



BERJAYA

BERJAYA SPORTS TOTO BERHAD

(Company No. 9109-K)

برجاي اسفورتس توتو برحد

成功多多博彩有限公司

ANNUAL REPORT 2016



SPORTS





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.

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CORPORATE PROFILE



Test drive for H.R. Owen's prospective buyers at Goodwood Motor Circuit, England.



A Sports Toto outlet.

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 core businesses of the Group are:

- operation of Toto betting under Section 5 of the Pool Betting Act, 1967;
- leasing of online lottery equipment and provision of software support;
- manufacture and distribution of computerised lottery and voting systems; and
- motor retailing, repair & maintenance and provision of aftersales services.

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 then Chief Executive Officer, Tan Sri Dato’ Seri Vincent Tan Chee Youn, through his private company acquired 70% of the paid-up capital.

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

Sports Toto’s financial growth over the past 30 years after its privatisation in 1985 is highlighted below:

	30.4.2016 (Million)		31.12.1985 (Million)		30 Years' Annualised Increase (%)
	RM	USD	RM	USD	
Revenue	3,175.1	816.6	76.0	21.3	135.9
Pre-tax Profit	415.1	106.8	5.0	1.4	273.4
Equity Funds	168.9	43.4	1.0	0.3	559.7
Total Assets	1,384.5	356.1	12.7	3.6	360.1

Exchange rate as at 30 April 2016 : US\$1.00 : RM3.888

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 online 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, Metro Manila, 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, predominantly in London.

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

The Group has a total employee strength of 1,385 as at 30 April 2016.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

Cheah Tek Kuang

Chief Executive Officer

Dato' Sri Robin Tan Yeong Ching

Executive Directors

Chan Kien Sing

Seow Swee Pin

Nerine Tan Sheik Ping

Non Independent/Non-Executive Directors

Freddie Pang Hock Cheng

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

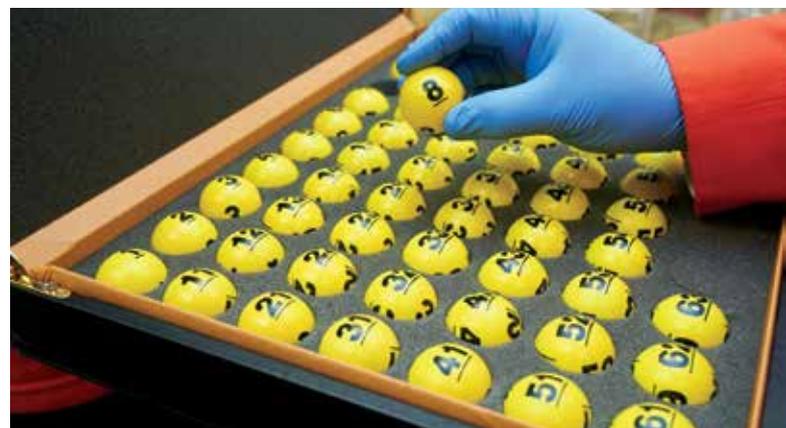
Bursa Malaysia Securities Berhad Main Market

STOCK SHORT NAME

BJTOTO (1562)

PLACE OF INCORPORATION AND DOMICILE

Malaysia



Marble balls for the lotto games.

PROFILE OF DIRECTORS



CHEAH TEK KUANG

69 years of age, Malaysian, Male
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) degree from the University of Malaya. He is a Fellow of the Asian Institute of Chartered Bankers.

He joined the AmBank Group in 1978 and retired as its Group Managing Director on 1 April 2012. Prior to joining AmBank Group, he was attached to the Malaysian Industrial Development Authority. He had also served on the Board of Bursa Malaysia Berhad, Danajamin Nasional Berhad and Cagamas Holdings Bhd.

He is presently an Independent Non-Executive Director of IOI Corporation Berhad, UMW Oil & Gas Corporation Berhad and Eco World International Berhad. He is also a Director of the Yayasan Bursa Malaysia.

He was appointed the Justice of Peace by His Royal Majesty the Sultan of Selangor in 1999.

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



DATO' SRI ROBIN TAN YEONG CHING

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

He was appointed to the Board on 21 February 1998 as an Executive Director and subsequently 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 Ltd, Singapore. He is also a Director of Atlan Holdings Bhd, Berjaya Sampo Insurance Berhad, Berjaya Golf Resort Berhad and KDE Recreation Berhad. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

His sister, Nerine Tan Sheik Ping and his cousin, Dato' Dickson Tan Yong Loong, are also members of the Board while his father, Tan Sri Dato' Seri Vincent Tan Chee Yioun, is a major shareholder of the Company.

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

PROFILE OF DIRECTORS



CHAN KIEN SING

60 years of age, Malaysian, Male
(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 AmlInvestment Bank Berhad) specializing in corporate finance until 1989 when he joined Berjaya Group Berhad.

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



SEOW SWEE PIN

59 years of age, Malaysian, Male
(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.



NERINE TAN SHEIK PING

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

She was appointed to the Board on 1 January 2016 as an Executive Director. She graduated with a Bachelor of Science degree in Management (Second Class Honours) from the London School of Economics, United Kingdom, in 1998.

She has more than 16 years of experience in sales, marketing and business development in several operations. She started work as a Business Development Manager at Cosway (M) Sdn Bhd from January 1999 to September 2002, and was mainly responsible for overseeing the sales and marketing of Cosway products. From September 2000 to March 2003, she was appointed as an Executive Director of eCosway Sdn Bhd to oversee the development of eCosway website with a software developer.

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

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

Currently, she is also an Executive Director of Berjaya Land Berhad, Berjaya Corporation Berhad and Berjaya Group Berhad. She also holds directorships in several other private limited companies.

Her brother, Dato' Sri Robin Tan Yeong Ching and her cousin, Dato' Dickson Tan Yong Loong, are also members of the Board while her father, Tan Sri Dato' Seri Vincent Tan Chee Yioun, is a major shareholder of the Company.



FREDDIE PANG HOCK CHENG

61 years of age, Malaysian, Male
(Non-Independent/Non-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. He joined Berjaya Group of companies in October 1990 until his retirement as an Executive Director on 31 March 2015 and is currently a Non-Independent Non-Executive Director of the Company.

He is also the Chairman of Intan Utilities Berhad, a Director of Berjaya Corporation Berhad and he also holds directorships in several other private limited companies.

PROFILE OF DIRECTORS



DATO' DICKSON TAN YONG LOONG

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

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 joined Tropicana Corporation Berhad ("Tropicana") as a Business Development Manager in 2005 and was promoted to several senior management positions prior to his current position as the Deputy Group Chief Executive Officer of Tropicana. Currently, he is 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 investment holding, services, media, leisure and retail.

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

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

His cousins, Dato' Sri Robin Tan Yeong Ching and Nerine Tan Sheik Ping, are also members of the Board while his uncle, Tan Sri Dato' Seri Vincent Tan Chee Yioun, is a major shareholder of the Company.



DATUK ROBERT YONG KUEN LOKE

64 years of age, Malaysian, Male
(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 there 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 the Group Finance Manager in UMW Holdings Berhad and Group Treasurer in Edaran Otomobil Nasional Bhd. He joined Berjaya Group of companies in 1987 until his retirement as an Executive Director on 30 November 2007 and is currently an Independent Non-Executive Director of the Company.

He is also a Director of Berjaya Corporation Berhad, Berjaya 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

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

He was appointed to the Board on 27 February 2014 as an Independent Non-Executive Director. He graduated with a Bachelor of Science (Honours) degree in Physics from University of Science Malaysia. Upon graduation in 1994, he started his career in real estate at Henry Butcher Lim & Long (North) Sdn Bhd and was with them for six years as a Marketing Manager. During his tenure at Henry Butcher, he had gained solid foundation and knowledge in the property industry that are exclusive and localized according to various geographical areas. Geared with vast hands-on experience, Dato' Oon went into property development in 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 (2012-2018) for Penang Chinese Chamber of Commerce ("PCCC") and Advisor to PCCC, Young Entrepreneur Section (2012-2018). At the national level, Dato' Oon has been appointed as the Deputy Chairman of the Associated Chinese Chamber of Commerce Malaysia Public Relations Committee ("ACCCIM") (2015-2018) and Advisor to the Young Entrepreneur Committee (2015-2018).

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

KEY SENIOR MANAGEMENT

DATO' SRI ROBIN TAN YEONG CHING

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

He was appointed to the Board on 21 February 1998 as an Executive Director and subsequently appointed as the Chief Executive Officer of the Company on 21 December 2006. His profile is listed in the Profile of Directors on page 3 of this Annual Report.

SEOW SWEE PIN

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

He was appointed to the Board on 17 December 2007 as an Executive Director of the Company. His profile is listed in the Profile of Directors on page 4 of this Annual Report.

CHAN KIEN SING

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

He was appointed to the Board on 1 December 1992 as an Executive Director of the Company. His profile is listed in the Profile of Directors on page 4 of this Annual Report.

NERINE TAN SHEIK PING

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

She was appointed to the Board on 1 January 2016 as an Executive Director of the Company. Her profile is listed in the Profile of Directors on page 5 of this Annual Report.

TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN

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

He is an entrepreneur with diverse interests in property development and investment, gaming, stockbroking, manufacturing, retailing, trading, hospitality, Internet-related businesses, environmental and utilities, media, food and beverage, telecommunications, insurance and education through various public and private companies, namely, Berjaya Corporation group of companies, Berjaya Media Berhad, Berjaya Assets Berhad, 7-Eleven Malaysia Holdings Berhad, Berjaya Retail Berhad, Cosway Corporation Limited, Informatics Education Ltd, Intan Utilities Berhad, U Mobile Sdn Bhd and MOL Ventures Pte Ltd.

Currently, he is the Executive Chairman of Berjaya Times Square Sdn Bhd and the Chairman of U Mobile Sdn Bhd. He is also the Managing Director/Chief Executive Officer of Sports Toto Malaysia Sdn Bhd.

He also holds directorships in several other private limited companies.

His children, Dato' Sri Robin Tan Yeong Ching and Nerine Tan Sheik Ping, and also his nephew, Dato' Dickson Tan Yong Loong are members of the Board of Berjaya Sports Toto Berhad.

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

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

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Berjaya 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 2016.

FINANCIAL RESULTS

For the financial year under review, the Group's revenue increased by 5.3% to RM5.563 billion, mainly due to higher revenue contribution from H.R. Owen Plc ("H.R. Owen") coupled with favourable foreign exchange effect. Pre-tax profit dropped by 16.5% to RM445.7 million, mainly due to lower profits from its principal subsidiary, Sports Toto Malaysia Sdn Bhd ("Sports Toto"), as well as the refund of RM18.0 million stamp duty (pursuant to the rescission of the share purchase agreement following the aborted listing exercise of Sports Toto Malaysia Trust on the Singapore Exchange Securities Trading Limited) recorded in the previous financial year. The drop in the Group's pre-tax profit would have been 13.6% if this stamp duty refund had been excluded.

DIVIDEND

For the financial year ended 30 April 2016, BToto had declared and paid four interim dividends of an aggregate of 19 sen per share. The total dividend distribution for the financial year ended 30 April 2016 was approximately RM255.2 million, representing about 82.7% of the attributable profit of the Group for the financial year ended 30 April 2016.

CORPORATE DEVELOPMENTS

1. On 4 December 2015, H.R. Owen, an indirect subsidiary of BToto, completed the acquisition of 50,000 ordinary shares of GBP1.00 each representing 100% equity interest in Bodytechnics Limited for a total cash consideration of GBP2.6 million (equivalent to approximately RM16.9 million). Bodytechnics Limited is a private company limited by shares incorporated in the United Kingdom and the principal activities are maintenance and repair of motor vehicles.



A lotto sales counter in Metro Manila, Philippines.

2. On 20 January 2016, BToto and Berjaya Corporation Berhad ("BCorp") jointly announced that the Investment Registration Certificate was issued to BCorp and Vietnam Computerized Lottery One Member Limited Liability Company ("Vietlott") by the Hanoi Department of Planning and Investment, certifying the award of an exclusive 18-year contract to invest in and operate a nationwide computerized lottery system in Vietnam ("Project"). The Project is being carried out by the indirect subsidiary of BCorp namely Berjaya Gia Thinh Investment Technology Joint Stock Company ("Berjaya GTI"). Berjaya GTI, 51% owned by Berjaya Lottery Vietnam Limited ("BLV") which is in turn 80% owned by BCorp and 20% owned by BToto, commenced operation on 18 July 2016.
3. On 26 April 2016, Berjaya Philippines Inc. ("BPI"), an indirect subsidiary of BToto, completed the subscription of 22,500,000 new ordinary shares in Ssangyong Berjaya Motor Philippines Inc. ("Ssangyong") for a total consideration of Peso22.5 million (equivalent to RM1.9 million), representing a 20% equity interest in Ssangyong.
4. On 29 April 2016, BPI completed the subscription of 10,450,000 new ordinary shares in Berjaya Auto Philippines Inc. ("BAP") for a total consideration of Peso115.68 million (equivalent to RM9.6 million), thus increasing BPI's equity interest in BAP from 30% to 35%.
5. On 29 April 2016, BPI completed the subscription of 56,000,000 new ordinary shares in Berjaya Pizza Philippines Inc. ("BPPI") for a total consideration of Peso56.0 million (equivalent to RM4.6 million), thus increasing BPI's equity interest in BPPI from 30% to 41.4%.

REVIEW OF OPERATIONS

Malaysia

The generally weak consumer sentiment and proliferation of illegal gaming operators throughout the country have continued to pose major challenges to Sports Toto's business. Despite the challenging and highly regulated business environment, Sports Toto continued to remain the market leader among all the Number Forecast Operators ("NFO") in the country in terms of total revenue for the financial year under review.

CHAIRMAN'S STATEMENT



H.R. Owen at the 2015 Classic & Sports Car Show in London.



Berjaya Makati Hotel.

During the financial year under review, the highest jackpot winning among the games offered was Supreme Toto 6/58's RM40.8 million, followed by Grand Toto 6/63's RM31.5 million, while the popular Toto 4D Jackpot game's first prize (Jackpot 1) which culminated twice at approximately RM30.6 million, were the highest winnings among the 7 Jackpot 1 prizes won in its category. Toto 4D Jackpot recorded the most frequent winnings among the Jackpot games.

Besides the introduction of game variations incorporating different play types and game replacements as well as other ongoing improvement of promotional features, Sports Toto continued to focus on improving operating efficiency and customer services in order to bring about sustained customer interest and better experience. Among the initiatives undertaken by Sports Toto was the roll-out of new vertical signboards featuring a neater look for digit and lotto games to improve its brand identity. The installation of new vertical signboards nationwide started towards the end of 2015 and is expected to be completed in August 2016.

As part of the company's ongoing efforts to further elevate the efficiency level of business operations, Sports Toto has streamlined prize cheque signing by decentralizing and empowering more regional staff nationwide with higher approval limits for the convenience of customers especially for outstation and East Malaysian customers. Certain new or existing regional sales offices in the northern, southern and East Malaysia regions were either established or upgraded in the last quarter of 2015 to provide better customer support and sales administration.

Policies on operating hours, bet ticket cancellation and bet ticket validation procedures were amended to reduce business cost and turnaround time, hence further improving staff productivity and customer service levels.

Sports Toto also set up a new customer care centre in mid-2015 focusing on enquiries from customers via a customer chatline or careline to step up customer services.

The Philippines

Berjaya Philippines Inc.'s ("BPI") main subsidiaries comprise Philippine Gaming Management Corporation ("PGMC"), H.R. Owen and Perdana Hotel Philippines Inc. ("PHPI").

PGMC which operates the business of leasing of online lottery equipment and providing software support to the Philippine Charity Sweepstakes Office ("PCSO") had a total of 4,569 lottery terminals installed in 4,263 outlets in the Luzon Island as at 30 April 2016.

On 13 August 2015, PCSO and PGMC entered into a Supplemental and Status Quo Agreement to extend the term of the Equipment Leasing Agreement to 21 August 2018.

On 13 November 2015, PGMC was awarded the UK-based Information Security Management System (ISO 27001:2013) certification issued by DNV GL Business Assurance UK Limited. This ISO certification is the international standard that describes the best practices for information security management system. This demonstrates that PGMC is conforming to the international information security best practices in the provision of gaming services.

H.R. Owen, a luxury motor retailer, operates a number of vehicle franchises in the prestige and specialist car market for both sales and aftersales, predominantly in London, UK. During the financial year under review, H.R. Owen invested in more dealerships with showrooms and aftersales facilities to meet corporate identity standards as required by the prestigious marques it represents and to increase its throughput and sales turnover. Towards the end of 2015, H.R. Owen launched its luxury car hire facility with chauffeur hire added to its service offerings.



A Mazda showroom in Pampanga, north of Manila.



A Papa John's Pizza store in Makati City, Metro Manila.

The luxury motor retailer also purchased Bodytechnics Ltd in December 2015 and a property at 1053 Great West Road, West London in January 2016 to enhance its operational synergies. Bodytechnics is UK's leading motor repair outfit, while the property in West London consists of a large warehouse already refurbished and used for car storage, display of pre-owned cars, trade sales and offices. The pursuit of these investments amplifies H.R. Owen's aim of becoming the finest end-to-end luxury car dealership in the world by going beyond sales and service.

PHPI operates the Berjaya Makati Hotel (previously known as Berjaya Manila Hotel) located in Makati City, Metro Manila. For the financial year under review, the average room rate grew by 4.5%, with its average occupancy rate of 65.3%. On 11 March 2016, Berjaya Makati Hotel was awarded "Halal" certification from the Department of Tourism, Philippines, which augurs well for top visitor arrivals from the Middle East as well as Asia.

Its associated company, Berjaya Pizza Philippines Inc. ("BPPI"), which is the franchisee for Papa John's Pizza, expanded its operations to 19 restaurant-based pizza stores in Metro Manila in the financial year under review compared to 18 restaurants in the previous financial year. Its revenue increased to Peso221.1 million for the financial year under review compared to Peso197.2 million in the previous financial year due to improved sales performance of the stores within Metro Manila. Loss after tax decreased to Peso85.3 million compared to Peso116.6 million in the previous financial year mainly due to lower operating expenses.

Its other associated company, Berjaya Auto Philippines ("BAP"), a distributor for Mazda brand vehicles in the Philippines, reported a higher revenue of Peso4.82 billion compared to Peso3.50 billion in the previous financial year. The increase of 37.7% was due to a higher volume of units sold. Profit after tax increased to Peso366.1 million compared to Peso231.4 million in the previous financial year mainly due to the increase in revenue.

The United States of America

International Lottery & Totalizator Systems, Inc. ("ILTS") is a leading supplier of lottery systems with installations worldwide. ILTS offers the entire spectrum of lottery products and services including gaming system software, agent terminals, data communications, consulting, training, facilities management and maintenance support. After more than 3 decades of operations, ILTS has provided lottery systems with installations for more than 25 customers in more than 20 countries on 6 continents and delivered more than 65,000 wagering terminals.

For the financial year under review, Unisyn Voting Solutions, Inc. ("Unisyn"), a wholly-owned subsidiary of ILTS, posted a higher revenue arising from additional sales of its OpenElect® voting system and products ("OpenElect® Suites") in the states of Arizona, Indiana, Iowa, Kansas, Missouri, Tennessee, Utah and Virginia. Unisyn currently has more than 7,700 OpenElect® voting systems and products installed and used in the elections of over 2,900 precincts in over 150 counties throughout Arizona, Indiana, Iowa, Kansas, Missouri, Tennessee, Ohio, Utah and Virginia. Its OpenElect® digital optical scan election system and voting machines were implemented and successfully used to run the elections in the aforesaid states in the 2016 U.S. Presidential primaries and statewide primaries. Counties in those states will also use OpenElect® voting systems and machines in the 2016 U.S. Presidential election.

Unisyn is one of the few companies which have received the 2005 Voluntary Voting System Guidelines Certification from the U.S. Election Assistance Commission ("EAC") for its OpenElect® Suites. The OpenElect® Suites include OpenElect® Voting Optical Scan, OpenElect® Optical Voting Interface, OpenElect® Central Scan and the OpenElect® Central Suite. The OpenElect® Suites had received additional federal certification upgrades from the EAC, as well as state certifications from Missouri, Iowa, Virginia, Indiana, Tennessee, Ohio, Kansas, Arizona and Utah. Unisyn continues with its certification processes in selected states to support its sales and marketing activities. Unisyn also provides technical election support to Los Angeles County, the largest voting jurisdiction in the U.S. with a voting age population of more than 5.5 million.

CHAIRMAN'S STATEMENT

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

In the face of tough economic headwinds during the financial year under review, Sports Toto continued to carry out a range of corporate social responsibility (CSR) programmes in line with the company's commitment as a responsible corporate citizen.

Community services and sports continued to be the main CSR areas which the company placed as top priority, while other CSR areas in respect of education as well as popular entertainment and culture were also given due attention.

All these efforts were in line with the objective of *Giving Something Back to Society* that has long been driven by Sports Toto since its privatization in 1985.

Community

Throughout the years, Sports Toto has made an effort to ensure that the underprivileged communities are not forgotten, especially during the festive occasions.

The 28th Sports Toto Chinese New Year Ang Pow Donation Campaign was one of the biggest festive donation campaigns in the country. Sports Toto contributed over RM1 million which benefitted approximately 17,000 needy senior citizens in the form of cash and mini hampers in 45 cities and towns throughout the country.

The company also shared festive cheers during Hari Raya, Deepavali and Christmas by distributing cash, mini hampers as well as spending some light-hearted moments with the less fortunate groups.

During the Ramadhan month, Sports Toto organised a goodwill visit to the paediatric ward of Raja Permaisuri Bainon Hospital

in Ipoh, Perak to share Hari Raya cheer with approximately 100 child patients by contributing cash as well as mini hampers comprising stationery, story books and soft toys.

The Deepavali celebrations saw Sports Toto bringing Deepavali cheer to 150 needy families in Kajang, Selangor. The recipients were overjoyed on receiving festive goodies such as hampers, rice and cash.

In conjunction with the joyful Christmas season, Sports Toto spread the spirit of sharing, giving and compassion by reaching out to the Orang Asli community in the remote part of Raub, Pahang. About 800 indigenous folks of all ages were given Christmas presents, and a sumptuous buffet meal as well as a magic show were specially arranged for their enjoyment.

The company also celebrated Harvest and Gawai Festivals with the underprivileged children in East Malaysia by distributing gifts and goodies bags to 6 charitable homes - Association for Children with Special Needs in Sibu, Centre of The Deaf and Mentally Challenged in Tawau, Bukit Harapan Children's Home in Kota Kinabalu, Sabah Cheshire Home in Sandakan, Sarawak Cheshire Home in Kuching and Malaysian Red Crescent Sunflower Centre in Miri.

In our effort to help alleviate the plight of the poverty-stricken, Sports Toto collaborated with NTV7 for the sixth consecutive year in producing a 13-episode charity-themed TV show - Helping Hands Season 6. This time around, we reached out to a more diverse group of beneficiaries which included micro-sized primary schools, indigineous groups and charitable organizations by way of facility and home improvements, medical provisions and other necessities to improve their living conditions. To date, Sports Toto has helped a total of 71 beneficiaries and raised the social awareness of their plights through the media.



"Helping Hands Season 6" charity-themed programme reaching out to schools, charitable organizations and Orang Asli community.

Sports Toto also lent a helping hand to the Malaysian Medical Volunteers' Vaccination Programme for Myanmar Rohingya migrants in Malaysia and Pusat Jagaan & Kaunseling Maranatha in Sungai Buloh, Selangor through cash donation.

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

Berjaya Makati Hotel organized goodwill visits to the child cancer patients of the Philippine General Hospital and underprivileged children of HE Cares Foundation with sumptuous food, light entertainment and goodies arranged for them.

Berjaya Pizza Philippines Inc. contributed in kind and cash towards Padyak Sa Bundok, a fundraising biking event participated by 1,500 bikers in Marikina City, Metro Manila.

Sports

In line with Sports Toto's commitment to encourage healthy and active lifestyles in the community at large, sports remain as one of the main areas in which the company strives to fulfill its social responsibility.

During the financial year under review, Sports Toto supported many sporting events such as the *Go For It!* - FTKLAA Cross Country 2016, Penang Bridge International Marathon 2015, Seremban Half Marathon 2015, 204KM KL - Maran Big Walk 2015, Run For Your Lives Malaysia 2015, Roasters Chicken Run 2015, Milo - FTKLAA Walk Circuit 2015, AmBank City Day Run 2015, Sg. Petani Half Marathon 2015, Dr. Ko Healthy Walk Circuit 2015, MKH Kajang International 12-Hour Walk, MBPJ Squash Open Championship 2015, Asean Basketball League 2015, High School Basketball Tournament 2015, Jasmine Cup

Youth Basketball Tournament 2016, Dato' Theng Book Cup Malaysian Media Badminton Tournament 2015, Sports Toto 3-On-3 Basketball Jamboree at Kuching Festival 2015 and Sports Intergration With The Society of The Blind.

In a continuous effort to support national sports development, Sports Toto joined hands with the Olympic Council of Malaysia ("OCM") in recognising Malaysian athletes through the OCM - Sports Toto Outstanding Athletes of The Games Award 2015. The awards were presented to the outstanding gold medallists who had made the country proud by delivering a very high standard of performance at the 28th SEA Games 2015 in Singapore. We awarded a total of 29 individual gold medallists and 5 team gold medallists of the 28th SEA Games 2015 for their achievements.

During the financial year under review, Sports Toto also contributed RM200,000 towards the Sabah Sports Council for the preparation of Road to Rio Olympics 2016 Special Programme initiated by the Sports and Youth Ministry of Sabah.

On a bigger scale, Sports Toto made substantial annual financial contributions to the National Sports Council for the development of sports in the country.

Education

Education is fundamental to the growth and development of human capital in the country. Sports Toto believes that children are the future and every child deserves to have a happy childhood and opportunities to learn.

In view of the need to enhance the learning opportunities of children in the rural communities, Sports Toto extended its "Reading My Companion" learning programme to 23 micro-sized Chinese primary schools in the rural areas of various states across the country for the 4th consecutive year.



Go For It! - FTKLAA Cross Country 2016.



OCM - Sports Toto Outstanding Athletes of the Games Awards for Malaysian gold medallists at the 28th SEA Games 2015.

CHAIRMAN'S STATEMENT



"Reading My Companion" Learning Programme 2015 reached out to 23 suburban micro-sized primary schools.

Sports Toto hopes to inculcate reading as a pastime of choice among the rural students who are relatively lacking in terms of recreational choices.

The learning programme has been well received and benefitted close to 5,600 students in 45 suburban micro-sized Chinese primary schools in Selangor, Perak, Negri Sembilan, Malacca and Pahang since its inception in 2012.

Sports Toto also supported the operation cost of four community education centres providing free English, computer and personal development lessons to underprivileged children and adults across the country.

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 performances. The *Show Time* musical roadshows were held in various parts of the country including the southern, northern and central regions. The Astro Hua Hee Karaoke Competition 2015 brought great excitement to the Hokkien karaoke enthusiasts and the grand final round was held at the GM Mall in Klang, Selangor. The company also organized the East Malaysia Talent Star 2015 in Sabah and Sarawak which served as a platform to discover potential talents in East Malaysia.

Sports Toto also presented the Alan Tam 40th Anniversary World Tour 2015 live in Malaysia at Putra Indoor Stadium, Bukit Jalil, Kuala Lumpur.

In the promotion of culture and arts, Sports Toto supported Padawan Festival, Yin Ngai Heart to Heart Charity Night 2015, Penang Chingay Parade 2015, Por Tor Festival, Pesta Tanglung Muar 2015, Muar Chinese New Year Street Show, Nine Emperor God Festival and Hungry Ghost Festival.

Workplace

In maintaining a healthy workplace, Sports Toto Sports Club has been actively organizing a variety of recreational and sports activities such as educational visits, family day outings, birthday celebrations and festive get-togethers, bowling tournaments, badminton championships, ping pong and dart competitions, among others.

Group Synergy

As part of an effort towards environmental sustainability, Berjaya Corporation Berhad with all its subsidiaries including Sports Toto embarked on Shelter in The Sea For Marine Life, a coral reef propagation project in August 2015.

The project saw the placing of 67 units of concrete pipes, each ranging from 3 feet to 7 feet in diameter, on the seabed between Berjaya Tioman Resort Dive Centre and Renggis Island to encourage the growth of coral reefs.

FUTURE OUTLOOK AND PROSPECTS

The world economy is forecast to grow at around 2.4% on the backdrop of low commodity prices, faltering demand in advanced economies and geopolitical uncertainties in some parts of the world.

