



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

برجاي لاند برحد
成功置地有限公司

ANNUAL REPORT 2016





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

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

OUR MISSION AND VISION

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

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

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Artist impression of Kensington Gardens, Penang.

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.

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
Nerine Tan Sheik Ping
Chryseis Tan Sheik Ling
Pee Kang Seng @ Lim Kang Seng

Non-Independent/Non-Executive Director

Dato' Dickson Tan Yong Loong

Independent/Non-Executive Directors

Datuk Robert Yong Kuen Loke
Datuk Kee Mustafa

AUDIT COMMITTEE

Chairman/Independent Non-Executive Director

Datuk Robert Yong Kuen Loke

Independent/Non-Executive Directors

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

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
Malayan Banking Berhad
OCBC Bank (Malaysia) 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**

77 years of age, Malaysian, Male
Chairman (Independent/Non-Executive)

Tan Sri Datuk Seri Razman Md Hashim 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

60 years of age, Malaysian, Male
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

57 years of age, Malaysian, Male
(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 Berjaya 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 a Director of Atlan Holdings Bhd, 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

42 years of age, Malaysian, Male
(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 and Business Administration, from Manchester Business School, University of Manchester, UK.

He has extensive range of expertise that culminates all aspects of residential and mixed-use developments experience of over two decades in the construction and property development industry that transcended local boundaries encompassing the Middle East, China, Japan, Singapore and Australia. He began his career with a local conglomerate, Sunway Construction Berhad for over a decade, as a Graduate Engineer before assuming on the role of Head of Special Unit at the Group level.

He joined Dijaya Corporation Berhad (now known as Tropicana Corporation Berhad) in 2010 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 particularly in East Malaysia as well as new developments in the Klang Valley.

He was responsible for a number of key achievements where he and his strategic team have been instrumental in securing award winning accolades throughout his professional career in various organizations such as Best Master-planned Townships, Best Landed Residential Development (FIABCI 2014 Award), and Top 10 Property Developers in Malaysia (BCA 2010).

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



NERINE TAN SHEIK PING

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

She was appointed to the Board on 11 January 2016 as an Executive Director. She graduated with a Bachelor of Science Degree in Management (Second Class Honour) from the London School of Economics, United Kingdom in 1998.

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

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

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

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

Her sister, Chryseis Tan Sheik Ling and her cousin, Dato' Dickson Tan Yong Loong, are also members of the Board.

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



CHRYSEIS TAN SHEIK LING

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

She was appointed to the Board on 1 April 2016 as an Executive Director. She graduated with a Bachelor of Arts in Liberal International Studies from Waseda University, Tokyo in 2012. She also did an exchange program in Accounting and Finance in London School of Economics, United Kingdom for a year in 2010.

Currently, she is a Director of Berjaya Assets Food (BAF) Sdn Bhd ("BAF"), a subsidiary of Berjaya Assets Berhad which is involved in the Food & Beverage industry. BAF has secured the right to manage the franchise of Greyhound Café in Malaysia with the successful opening of its first outlet in Jalan Bukit Bintang, Kuala Lumpur. Greyhound Café is a franchised chain of restaurants established in Bangkok, Thailand.

She is also a Director and Chairman of Natural Avenue Sdn Bhd ("NASB") since 1 August 2014. NASB is the exclusive agent for Sarawak Turf Club's Special Cash Sweep Number Forecast Lotteries in Sarawak.

Presently, she is also the Head of Marketing for Four Seasons Hotel and Hotel Residences Kyoto, Japan a hotel and residences development project undertaken by Berjaya Kyoto Development (S) Pte Ltd, an associated company of Berjaya Land Berhad.

She was previously an Executive Director of Berjaya Times Square Sdn Bhd ("BTSSB") from September 2013 to April 2015 and currently, she is the Chief Executive Officer of BTSSB mainly involved in the marketing and overall management of Berjaya Times Square mall located in Kuala Lumpur.

Her sister, Nerine Tan Sheik Ping and her cousin, Dato' Dickson Tan Yong Loong, are also members of the Board.

Chryseis Tan Sheik Ling is a member of the Risk Management Committee of the Company.

