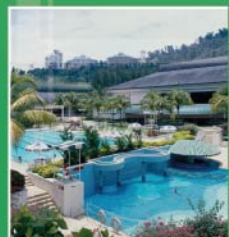
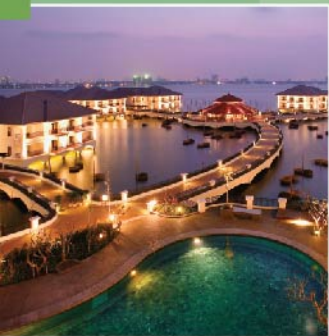
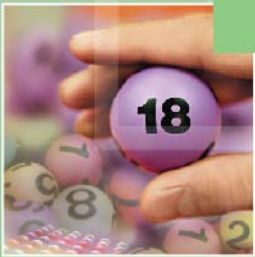




BERJAYA
BERJAYA LAND BERHAD
(Company No. 201765-A)

برجاي لاند برحد
成功置地有限公司

ANNUAL REPORT 2015



CORPORATE PROFILE

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

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

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

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

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

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

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

The Group's financial growth over the past 30 years is highlighted below:

	30.4.2015 (Million)		31.12.1985 (Million)		30 Years' Annualised Increase
	RM	US\$	RM	US\$	(%)
Revenue	5,915	1,669	76.0	21.3	256
(Loss)/Profit Attributable to Owners of the Parent	(383)	(108)	2.7	0.8	N/A
Net Equity Funds	4,925	1,389	1.0	0.3	16,413
Total Assets	14,171	3,997	12.7	3.6	3,716
Total No. of Employees	5,915		431		

Exchange rate as at 30 April 2015 : US\$1.00 : RM3.545

N/A - Denotes not applicable.



A Toto draw in progress.



Bayu Bar, The Taaras Beach & Spa Resort, Redang, Malaysia.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

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

Chief Executive Officer

Dato' Ng Sooi Lin

Executive Directors

Tan Thiam Chai
Phan Yoke Seng

Non-Independent/Non-Executive Director

Dato' Dickson Tan Yong Loong

Independent/Non-Executive Directors

Datuk Maizan Bin Shaari
Datuk Robert Yong Kuen Loke

AUDIT COMMITTEE

Chairman/Independent Non-Executive Director

Datuk Maizan Bin Shaari

Independent/Non-Executive Directors

Tan Sri Datuk Seri Razman Md Hashim bin Che Din
Md Hashim
Datuk Robert Yong Kuen Loke

SECRETARIES

Su Swee Hong

(MAICSA No. 0776729)

Tham Lai Heng, Michelle

(MAICSA No. 7013702)

SHARE REGISTRAR

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

AUDITORS

Ernst & Young

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

REGISTERED OFFICE

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

PRINCIPAL BANKERS

AmBank (M) Berhad
CIMB Bank Berhad
OCBC Bank (Malaysia) Berhad
RHB Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

STOCK SHORT NAME

BJLAND (4219)

PLACE OF INCORPORATION AND DOMICILE

Malaysia

PROFILE OF DIRECTORS



TAN SRI DATUK SERI RAZMAN MD HASHIM BIN CHE DIN MD HASHIM

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

Tan Sri Datuk Seri Razman was appointed to the Board as Chairman on 3 September 2007. He completed his early secondary education in Australia and upon completion, pursued a study in Accounting and Banking where he became a member of the Australian Institute of Bankers.

Upon his return to Malaysia, he started his career with Standard Chartered Bank Malaysia Berhad ("SCB") as an Officer Trainee in 1967. Throughout his 32 years of banking experience in SCB, he served in various capacities including secondments to the bank's branches in London, Europe, Hong Kong and Singapore. In Malaysia, he held various senior positions and was appointed as the Executive Director of SCB in 1994 until his retirement in June 1999.

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

Currently, he holds directorships in several public listed companies namely, Silk Holdings Berhad, MAA Group Berhad, Sunway Berhad and Mycron Steel Berhad. He also holds directorships in several other private limited companies.

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



DATO' NG SOOI LIN

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

He was appointed to the Board on 28 March 2003 as an Executive Director and was appointed the Chief Executive Officer of the Company on 21 December 2006. He holds a Bachelor in Engineering from the University of Liverpool and a Full Technology Certificate from the City & Guild's of London. He is also a member of the Institute of Electrical Engineers, U.K. (M.I.E.E.) Chartered Engineers.

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

He joined Berjaya Land Berhad in November 1994 and was the Senior General Manager (Group Properties & Development) prior to his appointment as Executive Director of the Company. He also holds directorships in Berjaya Golf Resort Berhad, Berjaya Vacation Club Berhad, Indah Corporation Berhad, Staffield Country Resort Berhad, Tioman Island Resort Berhad and several other private limited companies in the Berjaya Corporation Group of Companies.

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

PROFILE OF DIRECTORS



TAN THIAM CHAI

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

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

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

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

Currently, he is the Chief Financial Officer of Berjaya Corporation Berhad. He is also an Executive Director of Berjaya Assets Berhad, a Director of Atlan Holdings Bhd, Magni-Tech Industries Berhad, Berjaya Food Berhad, Cosway Corporation Berhad, Indah Corporation Berhad, Tioman Island Resort Berhad, Berjaya Vacation Club Berhad, Cosway Corporation Limited (Hong Kong) and Taiga Building Products Ltd (Canada). He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

Tan Thiam Chai is a member of the Risk Management Committee of the Company.



PHAN YOKE SENG

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

He was appointed to the Board on 16 April 2015 as an Executive Director.

He holds a Master of Engineering (Civil & Structural) from Nanyang Technological University, Singapore. He is a certified Lean Master, from Ross School of Business, University of Michigan, USA. He also holds a Post Graduate Diploma in Finance, from Manchester Business School, University of Manchester, UK. He is a Certified OSH18001 Auditor, Australia and a Certified ISO9001 Quality Auditor, UK.

He has more than 19 years of experience in the construction and property development industry. He began his career with a local conglomerate Sunway Construction Berhad as a Graduate Engineer in the Planning Division in 1997 and rose through the ranks; from being a hands-on engineer to holding various senior managerial roles in planning, operation management, business development, process improvement and his last position was Head of Special Unit at Group level. He was with Sunway Group for more than 13 years.

In 2009, He joined a boutique developer, AQRS The Building Company Sdn Bhd, involved in a niche high end development as Head of Operations - Property Department. He left in 2010 to join Dijaya Corporation Berhad (now known as Tropicana Corporation Berhad) as General Manager-Property Development (Central Region) and his last position was Executive Director-Property Development. Prior to joining the Company, he was an Executive Director of Perdana Parkcity Sdn Bhd overseeing the group's business development and overall business operation in East Malaysia as well as new KL developments.

Phan Yoke Seng is a member of the Risk Management Committee of the Company.

PROFILE OF DIRECTORS



DATO' DICKSON TAN YONG LOONG

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

He was appointed to the Board on 22 March 2011. He graduated with a Bachelor of Science (Honours) Degree in Business Management from King's College, University of London, United Kingdom, in 2002. He obtained a Master of Science in Internal Auditing and Management from Cass Business School, City University, United Kingdom, in 2003.

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

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

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

His uncle, Tan Sri Dato' Seri Vincent Tan Chee Yioon is a major shareholder of the Company.



DATUK MAIZAN BIN SHAARI

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

He was appointed to the Board on 8 December 2004. He holds a Bachelor of Arts (Sociology & Anthropology) from University of Malaya and a Master of Arts (Political Science) from Ohio University, USA.

He joined the Royal Malaysian Police in 1973 holding various positions in the Police Force before rising to become the Director of the Narcotics Department in 1998. From 1999 to 2000, he was the Deputy Director of Criminal Investigation Department. He became the Director of Commercial Crime Division in 2000 before retiring from the civil service in September 2003.

Datuk Maizan Bin Shaari is the Chairman of the Audit Committee and a member of the Nomination Committee, Remuneration Committee and Risk Management Committee of the Company.

PROFILE OF DIRECTORS



DATUK ROBERT YONG KUEN LOKE

63 years of age, Malaysian

(Independent/Non-Executive Director)

He was appointed to the Board on 24 January 1995. He is a Fellow member of The Institute of Chartered Accountants in England and Wales and a member of the Institute of Singapore Chartered Accountants and the Malaysian Institute of Accountants. He is also a Council Member of the Malaysian Institute of Certified Public Accountants and presently serves as a member of its Executive Committee. He has many years of working experience in the fields of accounting, audit, treasury and financial management. He started his career in London in 1973 and worked there for more than five years in chartered accounting firms in London. Subsequently, he was with Price Waterhouse, Singapore from 1979 to 1982. From 1983 to 1986, he served as Group Finance Manager in UMW Holdings Berhad and Group Treasurer in Edaran Otomobil Nasional Bhd. He joined Berjaya Group of Companies in 1987 until his retirement as Executive Director on 30 November 2007 and is currently an Independent Non-Executive Director of the Company.

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

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

Save as disclosed, none of the Directors have:-

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

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Berjaya Land Berhad ("B-Land"), I am pleased to present the Annual Report and Financial Statements for the financial year ended 30 April 2015.

FINANCIAL RESULTS

For the financial year ended 30 April 2015, the Group registered a revenue and pre-tax profit of RM5.91 billion and RM25.28 million respectively compared to a revenue and pre-tax profit of RM5.02 billion and RM535.25 million respectively in the previous year.

The increase in revenue was primarily attributable to the consolidation of H.R. Owen Plc's ("H.R. Owen") 12-month revenue contribution in the financial year under review compared to the 6-month results consolidated in the previous financial year. This had offset the lower revenue generated by the gaming sector due to the continued challenging economic and regulatory environment coupled with having fewer draws, lower progress billings reported by the property development and investment segment and lower occupancy rates registered by the hotels and resorts business segment.

The significantly lower pre-tax profit was mainly due to lower profit contribution reported by the gaming sector due to lower revenue and higher operating expenses that was partly mitigated by lower prize payout. In addition, the pre-tax profit was also affected by correspondingly lower profit contribution from the hotels and resorts business segment, higher finance costs, non-cash impairment of goodwill relating to the gaming cash-generating units ("CGU") amounting to RM380.73 million resulting from the excess of the CGUs' carrying values over the recoverable amounts and impairment in value of other assets and investments.

The Group also realised a gain of RM94.7 million from the disposal of Berjaya Singapore Hotel in the previous financial year.