On the home front, the Malaysian economy is also expected to remain subdued in 2016. The rising cost of living, brought on partly by the impact of Malaysian Goods & Services Tax (GST) and also weak performance of Ringgit against the major currencies, continues to have an effect on the low and middle-income households, thus bringing about weaker consumer sentiment.



Christmas goodies for the Orang Asli community in Raub, Pahang.



Shelter in the Sea for Marine Life campaign in Tioman Island.

Nevertheless, the country's GDP is expected to grow at 4% to 4.5% in 2016 with the Government's commitment to further fiscal consolidation efforts by optimizing expenditure and prioritizing development projects with emphasis on high-impact projects that will bring multiplier effects to the economy, boost the export sector and tourism, as well as increase investment and private consumption.

Sports Toto will strive to maintain its dominance in the number forecast sector in the face of a more challenging economic and business environment. Towards this end, Sports Toto will continue to work towards providing improved or enhanced game features, offering better customer services, and refining marketing and promotional programmes to create product awareness.

In the Philippines, BPI's subsidiary, PGMC, will continue to work closely with PCSO to monitor sales and promote all the games as well as introduce new games and install additional terminals to capture more customers. H.R. Owen will complement BPI's revenue growth with additional dealerships that feature showrooms, aftersales facilities and leading automotive repair specialist service, thereby adding to its suite of services. BPI's other investment in PHPI will help in generating higher revenue from its hotel rooms, food and beverage as well as banquet sales.

With the impact of the GST, increasing illegal gaming activities and the rising costs resulting from difficult economic conditions which continue to dampen consumer spending, the Directors expect the NFO business to be challenging for the financial year ending 30 April 2017. Notwithstanding the above, the Directors are confident the Group will maintain its market share in the NFO business.

APPRECIATION

On behalf of the Board, I would like to welcome Ms Nerine Tan Sheik Ping who was appointed to the Board as an Executive Director effective 1 January 2016.

I also wish to take this opportunity to express the Board's appreciation to our customers, shareholders, business associates, financiers, analysts, members of the media, government authorities and other stakeholders for their continued support, cooperation and assistance to us.

Let me also put on record our heartfelt appreciation to the management, employees and agents for their work commitment and dedication throughout the year.

Last but not least, my personal thanks to my fellow colleagues on the Board for their active participation and contribution in the Board and I look forward to their continued support.

CHEAH TEK KUANG

Chairman

26 July 2016

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2016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，本集团录得的营收增长5.3%至55亿6300万令吉，主要基于来自H.R. Owen公司(“H.R. Owen”)更高的营收贡献以及有利的外币汇率。税前盈利下滑16.5%至4亿4570万令吉，主要是因为集团旗下主要子公司多多博彩马来西亚私人有限公司(“多多博彩”)取得较低盈利，以及集团在上一财政年录得一笔总值1800万令吉的印花税退款(这笔款项是因为多多博彩马来西亚信托欲在新加坡证券交易所挂牌上市的计划取消后，而撤销股票买卖协议所收到的印花税退款)。若扣除此印花税退款，本集团录得的税前盈利仅下滑13.6%。

股息

成功多多博彩已在截至2016年4月30日的财政年四季度宣布和派发中期股息，总额为每股19仙。在截至2016年4月30日的财政年中所派发的股息总额达至大约2亿5520万令吉，相当于本集团在截至2016年4月30日的财政年中，约82.7%的可分派盈利。

企业发展

1. 在2015年12月4日，成功多多博彩旗下间接子公司H.R. Owen以260万英镑(相当于约1690万令吉)的代价，完成收购Bodytechnics有限公司5万股、每股价值1英镑的股票，或相当于后者的100%股权。Bodytechnics有限公司是一家在英国注册成立的私人股份有限公司，其主要业务是汽车保养与维修服务。
2. 在2016年1月20日，成功多多博彩和成功机构有限公司(“成功机构”)联合宣布，河内规划与投资局向成功机构以及越南电脑化彩票一人有限责任公司(Vietnam Computerized Lottery One Member Limited Liability Company)(“Vietlott”)发出投资注册证书，并颁发1项为期18年的独家合约予2家公司以在越南境内各地投资并经营

电脑化彩票系统(“计划”)。这项计划是由成功机构旗下间接子公司成功Gia Thinh投资科技股份有限公司(Berjaya Gia Thinh Investment Technology Joint Stock Company)(“成功GTI”)负责执行。越南成功彩票有限公司(Berjaya Lottery Vietnam Limited)(“BLV”)持有成功GTI的51%股权，而成功机构和成功多多博彩分别持有前者80%和20%的股权。成功GTI是于2016年7月18日开始营业。

3. 在2016年4月26日，成功多多博彩旗下间接子公司菲律宾成功股份有限公司(Berjaya Philippines Inc.)(“BPI”)以2250万比索(相当于190万令吉)的代价，完成认购菲律宾双龙成功汽车公司(Ssangyong Berjaya Motor Philippines Inc.)(“Ssangyong”)发行的2250万股新股票，相当于Ssangyong的20%股权。
4. 在2016年4月29日，BPI以1亿1568万比索(相当于960万令吉)的代价，完成认购菲律宾成功汽车公司(Berjaya Auto Philippines Inc.)(“BAP”)发行的1045万股新股票，使BPI所持有的BAP股权从30%增至35%。
5. 在2016年4月29日，BPI以5600万比索(相当于460万令吉)的代价，完成认购菲律宾成功比萨公司(Berjaya Pizza Philippines Inc.)(“BPPI”)发行的5600万股新股票，使BPI所持有的BPPI股权从30%增至41.4%。

业务检讨

马来西亚

疲弱的消费者情绪以及国内日益猖獗的非法赌博活动持续为多多博彩的业务带来巨大的挑战。尽管多多博彩身处极具挑战性且受高度监管的经商环境中，本公司依然在检讨中的财政年中凭营收总额继续成为国内领先的测字业者(“NFO”)。



位于菲律宾马尼拉大都会的1间乐多销售站。



多多博彩销售站。

在检讨中的财政年，好运多多六合彩(6/58)游戏曾派出一笔总值4080万令吉的积宝奖金，是所有数字游戏中派出的最高奖金数额，紧接着的是鸿运多多六合彩(6/63)游戏所派出一笔总值3150万令吉的积宝奖金。向来备受客户追捧的多多万字积宝游戏共派出7份积宝首奖，而当中奖金数额最高的2份奖项分别总值大约3060万令吉。多多万字积宝是所有积宝游戏中，派出最多份奖金的游戏。

除了推出一系列结合各类投注方式的游戏玩法、取代旧游戏的全新游戏，以及其他获提升的促销式功能之外，多多博彩也持续专注改善营运效率和客户服务，以提供更好的体验，令客户们继续热爱追捧多多游戏。多多博彩所采取的举措包括推出清楚展示数字和乐多游戏开彩资讯的精美直立告示板，以建立其品牌标识。这些全新推出的直立告示牌是从2015年杪在全马各地开始安装，并预期在2016年8月竣工。

作为本公司持续致力提升营运效率的一环，多多博彩已简化中奖支票的签发程序，即授权全马更多区域办事处的职员签发更高数额的中奖支票以为客户们，特别是来自外州和东马的客户提供便利。本公司于2015年末季在北马、南马和东马开设全新区域办事处，并提升部分现有办事处的硬件设施，以提供更优质的客户服务及提升销售行政水平。

本公司修订了其营业时间以及彩票注销与核实程序，以降低营运成本 and 缩短周转时间，从而改善职员的工作效率和客户服务品质。

多多博彩也在2015年中设立全新客户服务中心，主要通过线上聊天室或客户服务专线解答客户的疑问，以提升客户服务品质。

菲律宾

菲律宾成功股份有限公司(“BPI”)旗下主要子公司有Philippine Gaming Management Corporation (“PGMC”)、H.R. Owen以及Perdana Hotel Philippines Inc.(“PHPI”)。

经营线上博彩配备租赁业务以及为菲律宾慈善大彩办事处(“PCSO”)提供软件支援服务的PGMC在截至2016年4月30日为止，已在位于吕宋岛的4263家销售站安装了4569台彩票终端机。

在2015年8月13日，PCSO和PGMC签署了一份附加与现状协议，以延长配备租赁协议之条款期限至2018年8月21日。

在2015年11月13日，英国DNV GL商业验证有限公司颁发了英国资讯安全管理系统(ISO 27001:2013)证书予PGMC。这项具国际标准的ISO认证说明了有关资讯安全管理系统的最佳实践守则，这代表PGMC在供应博彩服务时遵循最佳且具国际标准的资讯安全实践守则。

豪华轿车经销商H.R. Owen主要在英国伦敦以特许经营模式销售豪华与特殊轿车品牌汽车，并提供售后服务。在检讨中的财政年，H.R. Owen增设更多陈列室和售后服务设施，以符合其代理的豪华汽车品牌所要求之企业形象标准，同时提升产量和销量。在2015年杪，H.R. Owen推出了豪华轿车与司机租赁服务。

该豪华轿车经销商也分别在2015年12月以及2016年1月，收购Bodytechnics有限公司和购置一项位于西伦敦大西路1053号的产业，以加强其营运协和作用。Bodytechnics是英国1家领先汽车维修业者，位于西伦敦的产业则是由经已翻修并用作收纳汽车、展示二手车、贸易销售以及办公用途的仓库所组成。这一系列的投入反映了H.R. Owen的目标，即通过涉足销售与服务以外的领域以成为世界顶级的全方位豪华轿车经销商。

PHPI 经营位于马尼拉大都会马卡迪市的成功马卡迪酒店(前称为成功马尼拉酒店)。在检讨中的财政年，其客房平均价格上涨4.5%，平均入住率则录得65.3%。在2016年3月11日，菲律宾旅游局颁发清真证书予成功马卡迪酒店。这对该酒店来说是一项利好消息，因为前往菲律宾旅游的旅客大部分来自中东和亚洲。

其联号公司菲律宾成功比萨公司(“BPPI”)是Papa John’s 比萨的特许经营权持有者，而该公司在检讨中的财政年中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18家餐厅增至19家餐厅。该公司在检讨中的财政年中录得的营收，从上一财政年的1亿9720万比索增至2亿2110万比索，因为其位于马尼拉大都会的餐厅之销售表现获得改善。其税后亏损也从上一财政年的1亿1660万比索收窄至8530万比索，主要是因为营运开销降低。



在大马隆重举行的2015年谭詠麟《银河岁月40载》世界巡回演唱会。



第28届“多多博彩华人新年施赠贫老”活动。



美国密苏里州在2015年11月进行的选举期间使用Unisyn的OpenElect®投票系统。



在菲律宾进行的乐多游戏开奖。

其另一家联号公司菲律宾成功汽车(“BAP”)是马自达汽车在菲律宾的经销商。比较上一财政年的35亿比索,该公司在检讨中的财政年中取得更高的营收,即48亿2000万比索。基于较高的销量,该公司录得的营收成长了37.7%。其税后盈利从上一财政年的2亿3140万比索增至3亿6610万比索,主要因为该公司取得较高的营收。

美国

国际博彩与赛马测彩系统有限公司(International Lottery & Totalizator Systems, Inc.)(“ILTS”)是在全球皆有业务的领先博彩系统供应商。ILTS提供全面的博彩产品和服务,包括博彩系统软件、代理终端机、数据通讯、咨询、培训、设施管理和维修支援。经营业务有逾30年之久的ILTS已在全球6大洲逾20个国家为超过25个客户安装彩票系统,更交付了逾6万5000台投注终端机。

在检讨中的财政年,ILTS旗下独资子公司Unisyn投票解决方案公司(Unisyn Voting Solutions, Inc.)(“Unisyn”)录得更高的营收,因为该公司在亚利桑那州、印第安纳州、爱荷华州、堪萨斯州、密苏里州、田纳西州、犹他州和维基尼亚州成功为其OpenElect®投票系统与产品(“OpenElect®配套”)取得额外的销售业绩。目前,亚利桑那、印第安纳、爱荷华、堪萨斯、密苏里、田纳西、俄亥俄、犹他和维基尼亚9个州内的逾150个郡,共有超过2900个地区在选举中已安装并使用超过7700个OpenElect®投票系统与产品。其OpenElect®数码光学扫描选举系统和投票机器在上述州属举行2016年美国总统初选和州初选期间,成功安装并执行选举程序。这些州属内的郡也会在2016年美国大选期间采用OpenElect®投票系统和机器。

Unisyn是少数公司中,凭其OpenElect®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。此OpenElect®配套包括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。OpenElect®配套分别获颁来自EAC的额外升级版联邦认证,以及密苏里、爱荷华、维基尼亚、印第安纳、田纳西、俄亥俄、堪萨斯、亚利桑那和犹他9个州所颁发的州级认证。Unisyn

持续在特定州属争取认证,以支援其行销活动。Unisyn也为美国最大并且拥有逾550万符合投票年龄人口的选区一洛杉矶郡提供技术支援。

企业社会责任

尽管在检讨中的财政年面对严峻的经济挑战,身为一家致力履行企业责任的多多博彩依然持续推动一系列的企业社会责任举措。

多多博彩在持续着重“援助社群”及“支持体坛”2大企业社会责任项目之余,也没忽略其他项目即教育和文娱相关的企业社会责任举措。

这一系列企业社会责任举措是在多多博彩自1985年私营化后,多年来所秉持的“回馈社会”理念之宗旨下所推行的。

社群

多年来,多多博彩不忘援助弱势群体,特别是在佳节期间为他们带来佳节欢乐。

第28届“多多博彩华人新年施赠贫老”活动是国内其中一项最大型的佳节施赠活动。多多博彩共拨出超过100万令吉,以施赠善款和迷你礼包予大约1万7000名来自全马各地45个城镇的贫老。

多多博彩也在开斋节、屠妖节和圣诞节期间与较为不幸的一群分享佳节欢乐,在施赠善款和迷你礼包之余,也与他们欢乐互动。

在斋戒月期间,多多博彩亲善探访位于吡叻州怡保的苏丹后端姑拜润医院内的儿童病房,并与大约100名病童共庆开斋节,同时捐献善款和赠送装有文具、故事书和绒毛玩具的迷你礼包给病童们。

多多博彩在屠妖节期间也前往雪兰莪州加影,为当地150户亟需家庭带来佳节欢乐。每个受惠家庭皆满心欢喜地接收佳节礼物如礼包、白米以及佳节善款。



多多博彩赞助2015年槟城大桥国际马拉松。



2015年古晋节多多博彩三人制篮球赛。

配合圣诞节庆典，多多博彩在推广“分享、奉献及怜悯”的精神下，前往彭亨州劳勿的偏远地区，与当地的原住民一同预庆圣诞节。共有大约800名原住民获赠圣诞礼物，并享用了一顿丰盛的自助餐以及观赏一场精彩绝伦的魔术表演。

多多博彩也在东马与当地的弱势孩童共庆丰收节及达雅节，并捐献礼物和礼包给当地6家慈善机构，即诗巫特殊儿童协会、斗湖听障与智障中心、亚庇Bukit Harapan儿童之家、山打根Sabah Cheshire Home、古晋Sarawak Cheshire Home以及美里大马红新月会向日葵中心。

为了协助缓解贫困群体所面对的困境，多多博彩第6度与NTV7携手合作，制作了13集以慈善为主题的电视节目—《檐下温情》第6季。此电视节目从第6季开始多元化其援助对象，涵盖了微型小学、原住民社群及慈善机构，为受惠单位翻新设施与家园，并提供药物和其他日常用品，以改善他们的生活环境。此电视节目开播至今，多多博彩已透过电视媒体援助了71个受惠单位，并唤起社会大众对亟需人士的关怀。

多多博彩也资助大马医疗志愿者疫苗注射计划，为居住在我国的缅甸罗兴亚移民提供疫苗注射服务。另外，多多博彩也捐献善款予雪州双溪毛糯Maranatha护理与辅导中心。

除了上述举措之外，多多博彩也通过与成功关怀基金会或多个非营利机构合作，参与和支持各类与社群相关的企业社会责任举措。

成功马卡迪酒店亲善探访了菲律宾中央医院的患癌病童以及HE关怀基金会的弱势孩童，并为他们带来丰盛美食、娱乐节目和礼包。

菲律宾成功比萨公司赞助了礼品及现金予1项在马尼拉大都会Marikina市举行的慈善脚车比赛—Padyak Sa Bundok，而这项赛事吸引了1500位脚车骑手参赛。

体育

配合其欲推广健康与活力生活的理念，支持体坛持续是多多博彩着重的其中一项主要社会责任项目。

在检讨中的财政年，多多博彩支持了多项体育活动，例如2016年*道之世!* - 联邦直辖区吉隆坡田径协会越野赛、2015年槟城大桥国际马拉松、2015年芙蓉半程马拉松、2015年204公里吉隆坡 - 马兰竞走赛、2015年大马Run For Your Lives“活尸路跑”活动、2015年罗杰斯烤鸡欢乐竞跑赛、2015年美禄 - 联邦直辖区吉隆坡田径协会竞走赛、2015年大马银行城市日竞跑赛、2015年双溪大年半程马拉松、2015年高医生健康竞走赛、MKH加影12小时国际竞走赛、2015年八打灵再也市政厅壁球公开赛、2015年东南亚职业篮球联赛、2015年中学校际篮球赛、2016年茉莉杯青少年篮球赛、2015年拿督汤木杯大马媒体羽毛球团体赛、2015年古晋节多多博彩三人制篮球赛以及盲人协会综合运动会。

为了持续支持国家体坛的发展，多多博彩与马来西亚奥运理事会(“大马奥理会”)携手合作，举办“2015年大马奥理会 - 多多博彩杰出运动员奖”颁奖礼，以表扬我国杰出运动员。此项殊荣是颁发给出征2015年新加坡第28届东运会，并展现了高水准表现的杰出金牌得主。我们一共表扬了在2015年第28届东运会上，表现杰出的29位个人金牌得主和5个团体冠军。

在检讨中的财政年，多多博彩也赞助了20万令吉予沙巴体育理事会，作为由沙巴青年及体育部主催的“迈向2016年里约奥运会之路”特别计划之筹备经费。

为协助国家体坛的发展，多多博彩每年也大力资助国家体育理事会。

主席报告

教育

教育是国家人力资本成长与发展的根基。多多博彩相信，儿童是国家未来的主人翁，因此每一个孩子都应当享有快乐的童年以及受教育的机会。

为了赋予郊区孩童更多学习机会，多多博彩在全马23所郊区微型华小推行第4届“多多阅读，获益良多”助学计划。

多多博彩冀望这项计划能令郊区学生们培养阅读的兴趣，并把阅读当作闲暇时最佳的活动。

这项自2012年开始推行的助学计划获得了良好的回响，迄今已让近5600名来自雪兰莪、吡叻、森美兰、马六甲及彭亨州郊区的45间微型华小学生受惠。

多多博彩也资助了国内4家为弱势孩童和成人提供免费英语、电脑和个人成长课程的社区教育中心。

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，为本地社区呈献精彩的娱乐节目。“欢乐多多”音乐会已在全国各地举行了一系列的路演活动，包括南马、北马和中马区。2015年Astro《欢喜来卡拉》歌唱大赛为福建歌曲发烧友带来无限欢乐，而总决赛是在雪州巴生GM批发城举行。该公司也在沙巴和砂拉越举办2015年“东马才华之星”才艺大赛，同时也是一个发掘多才多艺的东马民众之平台。

多多博彩也荣誉呈献，在吉隆坡武吉加里尔布特拉室内体育馆举行的2015年谭咏麟《银河岁月40载》世界巡回演唱会。

在发扬文化和艺术方面，多多博彩赞助了巴达旺节、2015年研艺爱心慈善夜、2015年槟城青艺大旗鼓游行、孟兰普渡盛会、2015年麻坡灯笼佳节、麻坡贪食街新春嘉年华、九皇爷诞和中元节盛会。

职场

为了维护健康且充满活力的工作环境，多多博彩体育俱乐部向来积极举办各类休闲与体育活动，例如教学团、家庭日出游、生日庆祝会和佳节聚会、保龄球锦标赛、羽毛球比赛、乒乓比赛、飞镖比赛等活动。

集团协作

成功机构有限公司联同其旗下所有子公司包括多多博彩，在2015年8月推介了一项珊瑚保育宣导计划—“海洋生物庇护所”计划，以为环保尽一份绵力。

根据该计划，成功机构在成功刁曼岛度假村潜水中心与仁吉斯岛(Renggis Island)之间的海床，置放67个直径3至7英尺的混凝土管以促进珊瑚礁的生长。

未来展望与前景

由于原产品价格走低、先进经济体需求放缓，以及世界部分地区的地缘政治不稳定，因此全球经济估计成长2.4%。

我国的经济成长在2016年也预料会持续疲弱。消费税(GST)的实施无形中导致生活成本上涨，加上令吉兑主要货币的汇率表现走弱持续影响中低收入家庭，因而造成消费者情绪疲弱。

尽管如此，在政府承诺会通过检讨开销预算来进一步整合财务、优先推动高成效的发展项目以为经济带来乘数效应、刺激出口领域和旅游业、吸引更多投资以及鼓励个人消费下，我国的国内生产总值预料在2016年将成长4%至4.5%。



多多博彩为本地民众呈现了42场“欢乐多多”音乐会路演活动。



2015年“东马才华之星”才艺大赛。

尽管经济和经商环境深具挑战，多多博彩仍会竭力维持其在测字领域的主导地位。有鉴于此，多多博彩将继续推出更好的游戏特色、提供更优质的客户服务，以及优化行销计划以加强品牌知名度。

在菲律宾，BPI旗下子公司PGMC将持续与PCSO密切合作以监督销售并推销所有游戏，同时也会推介新游戏以及增设更多终端机以吸引更多客户。H.R. Owen将增设更多备有陈列室、售后服务设施和领先专业汽车维修服务的经销中心以扩大服务项目，进而带动BPI的营收成长。BPI在PHPI的投资项目也会通过其客房、餐饮以及宴会销售而录得更高的营收。

消费税所带来的影响，加上日益猖獗的非法赌博活动以及经济不景气所带来的高成本，将持续抑制消费情绪。因此，董事部成员预料测字业务将在截至2017年4月30日的财政年中面对挑战。尽管如此，董事部成员有信心，本集团能维持测字业务的市占率。

感谢

本人谨代表董事部欢迎陈雪冰小姐加入董事部，即从2016年1月1日起正式受委为执行董事。

我也趁此机会代表董事部，向所有给予鼎力支持、合作和协助的顾客、股东、来往商家、融资机构、分析员、媒体朋友、政府监管单位和其他单位致上诚挚的谢意。

我也在此深深感谢管理层、员工和代理们一整年来的献身精神和敬业乐业态度。

最后，本人也感谢诸位董事部成员的积极参与和为董事部作出贡献，并冀望他们继续给予支持。

谢德光

主席

2016年7月26日



多多博彩趁屠妖节来临与弱势群体分享佳节欢乐。



多多博彩趁开斋节来临亲善探访位于吡叻州怡保的苏丹后端姑拜润医院。

GROUP FINANCIAL SUMMARY

Description	2016 USD'000	2016 RM'000	2015 RM'000 (Restated)	2014 RM'000
Revenue	1,430,871	5,563,227	5,283,644	4,340,839
Profit Before Tax	114,624	445,658	534,012	509,722
Profit For The Year	81,814	318,092	373,304	343,696
Non-Controlling Interests	(2,431)	(9,452)	(11,694)	(14,990)
Profit Attributable To Owners of the Parent	79,383	308,640	361,610	328,706
Share Capital	34,749	135,103	135,103	135,103
Share Premium	-	-	-	-
Reserves	165,087	641,859	574,106	505,263
Equity Funds	199,836	776,962	709,209	640,366
Treasury Shares	(2,588)	(10,061)	(24,712)	(11,860)
Net Equity Funds	197,248	766,901	684,497	628,506
Non-Controlling Interests	19,022	73,956	71,070	75,129
Total Equity	216,270	840,857	755,567	703,635
Other Non-Current Liabilities	1,201	4,668	5,285	4,898
Long Term Borrowings	178,755	695,000	495,000	400,000
Deferred Tax Liabilities	1,262	4,907	3,664	4,765
Current Liabilities	282,650	1,098,944	990,182	1,039,428
Total Equity And Liabilities	680,138	2,644,376	2,249,698	2,152,726
Property, Plant and Equipment	55,871	217,226	166,478	165,398
Intangible Assets	200,052	777,803	763,756	754,049
Investments	59,208	230,201	221,003	194,396
Deferred Tax Assets	11,184	43,484	23,692	16,991
Current Assets	353,823	1,375,662	1,074,769	1,021,892
Total Assets	680,138	2,644,376	2,249,698	2,152,726
Net Assets Per Share (Cents/Sen)	14.63	56.89	50.91	46.62
Net Earnings Per Share (Cents/Sen)	5.88	22.88	26.86	24.66
Dividend Rate Per Share (Cents/Sen)	5	19.00 ***	21.50	26.50 **
Net Dividend Amount (USD'000/RM'000)	65,628	255,160 ^^	289,250	352,348 ^

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 2016 : US\$1.00 : RM3.888

*** This figure included a share dividend of 2.5 sen per share.

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

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

^^ The dividend amount included share dividend based on treasury shares book cost of RM32.9 million.

^ 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.

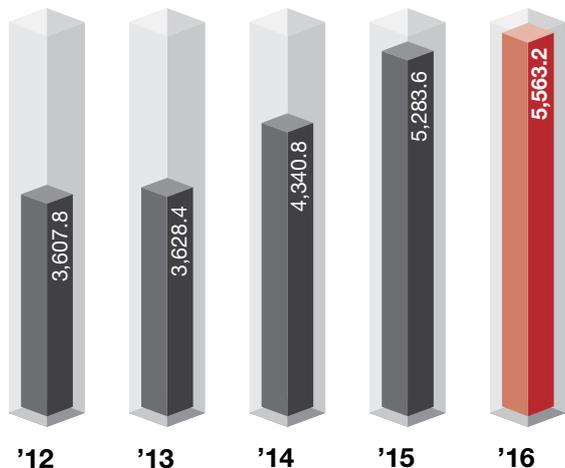
The dividend amount included share dividend based on treasury shares book cost of RM383.3 million.