PROFILE OF DIRECTORS



PEE KANG SENG @ LIM KANG SENG

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

He was appointed to the Board on 4 August 2016 as an Executive Director. He holds a Bachelor of Civil Engineering (Honours) Degree from University of Glasgow, Scotland. He also holds professional qualifications of Chartered Engineer C. Eng (UK) and Professional Engineer P. Eng (Malaysia).

Upon graduation in 1976, he joined Public Works Department until 1980 when he was appointed as the Chief Engineer of Kuantan Port Authority. He left the Government Service in 1984 and joined Syarikat ISDA Sdn Bhd as a Project Director for 6 years.

From 1990 to 2000, he worked for Hong Leong Group holding various capacities including his appointment as the Group Managing Director of Hume Industries Berhad and C.I. Holdings Berhad. In 2001, he joined Amsteel Corporation Berhad as the Group Managing Director until his retirement in 2005.

Upon his retirement, he had worked in senior positions for various other companies and also in the property development and construction industry.

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

Pee Kang Seng @ Lim Kang Seng is a member of the Risk Management Committee of the Company.



DATO' DICKSON TAN YONG LOONG

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

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 joined Tropicana Corporation Berhad ("Tropicana") as Business Development Manager in 2005 and has been promoted to several senior management positions prior to his current position as the Deputy Group Chief Executive Officer of Tropicana. Currently, he is overseeing group corporate strategy, marketing, planning and risk management of the Tropicana group of companies. He is also a Director of several other local and international private limited companies involved in investment holding, services, media, leisure and retail.

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

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

His cousins, Nerine Tan Sheik Ping and Chryseis Tan Sheik Ling, are also members of the Board.



DATUK KEE MUSTAFA

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

He was appointed to the Board on 11 January 2016 as an Independent Non-Executive Director. He holds a Bachelor of Arts Degree in Anthropology and Sociology from University of Malaya.

Datuk Kee Mustafa was a Career Civil Service Officer, having served the State Government of Sabah for a period of 33 years from 1974 to 2007. During his tenure with the State Government of Sabah, he had served in various positions and Government Departments including holding several senior positions, namely, Permanent Secretary to the Ministry of Infrastructure (1996) and Director of Public Services Department, Sabah (2000). He was subsequently appointed as the State Secretary to the State Government of Sabah in April 2000 and had held the position until his retirement in 2007. While being the State Secretary, he was the Head of the State Public Service and Secretary to the State Cabinet. He was also appointed as a member of the Royal Commission of Inquiry on Immigrants in Sabah from 2012 to May 2014.

Currently, he is an Independent Non-Executive Director of Suria Capital Holdings Berhad and he also holds directorships in several other private limited companies.

Datuk Kee Mustafa is a member of the Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee of the Company.



DATUK ROBERT YONG KUEN LOKE

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

He was appointed to the Board on 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 Audit Committee and Risk Management Committee. He is also a member of the Nomination Committee of the Company.

Save as disclosed, none of the Directors have:-

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

KEY SENIOR MANAGEMENT

DATO' SRI ROBIN TAN YEONG CHING

42 years of age, Malaysian, Male

Chief Executive Officer, Berjaya Sports Toto Berhad

He was appointed to the Board of Berjaya Sports Toto Berhad on 21 February 1998 as an Executive Director and subsequently appointed as the Chief Executive Officer of the Company on 21 December 2006. He graduated with a Bachelor of Social Science degree in Accounting/Law from the University of Southampton, United Kingdom, in 1995. He joined Berjaya Group Berhad in 1995 as an Executive and subsequently became the General Manager, Corporate Affairs in 1997.

Currently, he is the Chairman and Chief Executive Officer of Berjaya Corporation Berhad and an Executive Director of Sports Toto Malaysia Sdn Bhd. He is the Executive Chairman of Berjaya Food Berhad and the Chairman of Berjaya Media Berhad, Sun Media Corporation Sdn Bhd and Informatics Education Ltd, Singapore. He is also a Director of Atlan Holdings Bhd, Berjaya Sampo Insurance Berhad, Berjaya Golf Resort Berhad and KDE Recreation Berhad. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

Save as disclosed, his sisters, Nerene Tan Sheik Ping and Chryseis Tan Sheik Ling, and his cousin Dato' Dickson Tan Yong Loong, are members of the Board of the Company.