DIVIDEND

The Board did not recommend any dividend to be paid for the financial year ended 30 April 2015.

SIGNIFICANT CORPORATE DEVELOPMENTS

Following the previous year's report, I wish to highlight the following significant corporate developments:

1. As announced on 18 December 2012 and pursuant to the Supplemental Agreement dated 13 August 2012 entered into between Selangor Turf Club ("STC") and Selat Makmur Sdn Bhd, STC granted extension of time to 18 January 2016 to fulfill the remaining conditions precedent pursuant to the proposed acquisition of the Sungai Besi Land.
2. On 5 January 2015, Berjaya Sports Toto Berhad ("BToto") announced that its subsidiary, International Lottery & Totalizator System, Inc. ("ILTS") merged with its wholly-owned subsidiary, Delaware International Lottery & Totalizator Systems, Inc. ("ILTS Delaware"). As a result of the merger, ILTS Delaware is the surviving corporation and changed its name to International Lottery & Totalizator Systems, Inc. ("ILTS"). Following the merger and the completion of a reverse stock split of the common stock of ILTS, Berjaya Lottery Management (HK) Limited, a wholly-owned subsidiary of BToto, became the sole shareholder of ILTS.
3. On 17 August 2015, BToto announced that Berjaya Philippines Inc's ("BPI") wholly-owned subsidiary, Philippine Gaming Management Corporation ("PGMC"), entered into a Supplemental and Status Quo Agreement with the Philippine Charity Sweepstakes Office ("PCSO") for maintaining the status quo of PGMC's leasing of online lottery equipment and provision of software support to PCSO for a period of three years from 22 August 2015 to 21 August 2018.



Aerial view of Berjaya Tioman Resort, Pahang, Malaysia.

CHAIRMAN'S STATEMENT

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

As a responsible corporate citizen, B-Land and its subsidiaries continued to support various social causes through its corporate social responsibility initiatives reaching out to a diverse group of beneficiaries locally and internationally.

COMMUNITY

In response to the unprecedented floods that had hit several states in Malaysia at the end of 2014, B-Land and its subsidiaries provided relief aid and contributed to the relief efforts of various organisations namely Persatuan Pandu Puteri Malaysia, Malaysian Chinese Association's East Coast Crisis Relief Fund and Yayasan Wilayah Persekutuan, among others.

On the same note, Sports Toto also contributed RM50,000 to the Sun-Mercy Malaysia Bosnia Flood Disaster Relief Fund to support the relief effort for flood victims in Bosnia and Herzegovina in the aftermath of Cyclone Tamara in May 2014.

During the year under review, B-Land and its subsidiaries continued with its tradition to spread festive cheer to the less fortunate groups by hosting various events. The events, which often include distribution of festive goodies, entertainment and feasts had benefitted over 20,000 less fortunate Malaysians across the country. One of the more significant events was the annual Sports Toto Chinese New Year Ang Pow Donation Campaign which marked its 27th anniversary benefitting more than 17,000 needy senior citizens in 45 cities and towns throughout the country. Since its inception in 1989, the annual donation campaign had contributed more than RM17 million and provided over 300,000 ang pows and hampers to the needy senior citizens.



YB Datuk Chua Tee Yong, Deputy Finance Minister II together with Dato' Sri Robin Tan and Mr Vincent Seow giving out goody bags and ang pows to needy senior citizens.

For the fifth consecutive year, Sports Toto collaborated with NTV7 in the production of a 13-episode charity-themed TV programme - "Helping Hands Season 5" which provided 13

impoverished families with necessary home improvements, medical provisions and other necessities to improve their living conditions. Through this programme, Sports Toto had alleviated the living conditions of 65 poverty-stricken families nationwide.

On the international front, the collaboration between Berjaya Philippines Inc. ("BPI") and Gawad Kalinga Community Development Inc. has so far built 820 housing units for the poor and needy Pilipinos across the Philippines. Currently, there are 12 Berjaya-GK villages in various locations such as Cagayan de Oro, Compostela Valley, Basilan, Cavite, Davao City, Agusan del Norte, Masbate, Southern Leyte, Lanao del Norte, Bukidnon, Sultan Kudarat, Surigao del Norte, Bulacan and Nueva Ecija.

SPORTS

During the financial year under review, Sports Toto supported diverse sporting events such as the Asean Basketball League 2014, Penang Bridge International Marathon 2014, 204KM KL-Maran Big Walk 2014, Ambank City Day Run 2015, Seremban Half Marathon 2014, Milo-FTKLAA Walk Circuit 2014, 41st Penang PESTA International Bowling Championship 2014, Sports Toto-FTKLAA Cross Country Run 2015, Jasmine Cup Youth Basketball Tournament 2015, among others.



Sports Toto Supreme Challenge 2014.

Sports Toto also collaborated with the Olympic Council of Malaysia ("OCM") in recognising Malaysian athletes who delivered outstanding performances at the 20th Commonwealth Games 2014 in Glasgow, United Kingdom and the 17th Asian Games in Incheon, South Korea. The OCM-Sports Toto Outstanding Athletes of the Games Award 2014 were presented to 17 gold medallists from the 20th Commonwealth Games 2014 as well as 8 gold medallists from the 17th Asian Games for their individual and team achievements.

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

EDUCATION

Sports Toto supported the "Reading My Companion" learning programme for the third consecutive year in line with its objective of promoting literacy and education among underprivileged children. Since 2012, the project which aims to inculcate reading as a pastime of choice had reached out to over 2,800 students in more than 20 Chinese primary schools in the rural areas of Selangor and Negeri Sembilan.



Sports Toto's "Reading My Companion" learning programme.

ENVIRONMENT

Berjaya Hotels & Resorts ("BHR") continued to spread awareness to promote the need to care for the environment through its annual Tioman World Ocean Day event with activities such as a clean-up dive to remove sea debris and Crown of Thorns from the sea beds, beach clean-up and turtle conservation workshop for primary school children by the Turtle Conservation Society of Malaysia, featuring BHR's Teen Ambassador for Turtle Conservation Programme – Fimie Don.

Apart from that, Berjaya Langkawi Resort collaborated with the Institute of Foresters Malaysia and Malaysian Nature Society to create awareness on mangroves conservation and its importance to the island's rainforest system.



Berjaya Langkawi Resort launched the "Mangrove 4 Life" campaign as part of BHR's CSR initiative.

ARTS AND CULTURE

In the promotion of culture and arts, Sports Toto supported Pesta Tanglong Muar 2014, Penang Chingay Parade 2014, Nine Emperor God Festival, Hungry Ghost Festival and Muar Chinese New Year Street Show.

GROUP SYNERGY

B-Land and its subsidiaries hosted synergy lunch meetings regularly as platforms for the exchange of ideas and to enhance efficiency among the other subsidiaries within the Berjaya Corporation group of companies.

The Group has also been very supportive of all the CSR initiatives driven at the Berjaya Corporation group level.

During the 5th Berjaya Founder's Day ("BFD 2015") celebration held on 28 March 2015 at Berjaya Times Square Kuala Lumpur, B-Land and its subsidiaries were involved in organising and managing more than 30 game stalls and fun activities for the family day carnival for all Berjaya staff.

Berjaya's founder, Tan Sri Dato' Seri Vincent Tan Chee Yioon, Better Malaysia Foundation and Berjaya Cares Foundation contributed a total of RM20.08 million to 79 charitable organisations.

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

FUTURE OUTLOOK

The recovery of the global economy continues to be challenging as new challenges emerge and growth in emerging economies is relatively slower than expected. In addition to the tighter financial conditions and lower commodity prices due to weak demand and ample supplies, the financial market turbulence in China and Greece further clouds the outlook.

Against this backdrop, the Malaysian economy registered a lower growth of 5.3% in the first half of 2015 compared to 5.8% in the fourth quarter of 2014 driven by private consumption and investment. The rising cost of living resulting from the implementation of Goods and Services Tax effective 1 April 2015 and the removal of subsidies coupled with the weakening of Ringgit against the US Dollar have further fuelled inflationary pressures.

The local property market outlook is expected to be challenging due to weaker buyer sentiment amid tighter lending guidelines and weaker economic environment.

CHAIRMAN'S STATEMENT

The residential property sector, however, will remain as the main driving force of the property market gravitating towards more affordable properties in line with the government's effort to promote first time home ownership among young buyers.

Against this scenario, demand for our residential properties will remain strong especially developments at strategically located areas at Bukit Jalil which has close proximity to urban public transportation systems such as the existing Ampang Line Light Rail Transit and the upcoming systems – the proposed Mass Rapid Transit and Light Rail Transit extension lines.

On the international front, development projects in Jeju, South Korea and Hebei, China are still under construction while the property market sentiment in Vietnam remains weak.

Despite stiff competition arising from the growing number of complexes at various locations within the Klang Valley, the Group's complexes in the Golden Triangle are expected to remain resilient supported by high occupancy rates driven by its strategic locations.

The overall outlook for the hotel industry is expected to remain challenging with slower recovery in demand from the key long haul travel market of Europe. The local hotel industry is expected to benefit from the on-going promotional activities by Tourism Malaysia. Together with our aggressive marketing strategy and diverse distribution channels, we expect our hotels and resorts businesses in Malaysia will be well positioned to benefit and hence, improve its average room rate ("ARR") and revenue per available room ("RevPAR").

The Number Forecast Operators ("NFO") business under BToto is expected to be challenging. However, it is expected that Sports Toto would maintain its market share in the NFO sector.



Entrance to KM1 West Condominiums, Bukit Jalil, Kuala Lumpur.



Great Mall of China - Construction in progress.

Given the current economic outlook, the Directors are of the view that the Group's performance will remain challenging in the financial year ending 30 April 2016.

APPRECIATION

On behalf of the Board, I would like to convey our sincere thanks to Mr Leong Wy Joon who resigned from the Board effective 28 February 2015 for his contributions during his tenure as an Executive Director of the Group. We warmly welcome Mr Phan Yoke Seng who was appointed to the Board as Executive Director on 16 April 2015. Mr Phan brings with him a wealth of experience in the area of property development.

Our heartfelt appreciation also goes to our valued customers, business associates, financiers and shareholders as well as the relevant government and regulatory bodies for their continued support. I am also grateful to the employees and the agents for their dedication, hard work and commitment to the Group.

I would also like to applaud the management for their leadership in steering the Company through another challenging year. To my fellow Directors, thank you for your invaluable guidance and contributions and may we continue to work together to weather the challenges in the year ahead.

