions, Inc. ("Unisyn"), a wholly-owned subsidiary of ILTS, secured new sales of its OpenElect® voting system and products in various counties in the states of Kansas, Tennessee, Arizona, Iowa, Indiana, Missouri and Virginia through its authorised sales representatives and its own direct sales efforts. Its OpenElect® products have been successfully deployed in many county elections. Unisyn is still 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. Certification processes are a continuous effort in select states in support of its sales and marketing activities. Its OpenElect® suite of voting products have received federal certification upgrades from the EAC, and state certifications from Missouri, Iowa, Virginia, Indiana, Tennessee, Ohio, Kansas, Arizona and Utah. 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.



Mazda3 SKYACTIV distributed by Berjaya Auto Philippines.

### CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Giving back to society is always at the heart of all Sports Toto's CSR programmes, a tradition deeply rooted in the company's business philosophy since the very beginning.

During the financial year under review, Sports Toto continued to carry out a wide range of CSR initiatives reaching out to different segments of the community locally and internationally.

#### Community in Need

In an effort to promote and inculcate the spirit of giving and compassion, Sports Toto has conscientiously made efforts to reach out and touch the lives of the needy and less fortunate.

Throughout the years, Sports Toto made it a point to bring cheer to the less fortunate during festive occasions as the company believes that the less fortunate should not be forgotten and they deserve a heart-warming time during festivities.

Towards this end, the annual Sports Toto Chinese New Year Ang Pow Donation Campaign, which marked its 26th anniversary in 2014, brought cheer to more than 17,000 needy senior citizens in 41 cities and towns nationwide. Since the inception of this significant charity campaign in 1989, Sports Toto contributed more than RM16.0 million to provide over 300,000 *angpows* and hampers to needy senior citizens.

Apart from that, Sports Toto also made similar donations during other major festive celebrations. During the Ramadhan month, Sports Toto organised a goodwill visit to the government hospital in Slim River to share Hari Raya



ILTS' terminal product employed by AB Trav och Galopp ("ATG") in Sweden to sell horse wagering tickets, boat and train transport tickets, telephone subscription and various point of sale products.

## Chairman's Statement



*Dato' Seri Ong Ka Chuan, Secretary-General of MCA giving out angpows and goody bags to senior citizens accompanied by Mr Vincent Seow during the Sports Toto Chinese New Year Ang Pow Donation Campaign 2014.*



*Deepavali Donation Campaign at Kajang, Selangor.*

cheer with 120 patients of various races by distributing green packets as well as mini hampers comprising stationery, story books and soft toys.

As for Deepavali celebration, Sports Toto distributed festive goodies and cash contribution to 650 less fortunate and needy families in Cameron Highlands, Pahang and Kajang, Selangor. Sports Toto also visited and brought festive joy to 130 children from Sinthamani Divine Life Ashram Children's Home in Jinjang, Kuala Lumpur, Rumah Kebajikan Anbu Illam in Ulu Klang, Selangor and Pusat Jagaan Anak-Anak Yatim WAJA in Klang, Selangor.

During the Christmas season, Sports Toto hosted a luncheon and distributed festive goodies to more than 500 indigenous folks in the remote part of Raub, Pahang.

For the fourth consecutive year, Sports Toto collaborated with NTV7 in producing a 13-episode charity-themed programme entitled "Helping Hands Season 4" which provided 13 impoverished families with necessary home improvements, medical provisions and other necessities to improve their living conditions. Through the programme, Sports Toto had responded to the needs and improved the quality of lives of 52 poor and needy families across the country.

In the Philippines, BPI continued to work closely with Gawad Kalinga Community Development Inc. ("GKCDI") in reaching out and uplifting lives by supporting the reconstruction of housing units for the poor and needy. Currently, there are 12 Berjaya-GK villages in various locations across the Philippines.



*BPI worked with Gawad Kalinga Community Development Inc. to reconstruct housing units for the poor and needy.*

During the year under review, BPI contributed Peso27.3 million to GKCDI for the reconstruction of 230 housing units for the poor at Cagayan De Oro, San Jose Del Monte Bulacan, Angat Bulacan and Bohol. Of the Peso27.3 million, Peso11.0 million were utilised to reconstruct 100 houses for the urban poor at San Jose del Monte while another Peso11.0 million were allocated to reconstruct 100 houses destroyed by Typhoon Sendong at Cagayan De Oro.

BPI also provided relief aid for typhoon and earthquake victims in Tacloban and Bohol respectively.

### Sports

Sports Toto continued to conscientiously support and nurture sporting excellence in the country through active participation and contribution in various community sporting events and those organised at the national level.

## Chairman's Statement



41st Penang PESTA Bowling Competition 2013.



29th FTAAA Annual Cross Country 2014.



Contribution to the 12th World Wushu Championship 2013.



The OCM-Sports Toto Outstanding Athletes of the Games Award 2013.

During the financial year under review, Sports Toto supported various sporting events such as the Penang Bridge International Marathon 2013, Kenny Rogers Chicken Run 2013, 12th World Wushu Championships 2013, Queen's Baton Relay, Slim River Mountain Bike Challenge 2013, Seremban Half Marathon 2013, Milo-FTKLAA Walk Circuit 2013, 41st Penang PESTA International Bowling Championship 2013 and 29th FTAAA Annual Cross Country 2014.

On a bigger scale, Sports Toto made substantial annual financial contributions to the National Sports Council.

Sports Toto also collaborated with the Olympic Council of Malaysia ("OCM") in recognising Malaysian athletes who delivered outstanding performances at the 27th South East Asia Games held in Myanmar from 11 to 22 December 2013. The OCM-Sports Toto Outstanding Athletes of the Games Award 2013 were presented to the best male and female gold medallists as well as 18 players of the gold medal-winning men's and women's hockey teams.

## Education

In line with Sports Toto's CSR objective of promoting literacy and education among underprivileged children, Sports Toto continued to support the "Reading My Companion" learning programme for the second consecutive year at 5 micro-sized Chinese primary schools in the rural areas of Selangor. The programme, which benefited 720 students, aimed to inculcate reading as a pastime of choice among the rural students.

In the Philippines, BPI contributed Peso4.5 million to set up the Berjaya Culinary Arts Centre at Angat, Bulacan, a 30-hectare training facility located within GK-Enchanted Farm, the first farm village university in Asia established by GKCDI to help local farmers to become successful social entrepreneurs. Besides a kitchen and service area where guests can enjoy organically-grown healthy meals, the facility also has its own adjoining herb garden. The facility also promotes environment preservation with its ingenious biomimicry design, allowing it to tap solar energy through solar panels and collect rainwater with a rainwater harvester roof.



*A participant showing his talent at the Sabah Talent Star 2014.*

BPI also continued to provide financial assistance valued at Peso64.0 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 continued to bring exciting entertainment to the local communities by organising various interactive and live performance shows.

The Power Music Extravaganza, a yearly musical road show launched in 2009 was rebranded and is now known as Show Time. The event featured live performances of popular Mandarin, Cantonese and Hokkien songs by many local budding singers and singing enthusiasts in 35 cities and towns throughout the country.

Sports Toto also sponsored the NTV7 Yuan Carnival 2013, which brought a myriad of fun and entertainment activities to the local communities nationwide, and presented the Astro Hua Hee Karaoke Competition 2013 which appealed to many Hokkien karaoke enthusiasts. Sports Toto also organised the inaugural Sabah Talent Star 2014, a platform for Sabahan youths to showcase their talents.

In the promotion of culture and arts, Sports Toto supported Pesta Tanglong Muar 2013, Penang Chingay Parade 2013, Hungry Ghost Festival and Muar Chinese New Year Street Show.

### Workplace

As part of a continuous effort to create a conducive working environment with increased interaction and teamwork among staff, Sports Toto's Sports Club has been actively organising a variety of recreational and sports activities such as festive get-togethers, outings, birthday celebrations and sports competitions, among others.

### Group Synergy

At the Group level, Sports Toto organised synergy meetings to foster closer interaction and engagement between representatives from various operating companies within the Berjaya Corporation group of companies.

Apart from that, Sports Toto has always been supportive of the CSR initiatives driven at the Berjaya Corporation group level.

During the 4th Berjaya Founder's Day which was celebrated on 22 February 2014 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 RM25.6 million to 90 charitable organisations by Berjaya's founder, Tan Sri Dato' Seri Vincent Tan Chee Yioun, Better Malaysia Foundation and Berjaya Cares Foundation.

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

Malaysia's economy grew 6.3% in the first half of 2014, driven by stronger expansion in domestic demand and turnaround in net export. Malaysia's economy is expected to remain on a steady growth path for the remaining quarters of the year, estimated between 5% and 5.5%. The gradual recovery in the major economies will continue to support external trade in Malaysia. However, the nation's general rising cost of living continued to affect the ordinary folks on the street with the increased cost of consumable goods and gradual removal of subsidies of certain goods. The imminent implementation of the GST in April 2015 is expected to further affect consumers' spending sentiments.

## Chairman's Statement



One of the games at Sports Toto Malaysia's booth during Berjaya Founder's Day 2014.



Tan Sri Dato' Seri Vincent Tan and Dato' Robin Tan with some of the beneficiaries during Berjaya Founder's Day 2014.

In light of the foregoing, Sports Toto envisages that its business will remain resilient and is cautiously optimistic of achieving a satisfactory performance in the current financial year.

The recent capital investment in the replacement and upgrading of its on-line lottery terminals at the point-of-sale outlets nationwide with additional features, will enhance operating efficiency and add value to its customer services.

In the Philippines, BPI's subsidiary, PGMC, will continue to work closely with the Philippine Charity Sweepstakes Office to monitor sales and introduce new games, install additional terminals and promote all the games. It is also expected that PHPI will generate higher revenue from rooms, food and beverages and banquet sales in the financial year 2015 as a result of the refurbishment of facilities and construction of additional rooms during the financial year under review.

BPI's recent investment in H.R. Owen, the luxury motor retailer which operates a number of vehicle dealerships in the prestige and specialist car market for both sales and aftersales in the United Kingdom, is set to help drive BPI's business growth further.

The Directors are of the opinion that the performance of the Group for the financial year ending 30 April 2015 will remain resilient and Sports Toto is expected to maintain its market share in the number forecast operator business.

## APPRECIATION

On behalf of the Board, I would like to express our thanks and sincere appreciation to Mr Mohamed Saleh Bin Gomu, who resigned as an Independent Non-Executive Director of the Company on 26 September 2013 for his past contributions and support.

We welcome Dato' Oon Weng Boon, who joined the Board as an Independent Non-Executive Director on 27 February 2014.

We also record our heartfelt appreciation to the management, employees and agents for their dedication and commitment in their work throughout the year. We are also grateful to all our customers, shareholders, business associates, financiers, analysts, members of the media and the government authorities for their valued support and co-operation.

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

**CHEAH TEK KUANG**  
Chairman

25 August 2014

# 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2014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，本集团录得的营收由上一财政年的36亿3000万令吉增至43亿4000万令吉。其营收取得19.6%的增幅主要是因为本集团在检讨中的财政年中，纳入了H.R. Owen公司（“H.R. Owen”）的业绩。然而，本集团的税前盈利从上一财政年的5亿6950万令吉减少了10.5%至5亿970万令吉。这主要是因为本集团在上一财政年中通过脱售特定投资而获益，加上本集团在检讨中的财政年中担负了企业活动开销。若扣除这些企业活动相关项目，本集团的税前盈利跌幅仅6.7%。

## 股息

成功多多博彩已在截至2014年4月30日的财政年四季度宣布和派发中期股息，单层次免税股息的总额为26.5仙（包括相等于每股9.5仙的股息派发额）。在截至2014年4月30日的财政年中所派发的股息总额达至3亿5230万令吉，相等于本集团可分派盈利的大约107.2%。

## 重大企业发展

1. 在2013年12月2日，成功多多博彩宣布，其董事部在考虑到深具挑战的市场环境和挂牌股如房地产投资信托（“REIT”）及其他在新加坡挂牌上市的商业信托表现欠佳之后，决定取消多多博彩马来西亚信托（“STM-Trust”）在新加坡证券交易所挂牌上市的建议。

在2014年1月21日，成功多多博彩宣布，随着STM-Trust挂牌上市的建议被取消之后，相关各方已撤消于2013年10月31日被转移至STM-Trust的成功多多博彩100%持有的多多博彩马来西亚私人有限公司（“多多博彩”）的股权。因此，多多博彩现已重新成为成功多多博彩旗下全资子公司。

2. 在2013年7月17日，菲律宾成功股份有限公司（Berjaya Philippines Inc.）（“BPI”）以每股130便士现金全面收购H.R. Owen。该收购价随后提高到每股170便士（“收购献议”）。

在2013年9月23日，收购献议已成为一项完全无条件献议，而BPI已成为H.R. Owen逾50%股权之实益拥有者。在该收购献议于2013年10月11日截止时，BPI在H.R. Owen所持有的股权进一步增至71.2%。

在2014年2月19日，H.R. Owen宣布欲在伦敦证券交易所（“LSE”）主板市场停止挂牌和交易的建议（“除牌行动”），因为H.R. Owen不符合LSE的上市条例，即大众投资者必须持有该公司至少25%的股份。截至2014年2月18日（H.R. Owen公布该公告后的建议实施最后期限），H.R. Owen之股东名册上的2名大股东（包括BPI）持有H.R. Owen的97.5%股权，其余2.5%的股权则由大众投资者持有。有鉴于该除牌行动，BPI献议H.R. Owen的合格股东们，有机会进一步以每股170便士脱售他们所持有的股

份给BPI。这项献议已在2014年4月14日截止，而BPI以大约37万英镑（相等于大约180万令吉）的总代价收购H.R. Owen的大约21万1000股股票之后，因而在H.R. Owen持有的股权已进一步增至72.03%。这项除牌行动已在2014年4月15日完成。

H.R. Owen现今是BPI旗下子公司，后者持有其72.03%股份。

3. 在2014年1月10日，国际博彩与赛马测彩系统有限公司（International Lottery & Totalizator Systems, Inc.）（“ILTS”）依据《1934年美国证券交易法令》（“该法令”）提呈了8-K表格。ILTS是成功博彩管理（香港）有限公司（Berjaya Lottery Management (HK) Limited）（“BLM”）的子公司，后者持有其71.32%股份。BLM也是本公司旗下全资子公司。

8-K表格的内容显示，ILTS将与其全资子公司特拉华国际博彩与赛马测彩系统有限公司（Delaware International Lottery & Totalizator Systems, Inc.）（“ILTS Delaware”）进行合并。随后，ILTS Delaware将针对其普通股进行倒置拆股，以令BLM成为ILTS Delaware的唯一股东。每一位持有少过一个普通股的ILTS Delaware股东将可凭每股进行倒置拆股前的普通股，获得1.33美元现金以替代零碎股份。



检查将于多多抽奖中派上用场的彩球。

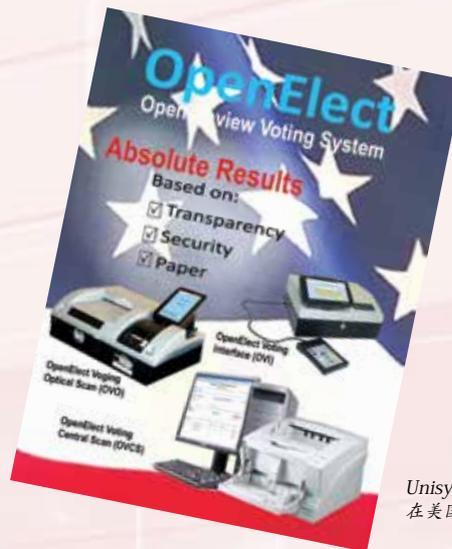


多多开彩进行中。





菲律宾的Mazda Greenhills。



Unisyn 的 OpenElect®投票产品在美国选举中获得多个郡采用。

BPI的联号公司菲律宾成功比萨公司 (Berjaya Pizza Philippines Inc.) (“BPPI”) 是Papa John’s比萨在菲律宾的特许经营权持有者。该公司于检讨中的财政年在马尼拉大都会增设新比萨餐厅以扩充业务，即从上一财政年的13家餐厅增至16家餐厅。基于餐厅数量的增加，该公司在检讨中的财政年所录得的营收从上一财政年的1亿6910万比索增至1亿8800万比索。然而，BPPI仍然蒙受营运亏损，因为该公司在营运初期必须承担高额的经营成本。

BPI的另一家联号公司菲律宾成功汽车 (Berjaya Auto Philippines) (“BAP”) 是马自达汽车在菲律宾的独家经销商，并在2013年1月开始营业。基于创下更高的汽车销量，该公司录得的营收从上一财政年的7亿5070万比索增至23亿9000万比索。因此，其录得的税后盈利从上一财政年的3890万比索增至1亿1050万比索。

## 美国

在检讨中的财政年，ILTS录得的营收从上一年的1060万美元增至2270万美元，税前盈利则从上一财政年的160万美元增至490万美元。

在本年度，ILTS已分别完成提供新的彩票终端机及终端机的硬体部件给多多博彩以及其来自瑞典的客户AB Trav och Galopp (“ATG”)。ATG是瑞典唯一一家获得该国政府发出执照以在瑞典提供赛马投注服务的公司。

ILTS旗下独资子公司Unisyn投票解决方案公司 (Unisyn Voting Solutions, Inc. (“Unisyn”) 通过其授权销售员和本身的直销活动，在堪萨斯州、田纳西州、亚利桑那州、爱荷华州、印第安纳州、密苏里州和维吉尼亚州的几个郡，成功为其OpenElect®投票系统与产品取得新的销售业绩。其OpenElect®产品成功应用在多场郡选举中。Unisyn仍然是凭其OpenElect®投票产品配套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”) 的3家公司之一。认证程序还在特定州属进行中，以配合其行销活动。其OpenElect®投票产品配套分别获颁来自EAC的升级版联邦认证，以及密苏里州、爱荷华州、维吉尼亚州、印第安纳州、田纳西州、俄亥俄州、堪萨斯州、亚利桑那州和犹他州所颁发的州级认证。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

“回馈社会”向来是多多博彩在推动所有企业社会责任计划中不可或缺的核心价值，也是该公司自创立以来，在其营商理念中根深蒂固的传统。

在检讨中的财政年，多多博彩持续推行多类企业社会责任举措，以造福来自各阶层的本地和国际社群。

## 亟需群体

多多博彩一路以来不遗余力地向亟需群体伸出援手，以推广散播爱心及助人为乐的精神。

多年来，多多博彩在佳节期间都会为弱势群体递送欢乐，这是因为该公司深信，弱势群体不应被忽略，应当享有佳节期间的温馨时刻。

为此，一年一度的“多多博彩华人农历新年施赠贫老”活动已迈入第26个年头，并在全国各地41个城镇为逾1万7000亟需贫老带来新年欢乐。自1989年开始举办这项大型慈善活动以来，多多博彩已拨出超过1600万令吉以派发逾30万份红包及礼包给亟需贫老。

除此之外，多多博彩也在其他主要佳节施赠贫老。在斋戒月期间，多多博彩团队亲善探访了什林河政府医院，与120名各族病友分享开斋节的喜悦，并捐赠青包和迷你礼包，内有文具，故事书和绒毛玩具。

至于屠妖节，多多博彩施赠佳节礼品及屠妖节“紫包”给来自彭亨州金马仑高原和雪兰莪州加影的650户亟需家庭。多多博彩爱心团队也亲善探访位于吉隆坡增江的Sinthamani Divine Life Ashram儿童之家、雪州淡江的Anbu Illam福利之家和雪州巴生的WAJA孤儿院，并为来自3家儿童院的130名孩童带来佳节欢乐。在圣诞节期间，多多博彩爱心团队为来自彭亨州劳勿偏远地区的逾500名原住民举办一场午宴，并赠送佳节礼品给他们。

## 主席报告



2013年槟城大桥国际马拉松。



2013年仕林河越野单车挑战赛。



在沙白安南浅顶培智华小举行的“多多阅读，获益良多”助学计划。

多多博彩也连续第4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》第四季，支援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。多多博彩已通过此电视节目，在全国各地援助了52户亟需家庭，了解他们的需求并改善他们的生活素质。

在菲律宾，BPI继续与Gawad Kalinga社区发展机构（“GKCDI”）密切合作，协助贫苦及亟需人士重建家园，从而改善他们的生活。目前，菲律宾国内各地共有12个成功-GK村。

在检讨中的财政年，BPI捐赠了2730万比索给GKCDI，在Cagayan De Oro、San Jose Del Monte Bulacan、Angat Bulacan和Bohol四地为贫苦人士重建230间房屋。在这2730万比索当中，1100万比索是用来在San Jose del Monte为城市中的贫苦人士重建100间房屋，另1100万比索则用来在Cagayan De Oro协助重建被台风Sendong摧毁的100房屋。

BPI也分别在Tacloban和Bohol救济受台风和地震影响的灾民。

### 体育

多多博彩继续不遗余力在国内支持和栽培优秀体育人才，即通过积极参与和赞助各项社区和全国性的体育盛会。

在检讨中的财政年，多多博彩支持了许多项体育盛会，例如2013年槟城大桥国际马拉松、2013年肯尼罗杰斯烤鸡欢乐竞跑赛、2013年第12届世界武术锦标赛、英女王火炬接力棒传递活动、2013年仕林河越野单车挑战赛、2013年芙蓉半程马拉松、2013年美禄—联邦直辖区吉隆坡田径协会竞走比赛、2013年第41届槟州同乐会国际保龄球锦标赛和2014年第29届联邦直辖区业余田径协会年度越野赛。

此外，多多博彩也每年大力资助国家体育理事会。

多多博彩也与马来西亚奥运理事会（OCM）携手合作，表扬于2013年12月11至22日在缅甸举行之第27届东运会取得杰出表现的马来西亚运动员。其2013年大马奥理事会—多多博彩杰出运动员奖是颁给最佳男女选手和夺得男女曲棍团体赛金牌的18名球员。

### 教育

配合多多博彩致力提升弱势儿童之识字率和教育水平的企业社会责任目标，多多博彩连续两年在雪兰莪州乡村地区的5所微型华文小学继续推行“多多阅读，获益良多”助学计划。这项已让720名学生受惠的计划旨在鼓励乡区学生养成课余时间多阅读的习惯。

在菲律宾，BPI捐献450万比索在Bulacan的Angat设立成功烹饪艺术中心，该面积30公顷的培训设施位于GK-Enchanted农场内，也就是GKCDI在亚洲设立的第一所农村大学，以协助当地农民成为成功的企业家。除了提供可让访客享受有机栽种健康餐的厨房和服务区之外，该设施也拥有本身的毗邻草药园。该设施也通过独创的仿生设计来宣扬环境保护，即通过太阳能板善用太阳能和以雨水收集器屋顶来收集雨水。

BPI也继续提供总值6400万比索的助学金给32名弱势但成绩优异的菲律宾学生，以进入吉隆坡的成功礼待大学学院进修烹饪艺术、礼宾管理、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，多多博彩继续通过举办多项互动式的现场表演而为国内社区呈献精彩的娱乐节目。

在2009年推介的一项年度巡回音乐会《好歌动感音乐会》已呈现新面貌，并称为“欢乐多多”音乐会。该现场音乐会呈献由本地歌坛后起之秀和爱好唱歌者表演的热门华语、粤语和福建歌，巡回全国各地35个城市和乡镇。

多多博彩也赞助了2013年NTV7《圆游会》，它在全国各地为当地社区带来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爱好者的2013年Astro欢喜台《欢喜来卡拉》歌唱大赛。多多博彩也举办了首届2014年沙巴才艺大赛，即一个让沙巴州青年发挥才华的平台。

在发扬文化和艺术方面，多多博彩也支持2013年麻坡灯笼佳节、2013年槟城青艺大旗鼓游行、孟兰盛会和麻坡美食街新春嘉年华。



2013年NTV7《圆游会》。



在吡叻州实兆远举行的“欢乐多多”音乐会（前称《好歌动感音乐会》）。

## 职场

配合塑造理想工作环境，并促进员工间之互动和团队精神的努力，多多博彩体育俱乐部继续积极举办各种休闲和体育活动，例如佳节聚会、郊游、生日庆祝会和体育竞赛等。

## 集团协作

在集团层次，多多博彩主办了协作会议以加强成功集团旗下运营公司之间的互动和接触。

除此之外，多多博彩一直以来十分支持在成功集团层次推行的各项企业社会责任活动。

在2014年2月22日于吉隆坡成功时代广场举行的第4届成功集团创办人日庆祝活动中，多多博彩在该活动的家庭日嘉年华积极参与协办和管理超过30个游戏摊位和欢乐活动为所有成功集团员工及他们的家人提供欢乐。该盛会的重点项目是由成功集团创办人丹斯里拿督斯里陈志远、更好马来西亚基金会及成功关怀基金会，联合献捐的2560万令吉，共惠及90家慈善机构。