GROUP FINANCIAL SUMMARY

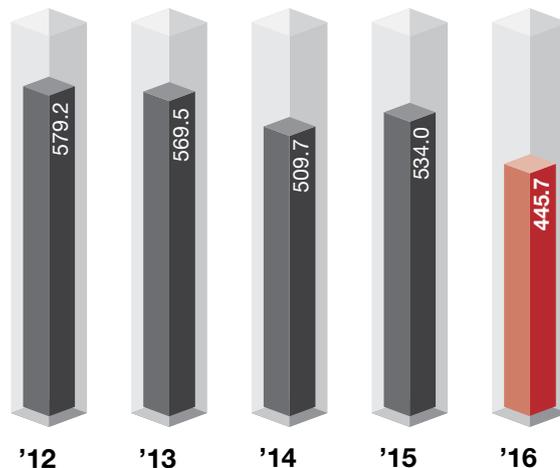
2013 RM'000	2012 RM'000	2011 RM'000	2010 RM'000	2009 RM'000	2008 RM'000	2007 RM'000
3,628,362	3,607,754	3,433,216	3,392,810	3,695,686	3,277,797	3,035,288
569,526	579,150	508,402	548,188	585,544	502,627	545,332
403,506	415,685	357,441	388,478	422,016	358,749	382,526
(12,421)	(10,209)	(7,680)	(4,974)	(8,462)	(10,086)	(6,839)
391,085	405,476	349,761	383,504	413,554	348,663	375,687
135,103	135,103	135,103	135,103	135,103	135,103	135,103
-	-	-	-	207,431	207,431	207,431
467,969	464,715	380,301	371,715	546,512	394,241	356,990
603,072	599,818	515,404	506,818	889,046	736,775	699,524
(32,907)	(120,295)	(57,341)	(57,341)	(406,099)	(406,099)	(281,239)
570,165	479,523	458,063	449,477	482,947	330,676	418,285
43,049	31,399	23,723	15,074	15,959	23,244	10,179
613,214	510,922	481,786	464,551	498,906	353,920	428,464
3,333	2,597	2,423	39,715	38,455	35,996	47,413
400,000	550,000	550,000	305,000	124,247	262,686	360,000
364	380	326	2,129	1,710	2,473	3,400
526,159	364,159	412,729	420,189	451,156	369,113	373,958
1,543,070	1,428,058	1,447,264	1,231,584	1,114,474	1,024,188	1,213,235
121,864	131,139	135,900	96,701	101,067	97,653	92,132
644,485	643,857	642,757	643,986	618,358	618,425	617,810
165,803	136,755	113,759	100,921	86,534	86,779	81,427
18,417	12,718	9,776	9,674	5,214	858	1,468
592,501	503,589	545,072	380,302	303,301	220,473	420,398
1,543,070	1,428,058	1,447,264	1,231,584	1,114,474	1,024,188	1,213,235
42.45	36.25	34.25	33.61	38.45	26.33	32.66
29.43	30.37	26.15	29.02	32.93	27.60	29.05
28 **	27	21	57.50 *	29	35	45
372,912 ##	359,406	280,875	728,954 #	316,669	325,974	421,079

GROUP FINANCIAL HIGHLIGHTS

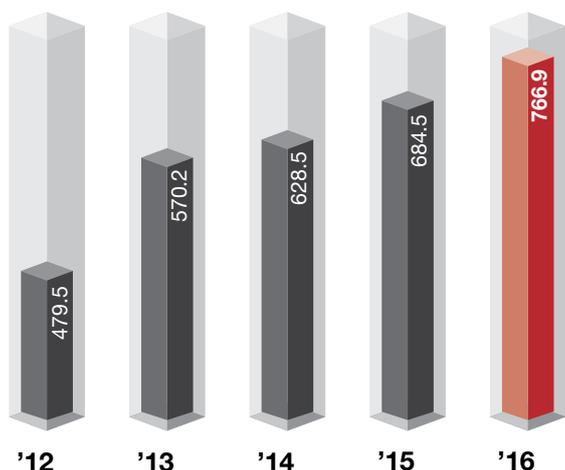
Revenue (RM' Million)



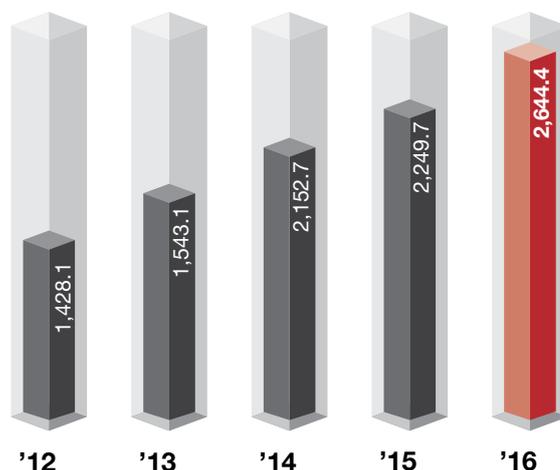
Profit Before Tax (RM' Million)



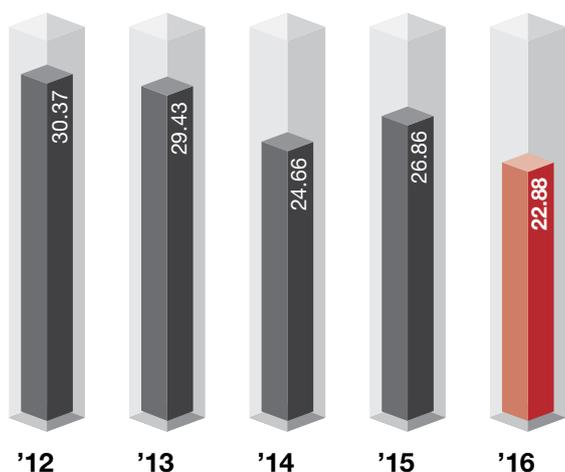
Net Equity Funds (RM' Million)



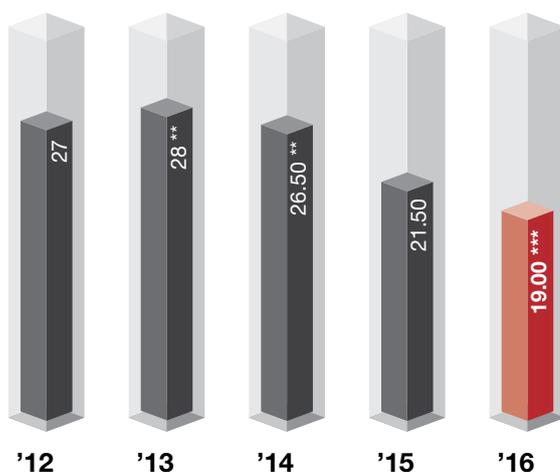
Total Assets (RM' Million)



Net Earnings Per Share (Sen)



Dividend Rate (Sen)



*** This figure included a share dividend of 2.5 sen per share.

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

MANAGEMENT DISCUSSION & ANALYSIS

Overview

Berjaya Sports Toto Berhad (“BToto”) is principally engaged in the operations of Toto betting, leasing of online lottery equipment, and the manufacture and distribution of computerised lottery and voting systems. BToto’s other business segments include the operation of a hotel in the Philippines and luxury motor retailing in the UK.

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, Toto 4D Jackpot, Toto 5D, Toto 6D, Power Toto 6/55, Supreme Toto 6/58 and Grand Toto 6/63 which are drawn three days a week.

Revenue

For the financial year ended 30 April 2016, Sports Toto recorded revenue of RM3.18 billion compared to the previous year’s revenue of RM3.23 billion. The company’s revenue for the financial year under review has been stated net of Gaming Tax as well as Goods and Services Tax (“GST”) on gaming supply introduced by the Royal Malaysian Customs on 1 April 2015. The decrease of 1.6% in revenue was mainly due to the implementation of GST on gaming supply for the full twelve months in the financial year ended 30 April 2016, compared to only one month for the corresponding financial year ended 30 April 2015. Setting aside the GST impact, the decrease in revenue would be 0.07% compared to the corresponding financial year ended 30 April 2015. 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.

Profit Before Tax

Sports Toto’s pre-tax profit decreased by 13.0% to RM415.1 million compared to RM477.2 million in the previous financial year. The lower profit before tax was mainly due to higher prize payout as well as a full twelve-month GST impact in the financial year under review compared to a one-month GST impact in the corresponding financial year ended 30 April 2015.

Profit After Tax

Profit after tax decreased by 11.7% to RM298.5 million compared to RM338.1 million in the previous financial year. The lower profit after tax margin of 9.4% compared to 10.5% in the previous financial year was mainly due to higher prize payout as well as a full twelve-month GST impact in the financial year under review, compared to a one-month GST impact in the corresponding financial year ended 30 April 2015.

Prospects

With the impact of the GST, increasing illegal gaming activities and the rising costs resulting from difficult economic conditions which continue to dampen consumer spending, the Directors expect the NFO business to be challenging in the financial year ending 30 April 2017. However, it is expected that Sports Toto will continue to maintain its market share in the NFO sector.

THE PHILIPPINES

BToto operates in the Philippines through its subsidiary Berjaya Philippines Inc. (“BPI”) which is listed on the Philippine Stock Exchange. BPI’s major investments include wholly-owned subsidiary Philippine Gaming Management Corporation (“PGMC”), 72.0% equity interest in H.R. Owen Plc (“H.R. Owen”) and wholly-owned subsidiary Perdana Hotel Philippines Inc. (“PHPI”).

MANAGEMENT DISCUSSION & ANALYSIS

PGMC operates the business of leasing online lottery equipment and providing software support in the Luzon Region to the Philippine Charity Sweepstakes Office (“PCSO”), a Philippine government agency responsible for lotteries and sweepstakes, whereas H.R. Owen, a luxury motor retailer, operates a number of vehicle dealerships in the prestige and specialist car market for both sales and aftersales, predominantly in London, UK. PHPI operates Berjaya Makati Hotel in Makati City, Metro Manila.

Revenue

BPI group recorded 0.1% increase in revenue to Peso26.50 billion from Peso26.47 billion in the previous financial year. The increase was primarily due to higher revenue contribution from H.R. Owen in the financial year under review.

PGMC recorded revenue of Peso1.58 billion, a decrease of 1.9% from Peso1.61 billion in the previous financial year due to a decrease in lease rental income as a result of a revision of equipment lease rate in the Equipment Lease Agreement which was renewed via a Supplemental Agreement signed on 13 August 2015. It is envisaged that the lease rental income will grow in tandem with the growth in sales from the number forecast games in play.

BPI’s other subsidiary, PHPI which operates Berjaya Makati Hotel in Makati City, recorded an increase in revenue of Peso146.5 million compared to Peso143.5 million in the previous financial year. The increase of 2.0% in revenue was mainly due to an increase in average room rate compared to the previous financial year. In March 2016, PHPI was awarded the “Halal” certification by the Department of Tourism, Philippines.

Profit Before Tax

BPI group recorded profit before tax of Peso931.3 million, a decrease of Peso307.0 million or 24.8% from the previous financial year, despite an increase in revenue mainly due to higher operating expenses incurred in the financial year under review.

PGMC’s pre-tax profit decreased by 10.7% to Peso856.5 million compared to Peso958.7 million in the previous financial year mainly due to lower lease rental income earned as well as higher operating expenses incurred during the financial year under review.

PHPI’s pre-tax profit increased by 19.2% to Peso3.9 million compared to Peso3.2 million in the previous financial year, mainly due to higher revenue from hotel rooms as well as other income during the financial year under review.

Profit After Tax

BPI group’s profit after tax decreased by 25.7% to Peso706.3 million compared to Peso951.0 million in the previous financial year. The effective tax rate for the financial year ended 30 April 2016 was slightly higher at 24.2% compared to 23.2% in the previous financial year.

Prospects

Having attained an economic growth of 5.8% in 2015, the Philippines remained a strong performer in the region. Its economic growth is likely to remain strong and is projected to accelerate to 6.4% in 2016, driven by favourable domestic factors in spite of a weak global market.

Moving forward, PCSO is expected to introduce new games to create more excitement for the betting customers and increase the frequency of betting draws to boost sales volume. PCSO is also looking into increasing its lotto outlet network in the Luzon area to provide more venues for the sale of betting tickets.

The tourism industry remains exciting with tourist arrivals expected to increase significantly in the Philippines. Berjaya Makati Hotel will continue to put in place strategies to leverage on its strategic location, competitive hotel room rates and “Halal” banquet food certification to attract more tourists from the Middle East and Southeast Asia.

THE UNITED STATES OF AMERICA

In the United States, BToto's subsidiary, International Lottery & Totalizator Systems, Inc. ("ILTS") provides computerised wagering equipment and systems to the online lottery and pari-mutuel racing industries worldwide. ILTS owns a voting business segment operated through Unisyn Voting Solutions, Inc. ("Unisyn") which develops and markets the OpenElec® digital optical scan election system to election jurisdictions. The OpenElec® 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 OpenElec® election system.

Revenue/Profit Before Tax

For the financial year ended 30 April 2016, ILTS recorded a higher revenue, and also profit before tax of USD3.4 million compared to loss before tax of USD1.2 million in the previous financial year. This was mainly due to increased contract sales in the voting segment and increased spare parts orders from both the gaming and voting segments.

Prospects

ILTS will continue to explore new and emerging technologies based on the current industry developments with the intention to increase its market share and improve competitiveness, as well as explore new markets where ILTS's core competencies can be applied.

One of ILTS's corporate strategies is to pursue growth through strategic alliances to gain access to new and tactically important geographical locations and business opportunities, and capitalise on existing business relationships.

UNITED KINGDOM

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

Revenue

For the financial year ended 30 April 2016, H.R. Owen recorded revenue of £355.6 million compared to £349.8 million in the previous financial year mainly due to an increase in the number of new and pre-owned prestige cars sold, contribution from additional outlets as well as income from auto body repairs and servicing.

H.R. Owen sold a total of 982 new prestige cars in the financial year under review compared to 971 prestige cars sold in the previous financial year, an increase of 1.1%. For pre-owned cars, the number of units sold increased by 4.4% to 1,369 units compared to 1,311 units sold in the previous financial year.

Profit Before Tax

H.R. Owen's pre-tax profit for the financial year ended 30 April 2016 was lower at £1.6 million compared to £4.0 million in the previous financial year, mainly due to higher operating expenses incurred arising from more showrooms for its luxury and prestige car dealerships and purchase of additional facilities during the financial year under review.

MANAGEMENT DISCUSSION & ANALYSIS

Capital Investment

H.R. Owen made considerable capital investments totaling £11.3 million on new car dealerships, showrooms and aftersales facilities as well as acquisition of freehold property and improvements during the financial year under review.

Prospects

Sales started well for the current financial year and should continue throughout the remainder of the year ending 30 April 2017. The results for 2017 are expected to moderately improve, as the manufacturer cycles continue to see encouraging improvement.

BTOTO AS A GROUP

Liquidity and Financial Resources

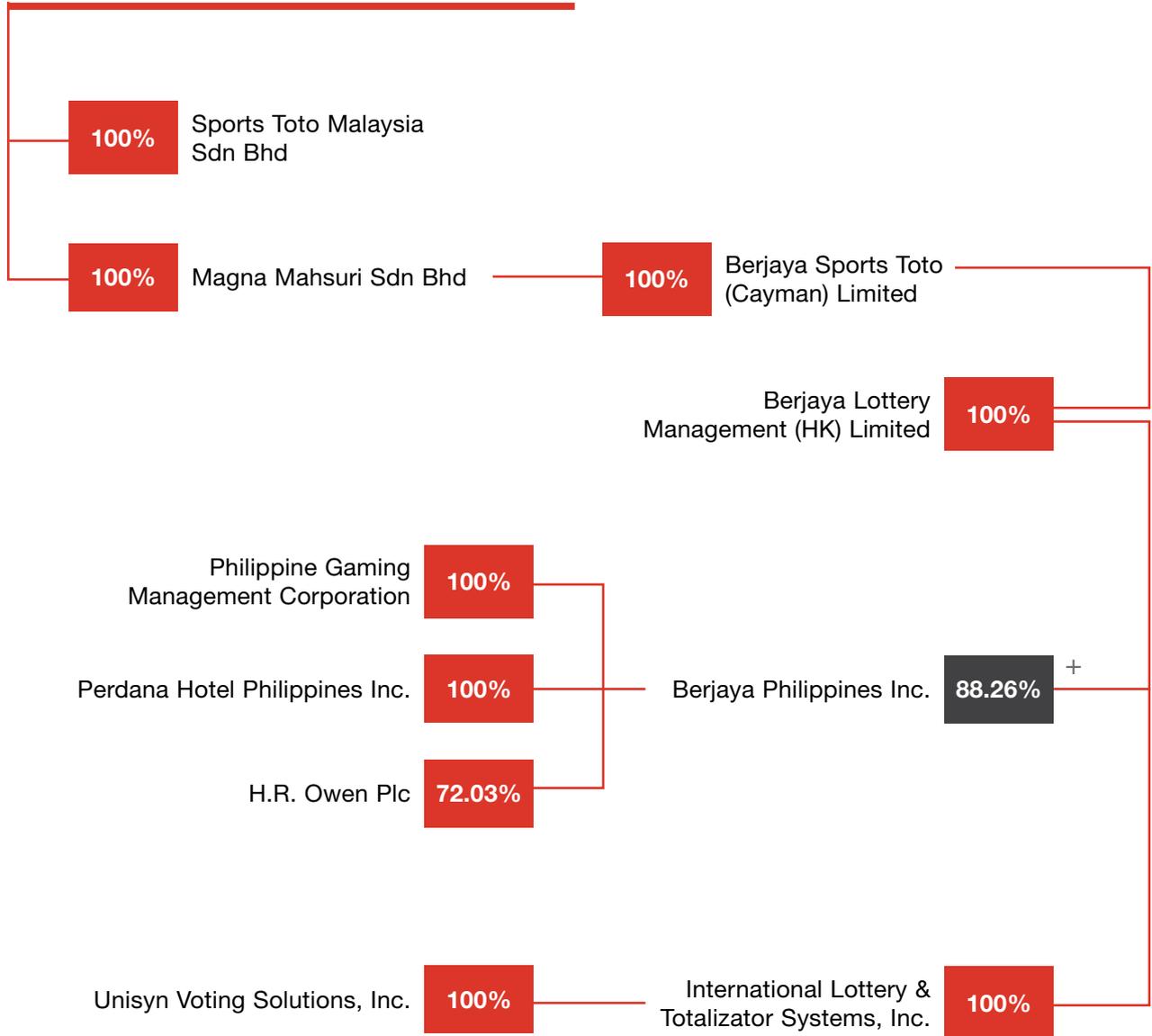
The Group retained strong cash flows with total cash and cash equivalents of RM530.5 million as at 30 April 2016 (2015: RM427.3 million) with a current ratio of 1.25 times in the financial year under review (2015: 1.09 times).

BToto's total indebtedness as at 30 April 2016, comprising borrowings and hire purchase payables, was RM832.9 million (2015: RM697.0 million). The Group's gearing ratio in the financial year under review was 0.99 times compared to 0.92 times in the previous financial year. The higher gearing ratio was mainly attributable to higher borrowings during the financial year under review.

CORPORATE STRUCTURE

of main subsidiaries companies as at 26 July 2016

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 2016.

A) PRINCIPLE 1: ROLES AND RESPONSIBILITIES

Board composition and balance

The Board has nine (9) members, comprising three Independent Non-Executive Directors (including the Chairman), the Chief Executive officer, three Executive Directors and two Non-Independent Non-Executive Directors. 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 a 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 roles 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 and yearly 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.

The qualifications and experience of each of the Directors are set out in the Profile of Directors on page 3 to page 7 of the Annual Report.

Roles and Responsibilities of the Board

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

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

1. Reviewing and adopting strategic plans and policies for the Company and the Group;
2. Overseeing and monitoring the conduct of the businesses and financial performance and major capital commitments of the Company and the Group;
3. Identifying principal risks of the business and ensuring the implementation of appropriate risk management systems to manage these risks;
4. Establishing a succession plan for the Company and the Group including the remuneration and compensation policy thereof;
5. Overseeing the development and implementation of corporate communication policies with the shareholders and investors, other key stakeholders and the public including the whistle blowing policy;
6. Reviewing the adequacy and integrity of the internal control systems and management information of the Company and the Group;
7. Reviewing and adopting budgets and financial results of the Company and the Group, monitoring compliance with applicable accounting standards and the integrity and adequacy of financial information disclosure;
8. Reviewing and approving any major corporate proposals, new business ventures or joint ventures of the Group;
9. Reviewing and approving any material acquisitions and disposals of undertakings and assets in the Group; and
10. Developing a corporate code of conduct to address, amongst others, any conflicts of interest relating to Directors, major shareholders and/or management.

The Board is also supported by the different Board Committees to provide independent oversights of management and to ensure that there are appropriate checks and balances. These Board committees are:-

- i Audit Committee
- ii Nomination Committee
- iii Remuneration Committee
- iv Risk Management Committee

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

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

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

Directors' Code of Conduct/Ethics

The Board has adopted a Code of Ethics for Directors ("Code") which is incorporated in the Board Charter. The Code was formulated to enhance the standard of corporate governance and 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. All employees are required to declare that they have received, read and understood the provisions of the Code of Conduct.

STATEMENT ON CORPORATE GOVERNANCE

Sustainability Strategies

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

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

Supply of Information

All Directors have 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 Secretaries play an advisory role to the Board in relation to the Company's constitution and advise 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.

Board Meetings

The Board meets regularly on a quarterly basis with additional meetings being convened when necessary. During the financial year ended 30 April 2016, the Board met five (5) times and the record of attendance of each Director is set out below:-

Directors	Attendance
Cheah Tek Kuang *	5/5
Dato' Sri Robin Tan Yeong Ching	4/5
Chan Kien Sing	5/5
Seow Swee Pin	5/5
Nerine Tan Sheik Ping (Appointed on 1 January 2016)	1/1#
Freddie Pang Hock Cheng	5/5
Dato' Dickson Tan Yong Loong	3/5
Datuk Robert Yong Kuen Loke *	5/5
Dato' Oon Weng Boon *	5/5

* Denotes Independent Non-Executive Directors.

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

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: BOARD COMPOSITION

1. Nomination Committee

The Nomination Committee of the Company consists of exclusively 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 twice during the financial year ended 30 April 2016.

The Chairman of the Nomination Committee, Mr Cheah Tek Kuang has been identified as the Senior Independent Non-Executive Director of the Board to whom concerns relating to the affairs of the Group may be conveyed.

Under its terms of reference, the Nomination Committee is tasked with the duties of, among others, the following:

- identifying, assessing and recommending the right candidates to the Board with the necessary skills, knowledge, experience and competency for new appointments;
- conducting an annual assessment on the effectiveness of the Board as a whole (inter-alia, the required mix of skills, size and composition, experience, core competencies and other qualities of the Board), the Board Committees and the contribution of every Director (including the assessment of independence of the Independent Directors);
- recommending retiring directors for re-election or re-appointment as directors;
- ensuring orderly succession at the Board level and boardroom diversity; and
- ensuring adequate training and orientation are provided for new members of the Board.

The terms of reference of the Nomination Committee is available at the Company's website at www.berjaya.com.

Develop, maintain and review criteria for recruitment and annual assessment of Directors

Appointment to the Board

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

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

1. The candidate identified upon the recommendation by the existing Directors, Senior Management staff, shareholders and/or other consultants;
2. In evaluating the suitability of candidates to the Board, the Nomination Committee considers, inter-alia, the competency, experience, commitment, contribution and integrity of the candidates, and in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidate's independence;
3. Recommendation to be made by Nomination Committee to the Board. This also includes recommendation for appointment as a member of the various Board Committees, where necessary; and
4. Decision to be made by the Board on the proposed new appointment, including appointment to the various Board committees.

STATEMENT ON CORPORATE GOVERNANCE

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/herself for re-election once every three (3) years.

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

The Nomination Committee is also responsible for recommending to the Board those Directors who are eligible to stand for re-election/re-appointment.

The Directors who will retire by rotation and eligible for re-election pursuant to Article 98(A) of the Company's Articles of Association at the forthcoming AGM are Dato' Sri Robin Tan Yeong Ching, Mr Chan Kien Sing and Datuk Robert Yong Kuen Loke. The newly appointed Director, namely Ms Nerine Tan Sheik Ping who was appointed during the year will also retire at the forthcoming AGM pursuant to Article 98(E) of the Company's Articles of Association. The profiles of these Directors are set out on page 3 to page 6 of the Annual Report.

The Nomination Committee has also assessed the performances of the remaining Directors due for re-election and has made recommendations to the Board for their re-election to be tabled for shareholders' approval at the forthcoming AGM. To assist the shareholders in their decision, sufficient information such as personal profile, attendance of meetings and the shareholdings of the Directors standing for re-election have been disclosed in this Annual Report.

Annual Assessment

The Nomination Committee reviews annually the effectiveness of the Board and Board Committees as well as the performance of individual Directors. The evaluation involves individual Directors and Committee members completing separate evaluation questionnaires regarding the processes of the Board and its Committees, their effectiveness and where improvements could be considered. The criteria for the evaluation are guided by the Corporate Governance Guide – Towards Boardroom Excellence. The evaluation process also involved a peer and self-review assessment, where Directors will assess their own performance and that of their fellow Directors. These assessments and comments by all Directors were summarised and discussed at the Nomination Committee meeting which were then reported to the Board at the Board Meeting held thereafter. All assessments and evaluations carried out by the Nomination Committee in the discharge of its duties are properly documented.

During the financial year under review, the Nomination Committee reviewed and recommended to the Board the appointment of Nerine Tan Sheik Ping as a new member of the Board.

The Nomination Committee also carried the following activities during the meeting held on 20 June 2016:

- reviewed and assessed the mix of skills, expertise, composition, size and experience of the Board;
- reviewed and assessed the performance of each individual Director; the independence of the Independent Directors; the effectiveness of the Board and the Board Committees;
- nominated the Directors who are retiring and who are eligible for re-election; and
- reviewed the performance of the Audit Committee and its members.

STATEMENT ON CORPORATE GOVERNANCE

Boardroom Diversity

The Board acknowledges the importance of gender, age, nationality, ethnicity and socio-economic background diversity and recognises the benefits that it can bring. The Board is of the view that while promoting boardroom diversity is essential, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority.

The Company does not set any specific target for boardroom diversity but will actively work towards achieving the appropriate boardroom diversity.

Currently, the Board has one (1) female Director, namely, Nerine Tan Sheik Ping.

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' Sri 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 packages and other terms of employment of the Executive Directors. The remuneration of Directors is determined at levels which enable the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively.

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 Director concerned abstaining from deliberations and voting on decision in respect of his/her individual remuneration package. The fees payable to the Non-Executive Directors will be recommended by the Board for approval by shareholders at the Annual General Meeting.

Details of the Directors' Remuneration

The aggregate Directors' remuneration paid or payable to the Directors in office during the financial year by the Company and the Group categorised into appropriate components for the financial year ended 30 April 2016 were as follows:-

Company	RM'000				
	Fees	Benefits-in-kind	Salaries and other emoluments	Bonus	Total
Executive	-	-	990	68	1,058
Non-Executive	180	39	797	87	1,103
	180	39	1,787	155	2,161

Group	RM'000				
	Fees	Benefits-in-kind	Salaries and other emoluments	Bonus	Total
Executive	75	64	5,718	515	6,372
Non-Executive	180	39	797	87	1,103
	255	103	6,515	602	7,475

STATEMENT ON CORPORATE GOVERNANCE

The number of Directors as at the end of the financial year and their total remuneration from the Group categorised into various bands were as follows:-

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
RM1 – RM50,000	-	2
RM100,001 – RM150,000	-	1
RM200,001 – RM250,000	-	1
RM300,001 – RM350,000	1	-
RM600,001 – RM650,000	-	1
RM1,050,001 – RM1,200,000	1	-
RM1,250,001 – RM1,300,000	1	-
RM3,650,001 – RM3,700,000	1	-
	4	5

C) PRINCIPLE 3: 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 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: 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. Hence, each Director is required to notify the Chairman of the Board prior to accepting directorships outside the Group. Similarly, the Chairman of the Board shall also do likewise before taking up any additional appointment of directorships. The notification will also include an approximate indication of time that will be spent by the Directors on the new directorships.

Directors' Training

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

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

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

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

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

Director	Title of Programmes/ Seminars/Courses/ Forums
Cheah Tek Kuang	<ul style="list-style-type: none"> - Yayasan Tun Ismail Public Lecture Series 2015 - The Board's Response in Light of Rising Shareholders Engagements - Khazanah Nasional Berhad Megatrends Forum 2015 - Capital Market Directors Programme: <ul style="list-style-type: none"> - Module 1: Directors as Gatekeepers of Market Participants - Module 4: Current and Emerging Regulatory Issues in the Capital Market - Danajamin Nasional Berhad – Anti-Money Laundering Training for Directors - Trans-Pacific Partnership Agreement 2015 - Capital Market Directors Programmes Module 3: Risk oversight and compliance – action plan for Board of Directors - Directors' Remuneration Report 2015 - Improving Board Risk Oversight Effectiveness - Dialogue on Directors' and Officers' Liability Insurance - Invest Malaysia 2016 - Avoiding Financial Myopia
Dato' Sri Robin Tan Yeong Ching	<ul style="list-style-type: none"> - Global sustainability and impact investing forum 2015 - Forbes Global CEO Conference in Manila – Towards a winning session - Bursa Malaysia Focus Group Session on AGM Guide - Closed door session with Prime Minister, Ministers and Corporate Chiefs
Chan Kien Sing	<ul style="list-style-type: none"> - Advocacy Sessions on Management Discussion & Analysis for CEO and CFO - MIA Conference 2015 - KPMA Inhouse workshop 7-Eleven Board <ul style="list-style-type: none"> - Sustainability reporting - Changes in main market listing requirements - Cyber security - Succession planning

STATEMENT ON CORPORATE GOVERNANCE

Director	Title of Programmes/ Seminars/Courses/ Forums
Seow Swee Pin	<ul style="list-style-type: none"> - Building Effective Finance Function: From Reporting to Analytics to Strategic Input - The Interplay between Corporate Governance, Non-Financial Information and Investment Decision - Corporate Governance Seminar, Philippines - APLA Regional Conference 2015, Seoul, Korea - Sustainability Engagement Series for Directors/Chief Executive Officers
Nerine Tan Sheik Ping	<ul style="list-style-type: none"> - Mandatory Accreditation Programme for Directors of Public Listed Companies
Freddie Pang Hock Cheng	<ul style="list-style-type: none"> - Bursa Malaysia ASEAN CAP10 Sustainability Symposium
Dato' Dickson Tan Yong Loong	<ul style="list-style-type: none"> - Briefing on the amendments to the Housing Development (Control & Licensing) Act 1966 and the Strata Management Act 2013
Datuk Robert Yong Kuen Loke	<ul style="list-style-type: none"> - Datuk Robert Yong kept himself abreast with the latest developments on the various accounting, finance and business issues both locally and globally through his extensive networking, reading of various magazines and journals and serving as a council member of the Malaysian Institute of Certified Public Accountants
Dato' Oon Weng Boon	<ul style="list-style-type: none"> - Risk Management and Internal Control Workshop: Is Our Line of Defence Adequate and Effective? - Live Telecast Viewing of Budget Speech - SERC Research Debriefing <ul style="list-style-type: none"> Topic 1: GST & Anti-Profitteering Enforcement Updates Topic 2: Labour Issues – Min. Wages & Employment Insurance Scheme Topic 3: Current Economic Condition - Improving Board Risk Oversight Effectiveness - Briefing on Bank Negara Malaysia's 2015 Annual Report and Financial Stability and Payments System Report

E) PRINCIPLE 5: 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 Malaysian Financial Reporting Standards and International Financial Reporting Standards in Malaysia.