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

Chairman

1 September 2015

MANAGEMENT DISCUSSION & ANALYSIS



A Sports Toto outlet.



Sports Toto product leaflets.

OVERVIEW

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

PERFORMANCE REVIEW BY BUSINESS SEGMENTS

GAMING

The toto betting and related activities business segment of B-Land Group is operated via Berjaya Sports Toto Berhad ("BToto"). 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 and luxury motor retailing.

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

For the financial year under review, BToto registered an increase in revenue of 21.8% to RM5.29 billion from RM4.34 billion in the previous financial year mainly due to the consolidation of H.R. Owen Plc's ("H.R. Owen") 12-month revenue contribution in the financial year under review compared to only 6 months' results consolidated in the previous financial year. BToto's pre-tax profit increased by 4.8% to RM534.0 million from RM509.7 million in the previous financial year, mainly attributed to the refund of RM18 million stamp duty pursuant to the rescission of the share purchase agreement following the aborted listing of Sports Toto Malaysia Trust on the Singapore Exchange Securities Trading Limited.

Malaysia

Sports Toto, the principal operating subsidiary of BToto, has approximately 680 outlets operating throughout the country, offering 7 games namely Toto 4D and Toto 4D Jackpot, Toto 5D, Toto 6D, Power Toto 6/55, Supreme Toto 6/58 and Grand Toto 6/63 which are drawn three days a week. The Grand Toto 6/63 was introduced on 19 March 2015 to replace Mega Toto 6/52.

Revenue

For the financial year ended 30 April 2015, Sports Toto recorded revenue of RM3.23 billion compared to the previous year's revenue of RM3.38 billion. The decrease of 4.4% in revenue was attributable to the challenging economic and regulatory environment coupled with fewer draws during the financial year under review. Despite this, 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

Pre-tax profit decreased by 4.0% to RM477.2 million compared to RM497.3 million in the previous financial year. The lower profit before tax was mainly due to higher operating expenses which was mitigated by a lower prize payout in the financial year under review.

Profit After Tax

Profit after tax recorded a decrease of 6.5% to RM338.1 million compared to RM361.6 million in the previous financial year. The marginally lower profit after tax margin of 10.5% compared to 10.7% in the previous financial year was mainly due to a marginally higher effective tax at 29.2% compared to the previous financial year's 27.3%.

MANAGEMENT DISCUSSION & ANALYSIS

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 a wholly-owned subsidiary, Philippine Gaming Management Corporation ("PGMC") which operates the business of leasing online lottery equipment and providing software support to the Philippine Charity Sweepstakes Office ("PCSO"), a Philippine government agency responsible for lotteries and sweepstakes in the Luzon Region, 72.0% equity interest in H.R. Owen Plc ("H.R. Owen"), 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, United Kingdom and the wholly-owned Perdana Hotel Philippines Inc. ("PHPI") which operates Berjaya Manila Hotel in Makati City, Metro Manila.

Revenue

BPI group recorded a 111.9% increase in revenue to Peso26.47 billion from Peso12.49 billion in the previous financial year. The increase was primarily due to the consolidation of a 12-month revenue contribution from H.R. Owen in the financial year under review, compared to a 6-month contribution in the previous financial year.

PGMC recorded revenue of Peso1.61 billion, a decrease of 6.4% from Peso1.72 billion in the previous financial year due to lower lease rental income earned as a result of a decrease in sales by PCSO during the financial year under review. It is envisaged that the new lotto game, UltraLotto 6/58 which was introduced by PCSO in February 2015, would generate more excitement and fun within the lotto categories to attract more betting customers and sales.

BPI's other subsidiary, PHPI which operates Berjaya Makati Hotel in Makati City, recorded an increased revenue of Peso143.5 million compared to Peso139.6 million in the previous financial year. The increase of 2.8% in revenue was mainly due to an increase in room occupancy rate compared to the previous financial year.

Profit Before Tax

BPI group recorded profit before tax of Peso1.24 billion, a decrease of Peso225.1 million or 15.4% compared to the previous financial year despite an increase in revenue, mainly due to higher operating expenses in the financial year under review.

PGMC's pre-tax profit decreased by 6.0% to Peso958.7 million compared to Peso1.02 billion in the previous financial year mainly due to a lower lease rental income earned during the financial year under review.

PHPI recorded pre-tax profit of Peso3.2 million compared to pre-tax loss of Peso2.5 million in the previous financial year, mainly due to higher room occupancy rate during the financial year under review.



Philippines - A draw in progress.

Profit After Tax

BPI group's profit after tax decreased by 15.9% to Peso951.0 million, compared to Peso1.13 billion in the previous financial year. The effective tax rate for the financial year under review was slightly higher at 23.2% compared to 22.7% in the previous financial year.

The United States of America

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

Revenue

ILTS recorded revenue for the financial year under review of USD7.1 million compared to USD22.7 million in the previous financial year. The significantly lower revenue was primarily due to the completion of the lottery product and hardware component sales in the previous financial year.

Profit Before Tax

ILTS reported pre-tax loss of USD1.2 million compared to pre-tax profit of USD4.9 million in the previous financial year primarily due to decreased sales volume.

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

H.R. Owen recorded revenue of £349.8 million in the financial year under review compared to £144.0 million in the comparative six-month period ended 30 April 2014, due to the increase in the number of new and pre-owned prestige cars as well as service hours sold during the financial year under review.

H.R. Owen sold a total of 971 new cars in the financial year under review compared to 407 cars sold in the comparative six-month period ended 30 April 2014. For pre-owned cars, 1,311 units were sold in the financial year under review compared to 601 units sold in the comparative six-month period ended 30 April 2014.

Profit Before Tax

H.R. Owen's pre-tax profit for the financial year ended 30 April 2015 was £4.0 million compared to £2.4 million in the comparative six-month period ended 30 April 2014, mainly due to higher revenue arising from higher number of prestige cars and service hours sold which was offset by higher operating expenses during the financial year under review.

FUTURE PROSPECT

On the local front, the nation's rising costs of living coupled with the implementation of the Goods & Services Tax with effect from 1 April 2015 have affected consumers' spending sentiments. In the light of the foregoing, Sports Toto envisaged its NFO business to be challenging in the financial year ending 30 April 2016.

In the Philippines, PCSO is expected to introduce new games which would bring about more excitement and fun to the betting customers and contribute towards increased sales. The hotel segment is expected to continue to realign its strategies to manage competition and increase hotel room occupancy rate. The declaration of 'Visit the Philippines Year 2015' and unveiling of more promotional events by the Department of Tourism would help to improve the competitiveness of the tourism industry and stimulate higher tourist arrivals, and boost hotel occupancy levels and revenue stream.

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

HOTELS AND RESORTS

The hotels and resorts business segment of B-Land Group is operated via the Berjaya Hotels and Resorts Division ("BHR"). The Group owns and operates 15 hotels and resorts locally and internationally.

For the financial year ended 30 April 2015, BHR's total gross revenue decreased by 4.8% to RM268.6 million from RM282.1 million registered in the previous financial year while profit before tax decreased by 31.7% to RM27.2 million from RM39.8 million recorded in the previous financial year.

The decrease in total gross revenue was mainly due to lower demand in both business and leisure travel markets especially in Malaysia during the second-half of the financial year ended 30 April 2015. Profit before tax was affected by the lower revenue as well as the higher non-recurring non-operating income recognised in the previous financial year.



Sampling On The Fourteen Restaurant, Berjaya Times Square Hotel, Kuala Lumpur, Malaysia.

MANAGEMENT DISCUSSION & ANALYSIS

The lower tourist arrivals recorded during the second-half of the financial year, especially from the Leisure FIT market segment of China, Australia, Japan and Singapore, had resulted in a 3.2 percentage point reduction in the overall room occupancy level to 59.0%. However, the Average Room Rate ("ARR") increased marginally by 1.7% compared to the previous financial year. The marginal growth in ARR was, however, not enough to offset the reduction in occupancy levels which led to the decrease in Revenue per Available Room ("RevPAR") of 3.5% compared to the previous financial year.

MALAYSIA HOTELS & RESORTS

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

Revenue

The Malaysian-based properties were generally affected by the declined demand in business and leisure travel markets especially from China, Japan, Australia and Singapore as well as Malaysia during the second-half of the financial year ended 30 April 2015. As a result, the overall room occupancy level decreased by 4.1 percentage point to 59.6%, while the ARR improved by 1.6%. The marginal growth in ARR, however, was not sufficient to mitigate the reduction in occupancy level which resulted in a decrease in RevPAR by 4.9% to RM181. With the lower rooms and food and beverage businesses, the total gross revenue decreased by 6% to RM207.6 million compared to RM221.0 million in the previous financial year.

Profit before Tax

The lower total gross revenue compounded by higher direct operating and overhead costs had resulted in a decrease in profit before tax to RM24.2 million compared to RM34.9 million in the previous financial year.

Berjaya Langkawi Resort, Langkawi

The resort's occupancy level declined by 2.3 percentage point to 66.1% mainly due to a slowdown in tourist arrivals from the key Leisure FIT market and impacted the food and beverage operations. However, the resort improved its ARR by 7.1% which led to an increase of 3.5% in RevPAR. As a result, the resort posted a marginal increase in total gross revenue to RM72.4 million from RM72.3 million. Profit before tax increased by 15.8% to RM25.7 million compared to RM22.2 million in the previous financial year due to lower operating and overhead costs.

Berjaya Times Square Hotel, Kuala Lumpur

The hotel experienced lower demand in business and leisure travel markets especially in room night bookings from Corporate FIT, Leisure FIT and Leisure Group market segments of the Japan, Australia, Middle East and Malaysia. As a result, occupancy level decreased by 4.6 percentage point to 65.8% compared to 70.4% in the previous financial year and RevPAR declined by 6.4% to RM181. The higher revenue recorded by food and beverage from the banqueting business have helped offset the decrease in room revenue. Overall, the total gross revenue decreased marginally by 3.0% to RM71.4 million compared to RM73.6 million in the previous financial year, while profit before tax decreased by 1.3% to RM9.7 million from RM9.8 million in the previous financial year.