HANLEY CHEW

51 years of age, Malaysian, Male

Chief Executive Officer, Hotels and Resorts Division, Berjaya Land Berhad

He was appointed Chief Executive Officer of Berjaya Hotels & Resorts Division on 1 April 2016. He brings with him over 25 years of experience in the hospitality, travel and timeshare industries.

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

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

KHOR POH WAA

60 years of age, Malaysian, Male

President, Berjaya Vacation Club Berhad

He holds an Accounting Degree from the University of Malaya and served in the Accountant General Office before joining the private sector in 1985.

He joined Berjaya Vacation Club Berhad ("BVC") in 1993 and is currently the President of Berjaya Vacation Club Berhad since 1997 and the Director of Berjaya Clubs since 2012. He manages the Company's timeshare, golf and recreational club division and has vast experience in the hotel, golf and club industry.

Currently, he is Chairman of the Malaysian Golf & Recreational Owners Association for the period 2015 to 2017. He was the Chairman of the Malaysian Holiday Timeshare Developer's Federation from 1995 to 2015.

FOO TOON KEE

50 years of age, Malaysian, Male

Chief Operating Officer, Hotels & Resorts Division, Berjaya Land Berhad

He holds a Bachelor's Degree in Business from University of Southern Queensland, Australia and is a member of the Malaysian Institute of Accountants. He started his career with Ernst & Young and has worked in several public listed and private limited companies before joining the Company in 1998.

He was appointed as Chief Operating Officer of Berjaya Hotels & Resorts Division on 1 January 2013. Prior to his current role, he was the Senior General Manager and Acting Head of Berjaya Hotels, Resorts & Clubs from April 2003 to December 2012.

SEOW SWEE PIN

59 years of age, Malaysian, Male

Non-Independent/ Executive Director, Berjaya Sports Toto Berhad

He worked with Messrs Ernst & Young from 1976 to 1984 and was appointed Audit Manager in 1982. Between 1984 and 1990, he held various senior management positions in several major public listed groups including Group Financial Controller of Island & Peninsular Berhad, Group Chief Accountant of Sime Darby Berhad and Group Chief Accountant of Lion Corporation Berhad.

He joined the Company as General Manager (Finance) in 1991. In 1994, he was appointed General Manager (Finance & Operations) of Sports Toto Malaysia Sdn Bhd and was subsequently promoted to Senior General Manager in 1996.

He was appointed to the Board of Berjaya Sports Toto Berhad on 17 December 2007 as an Executive Director.

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

He is a member of the Malaysian Institute of Certified Public Accountants, the Malaysian Institute of Accountants and Certified Practising Accountants, Australia.

TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN

64 years of age, Malaysian, Male

Managing Director/Chief Executive Officer, Sports Toto Malaysia Sdn Bhd

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

Currently, he is the Executive Chairman of Berjaya Times Square Sdn Bhd and the Chairman of U Mobile Sdn Bhd. He is also the Managing Director/Chief Executive Officer of Sports Toto Malaysia Sdn Bhd. He also holds directorships in several other private limited companies.

He is the father of Dato' Sri Robin Tan Yeong Ching, Nerine Tan Sheik Ping and Chryseis Tan Sheik Ling, and the uncle of Dato' Dickson Tan Yong Loong.

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

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

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Berjaya Land Berhad ("B-Land"), I am pleased to present the Annual Report and Financial Statements for the financial year ended 30 April 2016.

FINANCIAL RESULTS

For the financial year ended 30 April 2016, the Group registered a revenue and pre-tax profit of RM6.28 billion and RM8.96 million respectively, compared to a revenue and pre-tax profit of RM5.91 billion and RM25.28 million respectively in the previous financial year.

The increase in revenue was primarily attributed to the sales of several parcels of land by the property development and investment business segment and the higher revenue reported by H.R. Owen Plc ("H.R. Owen") as a result of additional sales outlets as well as the introduction of new models by car manufacturers. H.R. Owen's results also benefited from the favourable effect of foreign exchange translation to Ringgit Malaysia.