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

STATEMENT ON CORPORATE GOVERNANCE

The Directors are responsible for keeping proper accounting records which disclosed 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. *Assessment of external auditors*

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

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

To support the Audit Committee's assessment of their independence, the External Auditors will provide the Audit Committee with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. The External Auditors are required to declare their independence annually to the Audit Committee as specified 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 ensures that the External Auditors are independent of the activities they audit and will review the contracts for provision of non-audit services by the External Auditors. The recurring non-audit services were in respect of tax compliance, services as scrutineers at the Company's annual general meeting, the annual review of the Risk Management and Internal Control Statement. The non-recurring non-audit services are acting as reporting accountants for any corporate exercises.

During the financial year, the amount of non-audit fees paid to the External Auditors and/or to affiliates by the Company and the Group respectively for the financial year ended 30 April 2016 were as follows:-

	Company		Group	
	FYE2016 RM'000	FYE2015 RM'000	FYE2016 RM'000	FYE2015 RM'000
Statutory audit fees paid/payable to:-				
- Ernst & Young ("EY") Malaysia	99	97	299	301
- Affiliates of EY Malaysia	-	-	58	47
Total (a)	99	97	357	348
Non-audit fees paid/payable to:-				
- EY Malaysia	21	141*	21	145*
- Affiliates of EY Malaysia	5	5	33	44
Total (b)	26	146	54	189
% of non-audit fees (b/a)	26.26%	150.52%	15.13%	54.31%

Note:

* Inclusive of one-off fee charged for professional services rendered in connection with the Purchase Price Allocation Exercise for the acquisition of a substantial subsidiary company during that year amounting to RM120,000.

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

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

STATEMENT ON CORPORATE GOVERNANCE

F) PRINCIPLE 6: RISKS MANAGEMENT

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 provides the Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control. As proper risk management is a significant component of a sound system of internal control, the Group has also put in place risk management process to help the Board in identifying, evaluating and managing risks. The implementation and maintenance of the risk management process is carried out by the Risk Management Committee of the Group.

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 42 and page 43 of the Annual Report.

G) PRINCIPLE 7: TIMELY DISCLOSURES

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

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

H) PRINCIPLE 8: RELATIONSHIP BETWEEN THE COMPANY AND SHAREHOLDERS

The Company's Annual General Meeting ("AGM") remains the principal forum for dialogue with private and institutional shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with and constructive feedback from the shareholders. At each AGM, the Board presents the progress and performance of the Company's businesses and shareholders are encouraged to participate in the proceedings and question and answer session and thereafter to vote on all resolutions.

The Chairman as well as the CEO will respond to shareholders' questions at the AGM. The External Auditors are also present to provide professional and independent clarification on issues and concerns raised by the shareholders.

The Notice and agenda of AGM together with Form of Proxy are given to shareholders at least twenty-one days before the AGM, which gives sufficient time to prepare themselves to attend the AGM or to appoint a proxy to attend and vote on their behalf. Each item of special business included in the Notice of AGM is accompanied by an explanatory statement for the proposed resolution to facilitate the full understanding and evaluation of issues involved.

Poll voting

In line with the MCGG 2012, all the resolutions passed by the shareholders at the previous AGM held on 15 October 2015 were voted by way of a poll. The shareholders were briefed on the voting procedures by the Share Registrar while the results of the poll were verified and announced by the independent scrutineer, Ernst & Young.

Pursuant to Paragraph 8.29A (1) of the Listing Requirements of Bursa Malaysia Securities Berhad, the Company is required to ensure that any resolution set out in the notice of general meetings is voted by poll.

Dialogue between the Company and shareholders

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

Currently, the Company's various channels of communications are through the quarterly announcements on financial results to Bursa Securities, relevant announcements and circulars, general meetings of shareholders and through the Company's website at www.berjaya.com where shareholders can access corporate information, annual reports, press release, financial information and company announcements.

I) COMPLIANCE WITH THE MCGG 2012

The Board is satisfied that the Company has, in all material aspects, complied with the principles and recommendations of the MCGG 2012 that were in place during the financial year ended 30 April 2016.

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.

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 risk management 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. The Risk Management Working Committee (“RMWC”), consisting of all heads of departments of the operating subsidiary companies, maintains a risk register which outlines the risk policies including the procedures of risk identification, risk tolerance and the evaluation and managing process. Any new risks identified or areas which exceeded the risk tolerance level defined will be evaluated with immediate action taken according to the procedures defined and promptly reported to the RMC together with a control strategy to manage the risk identified. During the financial year ended 30 April 2016, the RMC held 4 meetings to review the reports tabled by the RMWC. 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), Datuk Robert Yong Kuen Loke, Dato’ Oon Weng Boon and Mr. Seow Swee Pin.

The RMC terms of reference include, inter alia:

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

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

ASSURANCE MECHANISM

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. The Board has assigned the Audit Committee (“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 internal and external audit reports will also provide insights to the AC to take the necessary action to remedy any significant weaknesses to the risk management process.

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 of the gaming related segment is principally carried out by the Internal Audit Department of Sports Toto Malaysia Sdn Bhd (“Sports Toto”), the principal operating subsidiary of the Group. The internal audit function of the other overseas business segments is outsourced to the Group Internal Audit Division of Berjaya Corporation Berhad, which reports directly to the AC.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The external auditors form an opinion on the financial statements of the Group based on their annual statutory audit. Any areas for improvement identified during the course of audit are highlighted to the attention of the AC through management letters, or are articulated at the AC meetings. The AC also hold private meetings with the external auditors to have exchange of views on any areas that require their attention. Apart from the statutory audit, the external auditors also review the Statement of Risk Management and Internal Control (“SRMIC”) in accordance with Paragraph 15.23 of the Main Market Listing Requirements of Bursa Securities. Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the disclosures in SRMIC are inconsistent with their understanding of the ongoing processes that the Board has in place for identifying, evaluating and managing the significant risks in achieving the objectives and strategies of the Group.

The Board also reviews the minutes of the AC’s meetings. The Audit Committee Report is set out on page 44 to page 46 of the Annual Report.

MANAGEMENT STYLE AND CONTROL CONSCIOUSNESS

The management of the Group as a whole is assigned to the Chief Executive Officer and the Executive Directors.

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 Chief Executive Officer and 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, operations are divided into regions and areas due to the 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.

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 2016.

AUDIT COMMITTEE MEMBERS AND MEETING ATTENDANCES

The members of the Audit Committee comprise 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 2016. The details of attendance of the Audit Committee members are as follows:-

Name	Attendance
Cheah Tek Kuang	5/5
Datuk Robert Yong Kuen Loke	5/5
Dato’ Oon Weng Boon	5/5

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

The Senior Manager of Internal Audit of Sports Toto Malaysia Sdn Bhd, the General Manager of Group Internal Audit 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.

SUMMARY OF WORK OF THE AUDIT COMMITTEE

The duties and responsibilities of the Audit Committee are set out in its terms of reference, a copy of which is available at www.berjaya.com.

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

Financial Reporting

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

Date of Meetings	Quarterly Financial Statements Reviewed
18 June 2015	Fourth quarter results as well as the unaudited results of the Group for the financial year ended 30 April 2015
17 September 2015	First quarter results for financial year ended 30 April 2016
18 December 2015	Second quarter results for financial year ended 30 April 2016
18 March 2016	Third quarter results for financial year ended 30 April 2016

The above review is to ensure that BToto’s quarterly financial reporting and disclosures present a true and fair view of the Group’s financial position and performance and are in compliance with the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting Standards in Malaysia and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting as well as the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

- (b) Reviewed the audited financial statements of the Company and the Group for the financial year ended 30 April 2015 together with the Management and the External Auditors at its meeting held on 20 August 2015 to ensure that it presented a true and fair view of the Company's financial position and performance for the year and is in compliance with all disclosure and regulatory requirements before recommending the audited financial statements to the Board for approval.

External Audit

- (a) Evaluated the performance of the External Auditors for the financial year ended 30 April 2015 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit fees of the External Auditors. The Audit Committee, having been satisfied with the independence, suitability and performance of Messrs Ernst & Young ("EY"), had recommended to the Board for approval of the re-appointment of EY as External Auditors for the ensuing financial year end of 30 April 2016 at its meeting held on 20 August 2015.
- (b) Discussed and considered the significant accounting and auditing issues arising from the interim audit as well as the final audit with the External Auditors. The Audit Committee also had a private discussion with EY on 20 August 2015 without the presence of Management during the review of the audited financial statements for the year ended 30 April 2015 to discuss any problems/issues arising from the final audit and the assistance given by the employees during the course of audit by EY.
- (c) Reviewed with the External Auditors at the meeting held on 18 March 2016, their audit plan in respect of the financial year end of 30 April 2016, outlining the audit scope, methodology and timetable, audit materiality, areas of focus, fraud consideration and the risk of management override, and also the new and revised auditors reporting standards.

Internal Audit

- (a) Reviewed the Internal Audit reports on the Company's operating subsidiaries namely Sports Toto Malaysia Sdn Bhd, Philippine Gaming Management Corporation and H.R. Owen Plc during the financial year under review. Areas covered by the Internal Audit included branch audit, audit of Head Office operating departments, software verification, bigwin processing of single and/or share jackpot winners, recalculation/verification of Toto 4D, 5D and 6D pools reports, review of console logs and incident reports, sales & marketing, aftersales service, spare parts, vehicle inventory, finance, information technology and review of major operating expenses/capital expenditures.
- (b) The Audit Committee then considered the findings and recommendations made including the Management's responses thereto. The Internal Audit monitored the implementation of management's action plan on outstanding issues through follow-up reports to ensure that all key risks and control weaknesses were being properly addressed.
- (c) Reviewed and approved the Internal Audit Plan for financial year ending 30 April 2017 to ensure that the scope and coverage of the internal audit on the operations of the BToto Group is adequate and comprehensive and that all the risk areas are audited annually.

Recurrent Related Party Transactions

- (a) Reviewed the Circular to Shareholders in connection with the recurrent related party transactions that arose within the Group to ensure that the transactions are fair and reasonable to, and are not to the detriment of, the minority shareholders.

The framework set up for identifying and monitoring the recurrent related party transactions includes, inter-alia, the following:-

- i The transaction prices are based on prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;
- ii The Related Parties and interested Directors will be notified of the method and/or procedures of the Group;
- iii Records of Recurrent Related Party Transactions will be retained and compiled by the Group accountant for submission to the Audit Committee for review;
- iv The Audit Committee is to provide a statement that it has reviewed the terms of the Recurrent Related Party Transactions to ensure that such transactions are undertaken based on terms not more favourable to the Related Parties than those generally available to the public, are not detrimental to the minority shareholders and are in the best interest of the Group;
- v The Audit Committee also reviewed the procedures and processes with regards to the Recurrent Related Party Transactions on a half yearly basis to ensure that the transactions are within the approved mandate.

AUDIT COMMITTEE REPORT

- vi Directors who have any interest in any Recurrent Related Party Transaction shall abstain from Board deliberations and voting and will ensure that they and any Person Connected with them will also abstain from voting on the resolution at the EGM or AGM to be convened for the purpose; and
- vii Disclosures will be made in the annual report on the breakdown of the aggregate value of the Recurrent Related Party Transactions during the financial year, amongst others, based on the following information:-
 - the type of the Recurrent Related Party Transactions made; and
 - the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationships with the Group.

Related Party Transactions

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

During the financial year, the Audit Committee had reviewed among others, the following related party transactions, prior to their recommendation to the Board for approval and to make the relevant announcement thereof:-

- i Acquisitions of additional shares in REDtone International Berhad by Berjaya Philippines Inc, a 88.26% owned subsidiary of the Company, with a total value not exceeding RM1.50 million over a period of 12 months in the open market and/or via direct business transaction based on the then prevailing market prices from non-related parties and/or related parties who are not Directors and/or major shareholders of the Group or persons connected to them.
- ii Disposals of the entire 11,362,204 0% 10-Year Irredeemable Convertible Unsecured Loan Stocks 2005/2015 of RM0.50 nominal amount each ("ICULS") in Berjaya Corporation Berhad ("BCorporation") via direct business transaction by the Company's subsidiaries, namely FEAB Properties Sdn Bhd and Berjaya Philippines Inc for a total cash consideration of about RM1.82 million or at RM0.16 per BCorporation ICULS.

Other activities

- (a) Reviewed and recommended to the Board for approval the Audit Committee Report, Statement of Corporate Governance and Statement on Risk Management and Internal Control for inclusion in the Annual Report.

SUMMARY OF THE WORK 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 Audit 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 2016, 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, and IT audit. 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 2016 was RM729,597.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

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

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SPORTS



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 2016.

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 subsidiary companies consist of:

- operation of Toto betting under Section 5 of the Pool Betting Act, 1967;
- leasing of online lottery equipment and provision of software support;
- manufacture and distribution of computerised lottery and voting systems;
- property investment and development;
- operation of hotel;
- motor retailing, repair and maintenance and provision of aftersale services; and
- investment holding and others.

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.

RESULTS

	Group RM'000	Company RM'000
Profit/(loss) for the year	318,092	(766,209)
Attributable to:		
Owners of the parent	308,640	(766,209)
Non-controlling interests	9,452	-
	<u>318,092</u>	<u>(766,209)</u>

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 Note 30 to the financial statements.

DIVIDENDS

The amount of dividends paid by the Company since 30 April 2015 were as follows:

	RM'000
<u>In respect of the financial year ended 30 April 2015</u>	
<u>as reported in the Directors' Report of that year:</u>	
Fourth interim single tier dividend of 5 sen per share on 1,344,394,100 ordinary shares with voting rights, paid on 6 August 2015	<u>67,220</u> #
<u>In respect of the financial year ended 30 April 2016:</u>	
First interim dividend consists of the following:	
a) single tier cash dividend of 2.5 sen per share on 1,339,500,000 ordinary shares with voting rights, paid on 23 October 2015	33,488
b) share dividend (equivalent to 2.5 sen per share) via distribution of 9,546,061 treasury shares on the basis of 1 treasury share for every 140 existing ordinary shares held, credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn Bhd on 23 October 2015	32,902
Second interim single tier dividend of 5 sen per share on 1,349,046,061 ordinary shares with voting rights, paid on 3 February 2016	67,452
Third interim single tier dividend of 4 sen per share on 1,347,972,300 ordinary shares with voting rights, paid on 28 April 2016	<u>53,919</u>
	<u>187,761</u>
The directors declared and approved on 20 June 2016:	
A fourth interim single tier dividend of 5 sen per share on 1,347,972,300 ordinary shares with voting rights, payable on 9 August 2016 in respect of the financial year ended 30 April 2016	<u>67,399</u> *

This dividend was accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ended 30 April 2016.

* 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 2017.

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' Sri 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
Nerine Tan Sheik Ping (Appointed on 1 January 2016)

DIRECTORS' BENEFITS

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

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

DIRECTORS' INTERESTS

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

The Company

Berjaya Sports Toto Berhad ("BToto")

	Number of ordinary shares of RM0.10 each			
	At 1.5.15	Acquired	Disposed	At 30.4.16
Cheah Tek Kuang	-	40,278 ¥	-	40,278 ^
Dato' Sri Robin Tan Yeong Ching	1,000,000	7,142 #	-	1,007,142
Chan Kien Sing	3,585	25 #	-	3,610
Freddie Pang Hock Cheng	407,937	2,913 #	-	410,850
	169,519 ^	1,210 #	-	170,729 ^
Seow Swee Pin	92,092	657 #	-	92,749
	7,844 ^	56 #	-	7,900 ^
Datuk Robert Yong Kuen Loke	122,790	877 #	-	123,667
Dato' Dickson Tan Yong Loong	13,200	94 #	-	13,294

DIRECTORS' INTERESTS (CONT'D)

Penultimate Holding Company
Berjaya Land Berhad

	Number of ordinary shares of RM0.50 each			At 30.4.16
	At 1.5.15/ At date of appointment	Acquired	Disposed	
Dato' Sri 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
Nerine Tan Sheik Ping	2,000,000	-	-	2,000,000

Ultimate Holding Company
Berjaya Corporation Berhad ("BCorp")

	Number of ordinary shares of RM1.00 each			At 30.4.16
	At 1.5.15	Acquired	Disposed	
Dato' Sri Robin Tan Yeong Ching	2,222,847	-	-	2,222,847
	599,416,995 *	26,900,600 &	-	626,317,595 *
	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	370 @	-	1,020,918

	Number of RM0.50 nominal value of 0% Irredeemable Convertible Unsecured Loan Stocks ("ICULS") 2005/2015			At 30.4.16
	At 1.5.15	Acquired	Converted	
Dato' Sri Robin Tan Yeong Ching	12,401,200 *	-	12,401,200 @	-
Datuk Robert Yong Kuen Loke	741	-	741 @	-

DIRECTORS' REPORT

DIRECTORS' INTERESTS (CONT'D)

Ultimate Holding Company

Berjaya Corporation Berhad ("BCorp") (Cont'd)

Number of RM1.00 nominal value of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022

	At 1.5.15/ At date of appointment	Acquired	Converted	At 30.4.16
Dato' Sri Robin Tan Yeong Ching	2,620,500	-	-	2,620,500
	87,029,000 *	-	20,700,000	66,329,000 *
	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	2,516,508	-	-	2,516,508
Nerine Tan Sheik Ping	132,000	-	-	132,000

Number of Warrants 2012/2022

	At 1.5.15	Acquired	Converted	At 30.4.16
Dato' Sri 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 ("BFood")

Number of ordinary shares of RM0.50 each

	At 1.5.15	Acquired	Disposed	At 30.4.16
Dato' Sri Robin Tan Yeong Ching	1,877,560	211,740 β	-	2,089,300

Number of ordinary shares of RM0.50 each under the Employees' Share Option Scheme

	At 1.5.15	Granted	Converted	At 30.4.16
Dato' Sri Robin Tan Yeong Ching	211,740	-	211,740 β	-

DIRECTORS' INTERESTS (CONT'D)

Redtone International Berhad ("Redtone") ##

	Number of ordinary shares of RM0.10 each			
	At 8.5.15	Acquired	Disposed	At 30.4.16
Freddie Pang Hock Cheng	50,000 ^	-	-	50,000 ^

	Number of 2.75% Irredeemable Convertible Unsecured Loan Stocks 2010/2020 of RM0.10 each			
	At 8.5.15	Acquired	Disposed	At 30.4.16
Freddie Pang Hock Cheng	50,000 ^	-	-	50,000 ^

* Denotes indirect interests.

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

@ BCorp 0% ICULS had been automatically converted into ordinary shares on the basis of two (2) BCorp 0% ICULS for one (1) BCorp share upon its maturity on 30 October 2015 ("ICULS matured").

& Inclusive of ICULS matured.

Share dividend distribution by BToto on the basis of one (1) BToto treasury share for every one hundred and forty (140) existing BToto ordinary shares on 23 October 2015.

¥ Inclusive share dividend distribution by BToto on the basis of one (1) BToto treasury share for every one hundred and forty (140) existing BToto ordinary shares on 23 October 2015.

β BFood's Employees' Share Option Scheme had expired on 7 March 2016.

Redtone became a subsidiary of BCorp Group on 8 May 2015.

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

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

	Number of shares		Carrying amounts	
	2016 '000	2015 '000	2016 RM'000	2015 RM'000
Balance as at 1 May	6,636	2,911	24,712	11,860
Acquisition of additional treasury shares during the year	5,968	3,725	18,251	12,852
Distribution of treasury shares as share dividend during the year	(9,546)	-	(32,902)	-
Total treasury shares as at 30 April (Note 19)	3,058	6,636	10,061	24,712

As at 30 April 2016, the issued and paid up share capital of the Company with voting rights was 1,347,972,300 (2015 : 1,344,394,100) 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 there were no known bad debts and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts in 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 36 to the financial statements.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

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

AUDITORS

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

Signed on behalf of the Board in accordance with a resolution of the directors dated 26 July 2016

DATO' SRI ROBIN TAN YEONG CHING

SEOW SWEE PIN

STATEMENT BY DIRECTORS

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

We, DATO' SRI 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 14 to 123 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 April 2016 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 46 on page 124 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 26 July 2016

DATO' SRI 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 14 to 124 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 26 July 2016 }

SEOW SWEE PIN

Before me,

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

INDEPENDENT AUDITORS' REPORT

to the members of Berjaya Sports Toto Berhad

Report on the financial statements

We have audited the financial statements of Berjaya Sports Toto Berhad, which comprise the statements of financial position as at 30 April 2016 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 information, as set out on pages 14 to 123.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of 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.

INDEPENDENT AUDITORS' REPORT to the members of Berjaya Sports Toto Berhad

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 2016 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on other legal and regulatory requirements

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

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

INDEPENDENT AUDITORS' REPORT

to the members of Berjaya Sports Toto Berhad

Other reporting responsibilities

The supplementary information set out in Note 46 on page 124 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

26 July 2016

LOW KHUNG LEONG

2697/01/17(J)

Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

as at 30 April 2016

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	3	217,226	166,478	1,648	2,763
Investment in subsidiary companies	4	-	-	5,185,070	6,181,520
Investment in associated companies	5	44,231	18,797	5,514	1,343
Long term investments	6	86,394	106,240	113	113
Investment properties	7	99,576	95,966	-	-
Deferred tax assets	8	43,484	23,692	-	-
Intangible assets	9	777,803	763,756	-	-
		<u>1,268,714</u>	<u>1,174,929</u>	<u>5,192,345</u>	<u>6,185,739</u>
Current assets					
Inventories	10	467,013	364,042	-	-
Receivables	11	370,474	278,312	85,775	78,510
Tax recoverable		4,713	2,210	-	78
Amounts due from subsidiary companies	12	-	-	246,314	221,146
Deposits with financial institutions	13	402,597	315,404	25,000	22,600
Cash and bank balances	13	130,865	114,801	886	3,207
		<u>1,375,662</u>	<u>1,074,769</u>	<u>357,975</u>	<u>325,541</u>
TOTAL ASSETS		<u>2,644,376</u>	<u>2,249,698</u>	<u>5,550,320</u>	<u>6,511,280</u>

STATEMENTS OF FINANCIAL POSITION

as at 30 April 2016

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	14	135,103	135,103	135,103	135,103
Capital reserve	15	21,327	21,327	-	-
Exchange reserve	16	85,129	59,800	-	-
Available-for-sale ("AFS") reserve	17	3,991	15,560	-	-
Retained earnings	18	531,412	477,419	4,576,004	5,597,194
Equity funds		776,962	709,209	4,711,107	5,732,297
Treasury shares	19	(10,061)	(24,712)	(10,061)	(24,712)
Net equity funds		766,901	684,497	4,701,046	5,707,585
Non-controlling interests		73,956	71,070	-	-
Total equity		840,857	755,567	4,701,046	5,707,585
Non-current liabilities					
Retirement benefit obligations	20	3,385	3,818	-	-
Long term borrowings	21	695,000	495,000	-	-
Other long term liabilities	22	1,283	1,467	335	540
Deferred tax liabilities	8	4,907	3,664	-	114
		704,575	503,949	335	654
Current liabilities					
Short term borrowings	23	135,978	200,000	-	-
Provisions	24	1,418	1,095	-	-
Payables	25	958,255	782,620	1,648	2,955
Amounts due to subsidiary companies	26	-	-	847,291	800,086
Tax payable		3,293	6,467	-	-
		1,098,944	990,182	848,939	803,041
TOTAL LIABILITIES		1,803,519	1,494,131	849,274	803,695
TOTAL EQUITY AND LIABILITIES		2,644,376	2,249,698	5,550,320	6,511,280

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

STATEMENTS OF PROFIT OR LOSS

for the Year Ended 30 April 2016

	Note	Group		Company	
		2016 RM'000	Restated 2015 RM'000	2016 RM'000	2015 RM'000
Revenue	27	5,563,227	5,283,644	281,606	355,885
Cost of sales		(4,417,769)	(4,122,032)	-	-
GROSS PROFIT		1,145,458	1,161,612	281,606	355,885
Selling and distribution expenses		(300,841)	(269,181)	-	-
General and administrative expenses		(380,082)	(366,433)	(18,988)	(19,810)
PROFIT BEFORE OTHER INCOME AND EXPENSES	28	464,535	525,998	262,618	336,075
Investment related income	29	1,993	21,664	-	-
Investment related expenses	30	(9,818)	(154)	(1,005,450)	(414,823)
Other income	31	32,010	26,610	16,615	12,932
		488,720	574,118	(726,217)	(65,816)
Finance costs	32	(47,842)	(45,340)	(40,106)	(37,743)
Share of results of associated companies		4,780	5,234	-	-
PROFIT/(LOSS) BEFORE TAX		445,658	534,012	(766,323)	(103,559)
Taxation	33	(127,566)	(160,708)	114	101
PROFIT/(LOSS) FOR THE YEAR		318,092	373,304	(766,209)	(103,458)
ATTRIBUTABLE TO:					
Owners of the parent		308,640	361,610	(766,209)	(103,458)
Non-controlling interests		9,452	11,694	-	-
		318,092	373,304	(766,209)	(103,458)
Earnings per share attributable to owners of the parent	34				
- Basic (sen)		22.88	26.86		
- Diluted (sen)		22.88	26.86		
DIVIDENDS PER SHARE (SEN)	35				
- First interim dividend				2.50	5.50
- First interim dividend - share dividend				2.50	-
- Second interim dividend				5.00	6.00
- Third interim dividend				4.00	5.00
- Fourth interim dividend				5.00	5.00

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

STATEMENTS OF COMPREHENSIVE INCOME

for the Year Ended 30 April 2016

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
PROFIT/(LOSS) AFTER TAXATION		318,092	373,304	(766,209)	(103,458)
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		(14,213)	(3,072)	-	-
- Disposals of AFS investments transferred to profit or loss		1,191	(554)	-	-
Effects of foreign exchange differences		20,024	30,016	-	-
<u>Items that will not be reclassified</u>					
<u>subsequently to profit or loss</u>					
Actuarial gain/(loss) recognised in defined benefit pension scheme	20(ii)	658	(543)	-	-
Tax effect relating to components of other comprehensive income		(132)	149	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		325,620	399,300	(766,209)	(103,458)
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:					
Owners of the parent		322,734	391,899	(766,209)	(103,458)
Non-controlling interests		2,886	7,401	-	-
		325,620	399,300	(766,209)	(103,458)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Year Ended 30 April 2016

	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
GROUP									
As at 1 May 2014	135,103	(11,860)	21,327	26,083	18,667	439,186	628,506	75,129	703,635
Total comprehensive income for the year	-	-	-	33,717	(3,107)	361,289	391,899	7,401	399,300
Transactions with owners									
Arising from increase in equity interest in a subsidiary company	-	-	-	-	-	(6,658)	(6,658)	(10,704)	(17,362)
Dividends (Note 35)	-	-	-	-	-	(316,398)	(316,398)	-	(316,398)
Dividends of a subsidiary company paid to non-controlling interests	-	-	-	-	-	-	-	(756)	(756)
Purchase of treasury shares (Note 19)	-	(12,852)	-	-	-	-	(12,852)	-	(12,852)
Total transactions with owners	-	(12,852)	-	-	-	(323,056)	(335,908)	(11,460)	(347,368)
As at 30 April 2015	135,103	(24,712)	21,327	59,800	15,560	477,419	684,497	71,070	755,567

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Year Ended 30 April 2016

		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
GROUP (CONT'D)										
As at 1 May 2015		135,103	(24,712)	21,327	59,800	15,560	477,419	684,497	71,070	755,567
Total comprehensive income for the year										
Transactions with owners										
Dividends (Note 35)		-	-	-	-	-	(222,079)	(222,079)	-	(222,079)
Distribution of treasury shares as share dividend (Notes 19 and 35)		-	32,902	-	-	-	(32,902)	-	-	-
Purchase of treasury shares (Note 19)		-	(18,251)	-	-	-	-	(18,251)	-	(18,251)
Total transactions with owners		-	14,651	-	-	-	(254,981)	(240,330)	-	(240,330)
As at 30 April 2016		135,103	(10,061)	21,327	85,129	3,991	531,412	766,901	73,956	840,857