Berjaya Tioman Resort, Tioman

During the financial year under review, there was a significant drop in room night bookings from Leisure FIT through travel agents and special packages. As a result, the resort's occupancy level dropped by 8.7 percentage point to 40.2% from 48.9% in the previous financial year. The lower individual leisure arrivals in this market segment was mainly caused by the unavailability of scheduled commercial flight services to the island. The resort's room night bookings were mainly contributed by the Transient FIT, Leisure FIT and vacation timeshare market segments of Malaysia and Singapore. The low tourist arrivals had also impacted the food and beverage operations resulting in a decline of 26.0% in total gross revenue to RM18.7 million compared to RM25.2 million in the previous financial year.

The Taaras Beach & Spa Resort, Redang ("The Taaras")

The Taaras recorded a decline of 4.8 percentage point in occupancy level to 24.4% from 29.2% in the previous financial year mainly due lower tourist arrivals from its key markets and the unavailability of scheduled commercial flight services to the island. As a result, the total gross revenue decreased by 15.1% to RM18.9 million from RM22.2 million in the previous financial year. Despite the challenging situation, the Taaras' ARR increased by 11.6% compared to the previous financial year. The Taaras will continue to enhance its products and services and strengthen its position in the local and international markets.



Rainforest Studio, Berjaya Langkawi Resort, Malaysia.

MANAGEMENT DISCUSSION & ANALYSIS

Piccolo Hotel, Kuala Lumpur

BHR's boutique hotel, Piccolo Hotel experienced stiff competition from other nearby new hotels. During the financial year under review, the hotel's RevPAR and occupancy level decreased by 13.8% and 8.2 percentage point respectively to RM171 and 70.6%. As a result, total gross revenue decreased by 16.7% to RM10.6 million.



Deluxe Room, Piccolo Hotel, Kuala Lumpur, Malaysia.

Georgetown City Hotel, Penang

During the financial year under review, the hotel's occupancy level declined to 67.5% compared to 68.7% in the previous financial year, while ARR increased by 6.9% compared to the previous financial year. The hotel's room night bookings mainly contributed by Transient FIT, individual business and leisure travellers from market segments of Malaysia and Indonesia, and as well as vacation timeshare market. Overall, the hotel's total gross revenue increased by 5% to RM13.6 million from RM12.9 million in the previous financial year boosted by growth in room revenue and food and beverage operations.



Georgetown City Hotel, Penang, Malaysia.

OVERSEAS HOTELS & RESORTS

The major overseas hotels and resorts of B-Land Group are Berjaya Beau Vallon Bay Resort & Casino, Berjaya Praslin Resort, Seychelles, Berjaya Hotel Colombo, Sri Lanka, Berjaya Eden Park London Hotel, United Kingdom and the newly acquired – Castleton Hotel in London, United Kingdom.

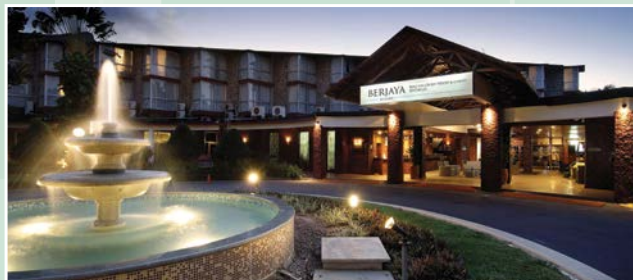
During the financial year under review, total gross revenue was affected by significantly lower contribution from Berjaya Beau Vallon Bay Resort & Casino ("BBVB") and Berjaya Praslin Resort ("BPR"), due to lower tourist arrivals from its key market of Europe, America and Middle East. This, however, was mitigated by an improvement in the operating results of Berjaya Hotel Colombo, Sri Lanka, Berjaya Eden Park, London, and the newly acquired hotel – Castleton Hotel in London, United Kingdom.

The occupancy rate maintained at 57.0%, while room night bookings were higher mainly from Transient FIT and Leisure Group market segments compared to the previous financial year. However, this increase was not enough to reverse a large reduction in demand from the Leisure FIT, Corporate Meeting Group and long stay market segments in BBVB, Seychelles.

Overall, total gross revenue from BHR's overseas properties was marginally lower at RM60.9 million compared to RM61.1 million recorded in the previous financial year. Profit before tax declined by 40.0% to RM3.0 million compared to RM5.0 million in the previous financial year mainly due to higher direct operating and overheads costs, especially from the properties in Seychelles.

Berjaya Beau Vallon Bay Resort & Casino ("BBVB") and Berjaya Praslin Resort ("BPR"), Seychelles

In Seychelles, both BBVB and BPR experienced lower individual leisure arrivals and corporate groups from its key market of Europe, America and Middle East combined with stiff competition from the new hoteliers and other existing competitors with newly renovated and refurbished properties, resulting in lower performance in the rooms and food and beverage operations. The combined total gross revenue dropped by 13.8% to RM30.3 million from RM35.2 million in the previous financial year. The occupancy level of BBVB and BPR declined by 7.2 percentage point to 53.3% and 6.8 percentage point to 35.7% respectively, resulting in a 9.2% decrease in the combined RevPAR compared to the previous financial year.



Berjaya Beau Vallon Bay Resort & Casino, Seychelles.

MANAGEMENT DISCUSSION & ANALYSIS

Berjaya Hotel Colombo, Sri Lanka

During the financial year under review Berjaya Hotel Colombo registered an increase in room night bookings from Transient FIT, Corporate FIT and Leisure FIT market segments. As a result, the hotel grew its occupancy level to 47.8% from 36.3% in the previous financial year. However, the ARR dropped by 12.3% as the hotel adopted a flexible rate strategy and introduced competitive packages with special deals to drive business volumes. The total gross revenue increased to RM6.1 million compared to RM4.6 million in the previous financial year due to higher demand in food and beverage operations for banqueting and corporate meetings.

Berjaya Eden Park Hotel, London

Berjaya Eden Park Hotel recorded a marginal growth in both bookings and room rates during the financial year under review. The occupancy level improved by 2.6 percentage point to 88.3%, while the ARR went up by 3.3% compared to the previous financial year. The room night bookings were mainly contributed by Transient FIT and Leisure FIT market segments. The total gross revenue increased by 5% to RM15.2 million compared to RM14.5 million in the previous financial year. Moving forward, the hotel is targeting business with higher average room rates instead of volume business.

Castleton Hotel, London

This hotel which was acquired on 1 October 2014, is located at Sussex Gardens, London with a total of 46 guestrooms. There is no food and beverage outlet in the hotel except for a small breakfast area. For the financial year ended 30 April 2015, the hotel recorded an occupancy level of 81.4% with a total gross revenue of RM3.4 million.



Castleton Hotel, London, United Kingdom.

JOINT VENTURE HOTELS

Berjaya Land Group also has interests in two joint ventures in Vietnam which operate the Sheraton Hanoi Hotel and InterContinental Hanoi Westlake.

Sheraton Hanoi Hotel registered a lower performance during the first-half of the financial year ended 30 April

2015 partly due to the political dispute between Vietnam and China which had affected the tourist arrivals to Hanoi, especially the Transient Retail and Leisure Group market segments. The hotel recorded an overall marginal drop in occupancy to 73.0% from 74.9% in the previous year despite an improvement in demand from the corporate group long stay and wholesaler markets.

InterContinental Hanoi Westlake recorded a 6.2 percentage point increase in occupancy level to 80.7% from 74.5% in the previous financial year driven by stronger business demand from Transient FIT, Corporate FIT and Leisure Group market segments, while RevPAR rose by 7.8%.

FUTURE PROSPECTS

The overall outlook for the global tourism industry is expected to be challenging amid geopolitical instability and weaker economic growth in certain regions.

On the domestic front, the overall outlook of the hotel industry is expected to slow down following the downtrend in the global tourism industry. Notwithstanding this challenging backdrop, the local hotel industry is expected to benefit from the on-going promotional activities by Tourism Malaysia and together with our aggressive marketing strategy and diverse distribution channels, we expect our hotels and resorts businesses in Malaysia which are well-positioned to weather these challenges and continue to improve its ARR and RevPAR.

CLUBS AND RECREATION

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

The Clubs have a total of 18,094 members, of which 9,208 are golf members and 8,886 are non-golf members.

Revenue

For the financial year ended 30 April 2015, The Clubs registered an increase in revenue to RM65.8 million from RM58.4 million in the previous financial year resulting from the recognition of advance license fee income from terminated memberships and an increase in monthly subscription fee effective August 2014.

FUTURE PROSPECTS

The financial year ending 2016 will remain competitive and challenging for the recreation club industry. With its solid membership base and the continuous upgrading of exercise, The Clubs is expected to maintain its operating performance.



Bukit Kiara Equestrian & Country Resort, Kuala Lumpur.

VACATION TIMESHARE

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

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

Revenue

BVC reported an increase in revenue to RM10.8 million from RM9.45 million registered in the previous financial year mainly due to higher lease rental income.

Operating Profit

Operating profit decreased slightly to RM4.45 million from RM4.74 million in previous financial year due to the reduction in the recognition of advance license fee as the rate of membership termination reduced.

FUTURE PROSPECTS

The timeshare industry in Malaysia has generally reached its maturity stage with no major changes or new players coming into the industry. Barring any unforeseen circumstances, the timeshare segment is expected to maintain its operating performance.

PROPERTY DEVELOPMENT

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

MALAYSIA

The financial year under review has been a challenging year for the Malaysian economy. The property sector, in particular, has softened in response to the various cooling measures introduced by the government and the implementation of Goods and Services Tax ("GST") coupled with the spillover effect of other increasing costs which saw consumers adopting a more cautious approach towards purchasing property and spending as a whole.

Against this backdrop, the PD Division has been prudently planning the timing of new launches. The construction works for projects with sales locked in the previous financial year progressed on schedule whilst completed projects were handed over to purchasers.

The development momentum at Bukit Jalil continues to grow with various marketing activities and sales launches to generate sales for Phase 1 of The Link 2. Launched in the fourth quarter of 2013, The Link 2, the Group's first mixed development project comprising shop offices, retail outlets and residences have received positive response with Block A comprising 221 condo units sold out after its launch. Take-up of the 316 units of condo at Block B, 22 units 4-storey and 6-storey shops and the 179 units of shophouses have also been encouraging with 71% sales recorded to date.

At the same locality, sales status of KM1 East high-rise condo has reached 98%. Sales for the 24 units of exclusive KM1 East Condo Villa has also been well received with approximately 63% of the units sold as of 30 April 2015. The construction of the project is well on track and is expected to be completed by the first quarter of 2016.