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，所筹获的义款皆注入成功关怀基金会以推行慈善活动。

## 未来展望及前景

2014年上半年，在国内需求的强劲扩展和净出口扭转乾坤的推动下，马来西亚取得6.3%经济成长率。马来西亚的经济预料将在今年下半年沿着稳定的成长路径取得介于5%至5.5%的卓越表现。各主要经济体的逐渐复苏将继续支撑马来西亚的对外贸易。然而，我国的生活成本正逐渐攀升，消费品价格涨升和某些物品的补贴逐步被取消将会继续影响到普罗大众。即将于2015年4月实施的GST预料将进一步影响消费情绪。

有鉴于此，多多博彩预测其业务可保持弹性，并抱着审慎乐观的态度在本财政年度取得满意的表现。

最近更换和提升全国各地销售站的线上彩票终端机而耗费的资本投资，将可提升运作效率，进而改善其顾客服务。

在菲律宾，经营PGMC的BPI将继续与菲律宾慈善大彩办事处（Philippine Charity Sweepstakes Office）密切合作以监督销售营业和推介新的游戏，安装额外的终端机及促销所有游戏。预料随着PHPI在检讨中的财政年装修设备和建造更多客房，而通过客房、食物和饮料及宴会销售取得更高收益。

BPI在最近投资于豪华轿车经销商H.R. Owen，有助进一步推动BPI的业务成长。后者拥有英国经营高档与专业汽车销售和售后市场之多种车辆的特许经营权。

董事部认为，本集团在截至2015年4月30日之财政年度的表现将保持弹性，并预料多多博彩可维持其测字游戏营运领域的市占率。

## 感谢

本人谨代表董事部，向已在2013年9月26日卸任为本集团独立非执行董事的Mohamed Saleh Bin Gomu先生，在过去所作出的贡献和支持致谢和衷心感激。

我们欢迎拿督温永文加入董事会，他是在2014年2月27日出任独立非执行董事。

我们也深深感谢管理层、员工和代理们一整年来的献身精神和敬业乐业态度。我们也向所有顾客、股东、来往商家、融资机构、分析员、传媒代表和政府机构，致衷心感谢以表扬他们所给予的支持与合作。

我也要感谢诸位董事部成员的积极参与和贡献，并期望获得他们持续的支持。

谢德光  
主席

2014年8月25日

## Group Financial Summary

Description	2014 USD'000	2014 RM'000	2013 RM'000	2012 RM'000
Revenue	1,331,546	4,340,839	3,628,362	3,607,754
Profit Before Tax	156,356	509,722	569,526	579,150
Profit For The Year	105,428	343,696	403,506	415,685
Non-Controlling Interests	(4,598)	(14,990)	(12,421)	(10,209)
Profit Attributable To Owners of the Parent	100,830	328,706	391,085	405,476
Share Capital	41,443	135,103	135,103	135,103
Share Premium	-	-	-	-
8% Irredeemable Convertible Unsecured Loan Stocks 2002/2012 ("ICULS") - Equity Component	-	-	-	-
Reserves	153,076	499,028	467,969	464,715
Equity Funds	194,519	634,131	603,072	599,818
Treasury Shares	(3,638)	(11,860)	(32,907)	(120,295)
Premium Over ICULS Bought Back	-	-	-	-
Net Equity Funds	190,881	622,271	570,165	479,523
Non-Controlling Interests	24,266	79,106	43,049	31,399
Total Equity	215,147	701,377	613,214	510,922
Other Long Term Liabilities	1,502	4,898	3,333	2,597
Borrowings	-	-	-	-
Medium Term Notes	122,699	400,000	400,000	550,000
Deferred Liabilities / Income	-	-	-	-
Deferred Tax Liabilities	1,462	4,765	364	380
ICULS - Liability Component	-	-	-	-
Current Liabilities	318,843	1,039,428	526,159	364,159
<b>Total Equity And Liabilities</b>	<b>659,653</b>	<b>2,150,468</b>	1,543,070	1,428,058
Property, Plant & Equipment	50,735	165,398	121,864	131,139
Intangible Assets	230,611	751,791	644,485	643,857
Investments	59,631	194,396	165,803	136,755
Deferred Tax Assets	5,212	16,991	18,417	12,718
Long Term Receivable	-	-	-	-
Current Assets	313,464	1,021,892	592,501	503,589
<b>Total Assets</b>	<b>659,653</b>	<b>2,150,468</b>	1,543,070	1,428,058
Net Assets Per Share (Cents / Sen)	14.16	46.16	42.45	36.25
Net Earnings Per Share (Cents / Sen)	7.56	24.66	29.43	30.37
Gross Dividend Rate Per Share (Cents / Sen)	8	26.5 **	28 **	27
Net Dividend Amount (USD'000 / RM'000)	108,082	352,348 ^	372,912 ##	359,406

### 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 2014 : USD1.00 : RM3.26

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

\* 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 RM124.7 million.

## The dividend amount included share dividend based on treasury shares book cost of RM126.0 million.

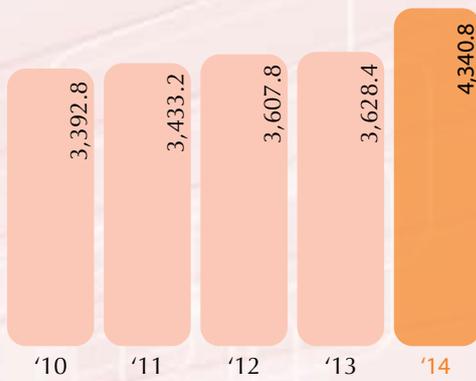
# The dividend amount included share dividend based on treasury shares book cost of RM383.3 million.

## Group Financial Summary

2011 RM'000	2010 RM'000	2009 RM'000	2008 RM'000	2007 RM'000	2006 RM'000	2005 RM'000
3,433,216	3,392,810	3,695,686	3,277,797	3,035,288	2,938,322	2,670,206
508,402	548,188	585,544	502,627	545,332	571,914	487,497
357,441	388,478	422,016	358,749	382,526	467,314	329,463
(7,680)	(4,974)	(8,462)	(10,086)	(6,839)	(2,789)	(1,307)
349,761	383,504	413,554	348,663	375,687	464,525	328,156
135,103	135,103	135,103	135,103	135,103	675,515	1,212,105
-	-	207,431	207,431	207,431	336,904	296,411
-	-	-	-	-	-	52,296
380,301	371,715	546,512	394,241	356,990	463,891	443,458
515,404	506,818	889,046	736,775	699,524	1,476,310	2,004,270
(57,341)	(57,341)	(406,099)	(406,099)	(281,239)	(238,427)	(373,568)
-	-	-	-	-	-	(57,355)
458,063	449,477	482,947	330,676	418,285	1,237,883	1,573,347
23,723	15,074	15,959	23,244	10,179	10,306	7,429
481,786	464,551	498,906	353,920	428,464	1,248,189	1,580,776
2,423	2,513	1,308	1,004	774	895	2,223
-	305,000	124,247	262,686	360,000	472,500	-
550,000	-	-	-	-	-	-
-	37,202	37,147	34,992	46,639	33,784	32,364
326	2,129	1,710	2,473	3,400	2,378	17,059
-	-	-	-	-	-	18,394
412,729	420,189	451,156	369,113	373,958	325,332	229,399
1,447,264	1,231,584	1,114,474	1,024,188	1,213,235	2,083,078	1,880,215
135,900	96,701	101,067	97,653	92,132	72,224	72,777
642,757	643,986	618,358	618,425	617,810	607,995	609,422
113,759	100,921	86,534	86,779	81,427	67,542	71,882
9,776	9,674	5,214	858	1,468	969	407
-	-	-	-	-	-	3,393
545,072	380,302	303,301	220,473	420,398	1,334,348	1,122,334
1,447,264	1,231,584	1,114,474	1,024,188	1,213,235	2,083,078	1,880,215
34.25	33.61	38.45	26.33	32.66	95.6	134.2
26.15	29.02	32.93	27.60	29.05	37.9	32.6
21	57.5 *	29	35	45	51	45
280,875	728,954 #	316,669	325,974	421,079	467,360	343,365

# Group Financial Highlights

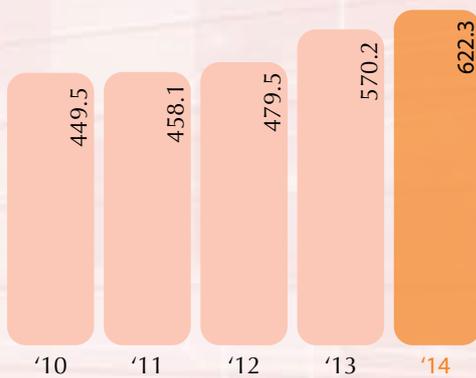
Revenue (RM' Million)



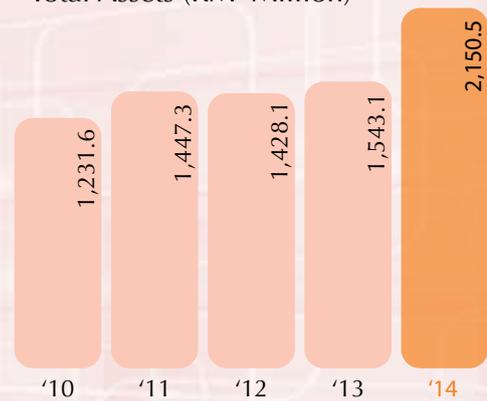
Profit Before Tax (RM' Million)



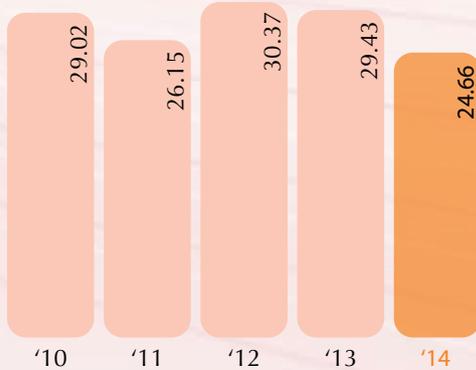
Net Equity Funds (RM' Million)



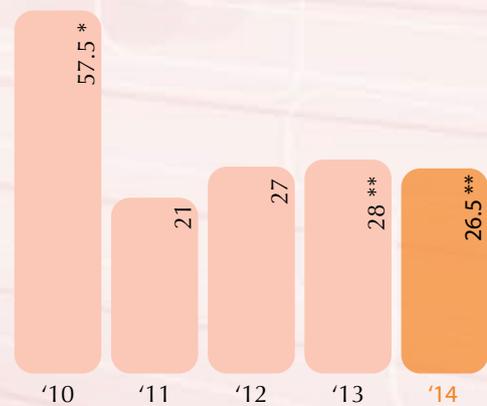
Total Assets (RM' Million)



Net Earnings Per Share (Sen)



Gross Dividend Rate (Sen)



\*\* This figure includes a share dividend of 9.5 sen per share.  
 \* This figure includes a share dividend of 30.5 sen per share.

# Management Discussion & 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, a health and fitness centre as well as motor retailing.

BToto has four main operating subsidiary companies, namely Sports Toto Malaysia Sdn Bhd, Berjaya Philippines Inc., International Lottery & Totalizator Systems, Inc. and H.R. Owen Plc.

## 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 2014, Sports Toto recorded a revenue of RM3.38 billion compared to the previous year’s revenue of RM3.44 billion. Despite a marginal decrease in revenue which was mainly due to the challenging environment during the year, Sports Toto continued to remain as the market leader among all the Number Forecast Operators (“NFO”) in the country in terms of total revenue for the financial year under review.

## Gross Profit/Operating Profit

Gross profit decreased by 7.7% to RM729.5 million compared to RM790.0 million in the previous financial year mainly due to a higher prize payout in the financial year under review.

Operating profit decreased by 7.3% to RM500.5 million in the financial year under review compared to RM540.2 million in the previous financial year due to a lower gross profit, which was attributable to a higher prize payout in the financial year under review.

## Profit Before Tax

Pre-tax profit decreased by 11.5% to RM497.3 million compared to RM561.7 million in the previous financial year. The lower profit before tax was mainly due to a higher prize payout in the financial year under review.

## Income Tax

Sports Toto incurred a taxation expense of RM135.7 million compared to RM147.7 million in the previous financial year. The effective tax rate of 27.3% for the financial year under review was higher than the prevailing statutory tax rate of 25.0% mainly due to certain expenses not deductible for tax purposes in the financial year under review.

## Profit After Tax

As a result of the above, profit after tax recorded a decrease of 12.6% to RM361.6 million compared to RM413.9 million in the previous financial year. The lower profit after tax margin of 10.7% compared to 12.0% in the previous financial year was mainly due to a higher effective tax rate as a result of non-deductible expenses for tax purposes in the financial year under review.

## Capital Investment

The capital investment incurred during the financial year under review was for the replacement and upgrading of its on-line lottery terminals at the point-of-sale outlets nationwide. The additional features will enhance operating efficiency, which in turn will add value to customer services, thereby translating into better performance of the business over time.

## Management Discussion & Analysis

### Prospects

The gaming sector in Malaysia is expected to remain resilient and the Directors expect the Group to maintain its market share in the NFO business.

### THE PHILIPPINES

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"), 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 acquired control of H.R. Owen Plc ("H.R. Owen") in October 2013 with an equity interest of 71.2%. H.R. Owen is a luxury motor retailer which operates a number of vehicle dealerships in the prestige and specialist car market for both sales and aftersales, predominantly in the London area.

### Revenue

BPI group recorded a 489% increase in revenue to Peso12.49 billion from Peso2.12 billion in the previous financial year. The increase was primarily due to revenue contribution from the new subsidiary H.R. Owen in the financial year under review.

PGMC recorded a revenue of Peso1.72 billion, a decrease of 12.7% from Peso1.97 billion in the previous financial year due to lower lease rental income earned as a result of a decrease in sales of lotto and digit games by PCSO mainly attributable to lower Jackpots recorded for the Grandlotto 6/55 game during the financial year under review.

The EZ2 game (2-number digit) remains as the favourite game among betting customers due to the inherent simplicity of the game and high frequency of draws.

BPI's other subsidiary, Perdana Hotel Philippines Inc. ("PHPI") which operates the Berjaya Makati Hotel located in Makati City recorded a decreased revenue of Peso139.6 million compared to Peso146.4 million in the previous financial year. The decrease of 4.7% or Peso6.8 million in revenue was mainly due to a drop in the occupancy rate compared to the previous financial year.

### Profit Before Tax

BPI group recorded profit before tax of Peso1.46 billion, an increase of Peso52.6 million or 3.7% during the same period last year, after the consolidation of H.R. Owen's results. The increase in pre-tax profit was mainly attributed to the recognition of fair value gain arising from the business combination of H.R. Owen net of corporate exercise expenses incurred in relation to the acquisition of H.R. Owen. BPI group's pre-tax profit would have been a drop of 1.3% if the aforesaid fair value gain net of corporate exercise expenses were excluded.

PGMC's pre-tax profit decreased by 21.8% to Peso1.02 billion mainly due to lower revenue and 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 under review.

PHPI recorded pre-tax loss of Peso2.5 million compared to pre-tax profit of Peso3.2 million in the preceding year mainly due to lower room occupancy, higher food and hotel maintenance costs, as well as depreciation charge on renovation costs of adding another 11 executive rooms, and the refurbishment of certain floors in the hotel during the financial year under review.

### Income Tax

Income tax of BPI group increased to Peso332.8 million for the financial year under review compared to Peso307.2 million in the previous financial year. The current year's effective income tax was 22.7% compared to 21.8% in the previous financial year. The effective tax rates for the financial year under review and last year were in line with the respective pre-tax profits.

### Capital Investment

During the financial year under review, Berjaya Makati Hotel completed the construction of 11 new executive rooms, installation of LED signages and renovation and refurbishment of certain guest rooms and other firestone installations to meet the fire safety requirements.

### Prospects

The Philippines registered economic growth of 7.2% for 2013 which was above the 4.7% average growth recorded from 2008 to 2012, driven primarily by private consumption and investment despite natural calamities that hit the country during 2013. Growth forecast for 2014 is expected to be about 6.4%. It is envisaged that the improved business confidence and rising inflow of foreign direct investment would support private investment and consumption.

For the on-line lottery leasing segment, PCSO is expected to introduce additional new games which will generate more excitement to punters and are therefore expected to contribute towards increasing sales.

For the hotel segment, it is expected that the Department of Tourism's ("DOT") coordinated approach to maintain the competitiveness of the tourism industry by developing attractive tourism products and also by promoting the Philippines as a choice destination, would stimulate higher tourist arrivals, and thus promote better hotel occupancy levels, which in turn should contribute positively to hotel revenues.

## 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 on-line 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

ILTS recorded a revenue for the financial year under review of USD22.7 million compared to USD10.6 million in the previous financial year. The higher revenue was primarily due to increased lottery products and hardware component sales related to the gaming and totalizator industries.

### Profit Before Tax

ILTS' pre-tax profit increased to USD4.9 million from USD1.6 million in the previous financial year due to higher sales volume and interest income.

### Prospects

ILTS will continue to explore new and emerging technologies based on current industry developments with the intention of increasing its market share, staying competitive and exploring new markets where its core competencies can be applied.

Part of ILTS's corporate strategy is to pursue growth through strategic alliances to gain access to new and tactically important geographies and business opportunities and to capitalise on existing business relationships.

## Management Discussion & Analysis

### UNITED KINGDOM

#### Business Review

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

For the six months ended 30 April 2014, H.R. Owen recorded revenue of £144.0 million and profit before tax of £2.4 million. H.R. Owen had cash balances of £12.8 million and vehicle stocking loans (excluding manufacturer stocking loans) of £8.2 million and recorded a cash inflow for the six-month period of £2.2 million.

The United Kingdom motor sector is recording a healthy growth in the volume of cars sold so far in 2014 and H.R. Owen has likewise also recorded strong sales volume with 407 new cars and 601 used cars being sold in the six-month period.

Trading has started very strongly this year and should continue throughout the remainder of 2014. The trading results for the year ending 30 April 2015 is expected to exceed that for the year ended 30 April 2014.

### 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 RM489.8 million at the end of the financial year under review (2013: RM429.6 million).

The current ratio of the Group was recorded at 0.98 times (2013: 1.13 times) in the financial year under review. The drop is due to higher bank borrowings in the financial year under review.

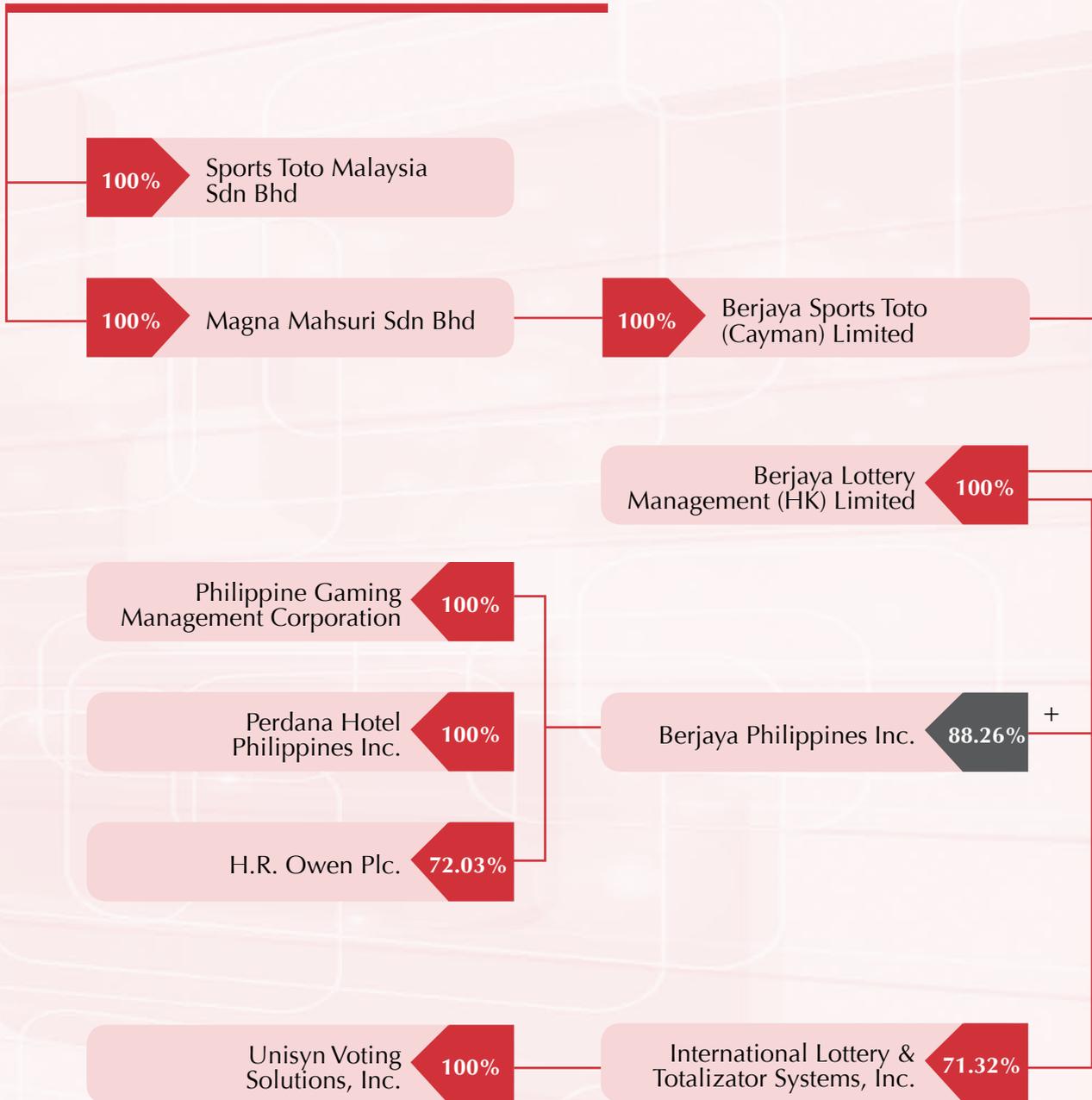
BToto Group's total indebtedness as at 30 April 2014 was RM733.7 million (2013: RM550.0 million), consisting of Medium Term Notes ("MTNs") and bank borrowings. The repayment of MTNs of RM150.0 million and RM30.0 million which were due, were subsequently refinanced in June and July 2014 respectively. BToto's bank borrowings of RM113.4 million was fully settled in June 2014.

The Group's gearing ratio (which is interest-bearing borrowings divided by net equity funds) was 1.18 times for the financial year under review (2013: 0.96 times). The higher gearing ratio was attributable to the additional bank borrowings drawn down during the financial year under review.

# Corporate Structure

of Main Subsidiary Companies as at 29 August 2014

## BERJAYA SPORTS TOTO BERHAD



■ Listed Company

+ Combined Interest

## 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 2014.

### 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](http://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 of this 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 when necessary. During the financial year ended 30 April 2014, the Board met six (6) times and the record of attendance of each Director is set out below:-

Directors	Attendance
Cheah Tek Kuang #	6/6
Dato' Robin Tan Yeong Ching	6/6
Chan Kien Sing	4/6
Freddie Pang Hock Cheng	6/6
Seow Swee Pin	6/6
Dato' Dickson Tan Yong Loong	4/6
Datuk Robert Yong Kuen Loke #	6/6
Dato' Oon Weng Boon #@	1/1 *
Mohamed Saleh Bin Gomu #^	3/3 *

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

# Denotes Independent Non-Executive Directors.

@ Appointed as an Independent Non-Executive Director on 27 February 2014.

^ Resigned as an Independent Non-Executive Director on 26 September 2013.