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

STATEMENT OF CHANGES IN EQUITY

for the Year Ended 30 April 2016

	Share capital RM'000	Treasury shares RM'000	<u>Distributable</u> Retained earnings RM'000	Total equity RM'000
COMPANY				
As at 1 May 2014	135,103	(11,860)	6,017,050	6,140,293
Total comprehensive loss for the year	-	-	(103,458)	(103,458)
Transactions with owners				
Dividends (Note 35)	-	-	(316,398)	(316,398)
Purchase of treasury shares (Note 19)	-	(12,852)	-	(12,852)
Total transactions with owners	-	(12,852)	(316,398)	(329,250)
As at 30 April 2015	135,103	(24,712)	5,597,194	5,707,585
As at 1 May 2015	135,103	(24,712)	5,597,194	5,707,585
Total comprehensive loss for the year	-	-	(766,209)	(766,209)
Transactions with owners				
Distribution of treasury shares as share dividend (Notes 19 and 35)	-	32,902	(32,902)	-
Dividends (Note 35)	-	-	(222,079)	(222,079)
Purchase of treasury shares (Note 19)	-	(18,251)	-	(18,251)
Total transactions with owners	-	14,651	(254,981)	(240,330)
As at 30 April 2016	135,103	(10,061)	4,576,004	4,701,046

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the Year Ended 30 April 2016

	GROUP	
	2016 RM'000	2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	5,940,890	5,580,875
Payments to prize winners, suppliers and for other operating expenses	(4,750,991)	(4,478,360)
Payments for pool betting duties, gaming tax, goods and services tax and other government contributions	(646,015)	(536,931)
Payment of taxes	(146,602)	(175,053)
Refund of taxes	297	24
Other receipts	175	105
Net cash generated from operating activities	397,754	390,660
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	1,143	914
Proceeds from disposal of investment properties (Note A)	-	4,653
Proceeds from disposal of long term investments	2,269	1,950
Acquisition of property, plant and equipment (Note B)	(76,470)	(28,215)
Acquisition of investment in associated companies	(20,281)	(1,029)
Acquisition of investment in a subsidiary company (Note E)	(13,714)	-
Acquisition of a business operation (Note 9(a))	-	(12,927)
Acquisition of investment properties (Note C)	(2,806)	(188)
Acquisition of treasury shares from non-controlling interests by a foreign subsidiary company	-	(17,362)
Acquisition of long term investments	(1,571)	(17,468)
Dividend received	1,183	2,141
Interest received	15,451	15,389
Other receipts arising from investments	6,139	19,015
Deposit placements with investment brokers	(53,154)	-
Other payments arising from investments	-	(13,365)
Net cash used in investing activities	(141,811)	(46,492)

CONSOLIDATED STATEMENT OF CASH FLOWS
for the Year Ended 30 April 2016

	GROUP	
	2016	2015
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of medium term notes	305,000	295,000
Repayment of medium term notes	(200,000)	(180,000)
Drawdown of borrowings	39,274	-
Repayment of borrowings	(8,296)	(153,725)
Repayment of hire purchase liabilities	(597)	(746)
Finance costs paid	(47,011)	(42,869)
Dividends paid to shareholders of the Company	(222,882)	(315,213)
Dividends paid to non-controlling interests of a subsidiary company	(62)	(1,389)
Treasury shares acquired	(18,251)	(12,852)
Placements in banks as security pledged for borrowings	-	(2,698)
Net cash used in financing activities	<u>(152,825)</u>	<u>(414,492)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	103,118	(70,324)
CASH AND CASH EQUIVALENTS AS AT 1 MAY	427,299	489,570
Effects of exchange rate changes	36	8,053
CASH AND CASH EQUIVALENTS AS AT 30 APRIL (Note D)	<u><u>530,453</u></u>	<u><u>427,299</u></u>
	2016	2015
	RM'000	RM'000
Note A Proceeds from disposal of investment properties		
Proceeds from current year disposal	-	2,571
Proceeds from previous year disposal	-	2,082
	<u>-</u>	<u>4,653</u>
Note B Acquisition of property, plant and equipment		
Hire purchase	524	617
Cash	76,470	28,215
Acquisition of a business operation	-	836
	<u>76,994</u>	<u>29,668</u>
Note C Acquisition of investment properties		
Payment for current year acquisition	2,800	-
Payment for previous year acquisition/renovation costs	6	188
	<u>2,806</u>	<u>188</u>

CONSOLIDATED STATEMENT OF CASH FLOWS
for the Year Ended 30 April 2016

	GROUP	
	2016	2015
	RM'000	RM'000
Note D Cash and cash equivalents comprise the following:		
Deposits with financial institutions (Note 13)	402,597	315,404
Cash and bank balances	130,865	114,801
	<u>533,462</u>	<u>430,205</u>
Less : Cash and cash equivalents restricted for use		
- Deposits with financial institutions (Note 13)	(3,009)	(2,906)
	<u>530,453</u>	<u>427,299</u>
Note E Analysis of the effects of the acquisition of a subsidiary company on cash flows was as follows:		
Property, plant and equipment (Note 3)	1,752	-
Net other assets acquired	5,785	-
Goodwill on consolidation (Notes 4(a) and 9)	5,573	-
Intangible assets on consolidation (Notes 4(a) and 9)	3,831	-
Net assets acquired	<u>16,941</u>	<u>-</u>
Excluding: Cash and cash equivalents of subsidiary company acquired	(3,227)	-
Cash flow on acquisition	<u>13,714</u>	<u>-</u>

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

STATEMENT OF CASH FLOWS

for the Year Ended 30 April 2016

	COMPANY	
	2016 RM'000	2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payment for operating expenses	(18,614)	(18,951)
Dividends received	273,992	383,137
Tax refund	78	-
Net cash generated from operating activities	255,456	364,186
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment (Note A)	(48)	(87)
Proceeds from disposal of property, plant and equipment	-	71
Interest received	722	392
Acquisition of investment in an associated company	(4,171)	(1,029)
Receipts from a subsidiary company	7,752	131,802
Advances given to subsidiary companies	(18,265)	(32,993)
Net cash (used in)/generated from investing activities	(14,010)	98,156
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(222,882)	(315,213)
Interest paid	(43)	(925)
Repayment of hire purchase liabilities	(191)	(171)
Repayment of borrowings	-	(113,414)
Treasury shares acquired	(18,251)	(12,852)
Net cash used in financing activities	(241,367)	(442,575)
NET INCREASE IN CASH AND CASH EQUIVALENTS	79	19,767
CASH AND CASH EQUIVALENTS AS AT 1 MAY	25,807	6,040
CASH AND CASH EQUIVALENTS AS AT 30 APRIL (Note B)	25,886	25,807
Note A Acquisition of property, plant and equipment		
Hire purchase	-	215
Cash	48	87
	48	302
Note B Cash and cash equivalents comprise the following:		
Deposits with financial institutions (Note 13)	25,000	22,600
Cash and bank balances	886	3,207
	25,886	25,807

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

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

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 subsidiary companies consist of:

- operation of Toto betting under Section 5 of the Pool Betting Act, 1967;
- leasing of online lottery equipment and provision of software support;
- manufacture and distribution of computerised lottery and voting systems;
- property investment and development;
- operation of hotel;
- motor retailing, repair and maintenance and provision of aftersale services; and
- investment holding and others.

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

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 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 26 July 2016.

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 investment with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

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

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

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

The cost of acquisition of a subsidiary company depends on whether it is a business combination, in accordance to the specifications in MFRS 3, or not. If it is not a business combination, the cost of acquisition consists of the consideration transferred ("CT"). The CT is the sum of fair values of the assets transferred by the Group, the liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree on the date of acquisition, 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 2016

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: Financial Instruments - Recognition and Measurement 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 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 is 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.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

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

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

(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.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(b) Associated companies (cont'd)

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.

(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 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) Dealership rights

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

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(c) Intangible assets (cont'd)

(iii) Customer relationships

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

(iv) Other intangible assets

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

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

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

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

Leasehold land and buildings	Amortised over the lease period
Buildings	2%
Plant and machinery	10% - 33%
Computer equipment	10% - 33%
Office equipment	10% - 67%
Furniture and fittings	10% - 20%
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. Any gains or losses on the derecognition of the asset are included in profit or loss in the year the asset is derecognised.

(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.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(e) Investment properties (cont'd)

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

When an item of investment property carried at fair value is transferred to property, plant and equipment following a change in its use, the property's deemed cost for subsequent accounting in accordance with 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 there are indications of impairment.

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

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

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

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.

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 are stated at the lower of cost and net realisable value. Cost, in the case of work-in-progress and finished goods, comprises raw materials, direct labour and an attributable proportion of production overheads. Cost is determined on the first-in first-out basis and weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs to completion and the estimated costs necessary to make the sale.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(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 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.

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 39.

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.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(i) Financial assets

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

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

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

The Group and the Company categorise the financial assets 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 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.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(i) Financial assets (cont'd)

(ii) Available-for-sale financial assets (cont'd)

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 asset unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(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.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

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

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

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

(ii) Unquoted equity securities carried at cost

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

(iii) Available-for-sale financial assets

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(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 with a maturity of three months or less 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.

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

(i) Other financial liabilities

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

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.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(l) Financial liabilities (Cont'd)

(ii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(m) Current and non-current classification

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

An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within 12 months after the reporting period; or
- cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within 12 months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

(n) 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. Consideration paid or received is recognised directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(o) 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.

(p) Leases

(i) As lessee

Finance leases, which transfer to the Group and the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the period in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group or the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in 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.

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)****(q) Taxes****(i) Current tax**

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

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

(ii) Goods and Services Tax ("GST") and Value Added Tax ("VAT")

The net amount of GST or VAT, being the difference between output and input of GST or VAT, is included in receivables (if recoverable) or payables in the statements of financial position.

(iii) 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.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(q) Taxes (cont'd)

(iii) Deferred tax (cont'd)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(r) Provisions

Provisions are recognised when the Group or the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If 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.

(s) 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.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(s) Employee benefits (cont'd)

(iii) Defined benefit plans

Pension benefits are provided to eligible employees of the Group's certain foreign subsidiaries through their respective 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.

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.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(t) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in RM, which is also the Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss.

Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss of the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(t) Foreign currencies (cont'd)

(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 other comprehensive income are translated at average exchange rates for the financial year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

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

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

	2016	2015
	RM	RM
1 United States Dollar ("USD")	3.8880	3.5450
1 Hong Kong Dollar ("HKD")	0.5013	0.4574
1 Philippine Peso ("Php")	0.0830	0.0800
1 Singapore Dollar ("SGD")	-	2.6858
1 Great Britain Pound ("GBP")	5.6825	5.4740

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.2 Summary of Significant Accounting Policies (Cont'd)****(u) Financial guarantee contracts**

A financial guarantee contract is a contract that requires the guarantor to make specified payments to reimburse the holder for a loss it incurs because the specified debtor fails to make when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

(v) 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 to the Company 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 and GST relating to draw days within the financial year.

(ii) Dividend income

Dividend income from subsidiary and associated companies and other investments are recognised when the shareholders' rights 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.

(v) Management fee income

Management fee income is recognised on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(v) Revenue and other income recognition (cont'd)

(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 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 distribution and dealership operations

Sales of vehicles, parts and accessories

Servicing, repair and body shop sales

Revenue on sales of vehicles are recognised when substantially all the risks and rewards of ownership have been transferred to the customer, generally deemed at the time of delivery to the customer. Revenue on sales of parts and accessories are recognised on delivery to the customer. Revenue on servicing, repair and body shop sales are recognised on completion of the agreed work. Revenue are recognised net of value-added tax and discounts, where applicable.

(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.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(v) 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.

(w) 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 where the sales are transacted.

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

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(x) 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 of the Company except for contingent liabilities assumed in a business combination of which the fair value can be reliably measured.

2.3 Changes in Accounting Policies

On 1 May 2015, the Group and the Company adopted the following Amendments to MFRSs and Annual Improvements to MFRSs:

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	

The adoption of the above Amendments to MFRSs and Annual Improvements to MFRSs did not have any effect on the financial performance or position of the Group and the Company.

2.4 Standards Issued but Not Yet Effective

At the date of authorisation for issue of these financial statements, the following new MFRSs, Amendments to MFRSs and Annual Improvements to MFRSs were issued but not yet effective and have not been applied by the Group and the Company.

Effective for financial periods beginning on or after 1 January 2016

Amendments to MFRS 10 MFRS 12 and MFRS 128	Investment Entities : Applying the Consolidation Exception
Amendments to MFRS 11	Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations
MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 101	Disclosure Initiatives

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Standards Issued but Not Yet Effective (Cont'd)

Effective for financial periods beginning on or after 1 January 2016 (cont'd)

Amendments to MFRS 116 and MFRS 138	Classification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Agriculture - Bearer Plants
Amendments to MFRS 127	Separate Financial Statements - Equity Method in Separate Financial Statements
Annual Improvements to MFRSs 2012-2014 Cycle	

Effective for financial periods beginning on or after 1 January 2017

Amendment to MFRS 107	Statement of Cash Flows - Disclosure Initiative
Amendment to MFRS 112	Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses

Effective for financial periods beginning on or after 1 January 2018

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers

Effective for financial periods beginning on or after 1 January 2019

MFRS 16	Leases
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Effective date yet to be determined

Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture
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Unless otherwise described below, the new MFRSs, Amendments to MFRSs and Annual Improvements to MFRSs above are expected to have no significant impact on the financial statements of the Group and of the Company upon their initial application except for the changes in presentation and disclosures of financial information.

The Group is currently assessing the impact that the adoption of the standards below will have on its financial position and performance.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Standards Issued but Not Yet Effective (Cont'd)

(a) MFRS 9: Financial Instruments

In November 2014, MASB issued the final version of MFRS 9 which reflects all phases of the financial instruments project and replaces MFRS 139: Financial Instruments – Recognition and Measurement and all previous version of MFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory.

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

(b) MFRS 15: Revenue from Contracts with Customers

MFRS 15 establishes a new five-step models that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFRS 118 Revenue, MFRS 111 Construction Contracts and the related interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Either full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group does not anticipate the adoption of this Standard will have a material impact to the Group's financial statements.

(c) MFRS 16: Leases

The scope of MFRS 16 includes leases of all assets, with certain exceptions. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

MFRS 16 requires lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under MFRS 17. The standard include two recognition exemptions for lessees - leases of "low-value" assets (e.g. personal computers) and short term leases (i.e. leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the term (i.e. the right-of-use asset).

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Standards Issued but Not Yet Effective (Cont'd)

(c) MFRS 16: Leases (cont'd)

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g a change of lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting is substantially unchanged from today's accounting under MFRS 17. Lessors will continue to classify all leases using the same classification principle as in MFRS 17 and distinguish between two types of leases: operating and finance leases.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2019 with early adoption permitted. The Directors anticipate that the application of MFRS 16 will have a material impact on the amounts reported and disclosures made in the Group's and the Company's financial statements. The Group and the Company are currently assessing the impact of MFRS 16.

2.5 Significant Accounting Estimates and Judgements

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

(a) **Critical judgements made in applying accounting policies**

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant 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 its properties as investment properties.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Significant Accounting Estimates and Judgements (Cont'd)

(a) Critical judgements made in applying accounting policies (cont'd)

(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 investment in 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.

For the financial year ended 30 April 2016, the amount of impairment loss recognised for available-for-sale investments was RM8,061,000 (2015 : RM154,000) as disclosed in Note 30.

(iv) Useful life of dealership rights

The Group considers that the dealership rights have indefinite useful life because it is expected to contribute to the Group's net cash flows indefinitely. The group intends to continue the dealership rights and is confident that the dealership rights can be maintained indefinitely. Historically, there has been no compelling challenge to the dealership rights renewal.

(v) Useful life of customer relationships

The customer relationships are recognised separable from goodwill on acquisition of a subsidiary company. The useful economic lives of the customer relationships is estimated up to 10 years which determined based on customer attrition from the acquired relationships.

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 and dealership rights

The Group determines whether goodwill and dealership rights are impaired at least on an annual basis. This requires an estimation of the value-in-use ("VIU") of the CGU to which goodwill and dealership rights are allocated. Estimating a VIU amount requires management to make an estimate of the expected future cash flows from the CGU and also to apply a discount rate that reflects the specific risk relating to the respective CGU in order to calculate the present value of those cash flows. Details of the goodwill and dealership rights are disclosed in Note 9.

The Group carries goodwill of RM637,420,000 (2015 : RM636,968,000) in respect of Toto betting operations in Malaysia ("Licence") and the lottery equipment lease agreement in the Philippines ("ELA") as at 30 April 2016. In regards to the impairment review of the CGU for the Licence, the Group intends to continue the annual renewal of the Licence indefinitely and considers that the annual renewal of the Licence is expected to contribute to the Group's net cash flows indefinitely. Historically, there has been no compelling challenge to the Licence renewal. The ELA was granted an extension of three years upon its expiry in August 2015 as disclosed in Note 44. The technology used in the gaming activities is supplied and with support provided by a subsidiary company of the Group and is not expected to be replaced by another technology at any time in the foreseeable future. In view of this, the Group has assessed and concluded that the VIU amounts can sufficiently address the carrying value of this CGU as at 30 April 2016.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Significant Accounting Estimates and Judgements (Cont'd)

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

(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. Details of deferred tax assets are disclosed in Note 8.

(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.

Changes in expected level of usage and economic development could impact the economic useful lives and the residual values of these assets, and hence future depreciation and amortisation charges on such assets could be revised.

(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 write-downs taken as necessary.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.5 Significant Accounting Estimates and Judgements (Cont'd)****(b) Key sources of estimation uncertainty (cont'd)****(vi) Impairment of investment in subsidiary companies**

The Company conducted an annual impairment review of its investment in subsidiary companies. The Company carried out the impairment test based on assessment of the fair value less costs to sell of the investees' assets or CGU or based on the estimation of the VIU of the CGU of the investees. Estimating the VIU requires the Company to make an estimate of the expected future cash flows from the CGU and also to apply a discount rate that reflects the specific risk relating to respective CGU in order to calculate the present value of those cash flows. An impairment loss will be recognised if the carrying values of these CGU are assessed to be in excess of their VIU.

The annual impairment review resulted in the Company recognising an impairment loss amounting to RM1,005,450,000 (2015 : RM414,680,000) in respect of its investment in subsidiary companies. Details of the impairment loss recognised are disclosed in Note 4.

As at 30 April 2016, the carrying amount of investment in subsidiaries of the Company was RM5,185,070,000 (2015 : RM6,181,520,000).

(vii) Useful life of customer relationships

The Group estimates the useful lives of customer relationships based on the period over which the assets are expected to generate economic benefits to the Group. The estimated useful lives of customer relationships are reviewed periodically.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

3 PROPERTY, PLANT AND EQUIPMENT

Group	Net book	Additions		Disposals		Write-off		Acquisition		Reclassifications		Translation		Depreciation		Net book
	value as at 1 May 2015	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	value as at 30 April 2016
As at 30 April 2016																
Freehold land	7,147	-	-	-	-	-	-	-	-	-	-	270	-	-	-	7,417
Building - hotel	52,083	-	-	-	-	-	-	-	-	-	-	1,999	(1,268)	(1,268)	-	52,814
Land and buildings	5,243	20,861	-	-	-	-	-	-	-	-	-	-	(111)	(111)	-	25,993
Plant and machinery	16,891	14,031	(15)	(15)	-	-	-	895	-	209	-	1,027	(6,446)	(6,446)	-	26,592
Computer equipment	21,583	879	(63)	(63)	(34)	-	-	-	-	-	-	131	(6,854)	(6,854)	-	15,642
Office equipment	1,972	1,937	-	-	(19)	-	-	-	-	-	-	24	(791)	(791)	-	3,123
Furniture and fittings	1,600	476	-	-	(25)	-	-	-	-	-	-	1	(718)	(718)	-	1,334
Motor vehicles	21,097	7,882	(1,311)	(1,311)	(17)	-	-	-	-	-	-	68	(4,934)	(4,934)	-	22,785
Renovations	38,323	30,717	-	-	(6)	-	-	857	-	-	-	1,822	(10,401)	(10,401)	-	61,312
Gym equipment	48	2	-	-	-	-	-	-	-	-	-	-	(32)	(32)	-	18
Hotel and kitchen equipment and utensils	491	-	-	-	-	-	-	-	-	-	-	37	(332)	(332)	-	196
Capital work-in-progress	-	209	-	-	-	-	-	-	-	(209)	-	-	-	-	-	-
	166,478	76,994	(1,389)	(1,389)	(101)	-	-	1,752	-	-	-	5,379	(31,887)	(31,887)	-	217,226

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (Cont'd)

	Net book value as at 1 May 2014 RM'000	Additions RM'000	Disposals RM'000	Write-off RM'000	Acquisition of a subsidiary RM'000	Reclassi- fications RM'000	Translation exchange differences RM'000	Depreciation RM'000	Net book value as at 30 April 2015 RM'000
As at 30 April 2015									
Freehold land	-	7,147	-	-	-	-	-	-	7,147
Building - hotel	48,588	204	-	-	-	-	4,397	(1,106)	52,083
Land and buildings	5,355	-	-	-	-	-	-	(112)	5,243
Plant and machinery	12,662	9,317	(2)	-	-	170	(62)	(5,194)	16,891
Computer equipment	30,645	719	(11)	-	-	167	384	(10,321)	21,583
Office equipment	2,611	321	-	-	-	-	36	(996)	1,972
Furniture and fittings	2,175	128	-	(1)	-	-	-	(702)	1,600
Motor vehicles	23,012	3,944	(982)	-	-	-	98	(4,975)	21,097
Renovations	39,387	7,610	-	(1)	-	-	100	(8,773)	38,323
Gym equipment	257	-	-	-	-	-	-	(209)	48
Hotel and kitchen equipment and utensils	706	278	(36)	-	-	(337)	55	(175)	491
	165,398	29,668	(1,031)	(2)	-	-	5,008	(32,563)	166,478

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (Cont'd)

	Cost RM'000	Accumulated depreciation RM'000	Net book value RM'000
As at 30 April 2016			
Freehold land	7,417	-	7,417
Building - hotel	59,759	(6,945)	52,814
Land and buildings	27,323	(1,330)	25,993
Plant and machinery	55,577	(28,985)	26,592
Computer equipment	125,920	(110,278)	15,642
Office equipment	14,925	(11,802)	3,123
Furniture and fittings	8,350	(7,016)	1,334
Motor vehicles	58,034	(35,249)	22,785
Renovations	130,216	(68,904)	61,312
Gym equipment	1,125	(1,107)	18
Hotel and kitchen equipment and utensils	1,030	(834)	196
	489,676	(272,450)	217,226
As at 30 April 2015			
Freehold land	7,147	-	7,147
Building - hotel	57,623	(5,540)	52,083
Land and buildings	6,462	(1,219)	5,243
Plant and machinery	38,976	(22,085)	16,891
Computer equipment	124,688	(103,105)	21,583
Office equipment	13,470	(11,498)	1,972
Furniture and fittings	8,070	(6,470)	1,600
Motor vehicles	56,965	(35,868)	21,097
Renovations	95,963	(57,640)	38,323
Gym equipment	1,123	(1,075)	48
Hotel and kitchen equipment and utensils	1,135	(644)	491
	411,622	(245,144)	166,478

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (Cont'd)

(a) A property of the Group with net carrying value of RM52,814,000 (2015 : Nil) is pledged to a financial institution for credit facility granted to a foreign subsidiary company as disclosed in Note 23.

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

	2016 RM'000	2015 RM'000
Office equipment	7	63
Motor vehicles	2,677	2,557
Gym equipment	13	42
	2,697	2,662

Company

	Net book value as at 1 May 2015 RM'000	Additions RM'000	Write-off RM'000	Depreciation RM'000	Net book value as at 30 April 2016 RM'000
As at 30 April 2016					
Computer equipment	37	10	-	(22)	25
Office equipment	126	20	(2)	(40)	104
Furniture and fittings	860	18	-	(553)	325
Motor vehicles	1,067	-	-	(183)	884
Renovations	673	-	-	(363)	310
	2,763	48	(2)	(1,161)	1,648

	Net book value as at 1 May 2014 RM'000	Additions RM'000	Disposal RM'000	Depreciation RM'000	Net book value as at 30 April 2015 RM'000
As at 30 April 2015					
Computer equipment	55	-	-	(18)	37
Office equipment	151	11	-	(36)	126
Furniture and fittings	1,392	24	-	(556)	860
Motor vehicles	1,056	258	(63)	(184)	1,067
Renovations	1,029	9	-	(365)	673
	3,683	302	(63)	(1,159)	2,763

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company (Cont'd)

	Cost	Accumulated depreciation	Net book value
	RM'000	RM'000	RM'000
As at 30 April 2016			
Computer equipment	714	(689)	25
Office equipment	368	(264)	104
Furniture and fittings	5,596	(5,271)	325
Motor vehicles	1,540	(656)	884
Renovations	3,656	(3,346)	310
	<u>11,874</u>	<u>(10,226)</u>	<u>1,648</u>
As at 30 April 2015			
Computer equipment	705	(668)	37
Office equipment	352	(226)	126
Furniture and fittings	5,578	(4,718)	860
Motor vehicles	1,540	(473)	1,067
Renovations	3,656	(2,983)	673
	<u>11,831</u>	<u>(9,068)</u>	<u>2,763</u>

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

	2016	2015
	RM'000	RM'000
Motor vehicles	<u>788</u>	<u>948</u>

4 INVESTMENT IN SUBSIDIARY COMPANIES

	<u>Company</u>	
	2016 RM'000	2015 RM'000
Unquoted shares, at cost	6,605,200	6,596,200
Less : Accumulated impairment losses (Note 30)	(1,420,130)	(414,680)
	<u>5,185,070</u>	<u>6,181,520</u>

At the reporting date, the Company conducted a:

- (i) review of the recoverable amount of its investment in certain subsidiary companies of which its cost of investment exceeded its share of net assets in the respective subsidiary companies;
- (ii) review of the recoverable amount of its investment in a subsidiary company of which its cost of investment exceeded its recoverable amount based on the estimation of the value in use of the relevant cash-generating units. In determining the value in use, the estimated future cash flows of this subsidiary company was discounted at a rate that reflects the specific risk relating to the subsidiary's business segment.

The review gave rise to the recognition of impairment of investment in subsidiary companies, up to their respective recoverable amount, of RM1,005,450,000 (2015 : RM414,680,000) as disclosed in Note 30.

Details of the subsidiary companies are as follows:

<u>Name of Company</u>	<u>Country of Incorporation</u>	<u>Principal Activities</u>	<u>Equity interest</u>	
			2016 %	2015 %
Subsidiary companies of Berjaya Sports Toto Berhad				
FEAB Properties Sdn Bhd (Note a)	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

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

<u>Name of Company</u>	<u>Country of Incorporation</u>	<u>Principal Activities</u>	<u>Equity interest</u>	
			2016 %	2015 %
Subsidiary companies of Berjaya Sports Toto Berhad (Cont'd)				
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 # (Note b)	Singapore	Dissolved	-	100
Subsidiary company of FEAB Land Sdn Bhd				
FEAB Realty Sdn Bhd	Malaysia	Dormant	100	100
Subsidiary companies of Magna Mahsuri Sdn Bhd				
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

4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

<u>Name of Company</u>	<u>Country of Incorporation</u>	<u>Principal Activities</u>	<u>Equity interest</u>	
			2016 %	2015 %
Subsidiary companies of Berjaya Sports Toto (Cayman) Limited				
Berjaya Lottery Management (HK) Limited ("BLM") #	Hong Kong	Investment holding	100	100
Sports Toto Malaysia Trust # (Note c)	Singapore	Dissolved	-	100
Subsidiary companies of Berjaya Lottery Management (HK) Limited				
Berjaya Philippines Inc. ("BPI") *	Philippines	Investment holding	74.20	74.20
International Lottery & Totalizator Systems, Inc. *	United States of America	Manufacturer and distributor of computerised lottery and voting systems	100	100
Subsidiary companies of Berjaya Philippines Inc.				
Philippine Gaming Management Corporation *	Philippines	Leasing of online 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 *	United Kingdom	Investment holding	72.03	72.03

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

<u>Name of Company</u>	<u>Country of Incorporation</u>	<u>Principal Activities</u>	<u>Equity interest</u>	
			2016 %	2015 %
Subsidiary company of International Lottery & Totalizator Systems, Inc.				
Unisyn Voting Solutions, Inc. *	United States of America	Develops, manufactures and provision of licenses and supports for voting systems	100	100
Subsidiary companies of H.R. Owen Plc				
Broughtons of Cheltenham Limited *	United Kingdom	Motor retailing and provision of aftersale services	100	100
H.R. Owen Dealerships Limited *	United Kingdom	Motor retailing and provision of aftersale services	100	100
Holland Park Limited *	United Kingdom	Provision of aftersale services	100	100
Jack Barclay Limited *	United Kingdom	Motor retailing and provision of aftersale services	100	100
Bodytechnics Limited *	United Kingdom	Maintenance and repair of motor vehicles	100	-
Heathrow Limited *	United Kingdom	Dormant	100	100
Malaya Dealerships Limited *	United Kingdom	Dormant	100	100
H.R. Owen Vehicle Leasing Company Limited *	United Kingdom	Dormant	100	100
H.R. Owen Motor Dealerships Limited *	United Kingdom	Dormant	100	100

4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

<u>Name of Company</u>	<u>Country of Incorporation</u>	<u>Principal Activities</u>	<u>Equity interest</u>	
			2016 %	2015 %
Subsidiary companies of H.R. Owen Plc (Cont'd)				
H.R. Owen Leasing Limited *	United Kingdom	Dormant	100	100
H.R. Owen Motor Properties Limited *	United Kingdom	Dormant	100	100
Netprofit.com Limited ("Netprofit") *	United Kingdom	Dormant	100 @	100 @
London Lotus Centre Limited *	United Kingdom	Dormant	100	100
Bradshaw Webb (Chelsea) Limited *	United Kingdom	Dormant	100	100
H.R. Owen Investments Limited *	United Kingdom	Dormant	100	100
Subsidiary company of H.R. Owen Investments Ltd				
H.R. Owen Finance Limited *	United Kingdom	Dormant	100	100

* Audited by firms of auditors other than Ernst & Young

Audited by other member firms of Ernst & Young Global

^ The total equity interests held by BSTC group in BPI is 88.26% (2015 : 88.26%) and it is held by the following companies respectively:

	2016 %	2015 %
i) BLM	74.20	74.20
ii) BSTC	14.06	14.06
	<u>88.26</u>	<u>88.26</u>

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

@ The total equity interests held by H.R. Owen Plc group in Netprofit is 100% (2015 : 100%) and it is held by the following companies respectively:

	2016	2015
	%	%
i) H.R. Owen Plc	50.00	50.00
ii) Bradshaw Webb (Chelsea) Limited	50.00	50.00
	<u>100.00</u>	<u>100.00</u>

Note a During the financial year, the Company subscribed for 9,000,000 new ordinary shares of RM1.00 each issued by a wholly-owned subsidiary company, namely FEAB Properties Sdn Bhd, for a total consideration of RM9,000,000 satisfied via capitalisation of intercompany advances.