MANAGEMENT DISCUSSION & ANALYSIS



Artist impression of the Jesselton Villas, Penang.

During the financial year under review, the PD Division completed the construction of Phase 2 and 3 of Trade Point at Berjaya Park, Shah Alam which was handed over to the purchasers. The construction of the final phase with 34 units of 3-storey shop offices is progressing on schedule and expected to be completed by the fourth quarter of 2015. All units in the last phase have been sold.

Up north in Penang, the upscale 58-acre project comprising exclusive freehold bungalow lots located within the lush greenery next to Penang Turf Club has garnered a lot of interest from potential buyers. Measuring approximately between 5,000 to 10,000 square feet, Jesselton Villas offers discerning owners an opportunity to build their dream homes at an exclusive address. To date, this upscale project has generated a total sales of RM127 million.

OVERSEAS

On the international front, the construction of Phase 1 of Gotjawal Village, Jeju Airst City in South Korea at the 183-acre award winning integrated resort development in Jeju Island which comprised of high-end seaside Maison and trendy Market Walk, is 60% completed.

Over in Hebei, China, works on installation of various equipment for the 3 indoor theme parks are currently in progress whilst the interior design works for the retail mall are on-going. The marketing activities for leasing of the four levels retail space totalling 1.4 million square feet has commenced. The retail mall and theme parks are scheduled for opening in the third and fourth quarter of 2016 respectively.

The luxurious Four Seasons Hotel project in Kyoto, Japan is progressing on schedule. Currently, the substructure works have reached 32% completion and the main building contract work is being finalised for contract award. The luxury hotel which is scheduled for completion and opening towards the middle of 2016 will consist of 123 rooms and 56 long stay units built with a combination of modern and traditional Japanese design.



Completed Phase 2 & 3 of Trade Point, Berjaya Park, Shah Alam, Selangor.

Revenue

For the financial year under review, the PD Division recorded a decrease in revenue of 5.3% to RM233 million from RM246 million in the previous financial year mainly due to a softer property market sentiment.

The sales of Phase 1 of The Link 2 and KM1 East at Bukit Jalil, Kuala Lumpur remain as the main contributor to the PD Division's total revenue and earnings.

Profit Before Tax

During the financial year under review, the PD Division reported a lower profit before tax of RM21.6 million compared to RM44 million reported in the previous financial year mainly due to lower revenue and higher operating expenses of overseas projects.

Profit After Tax

In line with the above, the PD Division reported a lower profit after tax of RM2.1 million compared to RM17.8 million registered in the previous financial year.

FUTURE PROJECTS

As the sales of the first phase of The Link 2 and KM1 East progresses, planning of The Link 2 Phase 2 is currently in progress. Phase 2 of the Link 2 will feature 12 units of 4-storey and 6-storey shops, 260 units of retail outlets and kiosks spread on a 5-level street mall and 3 blocks of service apartment suites with a total of 621 units of 3 bedroom types. This new phase will be connected to Phase 1 via a linked bridge. Phase 2 of the Link 2 with an estimated gross development value ("GDV") of RM815 million is expected to be unveiled in the fourth quarter of 2015.

Also in the pipeline within Bukit Jalil, the PD Division is currently planning a high end luxurious condominium project, KM 2 to be developed over a land area of 12.24 acres. Targeted at the urban market with demand for

premium contemporary lifestyle, KM2 is anticipated to surpass the standards of our earlier phases of high end condominium developments in Bukit Jalil. Perched on a high ground, KM2 enjoys a horizon of unobstructed panoramic view of the golf course and KL city skyline. Each unit is meticulously thought out by the design team to exude elegance from the stylishly designed interiors that reflect a balance of function and aesthetics to the ensemble of facilities thoughtfully planned to complement a luxurious lifestyle. KM2 is expected to be unveiled to the market in 2017. The total estimated GDV from this project is RM1.1 billion.

With Vasana 25 fully sold, the PD Division is moving into planning the development of another niche residential project on the Group's parcels of land in Taman Seputeh, Kuala Lumpur. This niche high-end development will offer contemporary modern living homes featuring lavish space and luxurious fittings that epitomise the sophisticated lifestyle of the privileged few.

The PD Division had launched Akasia @ Berjaya Park comprising 220 units of 3-bedroom apartments with sizes of 811 square feet and 867 square feet in May 2015. This development with a total sales value of approximately RM63 million has been fully sold.

PROPERTY INVESTMENT

The Property Investment Division ("PI Division") owns 3 commercial properties comprising Plaza Berjaya, Kuala Lumpur; Kota Raya Complex, Kuala Lumpur and Berjaya Megamall in Kuantan, Pahang. Collectively, these properties achieved an average occupancy rate of 89% during the financial year under review compared to 90% in the previous financial year.

Revenue

The PI Division registered a marginal increase in revenue to RM31.6 million compared to RM30.1 million in the previous financial year primarily attributed to higher occupancy rate and rental rate at Plaza Berjaya, Kuala Lumpur and Berjaya Megamall in Kuantan, Pahang.

Profit Before Tax and Profit After Tax

For the financial year under review, PI Division reported a decline in profit before tax of 6.3% to RM17.7 million from RM18.9 million recorded in the previous financial year due to lower favourable fair value changes of investment properties.

However, profit after tax improved by 136% to RM14.2 million compared to RM6 million in the previous financial year mainly due to the lower of deferred tax provision on fair value changes of investment properties.

FUTURE PROSPECTS

The Group's complexes in Kuala Lumpur are expected to remain resilient despite stiff competition from the growing number of complexes in the Klang Valley. With its strategic locations within the city centre of Kuala Lumpur and easy accessibility, the Group's complexes will continue to perform well. The Group's complexes will continue to promote itself in an effort to strengthen its presence in the market place.



Artist impression of The Link 2 Shops, Bukit Jalil, Kuala Lumpur.

CORPORATE STRUCTURE

of main subsidiaries, associated companies and joint ventures
as at 1 September 2015

BERJAYA LAND BERHAD

HOTELS, RESORTS, RECREATION DEVELOPMENT, VACATION TIMESHARE AND OTHERS

100% Berjaya Vacation Club Berhad	92.6% Berjaya Mount Royal Beach Hotel Limited
<ul style="list-style-type: none"> Georgetown City Hotel, Penang - Malaysia 	<ul style="list-style-type: none"> Berjaya Hotel Colombo - Sri Lanka
100% Berjaya Vacation Club (Cayman) Limited	70% Berjaya Hotay Joint Venture Company Limited
<ul style="list-style-type: none"> Berjaya Eden Park London Hotel - United Kingdom 	<ul style="list-style-type: none"> Sheraton Hanoi Hotel, Hanoi - Vietnam
100% BHR (Cayman) Limited	75% T.P.C. Nghi Tam Village Ltd
<ul style="list-style-type: none"> Castleton Hotel, London - United Kingdom 	<ul style="list-style-type: none"> InterContinental Hanoi Westlake, Hanoi - Vietnam
100% Absolute Prestige Sdn Bhd	100% Bukit Kiara Resort Berhad
<ul style="list-style-type: none"> Piccolo Hotel Kuala Lumpur - Malaysia 	<ul style="list-style-type: none"> Bukit Kiara Equestrian & Country Resort, Kuala Lumpur
100% Berjaya Langkawi Beach Resort Sdn Bhd	100% KDE Recreation Berhad
<ul style="list-style-type: none"> Berjaya Langkawi Resort - Malaysia 	<ul style="list-style-type: none"> Kelab Darul Ehsan, Selangor
99.5% The Taaras Beach & Spa Resort (Redang) Sdn Bhd	100% Berjaya Golf Resort Berhad
<ul style="list-style-type: none"> The Taaras Beach & Spa Resort, Redang Island Redang Island Resort - Malaysia 	<ul style="list-style-type: none"> Bukit Jalil Golf & Country Resort, Kuala Lumpur Arena Green Apartments, Kuala Lumpur Greenfields Apartments, Kuala Lumpur Green Avenue Condominiums, Kuala Lumpur Savanna Condominiums, Kuala Lumpur Savanna 2, Kuala Lumpur Covillea, Kuala Lumpur Jalil Link @ Bukit Jalil, Kuala Lumpur KM1 West Condominiums, Kuala Lumpur KM1 East Condominiums, Kuala Lumpur The Link 2, Kuala Lumpur
86.25% Tioman Island Resort Berhad	80% Staffield Country Resort Berhad
<ul style="list-style-type: none"> Berjaya Tioman Resort - Malaysia Tioman Island Resort - Malaysia 	<ul style="list-style-type: none"> Staffield Country Resort, Negeri Sembilan
100% BTS Hotel Sdn Bhd	100% Indah Corporation Berhad
<ul style="list-style-type: none"> Berjaya Times Square Hotel, Kuala Lumpur - Malaysia 	<ul style="list-style-type: none"> Bukit Banang Golf & Country Club, Johor
100% Berjaya Beau Vallon Bay Beach Resort Limited	52.6% Amat Muhibah Sdn Bhd
<ul style="list-style-type: none"> Berjaya Beau Vallon Bay Resort & Casino - Seychelles 	<ul style="list-style-type: none"> Desa WaterPark, Kuala Lumpur
100% Berjaya Praslin Limited	100% Berjaya Air Sdn Bhd
<ul style="list-style-type: none"> Berjaya Praslin Resort - Seychelles 	
70% Berjaya Long Beach Limited Liability Company	72.03% H.R. Owen Plc, United Kingdom#
<ul style="list-style-type: none"> Long Beach Resort, Phu Quoc - Vietnam 	
100% Perdana Hotel Philippines Inc.#	27.09% Informatics Education Ltd, Singapore
<ul style="list-style-type: none"> Berjaya Makati Hotel - Makati, Philippines# 	

subsidiary companies of Berjaya Philippines Inc.