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)
Datuk Robert Yong Kuen Loke	- Independent/Non-Executive
Dato' Oon Weng Boon	- Independent/Non-Executive

The Nomination Committee meets as and when required, and at least once a year. The Nomination Committee met once during the financial year ended 30 April 2014.

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.

## Statement on Corporate Governance

In respect of the assessment for the financial year ended 30 April 2014, 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 noted the recommendation of MCCG 2012 on boardroom diversity. Selection of candidates to join the Board is dependent on the necessary skills, knowledge and experience. The ultimate decision will be based on merit and contributions the candidate can bring to the Board. The current Board composition has no female board members.

### 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
Dato' Oon Weng Boon	- 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.

## Statement on Corporate Governance

### Details of the Directors' Remuneration

The aggregate Directors' remuneration paid or payable to the Directors in office during the financial year by the Company and the Group categorised into appropriate components for the financial year ended 30 April 2014 are as follows:-

	Executive	Non-Executive	Total
	<----- RM'000 ----->		
Fees	38	116	154
Benefits-in-kind	60	29	89
Salaries and other emoluments	6,044	655	6,699
Bonus	1,207	78	1,285
	7,349	878	8,227

The number of Directors of the Company who served during the financial year and whose total remuneration from the Group falling within the respective band are as follows:-

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
RM1 - RM50,000	-	3
RM200,001 - RM250,000	-	1
RM550,001 - RM600,000	-	1
RM1,050,001 - RM1,100,000	1	-
RM1,150,001 - RM1,200,000	1	-
RM1,450,001 - RM1,500,000	1	-
RM3,600,001 - RM3,650,000	1	-
	4	5

### C) PRINCIPLE 3: REINFORCE INDEPENDENCE

#### Assessment of Independent Directors

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

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.

The current three (3) Independent Non-Executive Directors have fulfilled the criteria of "independence" as prescribed under Chapter 1 of the Listing Requirements of Bursa Securities. The Board had assessed and concluded that the three (3) Independent Non-Executive Directors of the Company remain objective and independent.

### Tenure of Independent Directors

The Company does not have term limits for its Independent Directors as the Board believes that continued contribution provides benefits to the Board and the Company as a whole. The calibre, qualification, experience and personal qualities, particularly of the Director's integrity and objectivity in discharging his responsibilities in the best interest of the Company predominantly determines the ability of a Director to serve effectively as an Independent Director.

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 being re-designated as a Non-Independent Director.

The Nomination Committee also noted that pursuant to Recommendation 3.3 of the MCCG 2012, the Board may provide justifications and seek shareholders' approval in the event there is intention to retain a Director who has served a cumulative term of nine (9) years as an Independent Director.

Currently, none of the Independent Directors had served the Board of the Company for a cumulative term of nine (9) years.

### 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") except for Dato' Oon Weng Boon who was appointed as an Independent Non-Executive Director of the Company on 27 February 2014.

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

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

The Board is also 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.

## Statement on Corporate Governance

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"> <li>- Invest Malaysia 2013</li> <li>- Malaysia Nuclear Power Corporation - Workshop IAEA International Expert Group on Nuclear Liability (INLEX)</li> <li>- IFSB - INCEIF Executive Forum: Towards Strengthening Corporate &amp; Shari'ah Governance in Islamic Banks</li> <li>- Nomination Committee Programme by Bursa Malaysia</li> <li>- Board Chairman Series - The Role of the Chairman by Bursa Malaysia</li> <li>- ICLIF - Leadership Energy Summit Asia (LESA) 2013 Conference</li> </ul>
Dato' Robin Tan Yeong Ching	<ul style="list-style-type: none"> <li>- International Corporate Governance Seminar 2013</li> <li>- Bursa Malaysia Revised CG Guide</li> <li>- Malaysia-China Economic Cooperation Summit</li> </ul>
Freddie Pang Hock Cheng	<ul style="list-style-type: none"> <li>- CEO Forum 2013</li> <li>- Advocacy Sessions on Corporate Disclosure for Directors</li> <li>- Inaugural Marketplace Huddle for the Bursa MKTPLC Launch</li> <li>- Towards Boardroom Excellence 2nd Edition</li> </ul>
Chan Kien Sing	<ul style="list-style-type: none"> <li>- CEO Forum 2013</li> <li>- MIA Conference 2013</li> <li>- Risk Management &amp; Internal Control Workshop</li> </ul>
Seow Swee Pin	<ul style="list-style-type: none"> <li>- VADS CXO Technology Summit 2013, Seoul, Korea</li> <li>- CIO Malaysia Summit 2013</li> <li>- Company's Bill 2013</li> <li>- Distinguished Corporate Governance Speaker Series Manila, Philippines</li> </ul>
Dato' Dickson Tan Yong Loong	<ul style="list-style-type: none"> <li>- Tropicana Corporation Berhad's in house Director's training:-               <ol style="list-style-type: none"> <li>1. GST Briefing</li> <li>2. Corporate Governance                   <ul style="list-style-type: none"> <li>- Corporate Governance overview: Risk Management and Internal Control</li> <li>- Are Boards Aware What They Are Up Against?</li> <li>- Board responsibilities in relation to risk management and internal control</li> <li>- Risks - what to watch out for under current economic conditions.-Sharing of EY Risk survey.</li> </ul> </li> <li>3. Malaysian Financial Reporting Standard ("MFRS") update                   <ul style="list-style-type: none"> <li>- Overview of MFRS 10, MFRS 11 and MFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities</li> </ul> </li> </ol> </li> </ul>
Datuk Robert Yong Kuen Loke	<ul style="list-style-type: none"> <li>- Nominating Committee Programme</li> <li>- Advocacy Sessions on Corporate Disclosure for Directors</li> <li>- Malaysian Institute of Certified Public Accountants Business Forum</li> </ul>

Subsequent to the financial year ended 30 April 2014, Dato' Oon Weng Boon had attended the Mandatory Accreditation Programme on 7 & 8 May 2014.

### 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 2014 amounted to RM111,000.

## Statement on Corporate Governance

### 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 37 and page 38 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](http://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](http://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 2014.

# 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 2014, 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), Dato’ Oon Weng Boon, Datuk Robert Yong Kuen Loke and Seow Swee Pin. Mohamed Saleh Bin Gomu resigned during the year.

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 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 (“AC”) with the duty of reviewing and monitoring the effectiveness of the Group’s system of internal control. The AC 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 AC’s meetings. The Audit Committee Report is set out on pages 39 to 42 of the Annual Report.

## Statement on Risk Management and Internal Control

### 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.

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 AC with independent and objective reports on the state of internal controls of the operating units within the Group to assist the AC in monitoring and assessing the effectiveness of the internal control system. Observations from internal audits are presented to the AC 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 AC.

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 Board through RMC and AC regularly receives and reviews reports on internal control, which include highlights on significant risks affecting the Group. The system of internal control was satisfactory and has not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Company'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 2014.

## AUDIT COMMITTEE MEMBERS AND MEETING ATTENDANCES

The members of the Audit Committee comprises the following:-

Cheah Tek Kuang	- Chairman/Independent/Non-Executive Director
Datuk Robert Yong Kuen Loke	- Independent/Non-Executive Director
Dato’ Oon Weng Boon	- Independent/Non-Executive Director

The Audit Committee held five (5) meetings during the financial year ended 30 April 2014. The details of attendance of the Audit Committee members are as follows:-

Name	Attendance
Cheah Tek Kuang	5/5
Datuk Robert Yong Kuen Loke	4/5
Dato’ Oon Weng Boon #	1/1 *
Mohamed Saleh Bin Gomu ##	3/3 *

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.

# Appointed as an Independent Non-Executive Director on 27 February 2014.

## Resigned as an Independent Non-Executive Director on 26 September 2013.

## SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

During the financial year ended 30 April 2014, 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.

## Audit Committee Report

### 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 2014, 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 2014 was RM598,836.

### 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;
- (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;

## Audit Committee Report

- (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;
  - 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.



# Financial Statements

- 44 Directors' Report
- 52 Statement by Directors
- 52 Statutory Declaration
- 53 Independent Auditors' Report
- 55 Statements of Financial Position
- 57 Statements of Profit or Loss
- 58 Statements of Comprehensive Income
- 59 Consolidated Statement of Changes in Equity
- 61 Statement of Changes in Equity
- 62 Consolidated Statement of Cash Flows
- 65 Statement of Cash Flows
- 66 Notes to the Financial Statements
- 166 Supplementary Information
  - Breakdown of Retained Earnings Into Realised and Unrealised

# Directors' Report

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 2014.

## 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;
- motor retailer and provision of aftersales services;
- 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 acquisition of a subsidiary company as disclosed in Note 4 to the financial statements.

## RESULTS

	<b>Group</b>	<b>Company</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit for the year	343,696	554,722
Attributable to:		
Owners of the parent	328,706	554,722
Non-controlling interests	14,990	-
	<b>343,696</b>	<b>554,722</b>

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 other than as disclosed in Notes 30 and 31 to the financial statements.

### DIVIDENDS

The amount of dividends paid by the Company since 30 April 2013 were as follows:

RM'000

In respect of the financial year ended 30 April 2013 as reported in the Directors' Report of that year:

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	53,562 #
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In respect of the financial year ended 30 April 2014:

First interim single tier exempt dividend of 4 sen per share on 1,335,350,000 ordinary shares with voting rights, paid on 17 October 2013	53,414
--	--------

Second interim single tier exempt dividend of 6 sen per share on 1,330,400,000 ordinary shares with voting rights, paid on 28 January 2014	79,824
---	--------

Third interim dividend via a share dividend distribution of 30,618,886 treasury shares on the basis of one treasury share for every forty three existing ordinary shares held with voting rights, distributed on 28 April 2014 (equivalent to 9.5 sen per share)	124,742
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257,980

The directors declared and approved on 17 June 2014:

A fourth interim single tier exempt dividend of 7 sen per share on 1,348,118,886 ordinary shares with voting rights, paid on 8 August 2014 in respect of financial year ended 30 April 2014	94,368 *
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# This dividend was accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ended 30 April 2014.

\* 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 2015.

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

## Directors' Report

### 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	
Dato' Dickson Tan Yong Loong	
Dato' Oon Weng Boon	(Appointed on 27 February 2014)
Mohamed Saleh Bin Gomu	(Resigned on 26 September 2013)

### 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 29(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 39 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 ("BToto")

	Number of ordinary shares of RM0.10 each			
	At 1.5.13	Acquired	Disposed	At 30.4.14
Dato' Robin Tan Yeong Ching	846,400	153,600 ¥	-	1,000,000
Chan Kien Sing	3,504	81 #	-	3,585
Freddie Pang Hock Cheng	398,666	9,271 #	-	407,937
	165,667 ^	3,852 #	-	169,519 ^
Seow Swee Pin	90,000	2,092 #	-	92,092
	7,666 ^	178 #	-	7,844 ^
Datuk Robert Yong Kuen Loke	120,100	2,790 #	100	122,790

**DIRECTORS' INTERESTS (CONT'D)**

**Penultimate Holding Company  
Berjaya Land Berhad**

	Number of ordinary shares of RM0.50 each			
	At 1.5.13	Acquired	Disposed	At 30.4.14
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

**Ultimate Holding Company  
Berjaya Corporation Berhad ("BCorp")**

	Number of ordinary shares of RM1.00 each			
	At 1.5.13	Acquired	Disposed	At 30.4.14
Dato' Robin Tan Yeong Ching	2,222,847	-	-	2,222,847
	599,416,995 *	-	-	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 1.5.13	Acquired	Converted	At 30.4.14
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 1.5.13	Acquired	Converted	At 30.4.14
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	2,000,108	516,400	-	2,516,508

## Directors' Report

### DIRECTORS' INTERESTS (CONT'D)

#### Ultimate Holding Company Berjaya Corporation Berhad ("BCorp") (Cont'd)

	Number of Warrants			At 30.4.14
	At 1.5.13	Acquired	Converted	
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 Berjaya Food Berhad

	Number of ordinary shares of RM0.50 each			At 30.4.14
	At 1.5.13	Acquired	Disposed	
Dato' Robin Tan Yeong Ching	965,300	912,260	-	1,877,560

	Number of ordinary shares of RM0.50 each under the Employees' Share Option Scheme			At 30.4.14
	At 1.5.13	Granted	Exercised	
Dato' Robin Tan Yeong Ching	600,000	58,700	446,960	211,740

	Number of Warrants			At 30.4.14
	At 1.5.13	Acquired	Converted	
Dato' Robin Tan Yeong Ching	465,300	-	465,300	-

**DIRECTORS' INTERESTS (CONT'D)**

**Berjaya Auto Berhad ("BAuto") ##**

	Number of ordinary shares of RM0.50 each			
	At 26.9.13	Acquired	Disposed	At 30.4.14
Dato' Robin Tan Yeong Ching	-	150,000	-	<b>150,000</b>
Chan Kien Sing	-	4,300	-	<b>4,300</b>

	Number of ordinary shares of RM0.50 each under the Employees' Share Option Scheme			
	At 26.9.13	Granted	Exercised	At 30.4.14
Dato' Robin Tan Yeong Ching	-	1,000,000	-	<b>1,000,000</b>

\* Denotes indirect interests.

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

# Share dividend distribution by BToto on the basis of one (1) BToto treasury share for every forty three (43) existing BToto ordinary shares on 28 April 2014.

¥ Inclusive of share dividend distribution by BToto on the basis of one (1) treasury share for every forty three (43) existing BToto ordinary shares on 28 April 2014.

## BAuto became a subsidiary of the BCorp Group on 26 September 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 17 March 2014, the Company declared and approved a share dividend in respect of financial year ended 30 April 2014 via distribution of 30,618,886 treasury shares on the basis of one treasury share for every forty three existing ordinary shares held. The share dividend was distributed on 28 April 2014.

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

	Number of shares		Carrying amounts	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Balance as at 1 May	<b>7,840</b>	28,030	<b>32,907</b>	120,295
Acquisition of additional treasury shares during the year	<b>25,690</b>	9,141	<b>103,695</b>	38,568
Distribution of treasury shares as share dividend during the year	<b>(30,619)</b>	(29,331)	<b>(124,742)</b>	(125,956)
Total treasury shares as at 30 April (Note 20)	<b>2,911</b>	7,840	<b>11,860</b>	32,907

As at 30 April 2014, the issued and paid up share capital of the Company with voting rights was 1,348,118,886 (2013 : 1,343,190,000) ordinary shares of RM0.10 each.

## Directors' Report

### OTHER STATUTORY INFORMATION

- (a) Before the statements of financial position, statements of profit or loss and statements of comprehensive income of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  - (ii) the values attributed to 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 37 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.

### **SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR**

The significant events during the financial year are as disclosed in Note 45 to the financial statements.

### **SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR**

The significant events after the financial year are as disclosed in Note 46 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 25 August 2014

**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 55 to 165 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 2014 and of the results and the cash flows of the Group and of the Company for the year then ended.

The information set out in Note 48 on page 166 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 25 August 2014

**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 55 to 166 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 25 August 2014 } **SEOW SWEE PIN**

Before me,

**KAPT (B) AFFANDI BIN AHMAD (W602)**  
Commissioner for Oaths  
Kuala Lumpur, Malaysia

# Independent Auditors' Report to the Members of Berjaya Sports Toto Berhad (Incorporated in Malaysia)

## 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 2014 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 55 to 165.

### ***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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 2014 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.

## **Independent Auditors' Report to the Members of Berjaya Sports Toto Berhad (Incorporated 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.

### **OTHER REPORTING RESPONSIBILITIES**

The supplementary information set out in Note 48 on page 166 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of 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**

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

Kuala Lumpur, Malaysia  
25 August 2014

**KUA CHOO KAI**  
2030/03/16(J)  
Chartered Accountant

# Statements of Financial Position

as at 30 April 2014

	Note	Group		Company	
		2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	3	165,398	121,864	3,683	3,845
Investment in subsidiary companies	4	-	-	6,596,200	6,594,900
Investment in associated companies	5	10,751	7,793	457	167
Long term investments	6	88,139	58,987	113	113
Investment properties	7	95,506	99,023	-	-
Deferred tax assets	8	16,991	18,417	-	-
Intangible assets	9	751,791	644,485	-	-
		<b>1,128,576</b>	<b>950,569</b>	<b>6,600,453</b>	<b>6,599,025</b>
<b>Current assets</b>					
Inventories	10	267,923	16,878	-	-
Receivables	11	261,313	142,105	105,955	63,871
Tax recoverable		563	121	78	-
Amounts due from subsidiary companies	12	-	-	175,981	146,504
Short term investments	13	-	3,771	-	-
Deposits with financial institutions	14	345,004	360,766	5,200	5,500
Cash and bank balances		144,774	68,860	840	1,374
		<b>1,019,577</b>	<b>592,501</b>	<b>288,054</b>	<b>217,249</b>
Assets classified as held for sale	7	2,315	-	-	-
		<b>1,021,892</b>	<b>592,501</b>	<b>288,054</b>	<b>217,249</b>
<b>TOTAL ASSETS</b>		<b>2,150,468</b>	<b>1,543,070</b>	<b>6,888,507</b>	<b>6,816,274</b>

## Statements of Financial Position as at 30 April 2014

	Note	Group		Company	
		2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the parent</b>					
Share capital	15	135,103	135,103	135,103	135,103
Capital reserve	16	21,327	21,327	-	-
Exchange reserve	17	19,704	12,997	-	-
Available-for-sale ("AFS") reserve	18	18,667	10,424	-	-
Retained earnings	19	439,330	423,221	6,017,050	5,773,870
Equity funds		634,131	603,072	6,152,153	5,908,973
Treasury shares	20	(11,860)	(32,907)	(11,860)	(32,907)
Net equity funds		622,271	570,165	6,140,293	5,876,066
Non-controlling interests		79,106	43,049	-	-
<b>Total equity</b>		<b>701,377</b>	<b>613,214</b>	<b>6,140,293</b>	<b>5,876,066</b>
<b>Non-current liabilities</b>					
Retirement benefit obligations	21	3,462	2,406	-	-
Medium term notes	22	400,000	400,000	-	-
Other long term liability	23	1,436	927	532	106
Deferred tax liabilities	8	4,765	364	215	364
		409,663	403,697	747	470
<b>Current liabilities</b>					
Medium term notes	22	180,000	150,000	-	-
Short term borrowings	24	153,725	-	113,414	-
Provisions	25	1,581	1,370	-	-
Payables	26	692,780	347,237	1,523	3,839
Amounts due to subsidiary companies	27	-	-	632,530	935,899
Tax payable		11,342	27,552	-	-
		1,039,428	526,159	747,467	939,738
<b>TOTAL LIABILITIES</b>		<b>1,449,091</b>	<b>929,856</b>	<b>748,214</b>	<b>940,208</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,150,468</b>	<b>1,543,070</b>	<b>6,888,507</b>	<b>6,816,274</b>

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

## Statements of Profit or Loss for the Financial Year Ended 30 April 2014

	Note	Group		Company	
		2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Revenue	28	<b>4,340,839</b>	3,628,362	<b>605,158</b>	182,042
Cost of sales		<b>(3,350,577)</b>	(2,671,859)	-	-
<b>GROSS PROFIT</b>		<b>990,262</b>	956,503	<b>605,158</b>	182,042
Selling and distribution expenses		<b>(197,479)</b>	(168,720)	-	-
General and administrative expenses		<b>(257,168)</b>	(225,818)	<b>(19,023)</b>	(19,575)
<b>PROFIT BEFORE OTHER INCOME AND EXPENSES</b>	29	<b>535,615</b>	561,965	<b>586,135</b>	162,467
Investment related income	30	<b>28,682</b>	20,855	-	-
Investment related expenses	31	<b>(34,854)</b>	-	<b>(1,630)</b>	(1,883)
Other income	32	<b>22,634</b>	21,632	<b>10,940</b>	9,400
		<b>552,077</b>	604,452	<b>595,445</b>	169,984
Finance costs	33	<b>(41,692)</b>	(31,572)	<b>(40,872)</b>	(38,722)
Share of results of associated companies		<b>(663)</b>	(3,354)	-	-
<b>PROFIT BEFORE TAX</b>		<b>509,722</b>	569,526	<b>554,573</b>	131,262
Taxation	34	<b>(166,026)</b>	(166,020)	<b>149</b>	(16)
<b>PROFIT FOR THE YEAR</b>		<b>343,696</b>	403,506	<b>554,722</b>	131,246
<b>ATTRIBUTABLE TO:</b>					
Owners of the parent		<b>328,706</b>	391,085	<b>554,722</b>	131,246
Non-controlling interests		<b>14,990</b>	12,421	-	-
		<b>343,696</b>	403,506	<b>554,722</b>	131,246
<b>Earnings per share</b>					
attributable to owners of the parent	35				
- Basic (sen)		<b>24.66</b>	29.43		
- Diluted (sen)		<b>24.66</b>	29.43		
<b>DIVIDENDS PER SHARE (SEN)</b>	36				
- First interim dividend				<b>4.00</b>	6.50
- Second interim dividend - share dividend				-	9.50
- Second interim dividend				<b>6.00</b>	-
- Third interim dividend - share dividend				<b>9.50</b>	-
- Third interim dividend				-	8.00
- Fourth interim dividend				<b>7.00</b>	4.00

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

# Statements of Comprehensive Income

## for the Financial Year Ended 30 April 2014

	Note	Group		Company	
		2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
PROFIT AFTER TAXATION		<b>343,696</b>	403,506	<b>554,722</b>	131,246
OTHER COMPREHENSIVE INCOME:					
<u>Items that may be reclassified</u>					
<u>subsequently to profit or loss</u>					
Net changes on available-for-sale ("AFS") financial assets					
- Changes in fair value of AFS investments		<b>26,606</b>	3,318	-	-
- Reclassification of AFS investment to investment in subsidiary company		<b>(13,238)</b>	-	-	-
- Disposals of AFS investments transferred to profit or loss		<b>(4,055)</b>	(11,357)	-	-
Effects of foreign exchange differences		<b>5,520</b>	5,702	-	-
<u>Items that will not be reclassified</u>					
<u>subsequently to profit or loss</u>					
Actuarial loss recognised in defined benefit pension scheme	21 (ii)	<b>(191)</b>	-	-	-
Tax effect relating to components of other comprehensive income		<b>(49)</b>	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<b>358,289</b>	401,169	<b>554,722</b>	131,246
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the parent		<b>343,669</b>	388,754	<b>554,722</b>	131,246
Non-controlling interests		<b>14,620</b>	12,415	-	-
		<b>358,289</b>	401,169	<b>554,722</b>	131,246

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

# Consolidated Statement of Changes In Equity

for the Financial Year Ended 30 April 2014

	Attributable to Owners of the Parent								
	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	Total to owners of parent company RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>GROUP</b>									
As at 1 May 2012	135,103	(120,295)	21,327	8,248	17,504	417,636	479,523	31,399	510,922
<b>Total comprehensive income for the year</b>	-	-	-	4,749	(7,080)	391,085	388,754	12,415	401,169
<b>Transactions with owners</b>									
Adjustment due to foreign subsidiary company's share buyback	-	-	-	-	-	-	-	(765)	(765)
Distribution of treasury shares as share dividend (Notes 20 and 36)	-	125,956	-	-	-	(125,956)	-	-	-
Dividends (Note 36)	-	-	-	-	-	(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

**Consolidated Statement Of Changes In Equity  
for the Financial Year Ended 30 April 2014**

	Attributable to Owners of the Parent							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	Total to owners of parent company RM'000		Non-controlling interests RM'000
<b>GROUP (CONT'D)</b>									
As at 1 May 2013	135,103	(32,907)	21,327	12,997	10,424	423,221	570,165	43,049	613,214
<b>Total comprehensive income for the year</b>	-	-	-	6,707	8,243	328,719	343,669	14,620	358,289
<b>Transactions with owners</b>									
Acquisition of a subsidiary company	-	-	-	-	-	-	-	22,210	22,210
Arising from increase in equity interest in a subsidiary company	-	-	-	-	-	(1,068)	(1,068)	(773)	(1,841)
Distribution of treasury shares as share dividend (Notes 20 and 36)	-	124,742	-	-	-	(124,742)	-	-	-
Dividends (Note 36)	-	-	-	-	-	(186,800)	(186,800)	-	(186,800)
Purchase of treasury shares (Note 20)	-	(103,695)	-	-	-	-	(103,695)	-	(103,695)
Total transactions with owners	-	21,047	-	-	-	(312,610)	(291,563)	21,437	(270,126)
<b>As at 30 April 2014</b>	<b>135,103</b>	<b>(11,860)</b>	<b>21,327</b>	<b>19,704</b>	<b>18,667</b>	<b>439,330</b>	<b>622,271</b>	<b>79,106</b>	<b>701,377</b>