Note b Sports Toto Malaysia Management Pte Ltd was struck off from the Register of the Accounting and Corporate Regulatory Authority (ACRA) Singapore on 14 January 2016.

Note c On 7 July 2015, Sports Toto Malaysia Trust ("STM Trust") was wound up upon completion of the termination of trust deed between Sports Toto Malaysia Management Pte Ltd as the trustee-manager for STM Trust and Berjaya Sports Toto (Cayman) Limited, a wholly-owned subsidiary as the sole holder of units in STM Trust.

^^ The medium term notes issued by Sports Toto Malaysia Sdn Bhd are secured by a third party first equitable charge over the unquoted shares of the said subsidiary company as disclosed in Note 21.

(a) Acquisition of a subsidiary company

On 4 December 2015, H.R. Owen Plc, a subsidiary company of the Group completed the acquisition of 50,000 ordinary shares of GBP1.00 each representing 100% equity interest in Bodytechnics Limited, for a total cash consideration of GBP2,609,000 (equivalent to RM16,941,000).

The fair values of the identifiable assets and liabilities of this acquisition as at the date of acquisition are as follows:

2016 Group	RM'000
Non-current assets	1,752
Current assets	10,294
	<u>12,046</u>
Non-current liabilities	35
Current liabilities	4,474
	<u>4,509</u>
Net assets acquired	7,537
Goodwill on acquisition (Note 9)	5,573
Customer relationships on acquisition (Note 9)	3,831
Total cost of acquisition	<u>16,941</u>

4 INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(a) Acquisition of a subsidiary company (Cont'd)

The net cash flows on acquisition during the financial year are as follows:

2016 Group	RM'000
Purchase consideration satisfied by cash	16,941
Cash and cash equivalents of subsidiary company acquired	(3,227)
Net cash outflow on acquisition of a subsidiary company at the date of acquisition	<u>13,714</u>

(b) Subsidiary companies with material non-controlling interests

The subsidiary companies with non-controlling interests of which the Group regards as material are set out below.

Proportion of equity interest held by non-controlling interests:

Name	Country of incorporation and operation	2016 %	2015 %
BPI (on consolidated basis)	Philippines	11.74	11.74

The summarised financial information presented below is the amount before inter-company elimination and after reflecting the fair value adjustments arising from business combination.

(i) Summarised statement of financial position

BPI	2016 RM'000	2015 RM'000
Non-current assets	439,512	368,502
Current assets	854,512	681,151
Total assets	<u>1,294,024</u>	<u>1,049,653</u>
Non-current liabilities	7,099	7,367
Current liabilities	650,945	474,105
Total liabilities	<u>658,044</u>	<u>481,472</u>
Net assets	<u>635,980</u>	<u>568,181</u>
Equity attributable to equity holders of the Parent	562,024	497,111
Non-controlling interests	73,956	71,070
Total equity	<u>635,980</u>	<u>568,181</u>

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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	2016 RM'000	2015 RM'000
Revenue	2,326,490	2,026,217
Profit for the year attributable to:		
- Owners of the parent	52,578	60,735
- Non-controlling interests	9,452	12,552
Profit for the year	62,030	73,287
Other comprehensive income (net of tax) attributable to:		
- Owners of the parent	(39,252)	(19,295)
- Non-controlling interests	(6,566)	(5,150)
Other comprehensive income for the year	(45,818)	(24,445)
Total comprehensive income for the year	16,212	48,842
Total comprehensive income attributable to:		
- Owners of the parent	13,326	41,441
- Non-controlling interests	2,886	7,401
Total comprehensive income for the year	16,212	48,842

(iii) Summarised statement of cash flows

BPI	2016 RM'000	2015 RM'000
Net cash generated from/(used in):		
Operating activities	114,149	97,386
Investing activities	(136,340)	(46,333)
Financing activities	19,980	(57,286)
Net change in cash and cash equivalents	(2,211)	(6,233)
Dividend paid to non-controlling interests	(62)	(1,389)

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5 INVESTMENT IN ASSOCIATED COMPANIES

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Unquoted shares, at cost	41,996	21,715	10,658	6,487
Share of post-acquisition profit/(loss)	3,944	(836)	-	-
	45,940	20,879	10,658	6,487
Exchange differences	1,647	1,274	-	-
	47,587	22,153	10,658	6,487
Less: Accumulated impairment losses	(3,356)	(3,356)	(5,144)	(5,144)
	44,231	18,797	5,514	1,343

Details of the associated companies are as follows:

<u>Name of Company</u>	<u>Country of Incorporation</u>	<u>Principal Activities</u>	<u>Equity Interest</u>	
			2016	2015
			%	%
Associated companies of Berjaya Sports Toto Berhad				
Berjaya Racing Management Sdn Bhd	Malaysia	Dormant	20	20
Berjaya Lottery Vietnam Limited	Malaysia	Investment holding	20	20
Associated company of FEAB Properties Sdn Bhd				
Cashsystems Asia Technology Sdn Bhd ("Cashsystems") *	Malaysia	Dormant, under liquidation	30	30
Associated companies of Berjaya Philippines Inc. ("BPI")				
Perdana Land Philippines Inc. *	Philippines	Acquire, develop and lease real estate	40	40
Berjaya Pizza Philippines Inc. * ("BPizza")	Philippines	Development and operation of "Papa John's Pizza" chain of restaurants in the Philippines	41	30
Berjaya Auto Philippines Inc. # ("BAuto")	Philippines	Selling and distribution of Mazda brand cars within the territory of the Philippines	35	30

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5 INVESTMENT IN ASSOCIATED COMPANIES (CONT'D)

<u>Name of Company</u>	<u>Country of Incorporation</u>	<u>Principal Activities</u>	<u>Equity Interest</u>	
			2016 %	2015 %
Associated companies of Berjaya Philippines Inc. (Cont'd)				
Ssangyong Berjaya Motor Philippines Inc. * ("Ssangyong")	Philippines	Selling and distribution of Ssangyong brand vehicles within the territory of the Philippines	20	-
Cosway Philippines Inc. *	Philippines	Dormant	40	40

* Audited by firms of auditors other than Ernst & Young

Audited by other member firms of Ernst & Young Global

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.

The following transactions occurred during the financial year:

- (i) On 6 April 2016, the Company subscribed for 1,000,000 new ordinary shares of USD1.00 each issued by Berjaya Lottery Vietnam Limited for a total cash consideration of USD1,000,000 (equivalent to approximately RM4,171,000). The Group's and the Company's equity interest in this associate remains unchanged.
- (ii) On 26 April 2016, BPI completed the subscription of 22,500,000 new ordinary shares in Ssangyong for a total consideration of Peso22,500,000 (equivalent to approximately RM1,867,000), representing 20% equity interests in Ssangyong.
- (iii) On 29 April 2016, BPI completed the subscription of 10,450,000 new ordinary shares in BAUTO for a total consideration of Peso115,680,000 (equivalent to approximately RM9,597,000) and the equity interests in BAUTO has increased from 30% to 35%.
- (iv) On 29 April 2016, BPI completed the subscription of 56,000,000 new ordinary shares in BPizza for a total consideration of Peso56,000,000 (equivalent to approximately RM4,646,000) and the equity interests in BPizza has increased from 30% to 41.4%.

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.

5 INVESTMENT IN ASSOCIATED COMPANIES (CONT'D)

(i) Summarised statement of financial position

BAuto

At 30 April

	2016	2015
	RM'000	RM'000
Non-current assets	14,167	8,036
Current assets	175,627	99,699
Total assets	189,794	107,735
Non-current liabilities	18,476	12,003
Current liabilities	89,595	46,709
Total liabilities	108,071	58,712
Net assets	81,723	49,023
Group's share of net assets	27,685	14,088

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

BAuto

At 30 April

	2016	2015
	RM'000	RM'000
Revenue	423,257	268,001
Profit before tax	46,064	25,699
Profit for the year, representing total comprehensive income for the year	32,141	17,712
Group's share of profit for the year	9,642	5,314

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

BAuto

At 30 April

	2016	2015
	RM'000	RM'000
Net assets as at 1 May prior to equity contribution	46,960	29,248
Profit for the year	32,141	17,712
	79,101	46,960
Equity contribution from parent	2,622	2,063
Net assets as at 30 April	81,723	49,023
Interest in the associated company	35%	30%
Group's equity interests	27,685	14,088
Goodwill	5,634	-
Carrying value of the Group's interest in the associated company	33,319	14,088

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5 INVESTMENT IN ASSOCIATED COMPANIES (CONT'D)

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

	2016 RM'000	2015 RM'000
The Group's share of loss for the year, representing total comprehensive loss for the year	(4,862)	(80)
Aggregate carrying amounts of the total Group's interests in these associated companies	10,912	4,709

6 LONG TERM INVESTMENTS

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Non-current				
Available-for-sale financial assets				
Carrying amount:				
<u>Equity instruments</u>				
- Quoted shares in Malaysia	65,264	70,725	-	-
- Quoted shares outside Malaysia	3,855	4,016	-	-
- Quoted warrants in Malaysia	1,333	2,065	-	-
- Quoted loan stocks in Malaysia	8,046	15,072	-	-
- Unquoted shares outside Malaysia	4,639	11,106	-	-
- Malaysian Government Securities	3,066	3,065	-	-
	86,203	106,049	-	-
Club memberships	191	191	113	113
	86,394	106,240	113	113

During the current financial year, the Group recognised an impairment loss amounting to RM8,061,000 (2015 : RM154,000) in respect of certain quoted and unquoted investments designated as available-for-sale financial assets (as disclosed in Note 30) due to significant decline of more than 20% or prolonged decline in the fair values of these investments below their costs.

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% (2015 : 4.24%) per annum.

7 INVESTMENT PROPERTIES

	Group	
	2016 RM'000	2015 RM'000
At 1 May	95,966	95,506
Additions	2,800	-
Adjustments	-	(32)
Fair value adjustments (Note 29)	810	492
At 30 April	99,576	95,966

	Group	
	2016 RM'000	2015 RM'000
The carrying amount of investment properties held under lease terms are as follows:		
Leasehold land	2,350	2,350
Buildings	2,360	2,360
	4,710	4,710

The carrying amounts of the investment properties were valued by an independent valuer, who hold recognised qualifications and have relevant experience in valuing these type of properties. The fair value were determined based on comparison method.

The application for sub-division of titles of the leasehold land of a subsidiary company with carrying amount of RM2,350,000 (2015 : RM2,350,000) have been submitted to the relevant authority for processing.

8 DEFERRED TAX (ASSETS) / LIABILITIES

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
At 1 May	(20,028)	(12,226)	114	215
Recognised in the statement of profit or loss (Note 33)	(19,601)	(7,799)	(114)	(101)
Recognised in other comprehensive income (Note 20(ii))	132	(149)	-	-
Arising from acquisition of a subsidiary company	35	-	-	-
Exchange differences	885	146	-	-
At 30 April	(38,577)	(20,028)	-	114
Presented after appropriate offsetting as follows:				
Deferred tax assets	(43,484)	(23,692)	-	-
Deferred tax liabilities	4,907	3,664	-	114
	(38,577)	(20,028)	-	114

NOTES TO THE FINANCIAL STATEMENTS

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

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 cost obligation RM'000	Payables RM'000	Unabsorbed tax losses and capital allowances RM'000	Total RM'000
2016				
At 1 May 2015	(1,166)	(30,547)	(1,566)	(33,279)
Recognised in the statement of profit or loss	(117)	(8,883)	(9,929)	(18,929)
Recognised in other comprehensive income	132	-	-	132
Exchange differences	30	134	449	613
At 30 April 2016	<u>(1,121)</u>	<u>(39,296)</u>	<u>(11,046)</u>	<u>(51,463)</u>
Less: set-off against deferred tax liabilities				7,979
				<u>(43,484)</u>
2015				
At 1 May 2014	(986)	(33,452)	(791)	(35,229)
Recognised in the statement of profit or loss	(92)	2,919	(825)	2,002
Recognised in other comprehensive income	(149)	-	-	(149)
Exchange differences	61	(14)	50	97
At 30 April 2015	<u>(1,166)</u>	<u>(30,547)</u>	<u>(1,566)</u>	<u>(33,279)</u>
Less: set-off against deferred tax liabilities				9,587
				<u>(23,692)</u>

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

Deferred Tax Liabilities of the Group:

	Accelerated capital allowances RM'000	Investment properties RM'000	Others RM'000	Total RM'000
2016				
At 1 May 2015	11,832	429	990	13,251
Acquisition of a subsidiary company	-	-	35	35
Recognised in the statement of profit or loss	(1,317)	963	(318)	(672)
Exchange differences	156	-	116	272
At 30 April 2016	10,671	1,392	823	12,886
Less: set-off against deferred tax assets				(7,979)
				4,907
2015				
At 1 May 2014	20,341	564	2,098	23,003
Recognised in the statement of profit or loss	(8,429)	(135)	(1,237)	(9,801)
Exchange differences	(80)	-	129	49
At 30 April 2015	11,832	429	990	13,251
Less: set-off against deferred tax assets				(9,587)
				3,664

Deferred Tax Assets of the Company:

	Other payables RM'000	Unabsorbed capital allowances RM'000	Total RM'000
2016			
At 1 May 2015	(43)	(124)	(167)
Recognised in the statement of profit or loss	17	60	77
At 30 April 2016	(26)	(64)	(90)
Less: set-off against deferred tax liability			90
			-
2015			
At 1 May 2014	(33)	(129)	(162)
Recognised in the statement of profit or loss	(10)	5	(5)
At 30 April 2015	(43)	(124)	(167)
Less: set-off against deferred tax liability			167
			-

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

Deferred Tax Liability of the Company:

	Accelerated capital allowances RM'000
2016	
At 1 May 2015	281
Recognised in the statement of profit or loss	(191)
At 30 April 2016	90
Less: set-off against deferred tax assets	(90)
	<u>-</u>
2015	
At 1 May 2014	377
Recognised in the statement of profit or loss	(96)
At 30 April 2015	281
Less: set-off against deferred tax assets	(167)
	<u>114</u>

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

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Unutilised tax losses				
-Malaysian income tax	67,519	53,250	26,318	22,255
-foreign tax	11,343	53,493	-	-
Unabsorbed capital allowances	746	129	251	-
Others	922	1,096	-	-
	<u>80,530</u>	<u>107,968</u>	<u>26,569</u>	<u>22,255</u>

Deferred tax assets have not been recognised in respect of the above 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, the 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 pre-determined by the tax legislations of that country. Deferred tax asset in respect of foreign unutilised tax losses has not been recognised as it is not probable that future taxable profits will be available against which the unutilised foreign tax losses can be utilised.

9 INTANGIBLE ASSETS

	Group	
	2016 RM'000	2015 RM'000
At carrying amount:		
Goodwill on consolidation		
At 1 May	707,214	697,297
Arising from acquisition of a subsidiary company (Note 4)	5,573	-
Arising from acquisition of a business operation (Note (a))	-	7,377
Translation exchange differences	2,998	2,540
At 30 April	<u>715,785</u>	<u>707,214</u>
Dealership rights		
At 1 May	56,542	56,752
Translation exchange differences	2,130	(210)
At 30 April	<u>58,672</u>	<u>56,542</u>
Customer relationships		
At 1 May	-	-
Arising from acquisition of a subsidiary company (Note 4)	3,831	-
Translation exchange differences	(485)	-
At 30 April	<u>3,346</u>	<u>-</u>
Total	<u><u>777,803</u></u>	<u><u>763,756</u></u>

(a) Acquisition of a business operation

In the previous financial year, the Group acquired a motor dealership business for a total cash consideration of GBP2,358,000 (equivalent to RM12,927,000). The motor dealership business was then merged with the existing motor dealership of H.R. Owen Plc. As such, it is not possible to separately identify the revenue and profit contributions of the acquired motor dealership.

The assets arising from the acquisition were as follows:

	2016 RM'000	2015 RM'000
Net assets acquired	-	5,550
Goodwill	-	7,377
Total cost and cash outflow of the acquisition	<u>-</u>	<u>12,927</u>

(b) Impairment test on goodwill, dealership rights and customer relationships

Allocation of goodwill

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

	Group	
	2016 RM'000	2015 RM'000
Toto betting operations and leasing of lottery equipment	637,420	636,968
Motor dealership	66,967	59,846
Others	11,398	10,400
	<u>715,785</u>	<u>707,214</u>

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9 INTANGIBLE ASSETS (CONT'D)

(b) Impairment test on goodwill, dealership rights and customer relationships (Cont'd)

Allocation of dealership rights and customer relationships

Dealership rights and customer relationships are allocated solely to the Group's motor dealership operations.

(a) Impairment test on goodwill

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

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

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 7.8% to 11.8% (2015 : 7.8% to 11.8%).

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.

(b) Impairment test on dealership rights and customer relationships

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

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

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 rate, applied to post-tax cash flows, used for the respective identified CGUs is 11.8% (2015 : 11.8%).

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 dealership rights and customer relationships to materially exceed their recoverable amounts.

10 INVENTORIES

	Group	
	2016 RM'000	2015 RM'000
At cost:		
Vehicles	407,544	259,489
Gaming equipment components and parts	1,755	1,158
Raw materials	9,624	8,121
Work-in-progress	14,103	1,442
Ticket inventories	3,558	3,044
Parts and consumables	12,911	13,254
Finished goods and inventories for resale	6,249	3,301
	455,744	289,809
At net realisable value:		
Vehicles	8,761	73,364
Parts and consumables	2,508	869
	467,013	364,042

The cost of inventories recognised as an expense during the financial year amounted to RM1,914,112,000 (2015 : RM1,645,014,000).

The carrying amounts of inventories pledged for manufacturers and other third party vehicle stocking loans amounted to RM396,706,000 (2015 : RM316,213,000).

11 RECEIVABLES

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Trade receivables	87,913	72,008	-	-
Other receivables	218,103	145,097	22	78
Refundable deposits	10,511	7,664	724	724
Amounts due from associated companies	14,130	15,581	-	-
	330,657	240,350	746	802
Less : Allowance for doubtful debts				
- trade receivables	(1,823)	(1,219)	-	-
- other receivables	(1,238)	(92)	-	-
	327,596	239,039	746	802
Dividend receivable	-	-	84,954	77,640
Prepayments	42,878	39,273	75	68
	370,474	278,312	85,775	78,510

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11 RECEIVABLES (CONT'D)

(a) Trade receivables

The Group's trade receivables are non-interest bearing with credit term ranges from 1 to 60 days (2015 : 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	
	2016 RM'000	2015 RM'000
Neither past due nor impaired	70,811	66,915
Past due but not impaired	15,279	3,874
Impaired	1,823	1,219
	<u>87,913</u>	<u>72,008</u>

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 RM15,279,000 (2015 : RM3,874,000) 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.

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	
	2016 RM'000	2015 RM'000
<u>Individually impaired</u>		
Trade receivables - nominal amounts	1,823	1,219
Less: Allowance for impairment	(1,823)	(1,219)
	<u>-</u>	<u>-</u>

11 RECEIVABLES (CONT'D)

(a) Trade receivables (cont'd)

Movement in allowance accounts

	Group	
	2016 RM'000	2015 RM'000
At 1 May	1,219	788
- Charge for the year (Note 28)	584	536
- Written off during the year	-	(129)
- Exchange differences	20	24
At 30 April	1,823	1,219

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.

(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	
	2016 RM'000	2015 RM'000
At 1 May	92	92
- Charge for the year (Note 28)	1,212	-
- Exchange differences	(66)	-
At 30 April	1,238	92

Included in other receivables of the Group is an advance made by a foreign subsidiary company for property investments venture amounting to RM62,553,000 (2015 : RM57,541,000). The advance is payable on demand and is interest bearing.

Amounts due from associated companies of a foreign subsidiary are unsecured, repayable on demand and non-interest bearing except for an amount of RM8,297,000 (2015 : RM8,000,000) which is secured and interest bearing.

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12 AMOUNTS DUE FROM SUBSIDIARY COMPANIES

	Company	
	2016 RM'000	2015 RM'000
Amounts due from subsidiary companies	246,453	221,270
Less: Allowance for doubtful debts	(139)	(124)
	<u>246,314</u>	<u>221,146</u>
Movement in allowance accounts:		
At beginning of year	124	91
Charge for the year (Note 28)	15	115
Written off	-	(82)
At end of year	<u>139</u>	<u>124</u>

Amounts due from subsidiary companies are unsecured, interest bearing and repayable on demand except for the amount of RM239,000 (2015 : RM194,000) which is non-interest bearing.

13 DEPOSITS WITH FINANCIAL INSTITUTIONS

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Fixed deposits with financial institutions	402,597	315,404	25,000	22,600
Cash and bank balances	130,865	114,801	886	3,207
	<u>533,462</u>	<u>430,205</u>	<u>25,886</u>	<u>25,807</u>
Fixed deposits with financial institutions comprise term deposits with:				
- Licensed banks	377,306	293,500	25,000	22,600
- Other financial institutions	25,291	21,904	-	-
	<u>402,597</u>	<u>315,404</u>	<u>25,000</u>	<u>22,600</u>

Included in the Group's deposits with financial institutions are deposits of RM3,009,000 (2015 : RM2,906,000) which are pledged to banks 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	
	2016	2015	2016	2015
Licensed banks	3.34%	3.35%	3.18%	3.18%
Other financial institutions	1.08%	1.02%	-	-

13 DEPOSITS WITH FINANCIAL INSTITUTIONS (CONT'D)

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

	Group		Company	
	2016	2015	2016	2015
Licensed banks	6 days	9 days	4 days	5 days
Other financial institutions	68 days	78 days	-	-

14 SHARE CAPITAL

	Group and Company			
	Number of ordinary shares of RM0.10 each		Amount	
	2016	2015	2016	2015
	Units '000	Units '000	RM'000	RM'000
Authorised:				
At beginning of the year/end of the year	20,000,000	20,000,000	2,000,000	2,000,000
Issued and fully paid:				
At beginning of the year/end of the year	1,351,030	1,351,030	135,103	135,103

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

	Number of ordinary shares	
	2016	2015
	Units '000	Units '000
Total number of issued and paid up ordinary shares	1,351,030	1,351,030
Less : Ordinary shares held as treasury shares (Note 19)	(3,058)	(6,636)
	<u>1,347,972</u>	<u>1,344,394</u>

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.

15 CAPITAL RESERVE

The capital reserve of RM21,327,000 (2015 : RM21,327,000) represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.

16 EXCHANGE RESERVE

	Group	
	2016	2015
	RM'000	RM'000
At 1 May	59,800	26,083
Currency translation differences	25,329	33,717
At 30 April	<u>85,129</u>	<u>59,800</u>

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

	Group	
	2016 RM'000	2015 RM'000
At 1 May	15,560	18,667
Loss on fair value changes through comprehensive income	(12,618)	(2,622)
Transfer to profit or loss upon disposal/derecognition	1,049	(485)
At 30 April	3,991	15,560

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

18 RETAINED EARNINGS

The entire retained earnings of the Company, subject to the implied reduction effect of treasury shares balance, is available for distribution as single tier dividends.

19 TREASURY SHARES

	Group and Company			
	Number of shares		Amount	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
At 1 May	6,636	2,911	24,712	11,860
Shares bought back during the year	5,968	3,725	18,251	12,852
Distributed as share dividend	(9,546)	-	(32,902)	-
At 30 April	3,058	6,636	10,061	24,712

The renewal of the Company's plan and mandate relating to the share buy back was approved by the shareholders of the Company on 15 October 2015 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.

During the financial year, the Company bought back 5,968,000 shares from the open market at an average price of RM3.06 each amounting to RM18,251,000. The cumulative shares bought back were held as treasury shares.

During the financial year, the Company declared and approved a share dividend in respect of financial year ended 30 April 2016 via distribution of 9,546,061 treasury shares on the basis of one treasury share for every one hundred forty existing ordinary shares with voting rights held. The share dividend was distributed on 23 October 2015.

20 RETIREMENT BENEFIT OBLIGATIONS

	Group	
	2016 RM'000	2015 RM'000
At 1 May	3,818	3,462
Recognised in statement of profit or loss	802	642
Recognised in statement of other comprehensive income	(658)	543
Employer's contribution	(722)	(1,067)
Exchange differences	145	238
At 30 April	<u>3,385</u>	<u>3,818</u>

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

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

	Group	
	2016 RM'000	2015 RM'000
Present value of retirement benefit obligation	70,183	71,452
Fair value of plan assets	(66,798)	(67,634)
Deficit over plan assets	<u>3,385</u>	<u>3,818</u>

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

	Group	
	2016 RM'000	2015 RM'000
At beginning of year	71,452	64,913
Current service cost and interest cost	3,348	3,126
Actuarial (loss)/gain	(4,395)	4,725
Benefits paid by the plan	(2,811)	(1,565)
Exchange differences	2,589	253
At end of year	<u>70,183</u>	<u>71,452</u>

NOTES TO THE FINANCIAL STATEMENTS

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20 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

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

	Group	
	2016	2015
	RM'000	RM'000
At beginning of year	67,634	61,451
Interest income	2,546	2,484
Return on plan assets	(3,724)	4,205
Employer's contribution	722	1,067
Benefits paid by the plan	(2,811)	(1,565)
Actuarial loss	(31)	(35)
Exchange differences	2,462	27
At end of year	66,798	67,634

The plan assets consist of the following:

	Group	
	2016	2015
	RM'000	RM'000
Fixed income assets	66,540	67,069
Cash in bank	251	564
Others	7	1
	66,798	67,634

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	
	2016	2015
	RM'000	RM'000
Current service costs recognised in directors' remuneration and staff costs (Notes 28 and 28 (b))	626	522
Net interest costs (Note 32)	176	120
Retirement benefits recognised in profit or loss	802	642

20 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

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

	Group	
	2016 RM'000	2015 RM'000
Remeasurement losses arising from:		
Actuarial changes in financial assumptions	153	(8,094)
Actuarial changes in demographic assumptions	3,786	3,620
Return on plan assets	(3,724)	4,205
Experience adjustments arising from defined benefit obligations	443	(274)
	658	(543)
Deferred tax (expense)/income (Note 8)	(132)	149
Retirement benefits recognised in other comprehensive income	526	(394)
Attributable to:		
Owners of the parent *	334	(321)
Non-controlling interests	192	(73)
	526	(394)

* Recognised in the consolidated retained earnings through other comprehensive income.

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.