CORPORATE STRUCTURE
of main subsidiaries, associated companies and joint ventures
as at 1 September 2015

BERJAYA LAND BERHAD

PROPERTY INVESTMENT & DEVELOPMENT

100% Taman Tar Development Sdn Bhd

- The Peak @ Taman TAR, Ampang, Selangor

100% Selat Makmur Sdn Bhd

- Seputeh Heights, Kuala Lumpur
- Vasana 25, Kuala Lumpur
- Subang Heights, Shah Alam, Selangor

80% Pakar Angsana Sdn Bhd

- Berjaya Park, Shah Alam, Selangor

100% Sri Panglima Sdn Bhd

- Taman Kinrara IV, Puchong, Kuala Lumpur

100% Berjaya Land Development Sdn Bhd

- Kelang Lama New Business Centre, Kuala Lumpur
- Gemilang Indah Apartments, Kuala Lumpur
- Medan Indah, Kota Tinggi, Johor
- Taman UPC, Ayer Hitam, Johor
- Bandar Banang Jaya, Batu Pahat, Johor
- Robson Condominiums, Kuala Lumpur
- Jesselton Villas, Penang

100% Securiservices Sdn Bhd

- 1 Petaling Residences & Commerz @ Sg Besi, Kuala Lumpur
- Petaling Indah Condominiums, Kuala Lumpur
- 3-Storey Shop Office @ Sg Besi, Kuala Lumpur

51% Berjaya (China) Great Mall Co. Limited

- The Great Mall of China, Hebei Province - People's Republic of China

80% Berjaya-Handico12 Co, Limited

- Ha Noi Garden City, Hanoi - Vietnam

100% Berjaya Vietnam Financial Center Limited

- Vietnam Financial Center, Ho Chi Minh City - Vietnam

75% Berjaya-D2D Co. Limited

- Bien Hoa City Square, Dong Nai Province - Vietnam

100% Berjaya VIUT Limited

- Vietnam International University Township, Ho Chi Minh City - Vietnam

72.6% Berjaya Jeju Resort Limited

- Berjaya Jeju Airst City, Yerae-Dong, Jeju Island - South Korea

50% Kyoto Higashiyama Hospitality Assets TMK

- Four Seasons Hotel & Residences, Kyoto - Japan

100% Berjaya Okinawa Development Co. Ltd

100% Nural Enterprise Sdn Bhd

- Plaza Berjaya, Kuala Lumpur

100% Kota Raya Development Sdn Bhd

- Kota Raya Complex, Kuala Lumpur

100% Cempaka Properties Sdn Bhd

- Berjaya Megamall, Kuantan, Pahang
- Kuantan Perdana, Kuantan, Pahang

14.09% Berjaya Assets Berhad

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

GAMING & LOTTERY MANAGEMENT

92% Berjaya International Casino Management (Seychelles) Limited

41.07% Berjaya Sports Toto Berhad

100% Sports Toto Malaysia Sdn Bhd

88.26% Berjaya Philippines Inc.

100% Philippine Gaming Management Corporation

100% International Lottery & Totalizator Systems, Inc. (USA)

100% Unisyn Voting Solutions, Inc.

■ Listed Companies

+ Combined Interest

GROUP FINANCIAL SUMMARY

Description	2015 US\$'000	2015 RM'000	2014 RM'000	2013 RM'000	2012 RM'000	2011 RM'000
Revenue	1,668,512	5,914,875	5,021,299	4,246,613	4,195,638	4,056,503
Profit Before Tax	7,130	25,276	535,248	461,390	488,402	468,398
(Loss)/Profit for the Year	(45,650)	(161,828)	309,013	272,997	304,036	281,895
(Loss)/Profit Attributable To Owners of the Parent	(108,028)	(382,960)	104,620	33,033	73,386	87,848
Share Capital	705,266	2,500,168	2,500,168	2,500,168	2,500,168	2,500,168
Reserves	689,746	2,445,151	2,906,379	2,748,873	2,794,776	2,791,076
Equity Funds	1,395,012	4,945,319	5,406,547	5,249,041	5,294,944	5,291,244
Treasury Shares	(5,838)	(20,699)	(45,466)	(45,466)	(45,466)	(45,466)
Net Equity Funds	1,389,174	4,924,620	5,361,081	5,203,575	5,249,478	5,245,778
Non-controlling Interests	928,650	3,292,065	3,261,232	3,208,319	3,156,686	2,877,579
Total Equity	2,317,824	8,216,685	8,622,313	8,411,894	8,406,164	8,123,357
Medium Term Notes	322,351	1,142,734	400,000	400,000	550,000	550,000
Deferred Tax Liabilities	33,019	117,054	118,878	95,242	95,166	86,890
Other Non-Current Liabilities	638,016	2,261,766	2,233,486	1,133,059	1,585,321	759,063
Current Liabilities	686,288	2,432,891	2,658,863	2,250,783	1,262,291	2,270,880
Total Equity and Liabilities	3,997,498	14,171,130	14,033,540	12,290,978	11,898,942	11,790,190
Property, Plant And Equipment	729,760	2,586,999	2,396,591	1,838,930	1,856,716	1,892,194
Intangible Assets	1,436,843	5,093,609	5,572,627	5,463,962	5,457,319	5,445,372
Other Non-Current Assets	743,113	2,634,335	2,680,652	2,716,861	2,351,102	2,285,479
Current Assets	1,071,418	3,798,178	3,370,139	2,242,921	2,229,024	2,129,854
Assets Held for Sale	16,364	58,009	13,531	28,304	4,781	37,291
Total Assets	3,997,498	14,171,130	14,033,540	12,290,978	11,898,942	11,790,190
Net Assets Per Share (US\$/RM)*	0.28	0.99	1.07	1.04	1.05	1.05
Net (Loss)/ Earnings Per Share (US\$/RM)*	(0.022)	(0.08)	0.02	0.01	0.01	0.02
Dividend (cents/sen)*	0.00	0.00	1.00	1.00	1.00	1.00
Dividend Amount (US\$'000/RM'000)	-	-	49,894	37,322	37,322	37,322

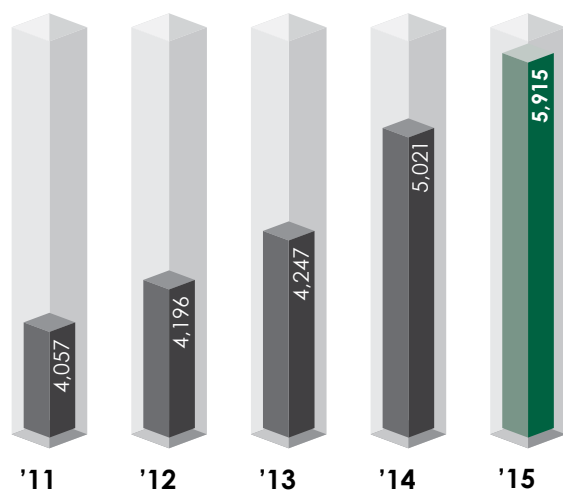
Notes:

* Net assets per share represents the net equity funds divided by the number of outstanding shares with voting rights in issue. Where additional shares are issued, the earnings/(loss) per share are calculated based on a weighted average number of shares with voting rights in issue.

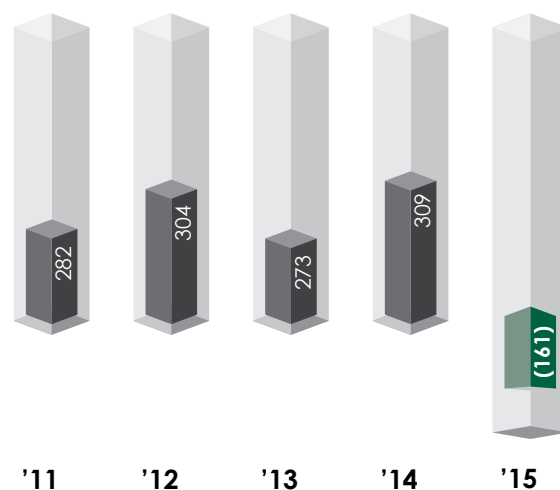
Exchange rate as at 30 April 2015: US\$1.00 : RM3.545

GROUP FINANCIAL HIGHLIGHTS

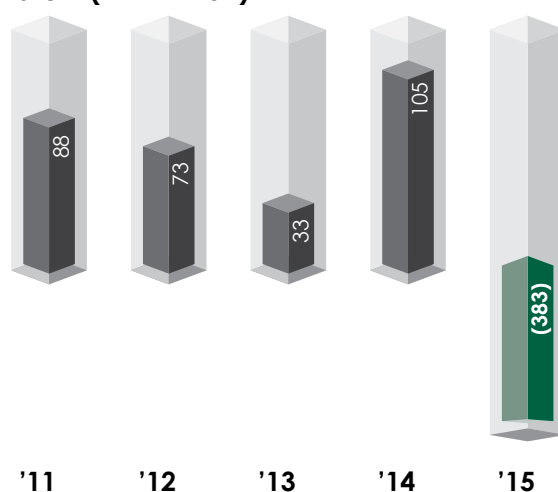
Revenue (RM' Million)



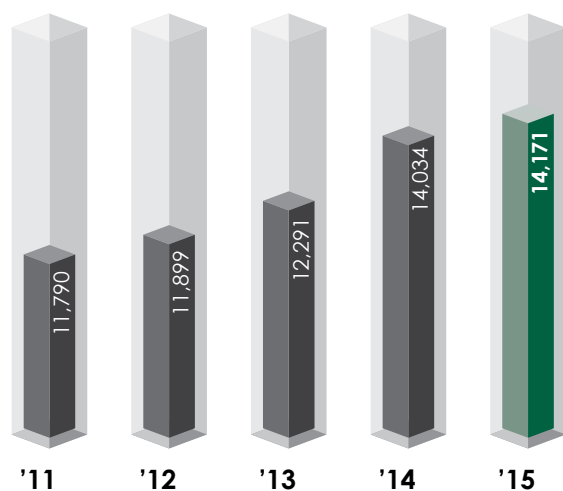
(Loss)/Profit for The Year (RM' Million)



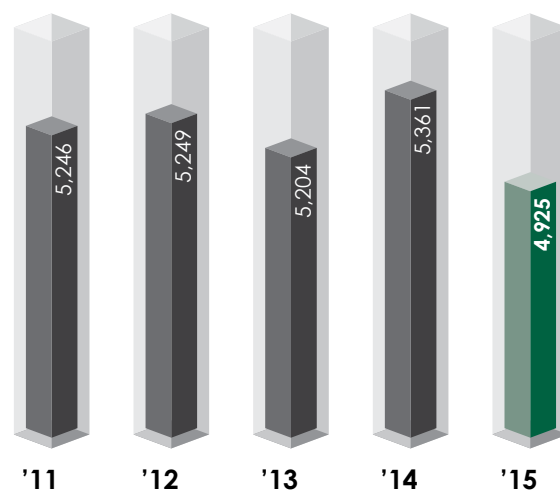
(Loss)/Profit Attributable to Owners of the Parent (RM' million)



Total Assets (RM' Million)



Net Equity Funds (RM' Million)



STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors ("Board") of Berjaya Land Berhad is committed and will continue to endeavour to comply with the principles and recommendations as set out in the Malaysian Code of Corporate Governance 2012 ("MCCG 2012"). The Board will also ensure that good corporate governance, being a fundamental part of the Board's responsibilities, is practised throughout the Group as an assurance for the continuous and sustainable growth of the Group for the interests of all its stakeholders.