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

## Statement of Changes in Equity for the Financial Year Ended 30 April 2014

	Share capital RM'000	Treasury shares RM'000	<u>Distributable</u> Retained earnings RM'000	Total equity RM'000
<b>COMPANY</b>				
As at 1 May 2012	135,103	(120,295)	6,028,124	6,042,932
<b>Total comprehensive income for the year</b>	-	-	131,246	131,246
<b>Transactions with owners</b>				
Distribution of treasury shares as share dividend (Notes 20 and 36)	-	125,956	(125,956)	-
Dividends (Note 36)	-	-	(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
As at 1 May 2013	135,103	(32,907)	5,773,870	5,876,066
<b>Total comprehensive income for the year</b>	-	-	554,722	554,722
<b>Transactions with owners</b>				
Distribution of treasury shares as share dividend (Notes 20 and 36)	-	124,742	(124,742)	-
Dividends (Note 36)	-	-	(186,800)	(186,800)
Purchase of treasury shares (Note 20)	-	(103,695)	-	(103,695)
Total transactions with owners	-	21,047	(311,542)	(290,495)
<b>As at 30 April 2014</b>	<b>135,103</b>	<b>(11,860)</b>	<b>6,017,050</b>	<b>6,140,293</b>

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

# Consolidated Statement of Cash Flows

## for the Financial Year Ended 30 April 2014

	Group	
	2014	2013
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	4,591,252	3,943,044
Payments to prize winners, suppliers and for other operating expenses	(3,410,032)	(2,742,855)
Payments for pool betting duties, gaming tax and other government contributions	(616,966)	(622,080)
Payment of taxes	(180,181)	(170,483)
Refund of taxes	271	58
Other receipts	81	78
	<b>384,425</b>	<b>407,762</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	1,180	873
Proceeds from disposal of investment properties (Note A)	1,818	-
Proceeds from disposal of long term investments	17,850	24,713
Proceeds from disposal of short term investments	3,771	759
Acquisition of property, plant and equipment (Note B)	(28,301)	(15,345)
Acquisition of investment in associated company	(1,901)	(4,645)
Acquisition of investment in subsidiary company (Note F)	(75,118)	-
Acquisition of additional equity interest in a subsidiary company	(1,841)	-
Acquisition of investment properties (Note C)	(821)	(5,002)
Acquisition of treasury shares from non-controlling interests by a foreign subsidiary company	-	(765)
Acquisition of long term investments	(33,490)	(31,650)
Acquisition of short term investments	-	(3,771)
Dividend received	5,753	441
Interest received	12,183	13,319
Other receipts arising from investments	3,068	1,276
Deposit placements for investments	(41,551)	-
Other payments arising from investments	(41,501)	(37,786)
	<b>(178,901)</b>	<b>(57,583)</b>
Net cash generated from operating activities		
Net cash used in investing activities		

## Consolidated Statement of Cash Flows for the Financial Year Ended 30 April 2014

	Group	
	2014 RM'000	2013 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of medium term notes	180,000	-
Repayment of medium term notes	(150,000)	-
Drawdown of borrowings	186,707	-
Repayment of borrowings	(32,982)	-
Repayment of hire purchase liabilities	(567)	(300)
Finance costs paid	(41,753)	(31,515)
Dividends paid to shareholders of the Company	(188,901)	(259,891)
Treasury shares acquired (Note D)	(104,118)	(40,118)
	<b>(151,614)</b>	<b>(331,824)</b>
Net cash used in financing activities		
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>53,910</b>	<b>18,355</b>
<b>CASH AND CASH EQUIVALENTS AS AT 1 MAY</b>	<b>429,626</b>	<b>408,847</b>
Effects of exchange rate changes	6,242	2,424
	<b>489,778</b>	<b>429,626</b>
<b>CASH AND CASH EQUIVALENTS AS AT 30 APRIL (Note E)</b>		
	<b>2014</b>	<b>2013</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Note A Proceeds from disposal of investment properties</b>		
Cash	1,818	-
Other receivables	2,082	-
	<b>3,900</b>	-
<b>Note B Acquisition of property, plant and equipment</b>		
Hire purchase	1,341	679
Cash	28,301	15,345
Provision for restoration costs	-	248
Classified from inventories	-	397
	<b>29,642</b>	<b>16,669</b>
<b>Note C Acquisition of investment properties</b>		
Cash	821	5,002
Other payables	234	-
	<b>1,055</b>	<b>5,002</b>
<b>Note D Treasury shares acquired</b>		
Cash	104,118	40,118
Other payables	-	423
Less : Payment made for previous year acquisition	(423)	(1,973)
	<b>103,695</b>	<b>38,568</b>

## Consolidated Statement of Cash Flows for the Financial Year Ended 30 April 2014

		Group	
		2014	2013
		RM'000	RM'000
<b>Note E</b>	<b>Cash and cash equivalents comprise the following:</b>		
	Deposits with financial institutions (Note 14)	345,004	360,766
	Cash and bank balances	144,774	68,860
		<b>489,778</b>	<b>429,626</b>
	Included in the Group's deposits with financial institutions is an amount of RM208,000 (2013 : RM163,000) which is pledged to bank for facilities granted to subsidiary companies.		
<b>Note F</b>	<b>Analysis of the effects of the acquisition of subsidiary company on cash flows is as follows:</b>		
	Property, plant and equipment (Note 3)	42,795	-
	Net other assets acquired	18,341	-
	Non-controlling interests	(22,210)	-
	Goodwill on consolidation (Notes 4(a) and 9)	105,819	-
	Net assets acquired	144,745	-
	Excluding: Cash and cash equivalents of subsidiary company acquired (Note 4(a))	(54,078)	-
	Carrying amount previously accounted for as available-for-sale investments (Note 4(a))	(15,549)	-
	Cash flow on acquisition (net of cash in subsidiary company acquired) (Note 4(a))	<b>75,118</b>	<b>-</b>

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

## Statement of Cash Flows for the Financial Year Ended 30 April 2014

	Company	
	2014 RM'000	2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payment for operating expenses	(17,729)	(18,496)
Dividends received	200,806	188,475
Net cash generated from operating activities	<b>183,077</b>	169,979
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment (Note A)	(296)	(277)
Interest received	658	549
Acquisition of investment in an associated company	(1,901)	-
Advances from subsidiary companies	22,005	114,022
Repayment of advances to subsidiary companies	-	(5)
Repayment of advances from subsidiary companies	-	13,538
Advances given to subsidiary companies	(19,741)	(9,997)
Net cash generated from investing activities	<b>725</b>	117,830
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(188,901)	(259,891)
Interest paid	(4,942)	-
Repayment of hire purchase liabilities	(89)	-
Drawdown of borrowings	113,414	-
Treasury shares acquired (Note B)	(104,118)	(40,118)
Net cash used in financing activities	<b>(184,636)</b>	(300,009)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(834)</b>	(12,200)
<b>CASH AND CASH EQUIVALENTS AS AT 1 MAY</b>	<b>6,874</b>	19,074
<b>CASH AND CASH EQUIVALENTS AS AT 30 APRIL (Note C)</b>	<b>6,040</b>	6,874
<b>Note A Acquisition of property, plant and equipment</b>		
Hire purchase	647	129
Cash	296	277
	<b>943</b>	406
<b>Note B Treasury shares acquired</b>		
Cash	104,118	40,118
Other payables	-	423
Less : Payment made for previous year acquisition	(423)	(1,973)
	<b>103,695</b>	38,568
<b>Note C Cash and cash equivalents comprise the following:</b>		
Deposits with financial institutions (Note 14)	5,200	5,500
Cash and bank balances	840	1,374
	<b>6,040</b>	6,874

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

# Notes to the Financial Statements

30 April 2014

## 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;
- motor retailer and provision of aftersales services;
- 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 25 August 2014.

## 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.

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

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.2 Summary of Significant Accounting Policies

#### (a) Subsidiaries and basis of consolidation

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

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

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

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

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

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

The cost of acquisition of a subsidiary company depends on whether it is a business combination, in accordance to the specifications in MFRS 3, or not. If it is not a business combination, the cost of acquisition consists of the consideration transferred ("CT"). The CT is the sum of fair values of the assets transferred by the Group, the liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree on the date of acquisition, the amount of any non-controlling interests in the acquiree and any contingent consideration. For an acquisition that is not a business combination, the acquisition-related costs can be capitalised as part of the cost of acquisition. If it is a business combination, the cost of acquisition (or specifically, the cost of business combination) consists of CT and the amount of any non-controlling interests in the acquiree, the fair value of the Group's previously held equity interest in the acquiree and any contingent consideration. For an acquisition that is a business combination, the acquisition-related costs are recognised in profit or loss as incurred.

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

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 profit or loss.

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

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

The contingent consideration to be transferred by the acquirer will be recognised at fair value at the date of acquisition. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the date of acquisition) about the facts and circumstances that existed at the date of acquisition. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is re-measured at subsequent reporting dates in accordance with MFRS 139 or MFRS 137: Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Uniform accounting policies are adopted in the consolidated financial statements for similar transactions and other events in similar circumstances. In the preparation of the consolidated financial statements, the financial statements of all subsidiary companies are adjusted for the material effects of dissimilar accounting policies. Intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

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

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

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

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

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

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

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

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

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

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (b) Associated companies

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

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

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

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

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

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

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 legal and constructive obligations or has made payment on behalf of the associated company.

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

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (c) 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. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

##### (ii) 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.

#### (d) 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.

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

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:

	Amortised over the lease period
Leasehold land and buildings	
Buildings	2%
Plant and machinery	10% - 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%

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.

#### (e) Investment properties

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

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

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (e) Investment properties (cont'd)

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

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

#### (f) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, inventories, deferred tax assets and non-current assets (or disposal 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.

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

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (f) Impairment of non-financial assets (cont'd)

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount 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.

#### (g) Inventories

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

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.

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

#### (h) Fair value measurement

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

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

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

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

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

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (h) Fair value measurement (cont'd)

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole as described in Note 40.

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

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

#### (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.

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (i) Financial assets (cont'd)

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.

#### (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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (i) Financial assets (cont'd)

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.

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.

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

##### (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 are recognised in the statement of financial position when, and only when, the Group or 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.

## 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

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

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

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

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

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

##### (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. Treasury shares may be acquired and held by the Company or its subsidiary companies. Consideration paid or received is recognised directly in equity.

**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.2 Summary of Significant Accounting Policies (cont'd)**

**(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.

**(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).

When the assets are leased out under an operating lease, the asset is included in the statements of financial position based on the nature of the asset. Lease income is recognised over the term of lease on a straight-line basis.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (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 2014

## 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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (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 pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to its respective country's statutory pension schemes.

##### (iii) Defined benefit plans

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary. The legal obligation for any benefits from this kind of pension plan remains with the Group even if plan assets for funding the defined benefit plan have been acquired. Plan assets may include assets specifically designated to a long term benefit fund, as well as qualifying insurance policies.

The Group's net obligations in respect of defined benefit plans for certain subsidiary companies are calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods.

The liability recognised in the consolidated statement of financial position for defined benefit plans is the discounted present value of the defined benefit obligation using prudent and appropriate discount factor at the consolidated reporting date less the fair value of plan assets. The discount rate is the market yield at the reporting date on high quality corporate bonds or government bonds. The calculation is performed by independent actuaries using the projected unit credit method.

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (r) Employee benefits (cont'd)

##### (iii) Defined benefit plans (cont'd)

Re-measurements, comprising actuarial gains and losses, the effect of limiting a net defined benefit asset to the asset ceiling (excluding net interest, if applicable) and the return on plan assets (excluding net interest), are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Such re-measurements are not reclassified to profit or loss in subsequent periods.

Past-service costs are recognised immediately in profit or loss on the earlier of:

- (i) the date of the plan amendment or curtailment; and
- (ii) the date that the Group recognises restructuring related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises service costs and net interest expense or income in profit or loss.

#### (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.

## 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 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.

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.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 May 2006 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

Goodwill and fair value adjustment which arose on the acquisition of foreign subsidiaries before 1 May 2006 are deemed to be assets and liabilities of the parent company and are recorded in RM at the rates prevailing at the date of acquisition.

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (s) Foreign currencies (cont'd)

##### (iii) Foreign operations (cont'd)

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

	2014 RM	2013 RM
1 United States Dollar ("USD")	<b>3.2600</b>	3.0285
1 Hong Kong Dollar ("HKD")	<b>0.4205</b>	0.3903
1 Philippine Peso ("Php")	<b>0.0733</b>	0.0736
1 Singapore Dollar ("SGD")	<b>2.5958</b>	2.4543
1 Great Britain Pound ("GBP")	<b>5.4846</b>	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.

##### (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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

(t) **Revenue and other income recognition (cont'd)**

(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) **Motor retail and aftersales services**

Sales of vehicles, parts and accessories

Revenue is recognised when substantially all the risks and rewards of ownership have been transferred to the customer.

Servicing and bodyshop sales

Revenue is recognised on completion of the agreed work.

(ix) **Fitness centre operations**

Membership 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.

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (t) Revenue and other income recognition (cont'd)

##### (x) Hotel operations

###### Revenue 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.

##### (xi) Other income

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

#### (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 geographical segment based on location of assets. Segment liabilities comprise operating liabilities and do not include liabilities arising on investing or financing activities such as bank borrowings.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

#### (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 and the Company 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.

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.3 Change in Accounting Policies

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

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests In Other Entities
MFRS 13	Fair Value Measurement
MFRS 101	Presentation of Financial Statements (Amendments relating to Presentation of Items of Other Comprehensive Income)
MFRS 119	Employee Benefits (IAS 19 as amended by IASB in June 2011)
MFRS 127	Separate Financial Statements (IAS 27 as amended by IASB in May 2011)
MFRS 128	Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)
Amendments to MFRS 1	First Time Adoption of Malaysian Financial Reporting Standards - Government Loans
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Liabilities
Amendments to MFRS 10	Consolidated Financial Statements - Transition Guidance
Amendments to MFRS 11	Joint Arrangement - Transition Guidance
Amendments to MFRS 12	Disclosure of Interest In Other Entities - Transition Guidance
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Annual Improvements 2009-2011 Cycle	

The adoption of the above new MFRSs, Amendments to MFRSs, Annual Improvements to MFRS and IC Interpretations did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

#### MFRS 10: Consolidated Financial Statements

MFRS 10 replaces part of MFRS 127: Consolidated and Separate Financial Statements that deals with consolidated financial statements and IC Interpretation 112: Consolidation - Special Purpose Entities.

Under MFRS 10, an investor controls an investee when:

- (a) the investor has power over an investee;
- (b) the investor has exposure, or rights, to variable returns from its investment with the investee; and
- (c) the investor has ability to use its power over the investee to affect the amount of the investor's returns.

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

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.3 Change in Accounting Policies (cont'd)

#### MFRS 10: Consolidated Financial Statements (cont'd)

MFRS 10 includes detailed guidance to explain when an investor that owns less than 50 percent of the voting shares in an investee has control over the investee. MFRS 10 requires the investor to take into account all relevant facts and circumstances, particularly the size of the investor's holding of voting rights relative to the size and dispersion of holdings of the other vote holders.

The application of MFRS 10 does not have any effect on the financial performance of the Group and of the Company.

#### MFRS 12: Disclosures of Interests in Other Entities

MFRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

#### 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 to provide guidance on how to measure fair value under MFRS. MFRS 13 defines fair value as an exit price. As a result of the guidance in MFRS 13, the Group re-assessed its policies for measuring fair values, in particular, its valuation inputs such as non-performance risk for fair value measurement of liabilities. MFRS 13 also requires additional disclosures.

Application of MFRS 13 has not materially impacted the fair value measurement of the Group. Additional disclosures where required, are provided in the individual notes relating to the assets and liabilities whose fair values were determined. Fair value hierarchy is provided in Note 40.

#### Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income

The Amendments to MFRS 101 introduce new terminology, whose use is not mandatory, for the income statement and statement of comprehensive income. Under the Amendments to MFRS 101, the separate "income statement" is renamed as the "statement of profit or loss" and the single statement of "statement of comprehensive income" is renamed as the "statement of profit or loss and other comprehensive income". The Amendments to MFRS 101 retain the option to present the profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements.

Amendments to MFRS 101 also introduce the grouping of items presented in other comprehensive income. Items that will be reclassified (or recycled) to profit or loss at a future point in time (eg. net loss or gain on available-for-sale financial assets) have to be presented separately from items that will not be reclassified (eg. revaluation of land and buildings). The amendments affect presentation only and have no impact on the Group's financial position or performance.

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.3 Change in Accounting Policies (cont'd)

#### MFRS 119 (revised): Employee Benefits

In the current year, the Group has applied MFRS 119 (revised) and related consequential amendments for the first time.

MFRS 119 (revised) changes, amongst other things, the accounting for defined benefit plans. Some of the key changes that impacted the Group include the followings:

- (i) Actuarial gains and losses are required to be recognised immediately in other comprehensive income and thus eliminating the corridor approach that was previously permitted.
- (ii) All the past service costs are recognised at the earlier of when the amendment/curtailment occurs or when the related restructuring or termination costs are recognised. As a result, unvested past service costs can no longer be deferred to be recognised over future vesting period.
- (iii) The interest cost and expected return on plan assets used in the previous version of MFRS 119 are replaced with a net-interest amount under MFRS 119 (revised), which is calculated by applying the discount rate to the net defined benefit liability or asset at the start of each annual reporting period. There was no impact on the overall equity of the Group.

MFRS 119 (revised) also requires more extensive disclosures which are provided in Note 21.

The Group has applied MFRS 119 (revised) prospectively as the adoption of the revised standard did not have significant impact to the Group's financial position and performance.

### 2.4 MFRSs and IC Interpretations Issued but Not Yet Effective

At the date of authorisation for issue of these financial statements, the new MFRSs, Amendments to MFRSs, Annual Improvements to MFRSs and IC Interpretations which were issued but not yet effective and have not been applied by the Group and the Company are as listed below:

#### **Effective for financial periods beginning on or after 1 January 2014**

Amendments to MFRS 132	Financial Instruments: Presentation (Offsetting Financial Assets and Financial Liabilities)
Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities
Amendments to MFRS 136	Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.4 MFRSs and IC Interpretations Issued but Not Yet Effective (cont'd)

#### Effective for financial periods beginning on or after 1 July 2014

Amendments to MFRS 119	Employee Benefits (Defined Benefit Plans - Employee Contributions)
Annual Improvements to MFRSs 2010-2012 Cycle	
Annual Improvements to MFRSs 2011-2013 Cycle	

#### Effective for financial periods beginning on or after 1 January 2016

Amendments to MFRS 11	Joint Arrangements
	- Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 116 and MFRS 138	Classification of Acceptable Methods of Depreciation and Amortisation

#### Effective financial period to be announced

MFRS 9	Financial Instruments - Classification and Measurement
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Unless otherwise described below, the new MFRSs, Amendments to MFRSs, Annual Improvements and IC Interpretations above are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes in presentation and disclosures of financial information.

#### MFRS 9: Financial Instruments

MFRS 9 reflects the first phase of work on the replacement of MFRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures, issued in March 2012, moved the mandatory effective date to 1 January 2015. Subsequently, on 14 February 2014, it was announced that the new effective date will be decided when the project is closer to completion. The adoption of the first phase of MFRS 9 will have an effect on the classification and measurement of Group's financial assets, but will not have an impact on the classification and measurements of the Group's financial liabilities.

The Group and the Company are currently assessing the impact that this standard will have on the Group and the Company's financial position and performance.

#### MFRS 136: Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets

Amendments to MFRS 136 remove the unintended consequences of MFRS 13 on the disclosures required under MFRS 136. In addition, these amendments require disclosure of the recoverable amounts for the assets or CGUs for which impairment loss has been recognised or reversed during the period.

## **2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

### **2.5 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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.5 Significant Accounting Estimates and Judgements (cont'd)

#### (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 2014 was RM751,791,000 (2013 : RM644,485,000). Further details are disclosed in Note 9.

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 supported by a subsidiary company of the Group and is not expected to be replaced by another technology at any time in the foreseeable future.

The Group 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.

## Notes to the Financial Statements

### 30 April 2014

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.5 Significant Accounting Estimates and Judgements (cont'd)

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

##### (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.

##### (v) Inventory valuations

The Group holds significant inventories of used cars in the United Kingdom. Trade guides and other publications are used to assist in the assessment of the carrying values of these cars at the reporting date and provisions taken as necessary.

##### (vi) Provisional goodwill

Goodwill is the excess of cost of business combination over the Group's interest in the fair value of the identifiable assets acquired and liabilities assumed in a business combination. The identifiable assets and liabilities shall be measured at their acquisition date fair values. If a purchase price allocation exercise is not completed as at the reporting date, the Group shall report a provisional goodwill on acquisition.

During the measurement period, the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date, including recognition of additional assets and/or liabilities, to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. However, the measurement period shall not exceed one year from the acquisition date.

The provisional goodwill on acquisition of H.R. Owen Plc of RM105,819,000 is arrived at the excess of cost of business combination over the carrying amount of the identified assets and liabilities as at the date of acquisition. The carrying amounts of the identified assets and liabilities are estimated to approximate its fair value as at the acquisition date as disclosed in Note 4. The Group is currently undertaking the purchase price allocation exercise to identify and measure intangible assets, if any.

The Group has performed the goodwill impairment test and concluded that no impairment is required at this juncture.

Notes to the Financial Statements  
30 April 2014

3 PROPERTY, PLANT AND EQUIPMENT

Group

	Net book value as at 1 May 2013		Additions		Disposals		Write-off		Acquisition of a subsidiary		Reclassifications		Translation exchange differences		Depreciation		Net book value as at 30 April 2014	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 30 April 2014</b>																		
Building - hotel	49,191	660	-	-	-	-	-	-	-	-	-	-	(206)	(1,057)	48,588			
Land and buildings	5,466	-	-	-	-	-	-	-	-	-	-	-	-	(111)	5,355			
Plant and machinery	418	1,805	(22)	11,932	(22)	11,932	-	-	-	-	-	974	(2,445)	12,662				
Computer equipment	24,986	19,966	(59)	(1,084)	(59)	(1,084)	-	20	-	20	-	(865)	(12,319)	30,645				
Office equipment	3,186	477	(16)	(3)	(16)	(3)	-	4	-	4	-	(2)	(1,035)	2,611				
Furniture and fittings	2,719	186	-	(1)	-	(1)	-	-	-	-	-	-	(729)	2,175				
Motor vehicles	24,155	4,766	(683)	-	(683)	-	-	-	-	-	-	(3)	(5,223)	23,012				
Renovations	10,648	1,447	-	(9)	-	(9)	30,863	-	2,452	-	-	-	(6,014)	39,387				
Gym equipment	481	-	-	-	-	-	-	-	-	-	-	-	(224)	257				
Hotel and kitchen equipment and utensils	614	335	(62)	-	(62)	-	-	(24)	5	-	-	-	(162)	706				
	121,864	29,642	(842)	(1,097)	(842)	(1,097)	42,795	-	2,355	-	-	-	(29,319)	165,398				

Notes to the Financial Statements  
30 April 2014

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (cont'd)

	Net book value as at 1 May 2012		Additions		Disposals		Write-off		Acquisition of a subsidiary		Reclassifications		Translation exchange differences		Depreciation		Net book value as at 30 April 2013	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 30 April 2013</b>																		
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

**3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

**Group (cont'd)**

	Cost RM'000	Accumulated depreciation RM'000	Net book value RM'000
<b>As at 30 April 2014</b>			
Building - hotel	52,605	(4,017)	48,588
Land and buildings	6,462	(1,107)	5,355
Plant and machinery	30,239	(17,577)	12,662
Computer equipment	116,637	(85,992)	30,645
Office equipment	12,879	(10,268)	2,611
Furniture and fittings	7,937	(5,762)	2,175
Motor vehicles	57,670	(34,658)	23,012
Renovations	85,467	(46,080)	39,387
Gym equipment	1,123	(866)	257
Hotel and kitchen equipment and utensils	1,376	(670)	706
	<b>372,395</b>	<b>(206,997)</b>	<b>165,398</b>

<b>As at 30 April 2013</b>			
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
	<b>321,817</b>	<b>(199,953)</b>	<b>121,864</b>

- (a) A property of the Group with net carrying value of RM48,588,000 (2013 : Nil) has been pledged to a financial institution for credit facilities granted to a foreign subsidiary company as disclosed in Note 24.