	2016 RM'000	2015 RM'000	2014 RM'000	2013 RM'000	2012 RM'000
Present value					
of the obligation	70,183	71,452	64,913	3,077	3,023
Fair value of the plan assets	(66,798)	(67,634)	(61,451)	(434)	(384)
Deficit in the plan	3,385	3,818	3,462	2,643	2,639

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

	2016	2015
Discount rate	3.50%-5.11%	3.40%-4.75%

Sensitivity analysis for retirement benefit obligation

The management is of the view that any change in the assumptions will not have significant impact to the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

21 LONG TERM BORROWINGS

	Maturity	Group	
		2016 RM'000	2015 RM'000
Medium term notes			
Secured:			
5.50% p.a. fixed rate medium term notes	June 2015	-	200,000
4.41% p.a. fixed rate medium term notes	June 2016	55,000	55,000
4.80% p.a. fixed rate medium term notes	October 2016	50,000	50,000
6.00% p.a. fixed rate medium term notes	June 2017	150,000	150,000
4.60% p.a. fixed rate medium term notes	June 2017	35,000	-
4.60% p.a. fixed rate medium term notes	June 2017	70,000	-
4.73% p.a. fixed rate medium term notes	June 2018	95,000	95,000
4.82% p.a. fixed rate medium term notes	June 2019	200,000	-
4.88% p.a. fixed rate medium term notes	July 2019	145,000	145,000
		<u>800,000</u>	<u>695,000</u>
Portion repayable within 12 months included under short term borrowings (Note 23)		(105,000)	(200,000)
		<u>695,000</u>	<u>495,000</u>

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 2016, total medium term notes amounting to RM800.0 million (2015 : RM695.0 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 which is the issuer as disclosed in Note 4; and
- (ii) corporate guarantee provided by the Company as disclosed in Note 36.

22 OTHER LONG TERM LIABILITIES

	Group		Company	
	2016 RM'000	Restated 2015 RM'000	2016 RM'000	2015 RM'000
Hire purchase payables (Note a)	1,283	1,458	335	540
Deferred income (Note b)	-	9	-	-
	<u>1,283</u>	<u>1,467</u>	<u>335</u>	<u>540</u>

22 OTHER LONG TERM LIABILITIES (CONT'D)

Notes:

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

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Gross amount repayables:				
Within one year after reporting date	776	674	234	234
More than one year but not later than two years	748	624	234	233
More than two years but not later than five years	647	974	120	354
	2,171	2,272	588	821
Less: Unexpired interests	(232)	(260)	(48)	(90)
	1,939	2,012	540	731

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

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Within one year after reporting date	656	554	205	191
More than one year but not later than two years	677	542	219	204
More than two years but not later than five years	606	916	116	336
	1,939	2,012	540	731
Less : amount payable within 12 months (Note 25)	(656)	(554)	(205)	(191)
Amount payable after 12 months	1,283	1,458	335	540

(b) Included in deferred income is the deferred membership fees which are recognised over the membership period by a subsidiary company.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

23 SHORT TERM BORROWINGS

	Group	
	2016	2015
	RM'000	RM'000
Secured:		
Term loan	8,297	-
Revolving credits	22,681	-
Medium term notes (Note 21)	105,000	200,000
	<u>135,978</u>	<u>200,000</u>

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

	Group	
	2016	2015
	%	%
Secured:		
Term loan	4.00	-
Revolving credits	2.25	-
Medium term notes	4.41 - 4.80	5.50

The term loan of the Group is secured by a property of the Group as disclosed in Note 3.

The revolving credits of the Group is secured by fixed and floating charges on the assets of a foreign subsidiary company.

24 PROVISIONS

	Group	
	2016	2015
	RM'000	RM'000
Sales warranty		
At 1 May	124	613
Additional provision during the year (Note 28)	539	190
Utilised during the year	(202)	(741)
Exchange differences	(14)	62
At 30 April	<u>447</u>	<u>124</u>
Restoration costs		
At 1 May	971	968
Additional provision during the year	-	3
At 30 April	<u>971</u>	<u>971</u>
Total	<u>1,418</u>	<u>1,095</u>

24 PROVISIONS (CONT'D)

(a) Sales warranty

A foreign subsidiary provides 3 to 12 months (2015 : 3 to 12 months) warranties on certain products and undertakes to repairs or replacement of items that fail to perform satisfactorily. Provision for warranties is recognised for all products under warranty at the reporting date based on past experience on the level of repairs and returns.

(b) 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 and use of such assets, which are capitalised and included in the cost of property, plant and equipment.

25 PAYABLES

	Group		Company	
	2016	Restated 2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Trade payables	471,141	367,786	-	-
Pool betting duty payables	23,681	22,725	-	-
Other payables	168,621	123,250	102	556
Accruals	249,522	221,592	670	734
Agency deposits	37,725	37,566	-	-
Hire purchase payable within 12 months (Note 22(a))	656	554	205	191
	951,346	773,473	977	1,481
Dividend payables	702	1,567	671	1,474
Deferred income	6,207	7,580	-	-
	958,255	782,620	1,648	2,955

Included in trade payables of the Group are manufacturers and other third party vehicle stocking loans of RM320,345,000 (2015 : RM243,784,000) 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 accrual for gaming tax payable to the Ministry of Finance.

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

The normal trade credit terms granted to the Group ranges from 1 to 183 days (2015 : 1 to 183 days).

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26 AMOUNTS DUE TO SUBSIDIARY COMPANIES

	Company	
	2016	2015
	RM'000	RM'000
Amounts due to subsidiary companies	847,291	800,086

Amounts due to subsidiary companies are unsecured, repayable on demand and interest bearing except for an amount of RM2,649,000 (2015 : RM2,656,000).

27 REVENUE

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

	Group		Company	
	2016	Restated 2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Dividend income	109	219	281,306	355,568
Management fee income	-	-	300	317
Toto betting and leasing of lottery equipment income	3,313,851	3,350,749	-	-
Sale of motor vehicles, charges for aftersales, repair and maintenance services rendered	2,174,907	1,891,923	-	-
Sale of lottery and voting systems and spare parts	52,717	21,046	-	-
Income from supply of goods and services from hotel operations	12,856	10,986	-	-
Rental income and service charges from investment properties	6,164	6,048	-	-
Income from health and fitness centre operation	2,623	2,673	-	-
	<u>5,563,227</u>	<u>5,283,644</u>	<u>281,606</u>	<u>355,885</u>

28 PROFIT BEFORE OTHER INCOME AND EXPENSES

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit before other income and expenses is stated after charging:				
Auditors' remuneration				
- statutory audit:				
- auditors of the Company				
- current year	291	285	95	94
- underprovision in previous year	8	16	4	3
- other auditors (other than Ernst & Young)				
- current year	711	600	-	-
- other services				
- auditors of the Company	21	145	21	141
- other auditors (other than Ernst & Young)	27	139	-	-
Depreciation of				
property, plant and equipment	31,887	32,563	1,161	1,159
Directors' remuneration:				
- fees	2,101	1,692	180	135
- salaries and other emoluments	13,387	16,726	1,562	2,460
- defined contribution plans	2,406	3,071	225	477
- defined benefit plans (Note 20(i))	3	200	-	-
- performance incentive	7,703	8,944	-	-
- bonus	882	2,395	155	540
Operating lease:				
- minimum lease				
payments of premises	37,693	32,122	3,005	2,935
- minimum lease				
payments of equipment	1,547	1,567	14	19
Contribution to				
National Sports Council	46,126	53,024	-	-
Allowance for doubtful debts				
- trade receivables (Note 11(a))	584	536	-	-
- other receivables (Note 11(b))	1,212	-	-	-
- amount due from subsidiary companies (Note 12)	-	-	15	115
Loss on disposal of				
property, plant and equipment	540	273	-	-

NOTES TO THE FINANCIAL STATEMENTS

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

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit before other income and expenses is stated after charging (Cont'd):				
Realised loss on foreign exchange	124	422	-	-
Unrealised loss on foreign exchange	1,465	5,222	-	-
Provision for sales warranty (Note 24)	539	190	-	-
Inventories written down	-	4,634	-	-
Direct operating expenses of investment properties:				
- revenue generating during the year	2,925	2,951	-	-
- non-revenue generating during the year	237	188	-	-
Property, plant and equipment written off:				
- included in general and administrative expenses	101	2	2	-
Employee benefit expenses (Note b): (excluding directors)	225,928	193,369	4,379	4,318
Profit before other income and expenses is stated after crediting:				
Gain on disposal of property, plant and equipment	294	156	-	8
Rental income and service charges				
- included in revenue	6,164	6,048	-	-
- included in other income	1,277	1,486	-	-

The estimated monetary value of benefits-in-kind received by the directors were RM122,000 (2015 : RM121,000) for the Group and RM39,000 (2015 : RM37,000) for the Company.

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

(a) Directors' remuneration

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

	Fees RM'000	Benefits- in-kind RM'000	Salaries and other emoluments RM'000	Bonus RM'000	Total RM'000
2016					
Executive	75	64	5,718	515	6,372
Non-executive	180	39	797	87	1,103
	<u>255</u>	<u>103</u>	<u>6,515</u>	<u>602</u>	<u>7,475</u>
2015					
Executive	46	60	6,587	1,641	8,334
Non-executive	135	37	770	83	1,025
	<u>181</u>	<u>97</u>	<u>7,357</u>	<u>1,724</u>	<u>9,359</u>

(b) Employee benefit expenses

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Wages, salaries and other allowances	191,234	160,193	3,440	3,121
Social security costs and employee insurance	15,824	13,139	126	188
Bonus	9,570	10,813	429	534
Pension costs				
- defined contribution plans	8,358	8,585	454	429
- defined benefit plans (Note 20(i))	623	322	-	-
Provision for short term compensated absences	319	317	(70)	46
	<u>225,928</u>	<u>193,369</u>	<u>4,379</u>	<u>4,318</u>

NOTES TO THE FINANCIAL STATEMENTS

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29 INVESTMENT RELATED INCOME

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Dividend income from investments	1,183	2,141	-	-
Gain on disposal of other long term investments	-	655	-	-
Gain on disposal of investment properties	-	256	-	-
Fair value adjustments of investment properties (Note 7)	810	492	-	-
Refund of stamp duty and expenses paid in relation to an aborted corporate exercise	-	18,120	-	-
	<u>1,993</u>	<u>21,664</u>	<u>-</u>	<u>-</u>

30 INVESTMENT RELATED EXPENSES

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Impairment in value of investment in subsidiary companies (Note 4)	-	-	1,005,450	414,680
Impairment in value of investment in an associated company	-	-	-	143
Impairment in value of available-for-sale investments (Note 6)	8,061	154	-	-
Net fair value loss on available-for-sale equity investments transferred from equity upon disposal	1,757	-	-	-
	<u>9,818</u>	<u>154</u>	<u>1,005,450</u>	<u>414,823</u>

31 OTHER INCOME

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Other income comprise:				
Interest income on loans and receivables:				
- deposits with financial institutions	11,117	13,010	722	392
- advances to subsidiary companies	-	-	15,893	12,540
- others	8,477	5,780	-	-
Others:				
- operating lease income	1,277	1,486	-	-
- miscellaneous	11,139	6,334	-	-
	<u>32,010</u>	<u>26,610</u>	<u>16,615</u>	<u>12,932</u>

NOTES TO THE FINANCIAL STATEMENTS

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32 FINANCE COSTS

	Group		Company	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Interest on:				
- advances from a subsidiary company	-	-	39,759	36,439
- short term loan	283	2,444	-	872
- medium term notes	36,399	35,146	-	-
- hire purchase	158	146	43	53
- manufacturers' vehicle stocking loans	9,837	7,066	-	-
- defined benefit pension scheme (Note 20 (i))	176	120	-	-
- revolving credits	641	-	-	-
Other finance charges	348	418	304	379
	47,842	45,340	40,106	37,743

33 TAXATION

	Group		Company	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Current year tax expense:				
Malaysian income tax	122,278	137,716	-	-
Foreign tax	24,684	24,341	-	-
	146,962	162,057	-	-
Under/(over) provision in prior years:				
Malaysian income tax	1,835	7,275	-	-
Foreign tax	(1,630)	(825)	-	-
	205	6,450	-	-
	147,167	168,507	-	-
Deferred tax (Note 8):				
Relating to origination and reversal of temporary differences	(18,602)	575	(73)	(133)
(Over)/under provision in prior years	(999)	(8,374)	(41)	32
	(19,601)	(7,799)	(114)	(101)
	127,566	160,708	(114)	(101)

Domestic current income tax is calculated at the statutory tax rate of 24% (2015 : 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

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33 TAXATION (CONT'D)

A reconciliation of income tax expense applicable to profit/(loss) 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	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit/(loss) before tax	445,658	534,012	(766,323)	(103,559)
Tax at Malaysian statutory tax rate of 24% (2015 : 25%)	106,958	133,503	(183,918)	(25,890)
Different tax rates in the foreign subsidiary companies	(2,237)	(2,129)	-	-
Expenses not deductible for tax purposes	32,293	34,357	253,058	115,549
Income not subject to tax	(2,069)	(6,769)	(70,248)	(91,242)
Effect of income subject to real property gain tax	-	(87)	-	-
Effect of utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(10,165)	(109)	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	3,580	3,866	1,035	1,450
Underprovision of tax expense in prior years	205	6,450	-	-
(Over)/under provision of deferred tax in prior years	(999)	(8,374)	(41)	32
Tax expense/(credit) for the year	127,566	160,708	(114)	(101)

Tax savings during the financial year arising from:

	Company	
	2016 RM'000	2015 RM'000
Utilisation of current year losses	531	477

34 EARNINGS PER SHARE

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

	Group	
	2016 RM'000	2015 RM'000
Profit attributable to owners of the Company	308,640	361,610
Weighted average number of shares with voting rights outstanding ('000)	1,348,754	1,346,498
Basic and diluted earnings per share (sen)	22.88	26.86

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

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

35 DIVIDENDS PER SHARE

	Company			
	2016		2015	
	Dividends per share Sen	Amount of dividend RM'000	Dividends per share Sen	Amount of dividend RM'000
Recognised during the year:				
Interim dividends				
<u>In respect of prior year</u>				
- 4th interim - 5 sen single tier per share approved in respect of financial year ended 30 April 2015 (2015 : 7 sen single tier per share)	5.00	67,220	7.00	94,368
<u>In respect of current year</u>				
- 1st interim - 5 sen per share consists of 2.5 sen cash dividend and 2.5 sen share dividend * (2015 : 5.5 sen single tier per share)	5.00	66,390	5.50	74,146
- 2nd interim - 5 sen single tier per share (2015 : 6 sen single tier per share)	5.00	67,452	6.00	80,664
- 3rd interim - 4 sen single tier per share (2015 : 5 sen single tier per share)	4.00	53,919	5.00	67,220
		<u>254,981</u>		<u>316,398</u>

* On 23 October 2015, the Company distributed share dividend in respect of financial year ended 30 April 2016, via distribution of 9.5 million treasury shares on the basis of 1 treasury share for every 140 existing ordinary shares held. Based on the treasury shares book costs as stated in Note 19 of RM32,902,000, the share dividend was equivalent to approximately 2.5 sen per share based on the ordinary shares in issue with voting rights as at 16 September 2015 of 1,339,500,000 units.

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35 DIVIDENDS PER SHARE (CONT'D)

On 20 June 2016, the Company declared and approved a fourth interim single tier dividend of 5 sen per share on 1,347,972,300 ordinary shares with voting rights in respect of financial year ended 30 April 2016 amounting to RM67,399,000. 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 2017.

36 FINANCIAL GUARANTEE

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
<u>Financial guarantee - secured</u>				
Corporate guarantee of RM800.0 million (2015 : RM695.0 million) given by the Company to the holders of medium term notes issued by a wholly-owned subsidiary company	*	*	*	*
Corporate guarantee of Php250.0 million equivalent to RM20,700,000 (2015 : Php250.0 million equivalent to RM20,000,000) provided to a financial institution by a foreign subsidiary company for a facility granted to its associated 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 and the corporate guarantee provided to a financial institution by a foreign subsidiary company for a facility granted to its associated company. The directors are of the opinion that the financial guarantees are not likely to be called upon and regard the values of the credit enhancement provided by the corporate guarantees as minimal.

37 CAPITAL AND LEASE COMMITMENTS

(a) Capital commitments

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Capital expenditures:				
- Approved and contracted for	7,056	5,378	135	-
- Approved but not contracted for	19,120	11,582	-	-
	<u>26,176</u>	<u>16,960</u>	<u>135</u>	<u>-</u>

37 CAPITAL AND LEASE COMMITMENTS (CONT'D)

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

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Future minimum lease payable:				
Not later than one year	35,845	31,984	2,621	3,930
Later than one year but not later than five years	89,408	77,384	-	2,619
Later than five years	110,578	53,225	-	-
	<u>235,831</u>	<u>162,593</u>	<u>2,621</u>	<u>6,549</u>

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

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

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

	Group	
	2016 RM'000	2015 RM'000
Future minimum rental receivable:		
Not later than one year	6,301	5,583
Later than one year but not later than five years	12,755	12,216
Later than five years	6,854	8,946
	<u>25,910</u>	<u>26,745</u>

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

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

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38 SIGNIFICANT RELATED PARTY DISCLOSURES

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Interest income from				
- Berjaya Sports Toto (Cayman) Limited - (a)	-	-	11,355	9,392
- Magna Mahsuri Sdn Bhd - (a)	-	-	3,511	2,370
- FEAB Properties Sdn Bhd - (a)	-	-	1,012	764
Interest expense to				
- Sports Toto Malaysia Sdn Bhd - (a)	-	-	(39,759)	(36,439)
Purchases of consumables from				
- Graphic Press Group Sdn Bhd - (c)	(14,465)	(14,966)	(47)	(31)
Advances from / (given to)				
- Sports Toto Malaysia Sdn Bhd - (a)	-	-	7,752	131,802
- FEAB Properties Sdn Bhd - (a)	-	-	(1,870)	(2,581)
- Magna Mahsuri Sdn Bhd - (a)	-	-	(16,019)	(8,529)
- Berjaya Sports Toto (Cayman) Limited - (a)	-	-	(324)	(21,603)
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)	(3,582)	(3,468)	-	-
Rental charges by				
- Nada Embun Sdn Bhd - (c)	(1,858)	(1,814)	(286)	(279)
- Ambilan Imej Sdn Bhd - (c)	(2,535)	(2,475)	(2,535)	(2,475)
- Berjaya Credit Sdn Bhd - (h)	(449)	(442)	-	-
Rental income from				
- U Mobile Sdn Bhd - (d)	1,314	1,286	-	-
- Berjaya Higher Education Sdn Bhd - (c)	2,339	2,342	-	-
Share registration services rendered by				
- Berjaya Registration Services Sdn Bhd - (c)	(814)	(486)	(814)	(486)
Receipt of leasing and hire purchase facilities from				
- Prime Credit Leasing Sdn Bhd - (c)	(524)	(617)	-	(215)
Parking charges by				
- BTS Car Park Sdn Bhd - (f)	(383)	(355)	(21)	(23)
Research and development, implementation of data storage and maintenance services as well as purchase of hardware, software and network equipment from				
- Qinetics Services Sdn Bhd - (e)	(1,089)	(1,540)	(895)	(1,346)

38 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Aircraft leasing charges by				
- Berjaya Air Sdn Bhd - (c)	(1,500)	(1,500)	-	-
- Berjaya Jet Charter Sdn Bhd - (c)	(4,022)	(5,916)	-	-
Supply of computerised lottery systems and related services				
- Natural Avenue Sdn Bhd - (f)	560	500	-	-
Advertising and publishing services charges by				
- Sun Media Corporation Sdn Bhd - (g)	(1,112)	(1,342)	(37)	(15)

Other significant related party transactions and balances have been disclosed in Notes 11, 12, 25, 26 and 28.

The nature of the related party relationships are as follows:

- (a) subsidiary companies;
- (b) ultimate holding company, BCorp;
- (c) related companies of BCorp Group other than subsidiary or associated companies of the Company;
- (d) a company in which a director of the Company, namely Dato' Sri Robin Tan Yeong Ching ("DSRT") 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 DSRT and Nerine Tan Sheik Ping, a director of the Company;
- (e) a wholly owned subsidiary company of Qinetics Solutions Sdn Bhd which in turn is a subsidiary of MOL.com Sdn Bhd ("MOL"). The related company of BCorp Group and a director of the Company, namely DSRT as well as a substantial shareholder of the Company, namely TSVT have interests in MOL;
- (f) 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 DSRT 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;
- (g) a 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 DSRT have interests in BMedia. A substantial shareholder of the Company, TSVT and his brother TSDT also have interests in BMedia;
- (h) a company where a substantial shareholder, TSVT has interests.

Certain professional fee amounting to RM7,542,000 (2015 : RM6,510,000) 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.

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38 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

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

	Group	
	2016 RM'000	2015 RM'000
Short-term benefits	24,195	29,878
Post-employment benefits	2,409	3,271
	<u>26,604</u>	<u>33,149</u>

39 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

- (i) 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:

	GROUP			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 30 April 2016				
Non-financial assets				
Investment properties	-	32,520	67,056	99,576
	<u>-</u>	<u>32,520</u>	<u>67,056</u>	<u>99,576</u>
At 30 April 2015				
Non-financial assets				
Investment properties	-	28,910	67,056	95,966
	<u>-</u>	<u>28,910</u>	<u>67,056</u>	<u>95,966</u>

39 FAIR VALUE MEASUREMENT (CONT'D)

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

(ii) Description of valuation techniques used and key inputs to valuation on investment properties:

Comparison method

Under the comparison method, a property's fair value is estimated based on comparable transactions. This approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold. Investment properties valued under the comparison method, with insignificant adjustments factors, are categorised as Level 2 in the fair value hierarchy.

An investment property which was included in the Level 3 category in the fair value hierarchy is valued using the comparison method with significant adjustments made for differences such as location, size, condition, accessibility and design ("adjustment factors"). The significant unobservable inputs for this investment property, which are the adjustment factors, range between -35% and 88% (2015 : -14% and 29%) of the respective comparative prices.

Sensitivity analysis

A significant increase or decrease in each of the unobservable inputs used in the valuation would result in a correspondingly higher or lower fair value of the investment property.

(iii) Fair value reconciliation of investment properties measured at Level 3:

The carrying amount of investment properties categorised under Level 3 in the fair value hierarchy are as follows:

	Group	
	2016	2015
	RM'000	RM'000
At beginning of the year/end of the year	<u>67,056</u>	<u>67,056</u>

There were no fair value changes noted in the current and prior financial year of these investment properties.

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39 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:

		GROUP			
	Note	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 30 April 2016					
Financial assets					
Other long term investments	6	81,564	4,639	-	86,203
At 30 April 2015					
Financial assets					
Other long term investments	6	94,943	11,106	-	106,049

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

40 FINANCIAL INSTRUMENTS

(a) **Classification of Financial Instruments**

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

GROUP		Available- for-sale financial assets RM'000	Loans and receivables RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
2016	Note				
Assets					
Long term investments	6	86,203	-	-	86,203
Trade and other receivables	11	-	327,596	-	327,596
Deposits with financial institutions	13	-	402,597	-	402,597
Cash and bank balances	13	-	130,865	-	130,865
Total financial assets		86,203	861,058	-	947,261
Total non-financial assets					1,697,115
Total assets					2,644,376

40 FINANCIAL INSTRUMENTS (CONT'D)

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

GROUP (Cont'd)

		Available- for-sale financial assets RM'000	Loans and receivables RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
2016	Note				
Liabilities					
Trade and other payables	25	-	-	951,346	951,346
Other long term liabilities	22	-	-	1,283	1,283
Long term borrowings	21	-	-	695,000	695,000
Short term borrowings	23	-	-	135,978	135,978
Total financial liabilities		-	-	1,783,607	1,783,607
Total non-financial liabilities					19,912
Total liabilities					1,803,519
2015					
Assets					
Long term investments	6	106,049	-	-	106,049
Trade and other receivables	11	-	239,039	-	239,039
Deposits with financial institutions	13	-	315,404	-	315,404
Cash and bank balances	13	-	114,801	-	114,801
Total financial assets		106,049	669,244	-	775,293
Total non-financial assets					1,474,405
Total assets					2,249,698
Liabilities					
Trade and other payables	25	-	-	773,473	773,473
Other long term liability	22	-	-	1,458	1,458
Long term borrowings	21	-	-	495,000	495,000
Short term borrowings	23	-	-	200,000	200,000
Total financial liabilities		-	-	1,469,931	1,469,931
Total non-financial liabilities					24,200
Total liabilities					1,494,131

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40 FINANCIAL INSTRUMENTS (CONT'D)

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

COMPANY

		Loans and receivables RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
	Note			
2016				
Assets				
Other receivables	11	746	-	746
Amounts due from subsidiary companies	12	246,314	-	246,314
Deposits with financial institutions	13	25,000	-	25,000
Cash and bank balances	13	886	-	886
Total financial assets		<u>272,946</u>	<u>-</u>	<u>272,946</u>
Total non-financial assets				<u>5,277,374</u>
Total assets				<u><u>5,550,320</u></u>
Liabilities				
Other payables	25	-	977	977
Amounts due to subsidiary companies	26	-	847,291	847,291
Other long term liabilities	22	-	335	335
Total financial liabilities		<u>-</u>	<u>848,603</u>	<u>848,603</u>
Total non-financial liabilities				<u>671</u>
Total liabilities				<u><u>849,274</u></u>
2015				
Assets				
Other receivables	11	802	-	802
Amounts due from subsidiary companies	12	221,146	-	221,146
Deposits with financial institutions	13	22,600	-	22,600
Cash and bank balances	13	3,207	-	3,207
Total financial assets		<u>247,755</u>	<u>-</u>	<u>247,755</u>
Total non-financial assets				<u>6,263,525</u>
Total assets				<u><u>6,511,280</u></u>
Liabilities				
Other payables	25	-	1,481	1,481
Amounts due to subsidiary companies	26	-	800,086	800,086
Other long term liability	22	-	540	540
Total financial liabilities		<u>-</u>	<u>802,107</u>	<u>802,107</u>
Total non-financial liabilities				<u>1,588</u>
Total liabilities				<u><u>803,695</u></u>

40 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	13	*
Cash and bank balances	13	*
Trade and other payables	25	*
Amounts due from/(to) subsidiary companies	12 and 26	#
Long term borrowings	21	^
Hire purchase payables	22	^
Short term borrowings	23	*

* The carrying amounts of these financial assets and liabilities are reasonable approximations 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 dates. The carrying amounts of borrowings and hire purchase payables are reasonable approximation of fair value due to the 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.

41 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 as well as amount due from subsidiary companies. For other financial assets (including investment securities, cash and bank balances), 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.

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

(a) Credit Risk (Cont'd)

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.

Analysis of undiscounted financial instruments by remaining contractual maturities

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
2016				
Financial liabilities:				
Group				
Trade and other payables	950,690	-	-	950,690
Borrowings	142,466	749,865	-	892,331
Hire purchase payables	776	1,395	-	2,171
	<u>1,093,932</u>	<u>751,260</u>	<u>-</u>	<u>1,845,192</u>

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

(b) Liquidity Risk (Cont'd)

Analysis of undiscounted financial instruments by remaining contractual maturities (cont'd)

2016 (Cont'd)	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Financial liabilities (cont'd):				
Company				
Other payables	772	-	-	772
Amounts due to subsidiary companies	847,291	-	-	847,291
Hire purchase payables	234	354	-	588
	848,297	354	-	848,651
2015				
Financial liabilities:				
Group				
Trade and other payables	772,919	-	-	772,919
Borrowings	230,896	546,914	-	777,810
Hire purchase payables	674	1,598	-	2,272
	1,004,489	548,512	-	1,553,001
Company				
Other payables	1,290	-	-	1,290
Amounts due to subsidiary companies	800,086	-	-	800,086
Hire purchase payables	234	587	-	821
	801,610	587	-	802,197

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41 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 and amounts due from subsidiary companies. 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 to mitigate the impact of interest risk. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculation purposes.

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	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
<u>Fixed rate instruments</u>				
Financial assets	556,510	376,627	25,000	22,600
Financial liabilities	801,939	697,012	651,671	597,581
<u>Floating rate instruments</u>				
Financial assets	-	-	246,059	220,952
Financial liabilities	351,323	243,784	193,511	200,580

41 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 RM879,000 (2015 : RM609,000) and RM484,000 (2015 : RM501,000) 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 a few 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 certain receivables which are denominated in foreign currency.

Sensitivity analysis for currency risk

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

(iii) Equity Price Risk

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. The quoted instruments in Malaysia are listed on Bursa Malaysia Securities Berhad and London Stock Exchange 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 RM862,000 (2015 : RM1,060,000) 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.

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42 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 2016 and 2015.

The Group monitors capital using a gearing ratio, which is debt divided by total equity. The Group and the Company include within debt, borrowings and hire purchase payables. The gearing ratios as at 30 April 2016 and 2015 are as follows:

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Long term borrowings	21	695,000	495,000	-	-
Short term borrowings	23	135,978	200,000	-	-
Hire purchase payables	22	1,939	2,012	540	731
Total debts		832,917	697,012	540	731
Total equity		840,857	755,567	4,701,046	5,707,585
Gearing ratio		0.99	0.92	- *	- *

* The amount is negligible as the Company does not have borrowings other than hire purchase payables.