The Board is pleased to provide the following statement which outlined how the Group had applied the principles and recommendations of the MCCG 2012 that were in place throughout the financial year ended 30 April 2015.

A) PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

Board composition and balance

The Board currently has seven (7) members, comprising three (3) Independent Non-Executive Directors (including the Chairman), the Chief Executive officer, two (2) Executive Directors and one (1) Non-Independent Non-Executive Director. 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 Directors, with their different backgrounds and specializations, collectively bring with them a wide range of knowledge and expertise particularly in the fields of accountancy, business, banking and finance, sales and marketing, property investment and development and administration for the effective management of the Group's diversified businesses. The qualifications and experience of each of the Directors are set out in the Directors' profile on Page 3 to Page 6 of the Annual Report.

The current Board composition is also broadly balanced to reflect the interests of major shareholders, management and minority shareholders.

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 presence of three Independent Non-Executive Directors on the Board provides a pivotal role in corporate accountability as they provide unbiased and independent views, advice, opinions and judgement to safeguard the interest of minority shareholders.

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

The Chairman is primarily responsible for the leadership of the Board and ensures Board effectiveness and standards of conduct and to facilitate constructive deliberation on matters in hand.

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

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

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

STATEMENT ON CORPORATE GOVERNANCE

Roles and Responsibilities of the Board

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

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

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

Directors' Code of Conduct/Ethics

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

Corporate's strategy to promote sustainability

The Board recognises the importance of business sustainability and the impact of the Group's business on the environmental, social and governance aspects is taken into consideration in conducting the Group's business. The details of the sustainability efforts are set out in the Corporate Social Responsibility Statement of this Annual Report.

Supply of Information

All Directors have unrestricted and timely access to all 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 developments 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 expedite the decision making process.

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

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

STATEMENT ON CORPORATE GOVERNANCE

Board Meetings

The Board meets at least four (4) times a year at quarterly intervals with additional meetings to be convened as necessary. During the financial year ended 30 April 2015, seven (7) Board meetings were held and the attendance of the Directors at the Board Meetings were as follows:

Directors	No. of Meetings Attended
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim ##	6/7
Dato' Ng Sooi Lin	7/7
Tan Thiam Chai	7/7
Dato' Dickson Tan Yong Loong	6/7
Datuk Robert Yong Kuen Loke ##	7/7
Datuk Maizan Bin Shaari ##	7/7
Phan Yoke Seng ^	^
Leong Wy Joon @	5/6 *

Denotes Independent Non-Executive Director

^ Mr Phan Yoke Seng has been appointed as an Executive Director of the Company on 16 April 2015. There was no Board Meeting being held subsequent to the date of his appointment up to 30 April 2015.

@ During the financial year, Mr Leong Wy Joon has resigned as an Executive Director of the Company on 28 February 2015.

* Reflects the attendance and the number of meetings held during the financial year the member 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: STRENGTHEN COMPOSITION

1. Nomination Committee

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

Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	- Chairman/Independent Non-Executive (Senior Independent Director)
Datuk Maizan Bin Shaari	- Independent/Non-Executive
Datuk Robert Yong Kuen Loke	- Independent/Non-Executive

The Nomination Committee meets as and when required, and at least once a year. The Nomination Committee met twice during the financial year ended 30 April 2015.

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

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

STATEMENT ON CORPORATE GOVERNANCE

B) PRINCIPLE 2: STRENGTHEN COMPOSITION (CONT'D)

1. Nomination Committee (Cont'd)

In respect of the assessment for the financial year ended 30 April 2014, the Board was satisfied that the Board and Board Committees have discharged their duties and responsibilities effectively. The Board was also satisfied that the Board composition in terms of size, the balance between executive, non-executive and independent Directors and mix of skills and experience was adequate.

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

Re- elections of Directors

The Nomination Committee also conducted an assessment of the Directors who are subject to retirement at the forthcoming annual general meeting ("AGM") in accordance with the provisions of the Articles of Association of the Company and the relevant provisions of the Companies Act, 1965.

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

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

2. Remuneration Committee

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

Tan Sri Datuk Seri Razman Md Hashim	- Chairman/Independent Non-Executive
Bin Che Din Md Hashim	
Datuk Maizan Bin Shaari	- Independent/Non-Executive
Dato' Ng Sooi Lin	- Chief Executive Officer/Non-Independent/Executive

The Remuneration Committee is responsible for reviewing the policy and making recommendations to the Board on all elements of the remuneration package and other terms of employment of the Executive Directors. The determination of the remuneration for the Non-Executive Directors will be a matter to be decided by the Board as a whole with the Director concerned abstaining from deliberations and voting on decision in respect of his 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 2015 are as follows:-

STATEMENT ON CORPORATE GOVERNANCE

B) PRINCIPLE 2: STRENGTHEN COMPOSITION (CONT'D)

2. Remuneration Committee (Cont'd)

	RM'000				
	Fees	Benefits-in-kind	Salaries and other emoluments	Bonus	Total
Executive	-	67	3,136	748	3,951
Non-Executive	183	20	777	13	993
	183	87	3,913	761	4,944

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

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
RM1 – RM50,000	1	1
RM100,001 - RM150,000	-	1
RM250,001 - RM300,000	-	1
RM500,001 - RM550,000	-	1
RM950,001 - RM1,000,000	1	-
RM1,200,001 - RM1,250,000	1	-
RM1,650,001 - RM1,700,000	1	-
	4	4

C) PRINCIPLE 3: REINFORCE INDEPENDENCE

Assessment of Independent Directors

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

The Board, through the Nomination Committee, assesses the Independence of its Independent Non-Executive Directors on an annual basis based on the same criteria used in the definition of "Independent Directors" as prescribed in Chapter 1 of the Bursa Securities Listing Requirements ("LR") in its assessment of the Independent Directors.

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

Tenure of Independent Directors

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

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

C) PRINCIPLE 3: REINFORCE INDEPENDENCE (CONT'D)

Tenure of Independent Directors (Cont'd)

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.

Datuk Maizan Bin Shaari was appointed as an Independent Non-Executive Director of the Company on 8 December 2004 and has served the Company for a cumulative term of more than nine (9) years. The approval of the Company's shareholders was obtained at the Twenty-Fourth Annual General Meeting ("AGM") held on 27 October 2014 to retain Datuk Maizan Bin Shaari as an Independent Non-Executive Director of the Company.

The Nomination Committee and the Board have assessed the independence of Datuk Maizan Bin Shaari and was satisfied that Datuk Maizan Bin Shaari, who has served on the Board for more than nine (9) years has remain objective and independent in participating in the deliberations and decision making of the Board and Board Committees.

The Board has recommended that the approval of the shareholders be sought at the Company's forthcoming AGM to retain Datuk Maizan Bin Shaari as an Independent Non-Executive Director of the Company based on the following justifications:-

- i) he has fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board.
- ii) he has been with the Company for more than 9 years and is familiar with the Company's business operations which allows him to participate in deliberations and decision making process of the Board and Board Committees.
- iii) he has continued to exercise his independence and due care during his tenure as an Independent Non-Executive Director and as Chairman of the Audit Committee of the Company and had carried out his professional duties in the interest of the Company and the shareholders.

D) PRINCIPLE 4: FOSTER COMMITMENT

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

Directors' Training

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

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

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

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.

STATEMENT ON CORPORATE GOVERNANCE

D) PRINCIPLE 4: FOSTER COMMITMENT (CONT'D)

Directors' Training (Cont'd)

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

Director	Title of Programmes/ Seminars/Courses/ Forums
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	<ul style="list-style-type: none">• Cyber Security Awareness Training• Customised Advocacy Session for Directors by Bursa Malaysia Securities Berhad<ul style="list-style-type: none">- Key Amendments to Listing Requirements• Sunway Managers Conference
Dato' Ng Sooi Lin	<ul style="list-style-type: none">• China-Malaysia Economic Summit
Tan Thiam Chai	<ul style="list-style-type: none">• Appointment of ACCA Approved Employer<ul style="list-style-type: none">- Trainee Development, Gold• Customised Advocacy Session for Directors by Bursa Malaysia Securities Berhad - Key Amendments to Listing Requirements
Dato' Dickson Tan Yong Loong	<ul style="list-style-type: none">• In House Training conducted by PriceWaterhousecoopers on the Implementation of Goods and Services Tax
Datuk Robert Yong Kuen Loke	<ul style="list-style-type: none">• Customised Advocacy Session for Directors by Bursa Malaysia Securities Berhad -Key Amendments to Listing Requirements
Datuk Maizan Bin Shaari	<ul style="list-style-type: none">• Nominating Committee Programme 2- Effective Board Evaluation

Subsequent to the financial year ended 30 April 2015, Phan Yoke Seng had attended the Mandatory Accreditation Programme on 6 and 7 May 2015.

E) PRINCIPLE 5: UPHOLD INTEGRITY IN FINANCIAL REPORTING

i. Financial Reporting

The Board is assisted by the Audit Committee to oversee the Group's financial reporting process and the quality of financial reporting and ensuring that the financial statements comply with the provisions of the Companies Act, 1965 and the applicable Financial Reporting Standards in Malaysia.

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

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

STATEMENT ON CORPORATE GOVERNANCE

E) PRINCIPLE 5: UPHOLD INTEGRITY IN FINANCIAL REPORTING (CONT'D)

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

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

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

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

iii. Relationship with the auditors

Through the Audit Committee, the Company has established an active, transparent and professional relationship with the Group's auditors, both internal and external in seeking professional advice and ensuring compliance with the relevant accounting standards. From time to time, the auditors highlight to the Audit Committee and the Board on matters that require the Board's attention, including the latest amendments to the Financial Reporting Standards and its implementations thereof.

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

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

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

The Audit Committee also reviewed the provision of non-audit services rendered by the Group external auditors and noted that the total amount of fees paid for non-audit services rendered by the Group external auditors for the financial year ended 30 April 2015 were RM1,078,000.