**Notes to the Financial Statements**  
**30 April 2014**

**3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

**Group (cont'd)**

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

	2014 RM'000	2013 RM'000
Computer equipment	76	23
Office equipment	-	89
Motor vehicles	2,017	799
Gym equipment	226	425
	<b>2,319</b>	<b>1,336</b>

**Company**

	Net book value as at 1 May 2013 RM'000	Additions RM'000	Write-off RM'000	Depreciation RM'000	Net book value as at 30 April 2014 RM'000
<b>As at 30 April 2014</b>					
Computer equipment	59	16	(1)	(19)	55
Office equipment	163	26	(2)	(36)	151
Furniture and fittings	1,902	44	-	(554)	1,392
Motor vehicles	407	779	-	(130)	1,056
Renovations	1,314	78	-	(363)	1,029
	<b>3,845</b>	<b>943</b>	<b>(3)</b>	<b>(1,102)</b>	<b>3,683</b>

	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
<b>As at 30 April 2013</b>					
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
	<b>4,449</b>	<b>406</b>	<b>(3)</b>	<b>(1,007)</b>	<b>3,845</b>

**Notes to the Financial Statements**  
**30 April 2014**

**3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

**Company (cont'd)**

	<b>Cost</b> <b>RM'000</b>	<b>Accumulated</b> <b>depreciation</b> <b>RM'000</b>	<b>Net book</b> <b>value</b> <b>RM'000</b>
<b>As at 30 April 2014</b>			
Computer equipment	761	(706)	55
Office equipment	342	(191)	151
Furniture and fittings	5,554	(4,162)	1,392
Motor vehicles	1,394	(338)	1,056
Renovations	3,647	(2,618)	1,029
	<b>11,698</b>	<b>(8,015)</b>	<b>3,683</b>
<b>As at 30 April 2013</b>			
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
	<b>10,836</b>	<b>(6,991)</b>	<b>3,845</b>

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

	<b>2014</b> <b>RM'000</b>	<b>2013</b> <b>RM'000</b>
Motor vehicles	<b>687</b>	<b>152</b>

**Notes to the Financial Statements**  
**30 April 2014**

**4 INVESTMENT IN SUBSIDIARY COMPANIES**

	Company	
	2014 RM'000	2013 RM'000
Unquoted shares, at cost	<b>6,596,200</b>	6,594,900

Details of the subsidiary companies are as follows:

Name of Company	Country of Incorporation	Principal Activities	Equity interest	
			2014 %	2013 %
<b>Subsidiary companies of Berjaya Sports Toto Berhad</b>				
FEAB Properties Sdn Bhd	Malaysia	Property investment and development and investment holding	100	100
FEAB Land Sdn Bhd	Malaysia	Property development and property investment	100	100
FEAB Equities Sdn Bhd	Malaysia	Dormant	100	100
Sports Toto Fitness Sdn Bhd	Malaysia	Operation of health and fitness centre	100	100
STM Resort Sdn Bhd	Malaysia	Property investment	100	100
Sports Toto Malaysia Sdn Bhd	Malaysia	Toto betting operations	100	100
Magna Mahsuri Sdn Bhd	Malaysia	Property investment and investment holding	100	100
Berjaya-ILTS Limited #	Hong Kong	Dormant	100	100
Sports Toto Malaysia Management Pte Ltd #	Singapore	Asset management (trustee-manager)	100	100
<b>Subsidiary company of FEAB Land Sdn Bhd</b>				
FEAB Realty Sdn Bhd	Malaysia	Dormant	100	100

4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity interest	
			2014 %	2013 %
<b>Subsidiary companies of Magna Mahsuri Sdn Bhd</b>				
Berjaya Sports Toto (Cayman) Limited ("BSTC")	Cayman Islands	Investment holding	100	100
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
<b>Subsidiary companies of Berjaya Sports Toto (Cayman) Limited</b>				
Berjaya Lottery Management (HK) Limited ("BLM") #	Hong Kong	Investment holding	100	100
Sports Toto Malaysia Trust # (Note a)	Singapore	Dormant	100	-
<b>Subsidiary companies of Berjaya Lottery Management (HK) Limited</b>				
Berjaya Philippines Inc. ("BPI") *	Philippines	Investment holding	<sup>^</sup> 74.20	74.20
International Lottery & Totalizator Systems, Inc. *	United States of America	Manufacturer and distributor of computerised lottery and voting systems	71.32	71.32
<b>Subsidiary companies of Berjaya Philippines Inc.</b>				
Philippine Gaming Management Corporation *	Philippines	Leasing of on-line lottery equipment and provision of software support	100	100
Perdana Hotel Philippines Inc. *	Philippines	Operation of a hotel in the Philippines	100	100
H.R. Owen Plc * (Note b)	United Kingdom	Investment holding	72.03	-

**Notes to the Financial Statements**  
**30 April 2014**

**4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)**

Name of Company	Country of Incorporation	Principal Activities	Equity interest	
			2014 %	2013 %
<b>Subsidiary companies of International Lottery &amp; Totalizator Systems, Inc.</b>				
ILTS.Com, Inc. *	United States of America	Dormant	100	100
Unisyn Voting Solutions, Inc. *	United States of America	Develops, manufactures and provision of licenses and supports for voting systems	100	100
International Totalizator Systems, Inc. *	United States of America	Dormant	100	100
Delaware International Lottery & Totalizator Systems, Inc. * (Note c)	United States of America	Dormant	100	-
<b>Subsidiary companies of H.R. Owen Plc</b>				
Broughtons of Cheltenham Limited *	United Kingdom	Motor retailer and provision of aftersales services	100	-
H.R. Owen Dealerships Limited *	United Kingdom	Motor retailer and provision of aftersales services	100	-
Holland Park Limited *	United Kingdom	Provision of motor aftersales services	100	-
Jack Barclay Limited *	United Kingdom	Motor retailer and provision of aftersales services	100	-

\* Audited by firms of auditors other than Ernst & Young

# Audited by other member firm of Ernst & Young Global

#### 4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

<sup>^</sup> The total equity interests held by BSTC group in BPI is 88.26% (2013 : 88.26%) and it is held by the following companies respectively:

	2014 %	2013 %
i) BLM	74.20	74.20
ii) BSTC	14.06	14.06
	<b>88.26</b>	<b>88.26</b>

Note a Please refer to Note 45(i) for the change of composition of the Group.

Note b Please refer to Note 45(ii) for the change of composition of the Group.

Note c Please refer to Note 45(iii) for the change of composition of the Group.

During the financial year, the Company subscribed 1,299,998 new ordinary shares of RM1.00 each issued by a wholly-owned subsidiary company, namely Sport Toto Fitness Sdn Bhd, for a consideration of RM1,299,998 satisfied via capitalisation of intercompany advances.

The medium term notes issued by a wholly-owned subsidiary company, Sports Toto Malaysia Sdn Bhd, are secured by a third party first equitable charge over the unquoted shares of the issuer of medium term notes as disclosed in Note 22.

Certain quoted shares of a subsidiary company of the Group at the carrying amount of RM90,298,000 (2013 : Nil) have been pledged to a financial institution for a short term loan granted to the Company as disclosed in Note 24. The short term loan has been fully settled subsequent to the financial year end.

##### (a) Acquisition of a Subsidiary Company

During the financial year, BPI, an indirect subsidiary company, acquired additional shares in H.R. Owen Plc ("HRO") and as at 31 October 2013, BPI's equity interests in HRO was 71.19%. The total cash consideration for the acquisition was £26.9 million (equivalent to approximately RM131.5 million).

The cost of acquisition comprised the following:

2014 Group	RM'000	RM'000
Purchase consideration satisfied by cash in current financial year		129,196
Classified from other long term investments (Note 6)	2,311	
Fair value adjustments on other long term investments reclassified to investment in subsidiary company (Note 30)	13,238	15,549
Total investment cost, representing fair value of the consideration		<b>144,745</b>

## Notes to the Financial Statements

### 30 April 2014

#### 4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

##### (a) Acquisition of a Subsidiary Company (cont'd)

The acquired subsidiary company, which qualified as a business combination, contributed the following results from its date of acquisition to the Group:

<b>2014</b>	<b>RM'000</b>
<b>Group</b>	<b>783,646</b>
Revenue	9,363
Profit for the year	<b>9,363</b>

The carrying amount of assets and liabilities of HRO as at the date of acquisition are as follows:

<b>2014</b>	<b>Carrying amount</b>
<b>Group</b>	<b>RM'000</b>
Non-current assets excluding intangible assets	43,976
Current assets	317,581
	<b>361,557</b>
Non-current liabilities	(4,668)
Current liabilities	(295,753)
	<b>(300,421)</b>
Net assets acquired	61,136
Less: Non-controlling interests	(22,210)
	<b>38,926</b>
Group's share of net assets	105,819
Goodwill on acquisition (Note 9)	<b>105,819</b>
Total cost of acquisition	<b>144,745</b>

##### Provisional accounting of acquisition

The fair value adjustments as at 31 October 2013 and the goodwill on acquisition are provisional as the Group is currently undertaking a purchase price allocation exercise to identify and measure intangible assets, if any. The goodwill on acquisition is now provisionally estimated to be RM105.8 million. Goodwill arising from this acquisition and any identified intangible assets will be adjusted accordingly on a retrospective basis when the purchase price allocation is finalised.

#### 4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

##### (a) Acquisition of a Subsidiary Company (cont'd)

The net cash flows on acquisition are as follows:

2014 Group	RM'000
Purchase consideration satisfied by cash	131,507
Cash and cash equivalents of subsidiary company acquired	(54,078)
	<u>77,429</u>
Less: classified from other long term investments (Note 6)	(2,311)
	<u>75,118</u>

BPI acquired additional shares of HRO subsequent to the date of acquisition amounted to RM1,841,000 pursuant to the HRO De-Listing exercise (Note 45 (ii)) and BPI's shareholding in HRO as at 30 April 2014 had increased to 72.03%.

##### (b) Subsidiary companies with material non-controlling interests

The subsidiary companies with non-controlling interests of which the Group regards as material to the Group are set out below. The non-controlling interests of the other companies are not material to the Group.

The equity interests held by non-controlling interests are as follows:

##### Proportion of equity interest held by non-controlling interests:

Name	Country of incorporation and operation	2014 %	2013 %
BPI (on consolidated basis)	Philippines	11.74	11.74

## Notes to the Financial Statements

### 30 April 2014

#### 4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

##### (b) Subsidiary companies with material non-controlling interests (cont'd)

Summarised financial information of subsidiary company which has non-controlling interests that are material to the Group is set out below. The summarised financial information presented below is the amount before inter-company elimination and after reflecting the fair value adjustments arising from business combination.

Certain comparative figures have not been presented for 30 April 2013 by virtue of the exemption given in Appendix C of MFRS 12 under Paragraph C2A, which is effective for annual periods beginning on and after 1 January 2013.

##### (i) Summarised statement of financial position

	<b>BPI RM'000</b>
<b>At 30 April 2014</b>	
Non-current assets	325,005
Current assets	562,592
<b>Total assets</b>	<b>887,597</b>
Non-current liabilities	8,013
Current liabilities	409,917
<b>Total liabilities</b>	<b>417,930</b>
<b>Net assets</b>	<b>469,667</b>
Equity attributable to owners of the parent	401,181
Non-controlling interests	68,486
<b>Total equity</b>	<b>469,667</b>

4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(b) Subsidiary companies with material non-controlling interests (cont'd)

(ii) Summarised statement of profit or loss and other comprehensive income

	BPI RM'000
<b>At 30 April 2014</b>	
Revenue	921,693
Profit for the year attributable to:	
- Owners of the parent	70,795
- Non-controlling interests	12,114
Profit for the year	82,909
Other comprehensive income (net of tax) attributable to:	
- Owners of the parent	(15,102)
- Non-controlling interests	(363)
Other comprehensive income for the year	(15,465)
Total comprehensive income for the year	67,444
Total comprehensive income attributable to:	
- Owners of the parent	55,693
- Non-controlling interests	11,751
Total comprehensive income for the year	67,444

(iii) Summarised statement of cash flows

	BPI RM'000
<b>At 30 April 2014</b>	
Net cash generated from/(used in):	
Operating activities	100,769
Investing activities	(145,194)
Financing activities	33,388
Net change in cash and cash equivalents	(11,037)
Effect of exchange rate changes	3,917
Cash and cash equivalents brought forward	103,772
Cash and cash equivalents carried forward	96,652

**Notes to the Financial Statements**  
**30 April 2014**

**5 INVESTMENT IN ASSOCIATED COMPANIES**

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Unquoted shares, at cost	18,319	16,418	5,458	3,557
Less: Share of post-acquisition losses	(6,070)	(5,407)	-	-
	<b>12,249</b>	11,011	<b>5,458</b>	3,557
Exchange differences	99	138	-	-
	<b>12,348</b>	11,149	<b>5,458</b>	3,557
Less: Accumulated impairment losses	(3,356)	(3,356)	(5,001)	(3,390)
Total investments in associated companies	8,992	7,793	457	167
Advances for future share subscription	1,759	-	-	-
	<b>10,751</b>	7,793	<b>457</b>	167

Details of the associated companies are as follows:

Name of Company	Country of Incorporation	Principal Activities	Equity Interest	
			2014 %	2013 %
<b>Associated companies of Berjaya Sports Toto Berhad</b>				
Berjaya Racing Management Sdn Bhd	Malaysia	Dormant	20	20
Berjaya Lottery Vietnam Limited	Malaysia	Investment holding	20	20
<b>Associated company of FEAB Properties Sdn Bhd</b>				
Cashsystems Asia Technology Sdn Bhd ("Cashsystems") *	Malaysia	Dormant, under liquidation	30	30

5 INVESTMENT IN ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest	
			2014 %	2013 %
<b>Associated companies of Berjaya Philippines Inc.</b>				
Perdana Land Philippines Inc. *	Philippines	Acquire, develop or lease real estate	40	40
Berjaya Pizza Philippines Inc. *	Philippines	Development and operation of "Papa John's Pizza" chain of restaurants in the Philippines	30	30
Berjaya Auto Philippines Inc. * ("BAuto")	Philippines	Selling and distribution of Mazda brand cars within the territory of the Philippines	30	30
Cosway Philippines Inc. *	Philippines	Dormant	40	40

\* Audited by firms of auditors other than Ernst & Young

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, the Company subscribed 600,000 new ordinary shares of USD1.00 each issued by Berjaya Lottery Vietnam Limited which represents the proportion of equity interest held by the Company prior to subscription for a cash consideration of USD600,000 (equivalent to approximately RM1,901,000).

Summarised financial information in respect of a material associated company is set out below. The summarised financial information represents the amounts in the financial statements of the associated company and not the Group's share of those amounts.

Certain comparative figures have not been presented for 30 April 2013 by virtue of the exemption given in Appendix C of MFRS 12 under Paragraph C2A, which is effective for annual periods beginning on and after 1 January 2013.

## Notes to the Financial Statements

### 30 April 2014

#### 5 INVESTMENT IN ASSOCIATED COMPANIES (CONT'D)

(i) Summarised statement of financial position

	<b>BAuto RM'000</b>
	<hr/>
<b>At 30 April 2014</b>	
Non-current assets	2,442
Current assets	52,916
	<hr/>
Total assets	55,358
	<hr/>
Non-current liabilities	(5,499)
Current liabilities	(22,674)
	<hr/>
Total liabilities	(28,173)
	<hr/>
Net assets	27,185
	<hr/>

(ii) Summarised statement of profit or loss and other comprehensive income

	<b>BAuto RM'000</b>
	<hr/>
<b>At 30 April 2014</b>	
Revenue	176,638
	<hr/>
Profit before tax	12,104
	<hr/>
Profit for the year, representing total comprehensive income for the year	8,149
	<hr/>

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in the associated company

	<b>BAuto RM'000</b>
	<hr/>
<b>At 30 April 2014</b>	
Net assets as at 1 May 2013	18,121
Equity contribution from parent company	915
Profit for the year	8,149
	<hr/>
Net assets as at 30 April 2014	27,185
	<hr/>
Interest in the associated company	30%
Carrying value of the Group's interest in the associated company	8,156
	<hr/>

## 5 INVESTMENT IN ASSOCIATED COMPANIES (CONT'D)

(iv) Aggregate information of associated companies that are not individually material:

	2014 RM'000
The Group's share of results for the year, representing total comprehensive income for the year	<u>(3,108)</u>
Aggregate carrying amounts of the total Group's interests in these associated companies	<u>2,595</u>

## 6 LONG TERM INVESTMENTS

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
<b>Non-current</b>				
<b>Available-for-sale financial assets</b>				
<b>Carrying amount:</b>				
<u>Equity instruments</u>				
- Quoted shares in Malaysia	58,242	39,861	-	-
- Quoted shares outside Malaysia	-	12,650	-	-
- Quoted warrants in Malaysia	1,877	1,518	-	-
- Quoted loan stocks in Malaysia	24,747	1,621	-	-
- Malaysian Government Securities	3,082	3,146	-	-
	<u>87,948</u>	58,796	-	-
Club memberships	191	191	113	113
	<u>88,139</u>	58,987	113	113

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% (2013 : 4.24%) per annum.

During the financial year, available-for-sale investments of the Group amounting to RM2,311,000 (2013 : Nil) has been reclassified to investment in subsidiary companies as disclosed in Note 4.

## Notes to the Financial Statements

### 30 April 2014

#### 7 INVESTMENT PROPERTIES

	Group	
	2014 RM'000	2013 RM'000
At 1 May	99,023	92,236
Additions	1,055	5,002
Disposals	(3,400)	-
Fair value adjustments (Note 30)	1,143	1,785
	<b>97,821</b>	99,023
Classified as assets held for sale	(2,315)	-
At 30 April	<b>95,506</b>	99,023

	Group	
	2014 RM'000	2013 RM'000
The carrying amount of investment properties held under lease terms are as follows:		
Leasehold land	2,350	2,625
Buildings	2,360	2,360
	<b>4,710</b>	4,985

During the financial year, a subsidiary company entered into Sale and Purchase Agreements to dispose of certain of its investment properties. These investment properties with carrying amount of RM2,315,000 has been presented as assets held for sale at the reporting date as. The Sale and Purchase Agreements have yet to be completed at the year end as certain conditions have not been met.

The carrying value of the investment properties was based on valuation by an independent valuer and fair value is determined based on comparison approach.

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.

#### 8 DEFERRED TAX (ASSETS)/LIABILITIES

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
At 1 May	(18,053)	(12,338)	364	348
Recognised in the statement of profit or loss (Note 34)	2,458	(5,806)	(149)	16
Recognised in the statement of comprehensive income (Note 21(ii))	49	-	-	-
Arising from acquisition of a subsidiary company	3,338	-	-	-
Exchange differences	(18)	91	-	-
At 30 April	<b>(12,226)</b>	(18,053)	<b>215</b>	364

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

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Presented after appropriate offsetting as follows:				
Deferred tax assets	(16,991)	(18,417)	-	-
Deferred tax liabilities	4,765	364	215	364
	<b>(12,226)</b>	<b>(18,053)</b>	<b>215</b>	<b>364</b>

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:

	Retirement benefit obligations RM'000	Payables RM'000	Tax losses and unabsorbed capital allowances RM'000	Total RM'000
<b>2014</b>				
At 1 May 2013	(728)	(22,505)	(5,282)	(28,515)
Acquisition of a subsidiary company	(26)	-	(35)	(61)
Recognised in the statement of profit or loss	(333)	(10,947)	4,855	(6,425)
Recognised in the statement of comprehensive income	49	-	-	49
Exchange differences	52	-	(329)	(277)
At 30 April 2014	<b>(986)</b>	<b>(33,452)</b>	<b>(791)</b>	<b>(35,229)</b>
Less: set-off against deferred tax liabilities				<b>18,238</b>
				<b>(16,991)</b>
<b>2013</b>				
At 1 May 2012	(571)	(20,321)	(538)	(21,430)
Recognised in the statement of profit or loss	(145)	(2,181)	(4,847)	(7,173)
Exchange differences	(12)	(3)	103	88
At 30 April 2013	<b>(728)</b>	<b>(22,505)</b>	<b>(5,282)</b>	<b>(28,515)</b>
Less: set-off against deferred tax liabilities				10,098
				<b>(18,417)</b>

**Notes to the Financial Statements**  
**30 April 2014**

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

**Deferred Tax Liabilities of the Group:**

	<b>Accelerated capital allowances RM'000</b>	<b>Investment properties RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>2014</b>				
At 1 May 2013	10,161	107	194	10,462
Acquisition of a subsidiary company	3,399	-	-	3,399
Recognised in the statement of profit or loss	6,508	457	1,918	8,883
Exchange differences	273	-	(14)	259
	<b>20,341</b>	<b>564</b>	<b>2,098</b>	<b>23,003</b>
At 30 April 2014				<b>23,003</b>
Less: set-off against deferred tax assets				<b>(18,238)</b>
				<b>4,765</b>
<b>2013</b>				
At 1 May 2012	8,875	22	195	9,092
Recognised in the statement of profit or loss	1,286	85	(4)	1,367
Exchange differences	-	-	3	3
	<b>10,161</b>	<b>107</b>	<b>194</b>	<b>10,462</b>
At 30 April 2013				<b>10,462</b>
Less: set-off against deferred tax assets				<b>(10,098)</b>
				<b>364</b>

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

**Deferred Tax Assets of the Company:**

	Other payables RM'000	Unabsorbed capital allowances RM'000	Total RM'000
<b>2014</b>			
At 1 May 2013	(20)	(128)	(148)
Recognised in the statement of profit or loss	(13)	(1)	(14)
At 30 April 2014	<u>(33)</u>	<u>(129)</u>	<u>(162)</u>
Less: set-off against deferred tax liability			<u>162</u>
			<u>-</u>
<b>2013</b>			
At 1 May 2012	(14)	(128)	(142)
Recognised in the statement of profit or loss	(6)	-	(6)
At 30 April 2013	<u>(20)</u>	<u>(128)</u>	<u>(148)</u>
Less: set-off against deferred tax liability			<u>148</u>
			<u>-</u>

**Deferred Tax Liability of the Company:**

	Accelerated capital allowances RM'000
<b>2014</b>	
At 1 May 2013	512
Recognised in the statement of profit or loss	(135)
At 30 April 2014	<u>377</u>
Less: set-off against deferred tax assets	<u>(162)</u>
	<u>215</u>
<b>2013</b>	
At 1 May 2012	490
Recognised in the statement of profit or loss	22
At 30 April 2013	<u>512</u>
Less: set-off against deferred tax assets	<u>(148)</u>
	<u>364</u>

## Notes to the Financial Statements

### 30 April 2014

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

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

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Unutilised tax losses				
- Malaysian income tax	<b>39,889</b>	27,003	<b>16,236</b>	10,780
- foreign tax	<b>10,230</b>	4,933	-	-
Unabsorbed capital allowances	<b>183</b>	183	-	-
Others	<b>732</b>	379	-	-
	<b>51,034</b>	32,498	<b>16,236</b>	10,780

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 and unabsorbed capital allowances 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 predetermined by the tax legislations of that country.

#### 9 INTANGIBLE ASSETS

	Group	
	2014 RM'000	2013 RM'000
<b>At carrying amount:</b>		
<b>Goodwill on consolidation</b>		
At 1 May	<b>644,485</b>	643,857
Arising from acquisition of a subsidiary company (Note 4)	<b>105,819</b>	-
Translation exchange differences	<b>1,487</b>	628
At 30 April	<b>751,791</b>	644,485

## 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	
	2014 RM'000	2013 RM'000
Toto betting operations and leasing of lottery equipment	635,071	635,402
Motor dealership	107,158	-
Others	9,562	9,083
	<b>751,791</b>	<b>644,485</b>

#### 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 five-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 5.3% to 11.5% (2013 : 9.5% 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.