The lower pre-tax profit was mainly due to the lower profit contribution reported by the gaming business segment as a result of higher prize payout and the impact from the implementation of Goods and Services Tax ("GST"), lower overall average room rates and higher operating costs reported by the hotels and resorts business segment as well as higher operating expenses incurred by H.R. Owen. In addition, the lower pre-tax profit was also due to the non-cash impairment losses of goodwill amounting to RM373.27 million in respect of the Malaysian gaming business segment which continued to be affected by the challenging economy and regulatory environment, amortization of gaming rights in respect of the Philippines gaming business segment amounting to RM28.35 million, impairment of investment in associated companies amounting to RM28.65 million, impairment of assets held for sale amounting to RM131.61 million in respect of the proposed sale of project by Berjaya (China) Great Mall Co. Ltd. which is pending completion. These impairment losses were partly mitigated by the gain on disposal and the gain on remeasurement of retained equity interest in Berjaya Kyoto Development (S) Pte. Ltd. ("BKyoto") totalling RM148.23 million.

DIVIDEND

The Board did not recommend any dividend to be paid for the financial year ended 30 April 2016.

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 Berjaya Tagar Sdn Bhd (formerly known as Selat Makmur Sdn Bhd), STC granted extension of time to 18 January 2017 to fulfill the remaining conditions precedent pursuant to the proposed acquisition of the Sungai Besi Land.
2. On 21 July 2015, B-Land announced that the Company has entered into a Subscription Agreement with Berjaya Corporation Berhad ("BCorp") and BKyoto for the proposed deemed disposal of 50% of B-Land's equity interest in BKyoto for a cash subscription of SGD34.66 million (about RM97.28 million).

In conjunction with the proposed deemed disposal, BCorp will advance to the BKyoto Group up to RM152.74 million to part-settle the inter-company debts between the BKyoto Group and B-Land as well as to fund working capital of the BKyoto Group in proportion to its shareholdings in BKyoto.

Upon completion, B-Land's equity interest in BKyoto was diluted from 100% to 50%.

3. On 6 November 2015, B-Land announced that its 72.6% subsidiary, Berjaya Jeju Resort Limited ("BJR"), has instituted legal proceedings in the Republic of Korea against Jeju Free International City Development Center ("JDC") for the breach by JDC of certain terms and conditions set out in the Land Sale and Purchase Agreement dated 30 March 2009 ("Land SPA") entered into between BJR and JDC in relation to the proposed mixed development of an international themed village known as the "Jeju Airst City" in Jeju Island, Republic of Korea ("Jeju Project") and to claim for losses and damages incurred as a result thereof ("JDC Lawsuit"). JDC holds a 19% stake in BJR.

Pursuant to the Land SPA, JDC is obligated to transfer the lands acquired thereunder to BJR free from all liens, security interests and encumbrances. However, on 20 March 2015 the Supreme Court of the Republic of Korea ("Korean Supreme Court") ruled that the expropriation by JDC of certain parcels of land which were then subsequently sold to BJR pursuant to the Land SPA was invalid. Hence, JDC had breached the terms of the Land SPA as it failed to transfer good and unencumbered title to the said land to BJR. A consequence of the Korean Supreme Court decision is that certain former owners of the said land had filed a suit demanding that the said land be returned to them. Under the circumstances, the on-going development works on the Jeju Project has been suspended pending the resolution of this matter by JDC with the affected landowners.

Pursuant to the financing arrangement for Phase 1 of the Jeju Project and following the suspension of the development work thereon, JDC had repurchased part of the land (under Phases 2 to 9) for KRW107.0 billion (about RM374.5 million) and the cash proceeds were used to fully settle the loan outstanding with the financiers, and to partially settle the Phase 1 construction cost due and owing to the main contractor.

On completion of the land repurchased by JDC, BJR gave notice to terminate the Land SPA in respect of the remaining land under Phase 1 of the Jeju Project. The JDC Lawsuit is still on-going.