STATEMENT ON CORPORATE GOVERNANCE

F) PRINCIPLE 6: RECOGNISE AND MANAGE RISKS

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

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

To assist the Board in maintaining a sound system of internal control for the purposes of safeguarding shareholders' investments and the Company's assets, the Group has in place, an adequately resourced internal audit department. The activities of this department which reports regularly to the Audit Committee provide the Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control. As proper risk management is a significant component of a sound system of internal control, the Group has also put in place risk management process to help the Board in identifying, evaluating and managing risks. The implementation and maintenance of the risk management process is carried out by the Risk Management Committee of the Group.

A Statement on Risk Management and Internal Control of the Group which provides an overview of the state of internal controls within the Group is set out on Page 34 of the Annual Report.

G) PRINCIPLE 7: ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

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

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

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

H) PRINCIPLE 8: STRENGTHEN RELATIONSHIPS BETWEEN 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 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.

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

STATEMENT ON CORPORATE GOVERNANCE

H) PRINCIPLE 8: STRENGTHEN RELATIONSHIPS BETWEEN COMPANY AND SHAREHOLDERS (CONT'D)

Poll Voting

In line with the MCCG 2012, all the resolutions passed by the shareholders at the previous AGM held on 27 October 2014 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.

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 principally 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.

The various channels of communications are through the quarterly announcements on financial results to Bursa Securities, relevant announcements and circulars, when necessary, AGM and also the Group's website.

COMPLIANCE WITH THE MCCG 2012

The Board is satisfied that the Company has, in all material aspects, complied with the principles and recommendations of the MCCG 2012 that were in place during the financial year ended 30 April 2015.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Responsibility

The Board of Directors of Berjaya Land Berhad ("BLand" or "the Group") recognises that it is responsible for the Group's system of internal control and for reviewing its adequacy and integrity. The Board's responsibility in relation to the system of internal control extends to all the subsidiaries of the Group. In view of the limitations that are inherent in any system of internal control, the Group's internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives. As such, the system can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board's primary objective and direction in managing the Group's principal business risks are to enhance the Group's ability to achieve its business objectives. In order to measure the achievement of the business objectives, the Board monitors the Group's performance and profitability at its Board meetings and provides feedback to the Executive Directors.

In line with the Malaysian Code of Corporate Governance, and as part of the Company's plans to further enhance the Group's system of internal control, the Board tasked the Risk Management Committee ("RMC") with the overall responsibility to regularly review and monitor the risk management activities of the Group and to approve appropriate risk management procedures and methodologies. The members of the RMC are as follows:

- Datuk Robert Yong Kuen Loke (Chairman)
- Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim
- Dato' Ng Sooi Lin
- Datuk Maizan Bin Shaari
- Tan Thiam Chai
- Phan Yoke Seng

The RMC terms of reference include, inter alia:

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

For the financial year ended 30 April 2015, the RMC held meetings where it reviewed and evaluated the adequacy of risk management activities of various unlisted operating subsidiary companies (i.e. Cempaka Properties Sdn Bhd, Kota Raya Development Sdn Bhd, Nural Enterprise Sdn Bhd and Berjaya Air Sdn Bhd) and recommended certain measures to be adopted to mitigate their business risk exposures.

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

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Assurance Mechanism

The Board has assigned the Audit Committee with the duty of reviewing and monitoring the effectiveness of the Group's internal control. The Audit Committee receives assurance reports from both the internal and external auditors. The Internal Audit function furnishes the Audit Committee with reports from visits conducted at various operating units. The external auditors provide assurance in the form of their annual statutory audit of the financial statements. Further, any case for improvement identified during the course of the statutory audit by the external auditors are brought to the attention of the Audit Committee through management letters, or are articulated at Audit Committee meetings.

The Board also reviews the minutes of meetings of the Audit Committee. The Report of the Audit Committee is set on pages 37 to 40 of the Annual Report.

Management Style and Control Consciousness

The Group's operations are divided into three main divisions:

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

The Chief Executive Officer and Executive Directors are assigned to manage the businesses of the Group and act as the channel of communication between the Board and the management of various divisions.

The Executive Directors, together with their respective management team, attend various management and operations meetings and review financial and operations reports, in order to monitor the performance and profitability of the Group's businesses. The Group also prides itself in the "open-door" and "close-to-operations" policy practised by the Executive Directors and management. Any matters arising are promptly and efficiently dealt with by drawing on the experience and knowledge of employees throughout the Group.

Both the Leisure and Property Divisions have in place stringent processes to ensure that employees understand the importance of and adhere to the policies and procedures that are outlined in the respective divisions' system of internal control. Among such processes are the Daily Morning briefing meetings and customer feedback evaluation at the Leisure Division's hotels, and various Site and Project meetings with consultants, the Tender Committee's review and recommendation of contractors at the Property Division.

The Group's Gaming Division operates through its subsidiary company, BToto and an associated company, Berjaya Assets Berhad ("BAssets"). The Board has a process in place whereby representatives of the Group sit on the Boards of BToto and BAssets respectively, to serve the Group's interests.

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

The Board does not regularly review the internal control system of its other associated companies although management accounts are provided for information, as the Board does not have any direct control over their operations. As for its foreign incorporated joint ventures, the Group has appointed representatives to the respective members' councils of these ventures which hold regular meetings to oversee and manage their respective operations.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Internal Audit Functions

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

Key Features of the Internal Control System

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

- Clear organisation structure and delineated reporting lines
- Defined levels of authority
- Timely financial and operations reports
- Scheduled operations and management meetings
- Standard operating procedures for the Leisure Division
- Capable workforce with ongoing training efforts
- Formal employee appraisal system which enables appraisal of employees and rewarding employees based on performance
- Payment functions controlled at Head Office
- Physical security and systems access controls
- Centralised procurement function that ensures approval procedures are adhered to, as well as to leverage on the Group's purchasing power
- Surprise checks on agents to ensure compliance with the Group's policies and procedures
- Independent assurance on the system of internal control from regular internal audit visits
- Business Continuity Planning
- Succession planning to ensure that key positions in the Group are always 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 action plans, when necessary, to further enhance the Group's system of internal control.

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

AUDIT COMMITTEE REPORT

The Board of Directors of Berjaya Land Berhad ("BLand") is pleased to present the report of the Audit Committee for the financial year ended 30 April 2015.

AUDIT COMMITTEE MEMBERS AND MEETING ATTENDANCES

The members of the Audit Committee comprises the following:-

Datuk Maizan Bin Shaari

Chairman/Independent/Non-Executive Director

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

Independent/Non-Executive Director

Datuk Robert Yong Kuen Loke

Independent/Non-Executive Director

The Audit Committee held seven (7) meetings during the financial year ended 30 April 2015. The details of attendance of the Audit Committee members are as follows:-

Name	Attendance
Datuk Maizan Bin Shaari	7/7
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	6/7
Datuk Robert Yong Kuen Loke	6/7

The General Manager of Group Internal Audit, the Chief Executive Officer and the Executive Director who is also heading the Group Accounts and Budgets Division were also invited to attend the Audit Committee meetings. The external auditors were also invited to attend three of these meetings. The Audit Committee also met with the external auditors without the presence of executive Board members and the Management.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The activities undertaken by the Audit Committee during the financial year ended 30 April 2015 included the following:-

1. Reviewed the quarterly and year-to-date unaudited financial results of the Group before submission to the Board for consideration and approval;
2. Reviewed and discussed the external auditors' audit report and areas of concern in the management letter thereof;
3. Reviewed the external auditors' scope of work and audit plan for the year;
4. Reviewed the internal audit reports presented and considered the major findings of internal audit in the Group's operating subsidiaries through the review of internal audit reports tabled and management responses thereto and ensuring significant findings were adequately addressed by management;
5. Reported to the Board on its activities, significant findings and results;
6. Reviewed the related party transactions and the circular to shareholders in connection with the recurrent related party transactions.
7. Reviewed and recommended for Board's approval, the Audited Financial Statements of the Company;
8. Reviewed and recommended for Board's approval, the Statement on Corporate Governance, the Statement on Risk Management and Internal Control and the Audit Committee Report for inclusion in the Annual Report;
9. Reviewed the Internal Audit Plan for financial year 2016;

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

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

The activities undertaken by the Internal Audit Division during the financial year ended 30 April 2015 included the following:

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

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

The cost incurred for the Internal Audit function of the Group in respect of the financial year ended 30 April 2015 was approximately RM1,161,020.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

1. Membership

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

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

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

TERMS OF REFERENCE OF THE AUDIT COMMITTEE (CONT'D)

2. Chairman

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

3. Secretary

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

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

4. Frequency of Meetings

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

5. Authority

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

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

6. Duties

The duties of the Committee shall be:-

- a) To review and recommend the appointment of external auditors, the audit fee and any questions of resignation or dismissal including the nomination of person or persons as external auditors;
- b) To discuss with the external auditors where necessary, on the nature and scope of audit and to ensure coordination of audit where more than one audit firm is involved;
- c) To review the quarterly results and year-end financial statements prior to the approval by the Board, focusing on:-
 - going concern assumption
 - compliance with applicable financial reporting standards and regulatory requirements
 - any changes in accounting policies and practices
 - significant issues arising from the audit
 - major judgemental areas

AUDIT COMMITTEE REPORT

TERMS OF REFERENCE OF THE AUDIT COMMITTEE (CONT'D)

- d) To prepare the Audit Committee Report at the end of each financial year;
- e) To discuss problems and reservations arising from the interim and final external audits; and any matters the external auditors may wish to discuss (in the absence of management, where necessary);
- f) To review the external auditors' management letter and management's response;
- g) To review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- h) To do the following with regards to the internal audit function:-
 - review the adequacy of scope, functions, competency and resources of the internal audit department and that it has the necessary authority to carry out its work;
 - review the internal audit programme;
 - ensure coordination of external audit with internal audit;
 - consider the major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;
 - to monitor related party transactions entered into by the Company and its subsidiaries, and to ensure that the Directors report such transactions annually to shareholders via the annual report;
 - to review and monitor the effectiveness of internal control systems and to evaluate the systems with the external auditors;
- i) To carry out such other responsibilities, functions or assignments, as may be defined jointly by the Committee and the Board from time to time;
- j) In compliance with Paragraph 15.16 of the Main Market Listing Requirements of Bursa Securities ("Listing Requirements"), where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Committee must promptly report such matter to Bursa Securities.