## Notes to the Financial Statements

### 30 April 2014

#### 10 INVENTORIES

	Group	
	2014 RM'000	2013 RM'000
<b>At cost:</b>		
Vehicles	243,733	-
Gaming equipment components and parts	1,490	1,598
Work-in-progress	1,209	-
Ticket inventories	3,307	3,692
Parts and consumables	13,626	487
	<b>263,365</b>	<b>5,777</b>
<b>At net realisable value:</b>		
Raw materials	3,528	8,699
Work-in-progress	42	100
Finished goods and inventories for resale	988	2,302
	<b>267,923</b>	<b>16,878</b>

The cost of inventories recognised as an expense during the financial year in the Group amounted to RM647,206,000 (2013 : RM18,502,000).

#### 11 RECEIVABLES

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Trade receivables	79,917	34,149	-	-
Other receivables	122,683	83,946	1	149
Dividend receivable	-	-	105,209	63,013
Refundable deposits	2,072	661	61	61
Amount due from associated companies	12,004	10,480	-	-
	<b>216,676</b>	<b>129,236</b>	<b>105,271</b>	<b>63,223</b>
Less : Allowance for doubtful debts				
- trade receivables	(788)	(227)	-	-
- other receivables	(92)	(229)	-	-
	<b>215,796</b>	<b>128,780</b>	<b>105,271</b>	<b>63,223</b>
Non-refundable deposits	647	1,706	647	611
Prepayments	44,870	11,619	37	37
	<b>261,313</b>	<b>142,105</b>	<b>105,955</b>	<b>63,871</b>

## 11 RECEIVABLES

### (a) Trade receivables

The Group's trade receivables are non-interest bearing and normal credit term ranges from 1 to 60 days (2013 : 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	
	2014 RM'000	2013 RM'000
Neither past due nor impaired	68,467	33,434
Past due but not impaired	10,662	488
Due and impaired	788	227
	<b>79,917</b>	<b>34,149</b>

#### 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 past due but not impaired

The Group has trade receivables amounting to RM10,662,000 (2013 : RM488,000) that are past due at the reporting date but not impaired as there is no concern on the credit worthiness of the counter parties and the recoverability of these debts.

## Notes to the Financial Statements

### 30 April 2014

#### 11 RECEIVABLES (CONT'D)

##### (a) Trade receivables (cont'd)

###### 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	
	2014	2013
	RM'000	RM'000
<u>Individually impaired</u>		
Trade receivables - nominal amounts	788	227
Less: Allowance for impairment	(788)	(227)
	<u>-</u>	<u>-</u>

###### Movement in allowance accounts

	Group	
	2014	2013
	RM'000	RM'000
At 1 May	227	223
- Arising from acquisition of a subsidiary company	293	-
- Charge for the year (Note 29)	258	-
- Exchange differences	10	4
At 30 April	<u>788</u>	<u>227</u>

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements. The management is of the opinion that there are no further factors that warrants the consideration of additional impairment losses on a collective basis.

## 11 RECEIVABLES (CONT'D)

### (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.

Movement in allowance accounts

	Group	
	2014 RM'000	2013 RM'000
At 1 May	229	231
- Charge for the year (Note 29)	691	-
- Written off during the year	(828)	-
- Exchange differences	-	(2)
At 30 April	<b>92</b>	229

Included in other receivables of the Group is an advance made by a foreign subsidiary company for property investments venture amounting to RM40,332,000 (2013 : RM34,674,000). The advance is payable on demand and interest bearing.

Amounts due from associated companies of a foreign subsidiary are unsecured, repayable on demand and non-interest bearing except for the amount of RM7,329,000 (2013 : RM7,361,000) which is secured, with repayment term and interest bearing.

## 12 AMOUNTS DUE FROM SUBSIDIARY COMPANIES

	Company	
	2014 RM'000	2013 RM'000
Amounts due from subsidiary companies	176,072	146,576
Less: Allowance for doubtful debts	(91)	(72)
	<b>175,981</b>	146,504

Amounts due from subsidiary companies are unsecured, interest bearing and repayable on demand except for the amount of RM312,000 (2013: RM232,000) which is non-interest bearing.

## Notes to the Financial Statements

### 30 April 2014

#### 13 SHORT TERM INVESTMENTS

	Group	
	2014 RM'000	2013 RM'000
At carrying amount:		
Unquoted securities outside Malaysia	-	3,771

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

#### 14 DEPOSITS WITH FINANCIAL INSTITUTIONS

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Fixed deposits with licensed banks comprise term deposits with:				
- Licensed banks	220,274	278,270	5,200	5,500
- Other financial institutions	124,730	82,496	-	-
	<b>345,004</b>	<b>360,766</b>	<b>5,200</b>	<b>5,500</b>

Included in the Group's deposits with financial institutions are amounts of RM208,000 (2013 : RM163,000) pledged to bank for facilities granted to subsidiary companies.

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

	Group		Company	
	2014	2013	2014	2013
Licensed banks	2.88%	2.98%	2.95%	2.65%
Other financial institutions	3.03%	2.99%	-	-

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

	Group		Company	
	2014	2013	2014	2013
Licensed banks	11 days	15 days	2 days	2 days
Other financial institutions	9 days	4 days	-	-

## 15 SHARE CAPITAL

	Group and Company			
	Number of ordinary shares of RM0.10 each		Amount	
	2014	2013	2014	2013
	Units '000	Units '000	RM'000	RM'000
<b>Authorised:</b>				
At beginning of the year/At end of the year	<b>20,000,000</b>	20,000,000	<b>2,000,000</b>	2,000,000
<b>Issued and fully paid:</b>				
At beginning of the year/At end of the year	<b>1,351,030</b>	1,351,030	<b>135,103</b>	135,103

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

	Number of ordinary shares	
	2014	2013
	Units '000	Units '000
Total number of issued and paid up ordinary shares	<b>1,351,030</b>	1,351,030
Less : Ordinary shares held as treasury shares (Note 20)	<b>(2,911)</b>	(7,840)
	<b>1,348,119</b>	1,343,190

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 (2013 : RM21,327,000) represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.

## Notes to the Financial Statements

### 30 April 2014

#### 17 EXCHANGE RESERVE

	Group	
	2014 RM'000	2013 RM'000
At 1 May	12,997	8,248
Currency translation differences	6,707	4,749
At 30 April	<b>19,704</b>	12,997

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

	Group	
	2014 RM'000	2013 RM'000
At 1 May	10,424	17,504
Gain on fair value changes through comprehensive income	19,926	4,277
Transfer to profit or loss upon disposal/derecognition	(11,683)	(11,357)
At 30 April	<b>18,667</b>	10,424

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

#### 19 RETAINED EARNINGS

The Company has tax exempt account balance of approximately RM13,486,000 (2013 : RM13,486,000) as at 30 April 2014.

The entire retained earnings of the Company is available for distribution as single tier dividends.

## 20 TREASURY SHARES

	Group and Company			
	Number of shares		Amount	
	2014	2013	2014	2013
	Units '000	Units '000	RM'000	RM'000
At 1 May	7,840	28,030	32,907	120,295
Shares bought back during the year	25,690	9,141	103,695	38,568
Distributed as share dividend	(30,619)	(29,331)	(124,742)	(125,956)
At 30 April	2,911	7,840	11,860	32,907

The renewal of the Company's plan and mandate relating to the share buy back was approved by the shareholders of the Company on 18 October 2013 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.

During the financial year, the Company bought back 25,690,000 shares from the open market at an average price of RM4.04 each amounting to RM103,695,000. The cumulative shares bought back were held as treasury shares.

On 17 March 2014, the Company declared and approved a share dividend in respect of financial year ended 30 April 2014 via distribution of 30,618,886 treasury shares on the basis of one treasury share for every forty three existing ordinary shares with voting rights held. The share dividend was distributed on 28 April 2014.

## 21 RETIREMENT BENEFIT OBLIGATIONS

	Group	
	2014	2013
	RM'000	RM'000
At 1 May	2,406	1,903
Acquisition of a subsidiary company	127	-
Recognised in statement of profit or loss	1,583	462
Recognised in statement of comprehensive income	191	-
Employer's contribution	(715)	-
Exchange differences	(130)	41
At 30 April	3,462	2,406

The foreign subsidiary companies maintained separate funded retirement plans for its eligible employees. Actuarial valuations are made regularly to update the retirement benefit costs.

## Notes to the Financial Statements

### 30 April 2014

#### 21 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

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

	Group	
	2014 RM'000	2013 RM'000
Present value of the obligation	64,913	3,077
Fair value of plan assets	(61,451)	(434)
Deficit of plan assets	3,462	2,643
Unrecognised actuarial loss	-	(237)
Retirement benefit obligation	3,462	2,406

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

	Group	
	2014 RM'000	2013 RM'000
At beginning of year	3,077	3,023
Addition due to acquisition of a subsidiary company	55,025	-
Current service cost and interest cost	2,834	454
Actuarial loss/(gain)	1,032	(434)
Benefits paid by the plan	(921)	(40)
Members' contribution	5	-
Exchange differences	3,861	74
At end of year	64,913	3,077

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

	Group	
	2014 RM'000	2013 RM'000
At beginning of year	434	384
Addition due to acquisition of a subsidiary company	54,898	-
Interest income	1,251	-
Return on plan assets	668	-
Expected return on plan assets	-	24
Employer's contribution	715	-
Benefits paid by the plan	(921)	(40)
Actuarial gain	173	57
Members' contribution	5	-
Exchange differences	4,228	9
At end of year	61,451	434

## 21 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

The plan assets consist of the following:

	Group	
	2014 RM'000	2013 RM'000
Equity securities	40,277	-
Debt instruments	20,771	320
Unit investment trust funds	90	103
Cash in bank	303	6
Others	10	5
	<b>61,451</b>	<b>434</b>

The components of amounts recognised in the consolidated profit or loss and in other comprehensive income in respect of the defined benefit post-employment plan are as follows:

(i) Reported in the consolidated statement of profit or loss:

	Group	
	2014 RM'000	2013 RM'000
Current service costs	1,450	253
Net actuarial loss recognised	-	32
Expected return on plan asset	-	(24)
Retirement benefits recognised in directors' remuneration and staff costs (Notes 29 and 29 (b))	1,450	261
Net interest costs (Note 33)	133	201
Retirement benefits recognised in profit or loss	<b>1,583</b>	<b>462</b>

## Notes to the Financial Statements

### 30 April 2014

#### 21 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(ii) Reported in the consolidated statement of comprehensive income:

	Group	
	2014 RM'000	2013 RM'000
Remeasurement losses arising from:		
Actuarial changes in financial assumptions	1,326	-
Actuarial changes in demographic assumptions	21	-
Return on plan assets	(668)	-
Experience gains arising from defined benefit obligations	(488)	-
	191	-
Deferred tax expense (Note 8)	49	-
Retirement benefits recognised in other comprehensive income	240	-

The current service and net interest costs are charged to profit or loss and presented as part of the employee benefit expenses and finance costs respectively.

The amounts recognised in other comprehensive income were included within items that will not be subsequently reclassified to profit or loss.

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.

	2014 RM'000	2013 RM'000	2012 RM'000	2011 RM'000	2010 RM'000
Present value of the obligation	64,913	3,077	3,023	1,589	1,391
Fair value of the plan assets	(61,451)	(434)	(384)	(392)	(380)
Deficit in the plan	3,462	2,643	2,639	1,197	1,011

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

	2014	2013
Discount rate	4.2% - 4.99%	3.6%
Expected rate of return on plan assets	4.4%	6.0%

#### Sensitivity analysis for retirement benefit obligation

The management is of the view that any reasonably possible changes to the principal actuarial assumptions will not have significant impact to the Group.

22 MEDIUM TERM NOTES

	Maturity	Group	
		2014 RM'000	2013 RM'000
<b>Current</b>			
Secured:			
5.0% p.a. fixed rate medium term notes	June 2013	-	150,000
3.73% p.a. fixed rate medium term notes	June 2014	150,000	-
3.73% p.a. fixed rate medium term notes	July 2014	30,000	-
		<b>180,000</b>	150,000
<b>Non-current</b>			
Secured:			
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
		<b>400,000</b>	400,000
Total medium term notes		<b>580,000</b>	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 2014, total medium term notes amounting to RM580.0 million (2013 : RM550.0 million) in nominal value remain outstanding.

The medium term notes are secured by:

- (i) A third party first equitable charge over the entire issued and paid-up share capital of a subsidiary company who is the issuer as disclosed in Note 4; and
- (ii) corporate guarantee provided by the Company as disclosed in Note 37.

**Notes to the Financial Statements**  
**30 April 2014**

**23 OTHER LONG TERM LIABILITY**

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Hire purchase payables (Note a)	<b>1,436</b>	927	<b>532</b>	106

Note:

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

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Gross amount repayables:				
Within one year after reporting date	<b>816</b>	482	<b>183</b>	31
More than one year but not later than two years	<b>528</b>	483	<b>183</b>	31
More than two years but not later than five years	<b>1,083</b>	521	<b>426</b>	91
	<b>2,427</b>	1,486	<b>792</b>	153
Less: Unexpired interests	<b>(286)</b>	(119)	<b>(105)</b>	(24)
	<b>2,141</b>	1,367	<b>687</b>	129

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

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Within one year after reporting date	<b>705</b>	440	<b>155</b>	23
More than one year but not later than two years	<b>448</b>	449	<b>155</b>	24
More than two years but not later than five years	<b>988</b>	478	<b>377</b>	82
	<b>2,141</b>	1,367	<b>687</b>	129
Less : amount payable within 12 months (Note 26)	<b>(705)</b>	(440)	<b>(155)</b>	(23)
Amount payable after 12 months	<b>1,436</b>	927	<b>532</b>	106

## 24 SHORT TERM BORROWINGS

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Secured:				
Term loans	153,725	-	113,414	-

The range of interest rates per annum at the reporting date for short term borrowings was as follows:

	Group		Company	
	2014 %	2013 %	2014 %	2013 %
Secured:				
Term loans	4.65 - 7.00	-	4.65	-

The term loans of the Group and of the Company are secured by certain quoted shares and a property of the Group as mentioned in Note 3 and 4.

The Company's secured term loan was fully settled subsequent to the financial year end.

## 25 PROVISIONS

	Group	
	2014 RM'000	2013 RM'000
<b>Sales warranty</b>		
At 1 May	421	513
Additional provision during the year (Note 29)	559	477
Utilised during the year	(407)	(554)
Exchange differences	40	(15)
At 30 April	613	421
<b>Restoration costs</b>		
At 1 May	949	949
Additional provision during the year	19	-
At 30 April	968	949
Total	1,581	1,370

## Notes to the Financial Statements

### 30 April 2014

#### 25 PROVISIONS (CONT'D)

(a) Sales warranty

A foreign subsidiary gave 3 to 12 months (2013 : 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.

(b) Dismantlement, removal or restoration of property, plant and equipment

Provision for dismantlement, removal or restoration is the estimated cost of dismantlement, removal or restoration of property, plant and equipment arising from the acquisition use of such assets, which are capitalised and included in the cost of property, plant and equipment.

#### 26 PAYABLES

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Trade payables	296,755	44,350	-	-
Pool betting duty payables	25,277	25,287	-	-
Other payables	92,130	14,082	352	771
Accruals	234,875	216,824	727	655
Agency deposits	37,319	37,352	-	-
Hire purchase payable within 12 months (Note 23(a))	705	440	155	23
	<b>687,061</b>	<b>338,335</b>	<b>1,234</b>	<b>1,449</b>
Dividend payables	1,015	2,390	289	2,390
Deferred income (Note a)	4,704	6,512	-	-
	<b>692,780</b>	<b>347,237</b>	<b>1,523</b>	<b>3,839</b>

(a) Included in deferred income is RM4,704,000 (2013 : RM6,512,000) which represents amounts received from customers by subsidiary companies. The Group will recognise the income upon its fulfilment of the prescribed criteria for income recognition.

Included in trade payables of the Group are manufacturers and other third party vehicle stocking loans of RM185,233,000 (2013 : Nil) obtained by foreign subsidiary companies. These loans are secured by fixed and floating charges on certain vehicle inventories held.

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.

Agency deposits represent deposits obtained from agents for operating toto betting outlets. These deposits are refundable upon termination of operation contracts.

The normal trade credit terms granted to the Group ranges from 1 to 184 days (2013 : 1 to 183 days).

## 27 AMOUNTS DUE TO SUBSIDIARY COMPANIES

	Company	
	2014 RM'000	2013 RM'000
Amounts due to subsidiary companies	<b>632,530</b>	935,899

Amounts due to subsidiary companies are unsecured, repayable on demand and interest bearing except for the amount of RM3,041,000 (2013 : RM2,286,000) which is non-interest bearing.

## 28 REVENUE

Revenue of the Group and the Company are analysed into significant categories as follows and the intra-group transactions are excluded:

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Dividend income	219	219	604,840	181,724
Management fee income	-	-	318	318
Toto betting and leasing of lottery equipment income	3,503,290	3,589,016	-	-
Invoiced value from sales of motor vehicles and aftersales services rendered	783,646	-	-	-
Sale of lottery and voting systems and spare parts	35,397	20,191	-	-
Invoiced value of goods and services from hotel operations	10,293	10,924	-	-
Rental income and service charges from investment properties	5,572	5,627	-	-
Income from health and fitness centre operation	2,422	2,385	-	-
	<b>4,340,839</b>	3,628,362	<b>605,158</b>	182,042

**Notes to the Financial Statements**  
**30 April 2014**

**29 PROFIT BEFORE OTHER INCOME AND EXPENSES**

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
<b>Profit before other income and expenses is stated after charging:</b>				
Auditors' remuneration				
- statutory audit:				
auditors of the Company				
- current year	216	204	63	60
- underprovision in previous year	12	-	3	-
other auditors				
- current year	761	344	-	-
- overprovision in previous year	(12)	-	-	-
- other services				
- auditors of the Company	111	106	11	11
- other auditors	336	208	-	-
Depreciation of property, plant and equipment	29,319	27,221	1,102	1,007
Directors' remuneration:				
- fees	678	355	116	125
- salaries and other emoluments	11,969	9,864	2,381	1,440
- defined contribution plans	3,008	3,286	472	322
- defined benefit plans (Note 21(i))	162	-	-	-
- performance incentive	9,346	10,633	-	-
- bonus	2,447	2,525	516	429
Operating lease:				
- minimum lease payments of premises	19,915	10,122	2,924	2,800
- minimum lease payments of equipment	1,566	1,563	24	19
Contribution to National Sports Council	55,253	62,406	-	-
Allowance for doubtful debts				
- trade receivables (Note 11(a))	258	-	-	-
- other receivables (Note 11(b))	691	-	-	-
- amount due from subsidiary companies	-	-	19	12

**29 PROFIT BEFORE OTHER INCOME AND EXPENSES (CONT'D)**

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Loss on foreign exchange	186	305	-	-
Provision for sales warranty (Note 25)	559	477	-	-
Inventories written down	359	-	-	-
Direct operating expenses of investment properties:				
- revenue generating during the year	2,690	2,587	-	-
- non-revenue generating during the year	223	86	-	-
Property, plant and equipment written off:				
- included in general and administrative expenses	1,097	264	3	3
Employee information (Note b):				
Employee benefit expenses (excluding directors)	130,216	77,390	3,947	3,001
<b>Profit before other income and expenses is stated after crediting:</b>				
Gain on disposal of property, plant and equipment	338	137	-	-
Rental income and service charges				
- included in revenue	5,572	5,627	-	-
- included in other income	1,910	2,070	-	-
Gain on foreign exchange	7,268	238	-	-

The estimated monetary value of benefits-in-kind received by the directors were RM128,000 (2013 : RM129,000) for the Group and RM29,000 (2013 : RM19,000) for the Company.

**Notes to the Financial Statements**  
**30 April 2014**

**29 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
<b>2014</b>					
Executive	38	60	6,044	1,207	7,349
Non-executive	116	29	655	78	878
	<b>154</b>	<b>89</b>	<b>6,699</b>	<b>1,285</b>	<b>8,227</b>
<b>2013</b>					
Executive	26	78	5,803	1,113	7,020
Non-executive	125	19	490	11	645
	<b>151</b>	<b>97</b>	<b>6,293</b>	<b>1,124</b>	<b>7,665</b>

(b) Employee benefit expenses

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Wages, salaries and other allowances	102,877	60,311	2,868	2,167
Social security costs and employee insurance	11,298	5,532	144	129
Bonuses	8,065	6,043	466	367
Pension costs				
- defined contribution plans	6,212	5,712	412	315
- defined benefit plans (Note 21(i))	1,288	261	-	-
Provision for short term compensated absences	476	(469)	57	23
	<b>130,216</b>	<b>77,390</b>	<b>3,947</b>	<b>3,001</b>

**Notes to the Financial Statements**  
**30 April 2014**

**30 INVESTMENT RELATED INCOME**

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Dividend income from investments	5,534	441	-	-
Gain on disposal of other long term investments	8,267	18,629	-	-
Gain on disposal of investment properties	500	-	-	-
Fair value adjustments of investment properties (Note 7)	1,143	1,785	-	-
Net fair value gain on available-for-sale equity investment transferred from equity upon derecognition (Note 4(a))	13,238	-	-	-
	<b>28,682</b>	20,855	-	-

**31 INVESTMENT RELATED EXPENSES**

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Impairment in value of investment in an associated company	-	-	1,611	1,871
Allowance for doubtful debts for amount owing by subsidiary companies	-	-	19	12
Corporate exercises expenses	34,854	-	-	-
	<b>34,854</b>	-	1,630	1,883

**32 OTHER INCOME**

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Other income comprise:				
Interest income on loans and receivables:				
- deposits with financial institutions	10,827	13,289	658	549
- advances to subsidiary companies	-	-	10,282	8,851
- others	1,372	30	-	-
Others:				
- operating lease income	1,910	2,070	-	-
- miscellaneous	8,525	6,243	-	-
	<b>22,634</b>	21,632	10,940	9,400

## Notes to the Financial Statements

### 30 April 2014

#### 33 FINANCE COSTS

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Interest on:				
- advances from a subsidiary company	-	-	35,604	37,394
- short term loans	5,897	-	2,593	-
- medium term notes	29,232	29,900	-	-
- hire purchase	139	76	35	-
- manufacturers' vehicle stocking loans	2,882	-	-	-
- defined benefit pension scheme (Note 21(i))	133	201	-	-
Other finance charges	3,409	1,395	2,640	1,328
	<b>41,692</b>	<b>31,572</b>	<b>40,872</b>	<b>38,722</b>

#### 34 TAXATION

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Current year tax expense:				
Malaysian income tax	126,348	148,203	-	-
Foreign tax	24,107	22,964	-	-
	<b>150,455</b>	<b>171,167</b>	<b>-</b>	<b>-</b>
Under/(over) provision in prior years:				
Malaysian income tax	13,071	662	-	-
Foreign tax	42	(3)	-	-
	<b>13,113</b>	<b>659</b>	<b>-</b>	<b>-</b>
	<b>163,568</b>	<b>171,826</b>	<b>-</b>	<b>-</b>
Deferred tax (Note 8):				
Relating to origination and reversal of temporary differences	16,250	(5,824)	(156)	(23)
(Over)/underprovision in prior years	(13,792)	18	7	39
	<b>2,458</b>	<b>(5,806)</b>	<b>(149)</b>	<b>16</b>
	<b>166,026</b>	<b>166,020</b>	<b>(149)</b>	<b>16</b>

Domestic current income tax is calculated at the statutory tax rate of 25% (2013 : 25%) of the estimated assessable profit for the year. Taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

**Notes to the Financial Statements**  
**30 April 2014**

**34 TAXATION (CONT'D)**

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

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Profit before tax	<b>509,722</b>	569,526	<b>554,573</b>	131,262
Tax at Malaysian statutory tax rate of 25% (2013 : 25%)	<b>127,431</b>	142,382	<b>138,643</b>	32,816
Different tax rates in the foreign subsidiary companies	<b>5,087</b>	(8,227)	-	-
Expenses not deductible for tax purposes	<b>38,263</b>	34,310	<b>13,011</b>	13,398
Income not subject to tax	<b>(6,069)</b>	(4,399)	<b>(153,174)</b>	(47,311)
Effect of utilisation of previously unrecognised tax losses and unabsorbed capital allowances	<b>(274)</b>	(888)	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	<b>2,267</b>	2,165	<b>1,364</b>	1,074
Underprovision of tax expense in prior years	<b>13,113</b>	659	-	-
(Over)/underprovision of deferred tax in prior years	<b>(13,792)</b>	18	<b>7</b>	39
Tax expense/(benefit) for the year	<b>166,026</b>	166,020	<b>(149)</b>	16

Tax savings during the financial year arising from:

	Company	
	2014 RM'000	2013 RM'000
Utilisation of current year losses	<b>437</b>	212

## Notes to the Financial Statements

### 30 April 2014

#### 35 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	
	2014	2013
Profit attributable to owners of the Company (RM'000)	<b>328,706</b>	391,085
Weighted average number of shares with voting rights ('000)	<b>1,332,766</b>	1,329,010
Basic earnings per share (sen)	<b>24.66</b>	29.43

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

#### 36 DIVIDENDS PER SHARE

	Company			
	2014		2013	
	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
<b>Recognised during the year:</b>				
Interim dividends				
<u>In respect of prior year</u>				
- 4th interim - 4 sen single tier exempt per share approved in respect of financial year ended 30 April 2013 (2013 : 5 sen single tier exempt per share)	4.00	53,562	5.00	66,150
<u>In respect of current year</u>				
- 1st interim - 4 sen single tier exempt per share (2013 : 6.5 sen single tier exempt per share)	4.00	53,414	6.50	85,846
- 2nd interim - 6 sen single tier exempt per share (2013 : 9.5 sen share dividend per share)	6.00	79,824	9.50	125,956
- 3rd interim - 9.5 sen share dividend per share * (2013 : 8 sen single tier exempt per share)	9.50	124,742	8.00	107,548
		<b>311,542</b>		<b>385,500</b>

\* On 28 April 2014, the Company distributed share dividend in respect of financial year ended 30 April 2014, via distribution of 30.6 million treasury shares on the basis of one treasury share for every forty three existing ordinary shares held. Based on the treasury shares book costs as stated in Note 20 of RM124.742 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 16 April 2014 of 1,317,500,000.