43 SEGMENT INFORMATION

(a) Business Segments:

30 April 2016

	Toto betting and leasing of lottery equipment RM'000	Motor vehicle dealership RM'000	Others * RM'000	Inter- segment RM'000	Consolidated RM'000
Revenue					
External sales	3,313,851	2,174,907	74,469	-	5,563,227
Inter-segment sales	-	-	5,351	(5,351)	-
					<u>5,563,227</u>
Results					
Segment results	483,044	15,235	(13,761)	(1,025)	483,493
Unallocated corporate expenses					<u>(18,958)</u>
Profit before other income and expenses					464,535
Investment related income					1,993
Investment related expenses					(9,818)
Other income					32,010
Finance costs					(47,842)
Share of results of associated companies					<u>4,780</u>
Profit before tax					445,658
Taxation					<u>(127,566)</u>
Profit for the year					318,092
Non-controlling interests					<u>(9,452)</u>
Profit attributable to owners of the Parent					<u>308,640</u>
Assets					
Segment assets	2,009,768	864,858	497,356	(848,270)	2,523,712
Investment in equity method of associated companies					44,231
Unallocated corporate assets					<u>76,433</u>
Consolidated total assets					<u>2,644,376</u>

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

43 SEGMENT INFORMATION (CONT'D)

(a) Business Segments (Cont'd):

30 April 2016 (Cont'd)

	Toto betting and leasing of lottery equipment RM'000	Motor vehicle dealership RM'000	Others * RM'000	Inter- segment RM'000	Consolidated RM'000
Liabilities					
Segment liabilities	425,454	607,508	261,969	(332,558)	962,373
Unallocated corporate liabilities					841,146
Consolidated total liabilities					<u>1,803,519</u>
Other information					
Capital expenditure	11,698	64,066	1,182	-	76,946
- Unallocated corporate expenses					48
					76,994
Depreciation and amortisation	17,941	14,256	4,863	(6,334)	30,726
- Unallocated corporate expenses					1,161
					31,887
Property, plant and equipment write-off	91	-	8	-	99
- Unallocated corporate expenses					2
					101
Impairment loss	-	-	8,061	-	8,061
- Unallocated corporate expenses					-
					8,061
Other non-cash expenses	<u>386</u>	<u>939</u>	<u>3,736</u>	<u>-</u>	<u>5,061</u>

43 SEGMENT INFORMATION (CONT'D)

(a) Business Segments (Cont'd):

30 April 2015

	Toto betting and leasing of lottery equipment RM'000	Motor vehicle dealership RM'000	Others *	Inter- segment RM'000	Consolidated RM'000
Revenue (Restated)					
External sales	3,350,749	1,891,923	40,972	-	5,283,644
Inter-segment sales	-	-	3,357	(3,357)	-
					<u>5,283,644</u>
Results					
Segment results	551,459	27,275	(32,311)	(738)	545,685
Unallocated corporate expenses					<u>(19,687)</u>
Profit before other income and expenses					525,998
Investment related income					21,664
Investment related expenses					(154)
Other income					26,610
Finance costs					(45,340)
Share of results of associated companies					<u>5,234</u>
Profit before tax					534,012
Taxation					<u>(160,708)</u>
Profit for the year					373,304
Non-controlling interests					<u>(11,694)</u>
Profit attributable to owners of the Parent					<u>361,610</u>
Assets					
Segment assets	1,937,063	680,992	357,621	(800,231)	2,175,445
Investment in equity method of associated companies					18,797
Unallocated corporate assets					<u>55,456</u>
Consolidated total assets					<u>2,249,698</u>

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

43 SEGMENT INFORMATION (CONT'D)

(a) Business Segments (Cont'd):

30 April 2015 (Cont'd)

	Toto betting and leasing of lottery equipment RM'000	Motor vehicle dealership RM'000	Others * RM'000	Inter- segment RM'000	Consolidated RM'000
Liabilities					
Segment liabilities	387,625	460,700	236,105	(298,925)	785,505
Unallocated corporate liabilities					708,626
Consolidated total liabilities					<u>1,494,131</u>
Other information					
Capital expenditure	4,077	23,791	1,498	-	29,366
- Unallocated corporate expenses					302
					29,668
Depreciation and amortisation	26,225	10,864	4,838	(10,523)	31,404
- Unallocated corporate expenses					1,159
					32,563
Property, plant and equipment write-off	2	-	-	-	2
- Unallocated corporate expenses					-
					2
Impairment loss	-	-	154	-	154
- Unallocated corporate expenses					-
					154
Other non-cash expenses	<u>318</u>	<u>5,446</u>	<u>5,489</u>	<u>-</u>	<u>11,253</u>

43 SEGMENT INFORMATION (CONT'D)

(b) Geographical Segments:

Total Revenue From External Customers

	Group	
	2016	Restated 2015
	RM'000	RM'000
Malaysia	3,184,614	3,236,881
Others	2,378,613	2,046,763
	<u>5,563,227</u>	<u>5,283,644</u>

Segment Assets

	Group	
	2016	2015
	RM'000	RM'000
Malaysia	1,143,175	1,028,754
Others	1,424,768	1,165,488
Unallocated corporate assets	76,433	55,456
	<u>2,644,376</u>	<u>2,249,698</u>

Capital Expenditure

	Group	
	2016	2015
	RM'000	RM'000
Malaysia	11,374	4,579
Others	65,572	24,787
Unallocated corporate expenses	48	302
	<u>76,994</u>	<u>29,668</u>

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.

NOTES TO THE FINANCIAL STATEMENTS

30 April 2016

43 SEGMENT INFORMATION (CONT'D)

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, operation of hotel as well as operation of health and fitness centre, none of which are of a sufficient size to be reported separately.

44 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (i) On 17 August 2015, 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 its wholly-owned subsidiary company, Philippine Gaming Management Corporation had entered into a Supplemental and Status Quo Agreement with the Philippine Charity Sweepstakes Office ("PCSO") on 13 August 2015 for maintaining the status quo of PGM's leasing of online lottery equipment and provision of software support to PCSO for a period of three years from 22 August 2015 or until 21 August 2018.
- (ii) On 20 January 2016, the Company jointly announced with BCorp that the Hanoi Department of Planning and Investment had issued the Investment Registration Certificate to BCorp and Vietnam Computerized Lottery One Member Limited Liability Company, pursuant to the Business Cooperation Contract, certifying that they have been awarded an exclusive 18-year contract to invest in and operate a nationwide computerized lottery in Vietnam ("Project").

The Project will be carried out by the indirect subsidiary of BCorp namely Berjaya Gia Thinh Investment Technology Joint Stock Company ("Berjaya GTI"). Berjaya GTI is a Vietnamese company which is 51% owned by Berjaya Lottery Vietnam Limited ("BLV"), a company incorporated in Labuan, which in turn is 80% owned by BCorp and 20% owned by the Company.

45 COMPARATIVES

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

	Note	As previously reported RM'000	Reclassification RM'000	As restated RM'000
Group				
<u>Statement of Financial Position</u>				
Other long term liabilities	22	1,551	(84)	1,467
Payables	25	782,536	84	782,620
<u>Statement of profit or loss</u>				
Revenue	27	5,288,356	(4,712)	5,283,644
Cost of sales		(4,126,744)	4,712	(4,122,032)

46 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
As at 30 April 2016		
Total retained earnings/accumulated losses		
- Realised	762,916	585,281
- Unrealised	49,850	3,990,723
	<u>812,766</u>	<u>4,576,004</u>
Share of results of associated companies	3,944	-
	<u>816,710</u>	<u>4,576,004</u>
Less: Consolidation adjustments	(285,298)	-
Total retained earnings as per financial statements	<u><u>531,412</u></u>	<u><u>4,576,004</u></u>
As at 30 April 2015 (Restated)		
Total retained earnings		
- Realised	731,433	615,935
- Unrealised	49,056	4,981,259
	<u>780,489</u>	<u>5,597,194</u>
Share of results of associated companies	(836)	-
	<u>779,653</u>	<u>5,597,194</u>
Less: Consolidation adjustments	(302,234)	-
Total retained earnings as per financial statements	<u><u>477,419</u></u>	<u><u>5,597,194</u></u>

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

For the Year Ended 30 April 2016

Location	Tenure	Date of Acquisition	Age of Building	Size	Description/ Existing Use	Fair Value RM'000	Net Book Value RM'000
Lot 174 TS 18 North East District, Penang (74, 76 & 78 Rope Walk, Penang)	Freehold	30.08.1990	76 yrs	4,826 sq. ft.	3 units of 2-storey shophouse for rental	3,500	N/A
Berjaya Times Square 11th Floor No. 1, Jalan Imbi 55100 Kuala Lumpur	Freehold	06.01.1998	13 yrs	104,844 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	44 yrs	5,040 sq. ft.	1 unit of 3-storey shophouse for rental	4,100	N/A
12 Jalan 4/91A, Shamelin Perkasa, 56100 Kuala Lumpur	Leasehold 81 years expiring on 11 Sept 2082	18.06.2007	21 yrs	11,950 sq. ft.	1 unit of 3-storey semi detached factory lot - logistic, field support and central sales office	N/A	3,419
No. 25 Jalan 11/48A, Sentul Raya Boulevard Off Jalan Sentul, Sentul 51000 Kuala Lumpur	Freehold	16.08.2010	20 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	24.08.2011	39 yrs	645.83 sq. ft.	1 unit of retail shplot - vacant	7,100	N/A
7835 Makati Avenue corner, Eduque Street Makati City, Philippines 1209	Freehold	4.12.2009	15 yrs	586 sq. m.	Hotel - 223 guest rooms	N/A	52,814
No. 26 Jalan 14/48A, Sentul Raya Boulevard Off Jalan Sentul, Sentul 51000 Kuala Lumpur	Freehold	10.05.2012	20 yrs	8,250 sq. ft.	1 unit of 5-storey shopoffice for rental	4,200	N/A
The Ranges, Shepperton, Surrey, United Kingdom	Freehold	05.03.2015	-	69 acres	Vacant land	N/A	7,417
1053 Great West Road, Brentford, Middlesex, TW8 9AT, United Kingdom	Freehold	11.01.2016	33 yrs	1,685 sq. m.	4-storey office block fronting a single storey warehouse at the rear	N/A	20,861

N/A - Denotes Not Applicable

MATERIAL CONTRACTS

Other than as disclosed in Notes 28, 37, 38 and 44 of the financial statements for the financial year ended 30 April 2016, 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 2016 amounted to RM54,000 (2015 : RM189,000).

RECURRENT RELATED PARTY TRANSACTIONS

of a Revenue or Trading Nature for the Year Ended 30 April 2016

The aggregate value of transactions conducted pursuant to shareholders' mandate were as follows :

Related parties	Nature of transactions	Name of companies	Amount transacted during the financial year (RM'000)
Berjaya Corporation Berhad and its unlisted subsidiary companies:			
Berjaya Corporation Berhad	Management fees for services rendered that include, inter-alia, the provision of finance, secretarial and general administrative services	Berjaya Sports Toto Berhad	720
Berjaya Registration Services Sdn Bhd	Receipt of share registration services	Berjaya Sports Toto Berhad	814
Berjaya Higher Education Sdn Bhd	Rental income for renting of premises at part of Level 11, Berjaya Times Square	Magna Mahsuri Sdn Bhd	(2,331)
Inter-Pacific Trading Sdn Bhd	Purchase of stationery products	Berjaya Sports Toto Berhad Group	111
Berjaya Education Sdn Bhd	Receipt of education and staff training services	Berjaya Sports Toto Berhad Group	67
Graphic Press Group Sdn Bhd	Procurement of Toto betting slips and other printing services	Berjaya Sports Toto Berhad Group	14,465
Prime Credit Leasing Sdn Bhd	Receipt of leasing and hire purchase facilities	Berjaya Sports Toto Berhad Group	524
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products and toiletries	Sports Toto Fitness Sdn Bhd	12
Ambilan Imej Sdn Bhd	Rental for renting of office premises at part of Level 12, Berjaya Times Square	Berjaya Sports Toto Berhad	2,535
Stephens Properties Sdn Bhd	Rental for renting of storage space at Wisma Cosway	Berjaya Sports Toto Berhad	4
E.V.A Management Sdn Bhd	Receipt of human resources management services and other related services	Berjaya Sports Toto Berhad Group	76
Berjaya Land Berhad and/or its unlisted subsidiary companies			
Berjaya Guard Services Sdn Bhd	Receipt of security guard services	Berjaya Sports Toto Berhad Group	3,582
Berjaya Langkawi Beach Resort Sdn Bhd	Rental for renting of villa at Berjaya Langkawi Resort	Berjaya Sports Toto Berhad	180
	Rental income for renting of restaurant at Pulau Langkawi	FEAB Properties Sdn Bhd	(108)
Nural Enterprise Sdn Bhd	Rental for renting of apartments at Podium Block, Plaza Berjaya	Sports Toto Malaysia Sdn Bhd	49
Berjaya Jet Charter Sdn Bhd	Charter fees for aircraft leasing facilities	Berjaya Sports Toto Berhad Group	4,022
Berjaya Air Sdn Bhd	Dry lease charges for aircraft leasing facilities	Sports Toto Malaysia Sdn Bhd	1,500
Nada Embun Sdn Bhd	Rental for renting of office premises at part of Level 13, Berjaya Times Square	Berjaya Sports Toto Berhad	1,858
		Sports Toto Malaysia Sdn Bhd	

RECURRENT RELATED PARTY TRANSACTIONS

of a Revenue or Trading Nature for the Year Ended 30 April 2016

Related parties	Nature of transactions	Name of companies	Amount transacted during the financial year (RM'000)
Berjaya Assets Berhad and/or its unlisted subsidiary companies			
Natural Avenue Sdn Bhd	Supply of computerised lottery systems support and related services	International Lottery & Totalizator Systems, Inc.	(560)
BTS Car Park Sdn Bhd	Parking charges payable for leasing of parking bays	Berjaya Sports Toto Berhad Group	383
Berjaya Media Berhad and/or its unlisted subsidiary company			
Sun Media Corporation Sdn Bhd	Procurement of promotion, advertising and publishing services	Berjaya Sports Toto Berhad Group	1,112
Berjaya Auto Berhad and/or its unlisted subsidiary company			
Bermaz Motor Trading Sdn Bhd	Purchase of motor vehicles, component parts and other related products and services	Berjaya Sports Toto Berhad Group	279
Other related parties			
Roda Indah Sdn Bhd	Purchase of motor vehicles, component parts and other related products and services	Berjaya Sports Toto Berhad Group	47
Berjaya Credit Sdn Bhd	Rental for renting of shoplot at Level 6, Berjaya Times Square	Sports Toto Fitness Sdn Bhd	449
U Mobile Sdn Bhd	Rental income for renting of office premises at part of Level 11, Berjaya Times Square	Magna Mahsuri Sdn Bhd	(1,314)
Ascot Sports Sdn Bhd	Rental for renting of office premises at part of Lot 10-01, Level 10, Berjaya Times Square	Sports Toto Malaysia Sdn Bhd Sports Toto Computer Sdn Bhd	250
GPS Tech Solutions Sdn Bhd	Procurement of remote surveillance services	Sports Toto Malaysia Sdn Bhd	9
Qinetics Services Sdn Bhd	Purchase of hardware, software, networking equipments, procurement of information technology consultancy, website and software development maintenance and management services	Berjaya Sports Toto Berhad Group	1,089

STATEMENT OF DIRECTORS' SHAREHOLDINGS

as at 15 July 2016

THE COMPANY

	Number of ordinary shares of RM0.10 each			
	Direct Interest	%	Deemed Interest	%
Cheah Tek Kuang	-	-	40,278	0.00
Dato' Sri Robin Tan Yeong Ching	1,007,142	0.07	-	-
Chan Kien Sing	3,610	0.00	-	-
Seow Swee Pin	92,749	0.01	7,900*	0.00
Freddie Pang Hock Cheng	410,850	0.03	170,729*	0.01
Dato' Dickson Tan Yong Loong	13,294	0.00	-	-
Datuk Robert Yong Kuen Loke	123,667	0.01	-	-

HOLDING COMPANY BERJAYA LAND BERHAD

	Number of ordinary shares of RM0.50 each			
	Direct Interest	%	Deemed Interest	%
Dato' Sri Robin Tan Yeong Ching	600,000	0.01	56,600,000	1.13
Nerine Tan Sheik Ping	2,000,000	0.04	-	-
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 ("BCorp")

	Number of ordinary shares of RM1.00 each			
	Direct Interest	%	Deemed Interest	%
Dato' Sri Robin Tan Yeong Ching	2,222,847	0.05	626,317,595	13.60
			5,000*	0.00
Chan Kien Sing	47,688	0.00	-	-
Freddie Pang Hock Cheng	217,388	0.01	143,300*	0.00
Datuk Robert Yong Kuen Loke	1,020,918	0.02	-	-

	Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each			
	Direct Interest	%	Deemed Interest	%
Dato' Sri Robin Tan Yeong Ching	2,620,500	0.41	66,329,000	10.28
			1,000*	0.00
Chan Kien Sing	10,000	0.00	-	-
Nerine Tan Sheik Ping	132,000	0.02	-	-
Freddie Pang Hock Cheng	40,000	0.01	25,200*	0.00
Datuk Robert Yong Kuen Loke	2,516,508	0.39	-	-

STATEMENT OF DIRECTORS' SHAREHOLDINGS

as at 15 July 2016

ULTIMATE HOLDING COMPANY BERJAYA CORPORATION BERHAD (CONT'D)

	Number of Warrants 2012/2022			
	Direct Interest	%	Deemed Interest	%
Dato' Sri Robin Tan Yeong Ching	2,620,500	0.37	87,029,000 1,000*	12.43 0.00
Chan Kien Sing	10,000	0.00	-	-
Freddie Pang Hock Cheng	40,000	0.01	25,200*	0.00
Datuk Robert Yong Kuen Loke	170,108	0.02	-	-

RELATED COMPANY BERJAYA FOOD BERHAD

	Number of ordinary shares of RM0.50 each			
	Direct Interest	%	Deemed Interest	%
Dato' Sri Robin Tan Yeong Ching	2,089,300	0.56	-	-

RELATED COMPANY REDTONE INTERNATIONAL BERHAD

	Number of ordinary shares of RM0.10 each			
	Direct Interest	%	Deemed Interest	%
Freddie Pang Hock Cheng	-	-	50,000*	0.01

	Number of 2.75% Irredeemable Convertible Unsecured Loan Stocks 2010/2020 of RM0.10 each			
	Direct Interest	%	Deemed Interest	%
Freddie Pang Hock Cheng	-	-	50,000*	0.07

* 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 15 July 2016.

STATISTICS ON SHAREHOLDINGS

as at 15 July 2016

ANALYSIS OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
less than 100	3,612	8.59	136,080	0.01
100 - 1,000	3,323	7.91	1,422,042	0.11
1,001 - 10,000	27,646	65.79	84,937,104	6.30
10,001 - 100,000	6,681	15.90	160,841,469	11.93
100,001 - 67,398,614	762	1.81	910,619,848	67.55
67,398,615* and above	1	0.00	190,015,757	14.10
Total	42,025	100.00	1,347,972,300	100.00

Note:

There is only one class of shares in the paid-up capital of the Company. Each share entitles the holder to one vote.

* Denote 5% of the total number of shares with voting rights in issue.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	NAME OF SHAREHOLDERS	NO. OF SHARES	%
1	Amsec Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Gateway Benefit Sdn Bhd</i>	190,015,757	14.10
2	UOB Kay Hian Nominees (Tempatan) Sdn Bhd <i>Exempt An For UOB Kay Hian Pte Ltd (A/C Clients)</i>	41,604,318	3.09
3	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Berhad (G-CBDT4-RC2)</i>	36,929,965	2.74
4	Citigroup Nominees (Tempatan) Sdn Bhd <i>Exempt An For Aia Bhd.</i>	31,627,629	2.35
5	Malaysia Nominees (Tempatan) Sendirian Berhad <i>Great Eastern Life Assurance (Malaysia) Berhad (Par 1)</i>	30,612,141	2.27
6	Malaysia Nominees (Tempatan) Sendirian Berhad <i>Pledged Securities Account For Berjaya Land Berhad (01-00808-018)</i>	28,401,428	2.11
7	Scotia Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Gateway Benefit Sdn Bhd</i>	25,409,020	1.88
8	Cartaban Nominees (Asing) Sdn Bhd <i>Exempt An For State Street Bank & Trust Company (West CLT OD67)</i>	24,135,478	1.79
9	Amsec Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Berhad</i>	21,073,540	1.56
10	Malaysia Nominees (Tempatan) Sendirian Berhad <i>Pledged Securities Account For B.L. Capital Sdn Bhd (01-00808-016)</i>	19,419,839	1.44
11	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd (51408457522A)</i>	19,219,415	1.43
12	Scotia Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For B.L.Capital Sdn Bhd</i>	17,980,350	1.33

STATISTICS ON SHAREHOLDINGS

as at 15 July 2016

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	NAME OF SHAREHOLDERS	NO. OF SHARES	%
13	HLIB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Corporation Berhad</i>	16,395,000	1.22
14	Scotia Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Berhad</i>	16,063,454	1.19
15	HSBC Nominees (Asing) Sdn Bhd <i>BBH And Co Boston For Vanguard Emerging Markets Stock Index Fund</i>	13,778,698	1.02
16	RHB Capital Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Bizurai Bijak (M) Sdn.Bhd. (Berjaya Corp)</i>	12,432,717	0.92
17	BBL Nominees (Tempatan) Sdn Bhd <i>Gateway Benefit Sdn Bhd</i>	12,350,000	0.92
18	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd (8081042)</i>	12,055,060	0.89
19	ABB Nominee (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Berhad (RC Facility)</i>	10,500,049	0.78
20	HSBC Nominees (Asing) Sdn Bhd <i>Exempt An For JPMorgan Chase Bank, National Association (U.S.A.)</i>	10,498,554	0.78
21	Malaysia Nominees (Tempatan) Sendirian Berhad <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (01-00808-017)</i>	10,391,589	0.77
22	RHB Capital Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Bhd (681124)</i>	10,357,956	0.77
23	Cartaban Nominees (Tempatan) Sdn Bhd <i>Exempt An For Eastspring Investments Berhad</i>	10,000,000	0.74
24	RHB Nominees (Tempatan) Sdn Bhd <i>Bank Of China (Malaysia) Berhad Pledged Securities Account For Gateway Benefit Sdn. Bhd.</i>	8,724,667	0.65
25	ABB Nominee (Tempatan) Sdn Bhd <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (GBSB RC1/RC2)</i>	8,700,124	0.64
26	RHB Capital Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Gateway Benefit Sdn Bhd (BLand 681123)</i>	8,450,109	0.63
27	HSBC Nominees (Asing) Sdn Bhd <i>Exempt An For The Bank Of New York Mellon (Mellon Acct)</i>	7,415,529	0.55
28	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Group Berhad</i>	7,213,952	0.53
29	Maybank Nominees (Tempatan) Sdn Bhd <i>Maybank Trustees Berhad For Public Regular Savings Fund (N14011940100)</i>	6,957,456	0.52
30	ABB Nominee (Tempatan) Sdn Bhd <i>Pledged Securities Account For Berjaya Land Berhad (RC1 Facility)</i>	6,904,783	0.51
		675,618,577	50.12

STATISTICS ON SHAREHOLDINGS as at 15 July 2016

LIST OF SUBSTANTIAL SHAREHOLDERS

Names of Substantial Shareholder	← No. of Shares →			
	Direct	%	Indirect	%
Gateway Benefit Sdn Bhd	310,215,230	23.01	-	-
Berjaya Land Berhad	182,574,290	13.54	357,305,616(a)	26.51
Teras Mewah Sdn Bhd	-	-	539,879,906(b)	40.05
Juara Sejati Sdn Bhd	-	-	547,585,714(c)	40.62
Berjaya Group Berhad	15,271,094	1.13	606,057,854(d)	44.96
Berjaya Corporation Berhad	40,075,402	2.97	621,328,948(e)	46.09
Tan Sri Dato' Seri Vincent Tan Chee Yioun	10,305,641	0.76	671,087,104(f)	49.78

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 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.
- (e) 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.
- (f) 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 interests in Premier Merchandise Sdn Bhd and Berjaya Retail Berhad.

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 Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 10 October 2016 at 10.00 a.m. for the following purposes:-

AGENDA

1. To receive and adopt the audited financial statements of the Company for the financial year ended 30 April 2016 and the Directors' and Auditors' Reports thereon.
2. To approve the payment of Directors' Fees amounting to RM180,000.00 for the financial year ended 30 April 2016. **Resolution 1**
3. To re-elect the following Directors retiring pursuant to Article 98(A) of the Company's Articles of Association:-
 - a) Dato' Sri Robin Tan Yeong Ching **Resolution 2**
 - b) Chan Kien Sing **Resolution 3**
 - c) Datuk Robert Yong Kuen Loke **Resolution 4**
4. To re-elect the Director, Nerine Tan Sheik Ping, 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:-

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 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 22 August 2016 ("Proposed Mandate") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-

NOTICE OF ANNUAL GENERAL MEETING

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the AGM at which such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;
- (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 profits 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 ordinary resolution was passed, at which time it will lapse unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND THAT upon completion of the purchase(s) of the 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

THAM LAI HENG, MICHELLE
(MAICSA 7013702)
Secretary

Kuala Lumpur
22 August 2016

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. Audited Financial Statements

Agenda Item 1 is for discussion at the meeting and no voting is required.

2. Directors' Fees

The quantum of the Directors' Fees for each of the Independent Directors is same as in the previous financial year ended 30 April 2015.

3. Authority to issue and allot shares pursuant to Section 132D of the Companies Act, 1965

Resolution 7 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up share capital of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 15 October 2015 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.

4. Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Resolution 8, if passed, will allow the Company and its subsidiary companies to enter into Recurrent Related Party Transactions in accordance with paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Proposed Shareholders' Mandate"). Detailed information on the Proposed Shareholders' Mandate is set out under Part A of the Circular/Statement to Shareholders dated 22 August 2016 which is despatched together with the Company's 2016 Annual Report.

5. Proposed Renewal of Authority for the Company to Purchase Its Own Shares

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 ("Proposed Share Buy-Back Renewal"). Detailed information on the Proposed Share Buy-Back Renewal is set out under Part B of the Circular/Statement to Shareholders dated 22 August 2016 which is despatched together with the Company's 2016 Annual Report.

6. Proxy and Entitlement of Attendance

- i) A proxy may but need not be a member and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- ii) A member, other than an authorised nominee or an exempt authorised nominee, may appoint only one (1) proxy.
- iii) An authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), may appoint one (1) proxy in respect of each securities account.
- iv) An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), may appoint multiple proxies in respect of each of its omnibus account.
- v) An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.
- vi) The duly executed Form of Proxy must be deposited at the Company's Registered Office at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- vii) Only members whose names appear in the Record of Depositors as at 30 September 2016 will be entitled to attend and vote at the meeting.

7. Poll Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

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FORM OF PROXY

BERJAYA SPORTS TOTO BERHAD

(Company No. 9109-K)

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 Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur on Monday, 10 October 2016 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 approve payment of Directors' Fees		
RESOLUTION 2 - To re-elect Dato' Sri Robin Tan Yeong Ching as Director		
RESOLUTION 3 - To re-elect Chan Kien Sing as Director		
RESOLUTION 4 - To re-elect Datuk Robert Yong Kuen Loke as Director		
RESOLUTION 5 - To re-elect Nerine Tan Sheik Ping 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(s)/Common Seal of Member(s)

Dated this _____ day of _____, 2016

NOTES:

1. A proxy may but need not be a member and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. A member, other than an authorised nominee or an exempt authorised nominee, may appoint only one (1) proxy.
3. An authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), may appoint one (1) proxy in respect of each securities account.
4. An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), may appoint multiple proxies in respect of each of its omnibus account.
5. An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.
6. The duly executed Form of Proxy must be deposited at the Company's Registered Office at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
7. Only members whose names appear in the Record of Depositors as at 30 September 2016 will be entitled to attend and vote at the meeting.
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

Fold this flap for sealing

Affix
Stamp

**THE COMPANY SECRETARY
BERJAYA SPORTS TOTO BERHAD**

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

2nd fold here

1st fold here

GROUP ADDRESSES

Sports Toto Malaysia Sdn Bhd

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Berjaya Times Square
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55100 Kuala Lumpur
Tel : 03-2148 9888
Fax : 03-2141 9581
Email : webmaster@sportstoto.com.my
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
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

H.R. Owen Plc

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www.hrowen.co.uk

The Company Secretary

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