### 36 DIVIDENDS PER SHARE (CONT'D)

On 17 June 2014, the Company declared and approved a fourth interim single tier exempt dividend of 7 sen per share on 1,348,118,886 ordinary shares with voting rights in respect of financial year ended 30 April 2014 amounting to RM94.37 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 2015.

### 37 FINANCIAL GUARANTEE

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
<u>Financial guarantee - secured</u>				
Corporate guarantee of RM580.0 million given by the Company to the holders of medium term notes issued by a wholly-owned subsidiary company	*	-	*	-

\* 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.

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 Php250.0 million equivalent to RM18.3 million (2013 : 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.

### 38 CAPITAL AND LEASE COMMITMENTS

#### (a) Other commitments

	Group	
	2014 RM'000	2013 RM'000
Capital expenditures:		
- Approved and contracted for	4,208	4,050
- Approved but not contracted for	8,169	6,752
	<b>12,377</b>	<b>10,802</b>

**Notes to the Financial Statements**  
**30 April 2014**

**38 CAPITAL AND LEASE COMMITMENTS (CONT'D)**

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

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Future minimum lease payable:				
Not later than one year	31,092	8,413	2,563	3,614
Later than one year but not later than five years	75,962	9,049	-	2,388
Later than 5 years	61,347	542	-	-
	<b>168,401</b>	<b>18,004</b>	<b>2,563</b>	<b>6,002</b>

The Group and the Company entered into operating leases which represent lease payable for the use of premises, vehicles and plant.

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

	Group	
	2014 RM'000	2013 RM'000
Future minimum rental receivable:		
Not later than one year	3,785	2,550
Later than one year but not later than five years	5,302	12
	<b>9,087</b>	<b>2,562</b>

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 29.

A foreign subsidiary company had entered into a lease for provision of on-line lottery equipment for a stipulated period. Revenue from the leasing of lottery equipment is recognised based on certain percentage of the gross receipts from the lottery ticket sales of the lottery operator subject to an annual minimum fee as prescribed in the lease agreement. The lease income is recognised as revenue during the financial year as disclosed in Note 28.

The approved and contracted capital expenditures included the balance of the purchase consideration of a hotel of approximately RM187,000 (2013 : RM850,000) by a foreign subsidiary and is payable upon compliance with various terms and conditions.

39 SIGNIFICANT RELATED PARTY DISCLOSURES

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Interest income from				
- Berjaya Sports Toto (Cayman) Limited - (a)	-	-	8,169	7,519
- Magna Mahsuri Sdn Bhd - (a)	-	-	1,512	656
- FEAB Properties Sdn Bhd - (a)	-	-	578	594
Interest expense to				
- Sports Toto Malaysia Sdn Bhd - (a)	-	-	(35,604)	(37,394)
Purchases of consumables from				
- Graphic Press Group Sdn Bhd - (c)	(12,994)	(12,974)	-	-
Advances from/(given to)				
- Sports Toto Malaysia Sdn Bhd - (a)	-	-	21,971	114,022
- FEAB Properties Sdn Bhd - (a)	-	-	(535)	-
- Magna Mahsuri Sdn Bhd - (a)	-	-	(11,263)	(9,898)
- Berjaya Sports Toto (Cayman) Limited - (a)	-	-	(7,693)	-
Repayment of advances from				
- FEAB Properties Sdn Bhd - (a)	-	-	-	9,877
- Berjaya Sports Toto (Cayman) Limited - (a)	-	-	-	3,661
Management fees for services rendered by				
- Berjaya Corporation Berhad - (b)	(720)	(720)	(720)	(720)
Security guard services charges by				
- Berjaya Guard Services Sdn Bhd - (c)	(3,449)	(3,455)	-	-
Rental charges by				
- Nada Embun Sdn Bhd - (c)	(1,812)	(1,734)	(296)	(293)
- Ambilan Imej Sdn Bhd - (c)	(2,445)	(2,324)	(2,445)	(2,324)
- Biofield Sdn Bhd - (h)	(442)	(442)	-	-
Rental charges from				
- U Mobile Sdn Bhd - (d)	1,247	1,191	-	-
- Berjaya Higher Education Sdn Bhd - (c)	2,204	2,204	-	-
Share registration services rendered by				
- Berjaya Registration Services Sdn Bhd - (c)	(677)	(823)	(677)	(823)
Receipt of leasing and hire purchase facilities from				
- Prime Credit Leasing Sdn Bhd - (c)	(1,341)	-	(645)	-
Parking charges from				
- BTS Car Park Sdn Bhd - (f)	(364)	(362)	(22)	(8)

## Notes to the Financial Statements

### 30 April 2014

#### 39 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Research development, implementation data storage and maintenance services as well as purchase of hardware, software and network equipments from				
- Qinetics Services Sdn Bhd - (e)	<b>(1,288)</b>	(1,853)	<b>(1,175)</b>	(851)
Aircraft leasing charges by				
- Berjaya Air Sdn Bhd - (c)	<b>(1,500)</b>	(1,500)	-	-
- Berjaya Jet Charter Sdn Bhd - (c)	<b>(1,119)</b>	(1,702)	-	-
Supply of computerised lottery systems and related services				
- Natural Avenue Sdn Bhd - (f)	<b>460</b>	427	-	-
Advertising and publishing services charged by				
- Sun Media Corporation Sdn Bhd - (g)	<b>(1,191)</b>	(1,284)	<b>(13)</b>	(24)

The nature of the related party relationships are as follows:

- subsidiary companies;
- ultimate holding company, BCorp;
- related companies of BCorp Group other than subsidiary or associated companies of the Company;
- 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") also has interests. TSVT is the father of DRTYC;
- subsidiary company of MOL.com Sdn Bhd ("MOL"). The related company 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;
- subsidiary companies 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 Tan Sri Dato' Tan Chee Sing ("TSDT") also have interests in BAssets; TSDT is the father of a director of the Company, Dato' Dickson Tan Yong Loong;
- 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.
- a company where a substantial shareholder, TSVT has interests.

The outstanding balances with subsidiary companies have been disclosed under Notes 12 and 27.

**39 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)**

Certain professional fee amounting to RM6,782,000 (2013 : RM9,065,000) 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:

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Short-term benefits	<b>24,568</b>	23,506
Post-employment benefits	<b>3,170</b>	3,286
	<b>27,738</b>	26,792

**40 FAIR VALUE MEASUREMENT**

The Group and the Company measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1     Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2     Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3     Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(a) Group's assets that are measured at fair value

The table below analyses the Group's assets measured at fair value at the reporting date, according to the levels in the fair value hierarchy:

Certain comparative figures have not been presented for 30 April 2013 by virtue of the exemption given in Appendix C3 of MFRS 13, which is effective for annual periods beginning on or after 1 January 2013.

<b>2014</b>	<b>Group</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-financial assets</b>				
Investment properties	-	95,506	-	95,506

## Notes to the Financial Statements

### 30 April 2014

#### 40 FAIR VALUE MEASUREMENT (CONT'D)

(b) Financial instruments that are measured at fair value

As at the reporting date, the Group held the following financial instruments carried at fair values in the statements of financial position:

	Note	Group			Total RM'000
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b>At 30 April 2014</b>					
<b>Financial assets</b>					
Other long term investments	6	87,948	-	-	87,948
<b>At 30 April 2013</b>					
<b>Financial assets</b>					
Other long term investments	6	58,796	-	-	58,796

There has been no transfer between Level 1 and Level 2 for the Group during the year.

#### 41 FINANCIAL INSTRUMENTS

(a) **Classification of Financial Instruments**

The following table analyses the financial assets and financial liabilities in the statement of financial positions by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

**GROUP**

2014	Note	Available-	Loans	Financial	Total
		for-sale financial assets RM'000	and receivables RM'000	liabilities at amortised cost RM'000	
<b>Assets</b>					
Long term investments	6	87,948	-	-	87,948
Trade and other receivables	11	-	215,796	-	215,796
Deposits with financial institutions	14	-	345,004	-	345,004
Cash and bank balances		-	144,774	-	144,774
Total financial assets		87,948	705,574	-	793,522
Total non-financial assets					1,356,946
Total assets					2,150,468

41 FINANCIAL INSTRUMENTS (CONT'D)

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

GROUP (cont'd)

2014 (cont'd)	Note	Available- for-sale financial assets RM'000	Loans and receivables RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
<b>Liabilities</b>					
Trade and other payables	26	-	-	687,061	687,061
Other long term liability	23	-	-	1,436	1,436
Medium term notes	22	-	-	580,000	580,000
Short term borrowings	24	-	-	153,725	153,725
Total financial liabilities		-	-	1,422,222	1,422,222
Total non-financial liabilities					26,869
Total liabilities					1,449,091
<b>2013</b>					
<b>Assets</b>					
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
<b>Liabilities</b>					
Trade and other payables	26	-	-	338,335	338,335
Other long term liability	23	-	-	927	927
Medium term notes	22	-	-	550,000	550,000
Total financial liabilities		-	-	889,262	889,262
Total non-financial liabilities					40,594
Total liabilities					929,856

**Notes to the Financial Statements**  
**30 April 2014**

**41 FINANCIAL INSTRUMENTS (CONT'D)**

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

<b>COMPANY</b>			<b>Loans and receivables RM'000</b>	<b>Financial liabilities at amortised cost RM'000</b>	<b>Total RM'000</b>
<b>2014</b>	<b>Note</b>				
<b>Assets</b>					
Other receivables	11		105,271	-	105,271
Amount due from subsidiary companies	12		175,981	-	175,981
Deposits with financial institutions	14		5,200	-	5,200
Cash and bank balances			840	-	840
Total financial assets			287,292	-	287,292
Total non-financial assets					6,601,215
Total assets					6,888,507
<b>Liabilities</b>					
Other payables	26		-	1,234	1,234
Amount due to subsidiary companies	27		-	632,530	632,530
Other long term liability	23		-	532	532
Short term borrowings	24		-	113,414	113,414
Total financial liabilities			-	747,710	747,710
Total non-financial liabilities					504
Total liabilities					748,214

41 FINANCIAL INSTRUMENTS (CONT'D)

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

COMPANY (cont'd)

2013	Note	Loans and receivables RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
<b>Assets</b>				
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
<b>Liabilities</b>				
Other payables	26	-	1,449	1,449
Amount due to subsidiary companies	27	-	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

## Notes to the Financial Statements

### 30 April 2014

#### 41 FINANCIAL INSTRUMENTS (CONT'D)

##### (b) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value are as follows:

	<u>Note</u>
Trade and other receivables	11 *
Deposits with financial institutions	14 *
Cash and bank balances	*
Trade and other payables	26 *
Amount due from/(to) subsidiary companies	12 and 27 #
Medium term notes	22 ^
Hire purchase payables	23 ^
Short term borrowings	24 *

\* The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values as they are either within the normal credit terms or they have short maturity period.

^ 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 amount of borrowings and hire purchase payables are reasonable approximation of fair value due to its insignificant impact of discounting.

# The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values as they are repayable on demand.

##### (c) Financial instruments that are not measured at fair value and whose carrying amounts are not reasonable approximation of fair value

The financial instruments that are not measured at fair value and whose carrying amounts are not reasonable approximate of fair value are as follows:

	Group			
	2014	Fair	2013	Fair
	Carrying	value	Carrying	value
	amount	RM'000	amount	RM'000
	RM'000	RM'000	RM'000	RM'000
Financial asset:				
- Unquoted securities				
short term investments (Note 13)	-	-	3,771	*

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

## 42 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 risk, 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 the ageing analysis of trade receivables are disclosed in Note 11.

### (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.

**Notes to the Financial Statements**  
**30 April 2014**

**42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**(b) Liquidity Risk (cont'd)**

*Analysis of undiscounted financial instruments by remaining contractual maturities*

2014	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Financial liabilities:</b>				
<b>Group</b>				
Trade and other payables	686,356	-	-	686,356
Medium term notes	205,757	431,600	-	637,357
Hire purchase payables	816	1,611	-	2,427
Short term borrowings	155,659	-	-	155,659
	<b>1,048,588</b>	<b>433,211</b>	<b>-</b>	<b>1,481,799</b>
<b>Company</b>				
Other payables (excluding financial guarantees)	1,079	-	-	1,079
Amount due to subsidiary companies	632,530	-	-	632,530
Hire purchase payables	183	609	-	792
Short term borrowings	113,843	-	-	113,843
	<b>747,635</b>	<b>609</b>	<b>-</b>	<b>748,244</b>
<b>2013</b>				
<b>Financial liabilities:</b>				
<b>Group</b>				
Trade and other payables	337,895	-	-	337,895
Medium term notes	176,150	454,000	-	630,150
Hire purchase payables	482	1,004	-	1,486
	<b>514,527</b>	<b>455,004</b>	<b>-</b>	<b>969,531</b>
<b>Company</b>				
Other payables (excluding financial guarantees)	1,426	-	-	1,426
Amount due to subsidiary companies	935,899	-	-	935,899
Hire purchase payables	31	122	-	153
	<b>937,356</b>	<b>122</b>	<b>-</b>	<b>937,478</b>

## 42 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 is 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 a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

At the reporting date, the interest rate profile of the interest-bearing financial instruments is as follows:

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
<u>Fixed rate instruments</u>				
Financial assets	352,333	368,127	5,200	5,500
Financial liabilities	622,452	551,367	496,821	472,686
<u>Floating rate instruments</u>				
Financial assets	-	-	175,669	146,272
Financial liabilities	298,654	-	246,769	461,056

**42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**(c) Market Risk (cont'd)**

**(i) Interest Rate Risk (cont'd)**

Fair value sensitivity analysis for fixed rate instruments

The Group does not measure any fixed rate instruments at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis for floating rate instruments

A change of 25 basis points in interest rates at the reporting date would result in the profit before tax of the Group and the Company to be lower/higher by RM744,000 and RM284,000 (2013 : Nil) respectively, assuming that all other variables remain constant.

**(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.

## 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (c) Market Risk (cont'd)

#### (iii) Equity Price Risk

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. The quoted instruments in Malaysia are listed on Bursa Malaysia Securities Berhad and 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 various stock indices had been 1% higher/lower, the Group's available-for-sale reserve would have been RM879,000 (2013 : RM588,000) higher/lower arising as a result of increase/decrease in the fair value of instruments designated as available-for-sale, with all other variables held constant.

## 43 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 2014 and 30 April 2013.

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 and short term borrowings. Net equity funds represents net equity attributable to the owners of the parent. The gearing ratios as at 30 April 2014 and 30 April 2013 were as follows:

	Note	Group		Company	
		2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Medium term notes	22	580,000	550,000	-	-
Short term borrowings	24	153,725	-	113,414	-
<b>Total debts</b>		<b>733,725</b>	<b>550,000</b>	<b>113,414</b>	<b>-</b>
Net equity funds attributable to the owners of the parent		622,271	570,165	6,140,293	5,876,066
<b>Gearing ratio</b>		<b>1.18</b>	<b>0.96</b>	<b>0.02</b>	<b>-</b>

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

**Notes to the Financial Statements**  
**30 April 2014**

**44 SEGMENT INFORMATION**

**(a) Business Segments:**

**30 April 2014**

	<b>Toto betting and leasing of lottery equipment RM'000</b>	<b>Motor dealership RM'000</b>	<b>Others * RM'000</b>	<b>Inter- segment RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External sales	3,503,290	783,646	53,903	-	4,340,839
Inter-segment sales	-	772	38,317	(39,089)	-
					<b>4,340,839</b>
<b>Results</b>					
Segment results	555,564	15,561	3,956	(20,459)	554,622
Unallocated corporate expenses					(19,007)
Profit before					
other income and expenses					535,615
Investment related income					28,682
Investment related expenses					(34,854)
Other income					22,634
Finance costs					(41,692)
Share of results of associated companies					(663)
Profit before tax					509,722
Income tax expense					(166,026)
Profit for the year					343,696
Non-controlling interests					(14,990)
Profit attributable to owners of the parent					<b>328,706</b>

44 SEGMENT INFORMATION (CONT'D)

(a) Business Segments: (cont'd)

30 April 2014 (cont'd)

	Toto betting and leasing of lottery equipment RM'000	Motor dealership RM'000	Others * RM'000	Inter- segment RM'000	Consolidated RM'000
<b>Assets</b>					
Segment assets	1,881,348	544,243	345,712	(659,722)	2,111,581
Investment in equity method of associated companies					10,751
Unallocated corporate assets					28,136
Consolidated total assets					<u>2,150,468</u>
<b>Liabilities</b>					
Segment liabilities	432,914	357,370	218,653	(311,733)	697,204
Unallocated corporate liabilities					751,887
Consolidated total liabilities					<u>1,449,091</u>
<b>Other information</b>					
Capital expenditure	43,471	1,593	4,263	(20,628)	28,699
- Unallocated corporate expenses					943
					29,642
Depreciation and amortisation	28,318	5,423	4,565	(10,089)	28,217
- Unallocated corporate expenses					1,102
					29,319
Property, plant and equipment write-off	1,094	-	-	-	1,094
- Unallocated corporate expenses					3
					1,097
<b>Other non-cash expenses</b>	<u>2,138</u>	<u>640</u>	<u>739</u>	<u>-</u>	<u>3,517</u>

**Notes to the Financial Statements**  
**30 April 2014**

**44 SEGMENT INFORMATION (CONT'D)**

**(a) Business Segments: (cont'd)**

**30 April 2013**

	<b>Toto betting and leasing of lottery equipment RM'000</b>	<b>Motor dealership RM'000</b>	<b>Others * RM'000</b>	<b>Inter- segment RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External sales	3,589,016	-	39,346	-	3,628,362
Inter-segment sales	-	-	12,738	(12,738)	-
					<u>3,628,362</u>
<b>Results</b>					
Segment results	605,789	-	(16,944)	(7,321)	581,524
Unallocated corporate expenses					(19,559)
					<u>561,965</u>
Profit before other income and expenses					20,855
Investment related income					21,632
Other income					(31,572)
Finance costs					(3,354)
Share of results of associated companies					<u>569,526</u>
Profit before tax					(166,020)
Income tax expense					<u>403,506</u>
Profit for the year					(12,421)
Non-controlling interests					<u>391,085</u>
Profit attributable to owners of the parent					<u>391,085</u>

44 SEGMENT INFORMATION (CONT'D)

(a) Business Segments: (cont'd)

30 April 2013 (cont'd)

	Toto betting and leasing of lottery equipment RM'000	Motor dealership RM'000	Others * RM'000	Inter- segment RM'000	Consolidated RM'000
<b>Assets</b>					
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					1,543,070
<b>Liabilities</b>					
Segment liabilities	384,550	-	185,789	(222,344)	347,995
Unallocated corporate liabilities					581,861
Consolidated total liabilities					929,856
<b>Other information</b>					
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
<b>Other non-cash expenses</b>	756	-	480	-	1,236

**Notes to the Financial Statements**  
**30 April 2014**

**44 SEGMENT INFORMATION (CONT'D)**

**(b) Geographical Segments:**

**Total Revenue From External Customers**

	Group	
	2014 RM'000	2013 RM'000
Malaysia	3,384,520	3,451,067
Others	956,319	177,295
	<b>4,340,839</b>	<b>3,628,362</b>

**Segment Assets**

	Group	
	2014 RM'000	2013 RM'000
Malaysia	1,125,498	1,045,234
Others	996,377	467,441
Unallocated corporate assets	28,593	30,395
	<b>2,150,468</b>	<b>1,543,070</b>

**Capital Expenditure**

	Group	
	2014 RM'000	2013 RM'000
Malaysia	23,488	10,478
Others	5,211	5,785
Unallocated corporate expenses	943	406
	<b>29,642</b>	<b>16,669</b>

#### 44 SEGMENT INFORMATION (CONT'D)

##### (b) Geographical Segments: (cont'd)

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

The geographical segmental information is prepared based on the locations of assets. The segment revenue by geographical location of customers does not differ materially from the segment revenue by geographical location of assets.

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.

#### 45 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (i) In relation to 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") and the proposed listing of STM Trust on the Mainboard of the Singapore Exchange Securities Trading Limited, the Company had announced that on 13 June 2013 that STM-Trust has been constituted in Singapore on even date by a declaration of trust by Sport Toto Malaysia Management Pte. Ltd., as trustee-manager of STM-Trust under a trust deed dated 13 June 2013.

The transfer of STM ("Transfer") was completed on 31 October 2013 following the issuance of 4,369,999,998 units in STM Trust at an issue price of SGD0.5001 each to Berjaya Sports Toto (Cayman) Limited and bill of exchange in favour of the Company amounting to RM571.32 million, which was subsequently indorsed in favour of STM.

On 2 December 2013, the Company announced that the Board decided not to proceed with the proposed listing after considering the challenging market conditions and the poor performances of the listed yield stocks such as real estate investment trusts and other business trusts in Singapore.

On 21 January 2014, the Company announced that following the abortion of the proposed listing, the relevant parties have unwound the Transfer that was completed on 31 October 2013 and STM has been reverted back as a 100% direct subsidiary of the Company.

## Notes to the Financial Statements

### 30 April 2014

#### 45 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

- (ii) On 18 July 2013, the Company announced that its subsidiary company namely BPI, listed on the Philippine Stock Exchange ("PSE") had 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 ("HRO") not already owned by BPI. The offer document was released by BPI on 30 July 2013 at an offer price of 130 pence per share and subsequently increased the offer price to 170 pence per share. On 23 September 2013, the mandatory cash offer was declared wholly unconditional with BPI being the beneficial owner of over 50% equity interests in HRO. BPI's shareholdings in HRO further increased to 71.2% as at the mandatory cash offer closing and completion date on 11 October 2013 and HRO became a subsidiary company of BPI. The total cash consideration for the acquisition including the cash offer amounted to approximately £26.9 million (equivalent to approximately RM131.5 million). The subsequent consolidation of HRO is regarded as a business combination in accordance with MFRS 3 : Business Combinations. The Group is currently undertaking a purchase price allocation exercise to identify and measure intangible assets, if any, and the goodwill on acquisition which is now provisionally estimated to be RM105.8 million and included in the statement of financial position. As at 30 April 2014, BPI's shareholdings in HRO has increased to 72.03% after further acquisition of about 211,000 HRO's shares for a total consideration of £374,000 (equivalent to approximately RM1.8 million).

On 20 February 2014, the Company released an announcement by HRO dated 19 February 2014 in respect of HRO's proposed cancellation of Admission to the Official List and to trading on the London Stock Exchange's ("LSE") main market for listed securities (the "De-Listing"). This is due to HRO's non-compliance with the LSE listing requirements where at least 25% of its shares must be in public hands. As at 18 February 2014 (being the last practicable date prior to the publication of the announcement by HRO), the share register of HRO comprised two substantial shareholders (including BPI) holding a total of 97.5% of the shares of HRO with the remaining 2.5% in the hands of the public. The De-Listing was effected with the offer for the qualifying shareholders to sell their shares to BPI at 170 pence per share and the aforesaid was completed on 15 April 2014.

- (iii) On 10 January 2014, the Company announced that International Lottery & Totalizator Systems, Inc. ("ILTS California"), a 71.32% wholly-owned subsidiary of Berjaya Lottery Management (HK) Limited ("BLM"), which in turn a wholly-owned subsidiary company of the Company had filed Form 8-K pursuant to the United States Securities Exchange Act of 1934, as amended ("the Act") that ILTS California will be merged with its present 100% wholly-owned subsidiary, Delaware International Lottery & Totalizator Systems, Inc. ("ILTS DE").

Thereafter, ILTS DE will carry out a reverse stock split of ILTS DE's common stock such that BLM will be the sole shareholder of ILTS DE. Each shareholder of ILTS DE holding less than one whole share of common stock would be paid USD1.33 in cash per pre-reverse stock split shares in lieu of fractional share interests.

ILTS DE (as the successor to ILTS California) will thereafter terminate its registration and reporting obligations under the Act. Upon completion of these transactions, ILTS DE will be wholly-owned by the Company via BLM and its shares will cease to be traded on the Over-The-Counter Markets. ILTS California had obtained the written consent of BLM, approving the merger and the reverse stock split.

A preliminary Information Statement had been filed with the United States Securities and Exchange Commission ("SEC") and currently remains under review. The merger and reverse stock split will be consummated promptly no earlier than 20 calendar days following the date on which the Information Statement is first mailed to shareholders of ILTS California.

#### 46 SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR

- (i) On 12 May 2014, the Company jointly announced with its ultimate holding company, Berjaya Corporation Berhad on the commencement of negotiations on business cooperation contract in relation to the establishment of a computerised lottery system in Vietnam. The Vietnam Lottery Business would be undertaken via Berjaya Gia Thinh Investment Technology Company Limited (“Berjaya GTI”), a company incorporated in Vietnam. Berjaya GTI is 51% owned by Berjaya Lottery Vietnam Limited (“BLV”), a company incorporated in Labuan. BLV is in turn 80% owned by Berjaya Corporation Berhad and 20% owned by the Company.
- (ii) STM had completed the issuance of following Medium Term Notes (“MTN”):
- (a) RM55.0 million and RM95.0 million on 30 June 2014; and
  - (b) RM145.0 million on 2 July 2014.

The tenure for the issues ranges from two to five years and the proceeds are used for refinancing of existing borrowings and working capital purposes.

#### 47 COMPARATIVES

Certain comparative figures have been adjusted and reclassified to conform with current year’s presentation.

	Note	As previously		
		reported RM’000	Reclassification RM’000	As restated RM’000
<b>Group</b>				
<u>Statement of financial position</u>				
Payables	26	348,186	(949)	347,237
Provisions	25	421	949	1,370
<u>Statement of profit or loss</u>				
Employee benefit expenses	29(b)	77,591	(201)	77,390
Finance costs	33	31,371	201	31,572

## Notes to the Financial Statements

### 30 April 2014

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

The breakdown of the retained earnings of the Group and of the Company into realised and unrealised earnings/(losses), is as follows:

	Group RM'000	Company RM'000
<b>As at 30 April 2014</b>		
Total retained earnings		
- Realised	681,072	621,212
- Unrealised	47,651	5,395,838
	<b>728,723</b>	<b>6,017,050</b>
Share of results of associated companies	(6,070)	-
	<b>722,653</b>	<b>6,017,050</b>
Less: Consolidation adjustments	(283,323)	-
Total retained earnings as per financial statements	<b>439,330</b>	<b>6,017,050</b>
<b>As at 30 April 2013</b>		
Total retained earnings		
- Realised	613,009	378,181
- Unrealised	53,277	5,395,689
	666,286	5,773,870
Share of results of associated companies	(5,407)	-
	660,879	5,773,870
Less: Consolidation adjustments	(237,658)	-
Total retained earnings as per financial statements	423,221	5,773,870

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.

## List of Major Properties as at 30 April 2014

Location	Tenure	Date of Acquisition	Age of Building	Size	Description/ Existing Use	Fair Value	Net Book Value
						RM'000	RM'000
Lot 174 TS 18 North East District, Penang (74, 76 & 78 Rope Walk, Penang)	Freehold	30.08.1990	74 yrs	4,826 sq. ft.	3 units of 2-storey shophouse for rental	3,000	N/A
Estimate 100 meter off-shore of Berjaya Langkawi Resort situated in accordance with GPS at 6 21.634 N and 99 39.639 E	Leasehold	11.11.1999	14 yrs	5,429 sq. ft.	Restaurant premise for rental	1,800	N/A
Berjaya Times Square 11th Floor, No. 1, Jalan Imbi 55100 Kuala Lumpur	Freehold (Strata title)	06.01.1998	11 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	42 yrs	5,040 sq. ft.	1 unit of 3-storey shophouse for rental	3,500	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	19 yrs	11,950 sq. ft.	1 unit of 3-storey semi detached factory lot - logistic, field support and central sales office	N/A	3,540
No. 25, Jalan 11/48A, Sentul Raya Boulevard Off Jalan Sentul, Sentul 51000 Kuala Lumpur	Freehold	16.08.2010	18 yrs	10,080 sq. ft.	1 unit of 6-storey shopoffice for rental	5,500	N/A
F130, 1st Floor, Sungei Wang Plaza, Jalan Bukit Bintang, 55100 Kuala Lumpur	Freehold (Strata title)	24.08.2011	37 yrs	645.83 sq. ft.	1 unit of retail shoplot - vacant	7,100	N/A
7835 Makati Avenue Corner Eduque Street Makati City, Philippines 1209	Freehold	4.12.2009	13 yrs	586 sq. m.	Hotel - 223 guest rooms	N/A	48,588
No. 26, Jalan 14/48A, Sentul Raya Boulevard Off Jalan Sentul, Sentul 51000 Kuala Lumpur	Freehold	10.05.2012	18 yrs	8,250 sq. ft.	1 unit of 5-storey shopoffice for rental	4,200	N/A

N/A denotes Not Applicable

## Material Contracts

Other than as disclosed in Notes 29, 38, 39, 45 and 46 of the financial statements for the financial year ended 30 April 2014, 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 2014 amounted to RM111,000 (2013 : RM106,000).

## Recurrent Related Party Transactions of a Revenue or Trading Nature for the Financial Year Ended 30 April 2014

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)
<b>Berjaya Corporation Berhad and its unlisted subsidiary companies</b>			
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	Berjaya Sports Toto Berhad Group	118
Berjaya Registration Services Sdn Bhd	Receipt of share registration services	Berjaya Sports Toto Berhad	677
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	2,445
Inter-Pacific Trading Sdn Bhd	Purchase of stationery products	Berjaya Sports Toto Berhad Group	69
Graphic Press Group Sdn Bhd	Procurement of Toto betting slips printing services	Sports Toto Malaysia Sdn Bhd	12,994
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	13
Prime Credit Leasing Sdn Bhd	Receipt of leasing and hire purchase facilities	Berjaya Sports Toto Berhad Group	1,341
<b>Berjaya Land Berhad and/or its unlisted subsidiary companies</b>			
Berjaya Guard Services Sdn Bhd	Receipt of security guard services	Berjaya Sports Toto Berhad Group	3,449
Berjaya Langkawi Beach Resort Sdn Bhd	Rental of villa at Berjaya Langkawi Resort	Berjaya Sports Toto Berhad	180
	Rental income for renting of 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	1,812
Nural Enterprise Sdn Bhd	Rental for renting of apartments at Podium Block, Plaza Berjaya	Sports Toto Malaysia Sdn Bhd	96
Berjaya Air Sdn Bhd	Dry lease charges for aircraft leasing facilities	Sports Toto Malaysia Sdn Bhd	1,500
Berjaya Jet Charter Sdn Bhd	Charter fees for aircraft leasing facilities	Berjaya Sports Toto Berhad Group	1,119

**Recurrent Related Party Transactions of  
a Revenue or Trading Nature  
for the Financial Year Ended 30 April 2014**

<b>Related parties</b>	<b>Nature of transactions</b>	<b>Name of companies</b>	<b>Amount transacted during the financial year (RM'000)</b>
<b>Berjaya Asset Berhad and/or its unlisted subsidiary companies</b>			
Natural Avenue Sdn Bhd	Supply of computerised lottery systems and related services	International Lottery & Totalizator Systems, Inc.	(460)
BTS Car Park Sdn Bhd	Parking charges	Sports Toto Malaysia Sdn Bhd Berjaya Sports Toto Berhad Sports Toto Computer Sdn Bhd Magna Mahsuri Sdn Bhd	364
Berjaya Times Square Sdn Bhd	Rental for renting of office at 09-88, 09-89 & 09-90, 9th Floor, Berjaya Times Square	Sports Toto Computer Sdn Bhd	62
<b>Berjaya Media Berhad and/or its unlisted subsidiary company</b>			
Sun Media Corporation Sdn Bhd	Procurement of promotion, advertising and publishing services	Berjaya Sports Toto Berhad Group	1,191
<b>Berjaya Auto Berhad and/or its unlisted subsidiary company</b>			
Bermaz Motor Trading Sdn Bhd	Purchase of motor vehicles, component parts and other related products and services	Berjaya Sports Toto Berhad Group	37
<b>Other related parties</b>			
Qinetics Services Sdn Bhd	Purchase of hardware, software, networking equipments, and information technology consultancy, maintenance and management services	Berjaya Sports Toto Berhad Group	1,288
Ascot Sports Sdn Bhd	Rental of office at Lot 10-01, Level 10, Berjaya Times Square	Sports Toto Malaysia Sdn Bhd	179
U Mobile Sdn Bhd	Rental income from renting office at part of Level 11, Berjaya Times Square	Magna Mahsuri Sdn Bhd	(1,247)
Roda Indah Sdn Bhd	Purchase of motor vehicles, component parts and other related products and services	Berjaya Sports Toto Berhad Group	32
Biofield Sdn Bhd	Rental of shoptlot at Level 6, Berjaya Times Square	Sports Toto Fitness Sdn Bhd	442

# Statement of Directors' Shareholdings

## as at 28 August 2014

### THE COMPANY

	Number of ordinary shares of RM0.10 each			
	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	1,000,000	0.07	-	-
Chan Kien Sing	3,585	0.00	-	-
Freddie Pang Hock Cheng	407,937	0.03	169,519 *	0.01
Seow Swee Pin	92,092	0.01	7,844 *	0.00
Datuk Robert Yong Kuen Loke	122,790	0.01	-	-

### HOLDING COMPANY BERJAYA LAND BERHAD

	Number of ordinary shares of RM0.50 each			
	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	600,000	0.01	56,600,000	1.13
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

	Number of ordinary shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	2,222,847	0.05	599,416,995 5,000 *	14.44 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	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	-	-	12,401,200	1.93
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	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	2,620,500	0.38	87,029,000 1,000 *	12.51 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 28 August 2014**

**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 COMPANIES  
BERJAYA FOOD BERHAD**

	Number of ordinary shares of RM0.50 each			
	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	1,877,560	0.61	-	-

	Number of ordinary shares of RM0.50 each under the Employees' Share Option Scheme			
	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	211,740	0.07	-	-

**BERJAYA AUTO BERHAD**

	Number of ordinary shares of RM0.50 each			
	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	350,000	0.04	-	-
Chan Kien Sing	4,300	0.00	-	-

	Number of ordinary shares of RM0.50 each under the Employees' Share Option Scheme			
	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	800,000	0.10	-	-

\* 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 28 August 2014.

# Statistics on Shareholdings

## as at 28 August 2014

### ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
less than 100	2,848	7.09	115,017	0.01
100 - 1,000	3,131	7.80	1,301,248	0.09
1,001 - 10,000	27,433	68.32	82,462,162	6.12
10,001 - 100,000	6,085	15.15	144,207,632	10.70
100,001 - 67,405,943	658	1.64	995,196,767	73.82
67,405,944* and above	1	0.00	124,836,060	9.26
<b>Total</b>	<b>40,156</b>	<b>100.00</b>	<b>1,348,118,886</b>	<b>100.00</b>

#### 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 <b>CIMB Group Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account-CIMB Investment Bank Berhad For Gateway Benefit Sdn Bhd (BLB-SSA)</i>	124,836,060	9.26
2 <b>UOB Kay Hian Nominees (Tempatan) Sdn Bhd</b> <i>Exempt An For UOB Kay Hian Pte Ltd (A/C Clients)</i>	53,418,568	3.96
3 <b>Malaysia Nominees (Tempatan) Sendirian Berhad</b> <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (01-00808-014)</i>	52,299,741	3.88
4 <b>Scotia Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For B.L.Capital Sdn Bhd</i>	37,764,642	2.80
5 <b>Citigroup Nominees (Tempatan) Sdn Bhd</b> <i>Exempt An For AIA Bhd</i>	34,690,288	2.57
6 <b>Maybank Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd (51408457522A)</i>	30,005,093	2.23
7 <b>Cartaban Nominees (Asing) Sdn Bhd</b> <i>Exempt An For State Street Bank &amp; Trust Company (West CLT OD67)</i>	28,841,010	2.14
8 <b>Cartaban Nominees (Tempatan) Sdn Bhd</b> <i>Exempt An For Bank J.Safra Sarasin Ltd, Singapore Branch (BSCSG) (AC Client Local)</i>	28,321,446	2.10
9 <b>Malaysia Nominees (Tempatan) Sendirian Berhad</b> <i>Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)</i>	27,392,234	2.03
10 <b>Scotia Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Berjaya Land Berhad</i>	25,206,976	1.87
11 <b>Cartaban Nominees (Tempatan) Sdn Bhd</b> <i>Exempt An For Eastspring Investments Berhad</i>	18,754,229	1.39
12 <b>RHB Capital Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Berjaya Land Bhd (681124)</i>	17,784,496	1.32

## Statistics on Shareholdings as at 28 August 2014

### LIST OF THIRTY (30) LARGEST SHAREHOLDERS (cont'd)

Name of Shareholders	No. of Shares	(%)
13 <b>HSBC Nominees (Asing) Sdn Bhd</b> <i>BBH And CO Boston For Vanguard Emerging Markets Stock Index Fund</i>	16,529,855	1.23
14 <b>Scotia Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Gateway Benefit Sdn Bhd</i>	16,065,116	1.19
15 <b>Alliancegroup Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd (8081042)</i>	14,673,110	1.09
16 <b>Amsec Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account - Ambank (M) Berhad For Berjaya Land Berhad</i>	14,400,000	1.07
17 <b>CIMB Group Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (BLB RC3-CB4)</i>	12,473,488	0.93
18 <b>CIMB Group Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (BLB RC2-CB4)</i>	12,243,927	0.91
19 <b>Cartaban Nominees (Tempatan) Sdn Bhd</b> <i>Raiffeisen Bank International AG, Singapore Branch For Berjaya Land Berhad</i>	11,715,141	0.87
20 <b>ABB Nominee (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Berjaya Land Berhad (RC Facility)</i>	9,925,581	0.74
21 <b>CIMB Group Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Berjaya Land Berhad (CB4-RC3)</i>	8,963,720	0.66
22 <b>Cartaban Nominees (Asing) Sdn Bhd</b> <i>GIC Private Limited For Government Of Singapore (C)</i>	8,777,267	0.65
23 <b>ABB Nominee (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (GBSB RC1/RC2)</i>	8,638,421	0.64
24 <b>Malaysia Nominees (Tempatan) Sendirian Berhad</b> <i>Pledged Securities Account For Berjaya Land Berhad (01-00808-013)</i>	8,453,745	0.63
25 <b>HSBC Nominees (Asing) Sdn Bhd</b> <i>Exempt An For JPMorgan Chase Bank, National Association (U.A.E.)</i>	8,410,191	0.62
26 <b>HSBC Nominees (Asing) Sdn Bhd</b> <i>BBH And CO Boston For Prusik Asian Equity Income Fund (Prusik U FD PLC)</i>	8,042,790	0.60
27 <b>CIMB Group Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account-CIMB Investment Bank Berhad For Berjaya Land Berhad (SSA)</i>	7,871,684	0.58
28 <b>DB (Malaysia) Nominee (Asing) Sdn Bhd</b> <i>SSBT Fund WTAU For Wisdomtree Emerging Markets Smallcap Dividend Fund</i>	7,418,758	0.55
29 <b>RHB Capital Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (BLand 681123)</i>	7,390,180	0.55
30 <b>Maybank Nominees (Tempatan) Sdn Bhd</b> <i>Pledged Securities Account For Berjaya Group Berhad</i>	7,162,790	0.53
	<b>668,470,547</b>	<b>49.59</b>

## Statistics on Shareholdings as at 28 August 2014

### LIST OF SUBSTANTIAL SHAREHOLDERS

Names of Substantial Shareholder	←----- No. of Shares -----→			
	Direct	%	Indirect	%
Gateway Benefit Sdn Bhd	310,000,945	23.00	-	-
Berjaya Land Berhad	193,392,919	14.35	356,757,358 (a)	26.46
Teras Mewah Sdn Bhd	-	-	550,150,277 (b)	40.81
Juara Sejati Sdn Bhd	-	-	562,429,343 (c)	41.72
Bizurai Bijak (M) Sdn Bhd	65,386,041	4.85	6,651,160 (d)	0.49
Berjaya Group Berhad	15,162,790	1.12	627,815,384 (e)	46.57
Berjaya Corporation Berhad	28,377,706	2.10	642,978,174 (f)	47.69
Tan Sri Dato' Seri Vincent Tan Chee Yioun	10,232,554	0.76	678,869,963 (g)	50.36

#### Notes:

- (a) Deemed interested by virtue of its 100% interests in Gateway Benefit Sdn Bhd, Immediate Capital Sdn Bhd and B.L. Capital Sdn Bhd.
- (b) Deemed interested by virtue of its interest in Berjaya Land Berhad.
- (c) Deemed interested by virtue of its interests in Berjaya Land Berhad, Berjaya Capital Berhad and Berjaya Assets Berhad.
- (d) Deemed interested by virtue of its interest in Inter-Pacific Securities Sdn Bhd.
- (e) Deemed interested by virtue of its 100% interests in Bizurai Bijak (M) Sdn Bhd, Teras Mewah Sdn Bhd and Juara Sejati Sdn Bhd and its interest in Berjaya Assets Berhad, the holding company of Sublime Cartel Sdn Bhd.
- (f) Deemed interested by virtue of its 100% interest in Berjaya Group Berhad and its deemed interest in Berjaya Assets Berhad, the holding company of Sublime Cartel Sdn Bhd.
- (g) Deemed interested by virtue of his interests in Berjaya Corporation Berhad, B & B Enterprise Sdn Bhd and Berjaya VTCY Sdn Bhd, his interest in Berjaya Assets Berhad, the holding company of Sublime Cartel 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 Perdana Ballroom, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur on Monday, 20 October 2014 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 2014 and the Directors' and Auditors' Reports thereon. **RESOLUTION 1**
2. To approve the payment of Directors' fees amounting to RM116,137 for the year ended 30 April 2014. **RESOLUTION 2**
3. To re-elect the following Directors retiring pursuant to Article 98(A) of the Company's Articles of Association:-
  - a) Seow Swee Pin **RESOLUTION 3**
  - b) Dato' Dickson Tan Yong Loong **RESOLUTION 4**
4. To re-elect the Director, Dato' Oon Weng Boon, who retires pursuant to Article 98(E) of the Company's Articles of Association. **RESOLUTION 5**
5. To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration. **RESOLUTION 6**
6. As special business:-
  - a) To consider and, if thought fit, pass the following Ordinary Resolutions :-
    - (i) **Authority to Issue and Allot Shares Pursuant to Section 132D of the Companies Act, 1965** **RESOLUTION 7**

"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."
    - (ii) **Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature** **RESOLUTION 8**

"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 26 September 2014 ("Proposed Mandate") which are necessary for the day-to-day operations and/or in the ordinary course

## Notice of Annual General Meeting

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 AGM at which such resolution for the Proposed Mandate will be passed, at which time it will lapse, unless by ordinary resolution passed at that 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
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

And Further That authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution.”

### **(iii) Proposed Renewal of Authority for the Company to Purchase Its Own Shares**

### **RESOLUTION 9**

“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;
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;

## Notice of Annual General Meeting

3. the authority shall commence immediately upon passing of this ordinary resolution until:-
- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the AGM at which such resolution was passed, at which time it will lapse unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
  - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
  - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND THAT upon completion of the purchase(s) of the 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 dividends to the shareholders of the Company; or
- (c) retain part thereof as treasury shares and subsequently cancelling the balance; or
- (d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force.”

By Order of the Board

**SU SWEE HONG**  
Secretary

Kuala Lumpur  
26 September 2014

## Notice of Annual General Meeting

### NOTES:

#### (A) APPOINTMENT OF PROXY

1. A member entitled to attend and vote at the meeting is entitled to appoint one (1) proxy only to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the provisions of Section 149(1) (b) of the Companies Act, 1965 shall not apply to the Company.
2. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint one (1) proxy in respect of each securities account.
3. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 and holding shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. The instrument appointing a proxy, shall be in writing under the hand of the appointor or of 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.
5. 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.
6. Depositors whose names appear in the Record of Depositors as at 13 October 2014 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.

#### (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 18 October 2013 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 26 September 2014 which is despatched together with the Company's 2014 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 26 September 2014 which is despatched together with the Company's 2014 Annual Report.

# 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 Perdana Ballroom, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur on Monday, 20 October 2014 at 10.00 a.m. or any adjournment thereof.

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

	FOR	AGAINST
RESOLUTION 1 - To receive and adopt the Audited Financial Statements		
RESOLUTION 2 - To approve payment of Directors' Fees		
RESOLUTION 3 - To re-elect Seow Swee Pin as Director		
RESOLUTION 4 - To re-elect Dato' Dickson Tan Yong Loong as Director		
RESOLUTION 5 - To re-elect Dato' Oon Weng Boon 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 for the Company to purchase its own shares		

No. of Shares Held

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

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

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint one (1) proxy only to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the provisions of Section 149(1) (b) of the Companies Act, 1965 shall not apply to the Company.
2. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint one (1) proxy in respect of each securities account.
3. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 and holding shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. The instrument appointing a proxy, shall be in writing under the hand of the appointor or of 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.
5. 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.
6. Depositors whose names appear in the Record of Depositors as at 13 October 2014 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

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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

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## **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](mailto:webmaster@sportstoto.com.my)  
[www.sportstoto.com.my](http://www.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  
U.S.A.  
Tel : 1 (760) 598 1655  
Fax : 1 (760) 598 0219  
Email : [mktg@ilts.com](mailto:mktg@ilts.com)  
[www.ilts.com](http://www.ilts.com)

### **Berjaya Philippines Inc.**

#### **Philippine Gaming Management Corporation**

9th Floor, Rufino Pacific Tower  
6784 Ayala Ave., cor V.A. Rufino Street, Makati City  
Metro Manila, Philippines  
Tel : 632-811 0668  
Fax : 632-811 2293  
[www.berjaya.com.ph](http://www.berjaya.com.ph)

### **H.R. Owen Plc**

Melton Court  
25-27 Old Brompton Road  
London SW7 3TD  
Tel : 020-7245 1122  
[www.hrowen.co.uk](http://www.hrowen.co.uk)

### **The Company Secretary**

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