4. On 16 December 2015, B-Land announced that Berjaya (China) Great Mall Co. Ltd ("GMOC"), a 51%-owned subsidiary of Berjaya Leisure (Cayman) Limited had entered into a Construction Project Transfer Agreement with Beijing SkyOcean International Holdings Limited for the proposed disposal of the Berjaya (China) Great Mall Recreation Centre, which is under construction and located in Sanhe City, Hebei Province of the People's Republic of China for a cash consideration of RMB2.08 billion (about RM1.39 billion). The proposed disposal is pending completion.
5. On 20 January 2016, Berjaya Sports Toto Berhad ("BToto") and BCorp jointly announced that the Investment Registration Certificate was issued to BCorp and Vietnam Computerized Lottery One Member Limited Liability Company ("Vietlott") by the Hanoi Department of Planning and Investment, certifying the award of an exclusive 18-year contract to invest in and operate a nationwide computerized lottery system in Vietnam ("Project"). The Project is being carried out by the indirect subsidiary of BCorp namely Berjaya Gia Tinh Investment Technology Joint Stock Company ("Berjaya GTI"). Berjaya GTI, 51% owned by Berjaya Lottery Vietnam Limited ("BLV") which is in turn 80% owned by BCorp and 20% owned by BToto, commenced operation on 18 July 2016.



Dato' Sri Robin Tan together with the senior representatives from Vietnam's Finance Ministry, Vietnam Computerized Lottery One Member Company Ltd and Berjaya Gia Tinh Investment Technology Joint Stock Company launched the Mega 6/45 Lotto game in Ho Chi Minh City, Vietnam on 18 July 2016.

CHAIRMAN'S STATEMENT

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

B-Land and its subsidiaries continued to bring positive difference in the lives of those in need by extending support and contributions to various social initiatives locally and internationally.

REACHING OUT TO THE COMMUNITIES

B-Land and its subsidiaries continued with its tradition of spreading festive cheer to the less fortunate groups by hosting various festive gatherings for more than 20,000 Malaysians across the country, most notably through the annual Sports Toto Chinese New Year Ang Pow Donation Campaign. The event which marked its 28th anniversary benefited more than 17,000 needy senior citizens in 45 cities and towns throughout the country.

Sports Toto collaborated with NTV7 for the sixth consecutive year in producing of a 13-episode charity-themed TV programme – "Helping Hands Season 6" which provided impoverished families, indigenous groups, micro-sized primary schools and charitable organisations with the necessary home improvements, medical provisions and other necessities to improve their living conditions. This programme has benefited a total of 71 beneficiaries since its inception in 2011.

SPORTS

Sports Toto also collaborated with the Olympic Council of Malaysia ("OCM") in recognising outstanding Malaysian athletes through the OCM-Sports Toto Outstanding Athletes of The Games Award 2015. The awards were presented to 29 individual gold medalists and 5 team gold medalists for their achievements at the 28th SEA Games 2015 held in Singapore.

Sports Toto also supported numerous sporting events such as the Go For It! – FTKLAA Cross Country 2016, Penang Bridge International Marathon 2015, Seremban Half Marathon 2015, 204KM KL – Maran Big Walk 2015, Kenny Rogers Chicken Run 2015, Milo – FTKLAA Walk Circuit 2015, AmBank City Day Run 2015, MBPJ Squash Open Championship 2015, Asean Basketball League 2015, Sports Toto 3-On-3 Basketball Jamboree at Kuching Festival 2015 and Sports Integration With The Society of The Blind, among others.

EDUCATION

In line with its objective of promoting literacy and education, B-Land and its subsidiaries supported the operation cost of five community education centres providing free English, computer and personal development lessons to underprivileged children and adults across the country.

Sports Toto also extended the "Reading My Companion" learning programme to 23 Chinese primary schools in the rural areas of various states across the country. Since 2012, the well-received programme has reached out to approximately 5,600 students in 45 Chinese primary schools in Selangor, Perak, Negeri Sembilan, Melaka and Pahang.

ENVIRONMENT

As part of its effort towards marine conservation, B-Land and its subsidiaries supported the "Shelter in The Sea for Marine Life" coral reef propagation project in August 2015. The project involved the laying of 67 concrete pipes, ranging from one to two metres in diameter, on the seabed between Berjaya Tioman Resort Dive Centre and Renggis Island off Johor to encourage coral growth and also provide protection for marine life.



The annual Sports Toto Chinese New Year Ang Pow Donation Campaign.



Recipients of OCM-Sports Toto Outstanding Athletes of the Games Award 2015.

Berjaya Hotels & Resorts ("BHR") continued to spread awareness on environment conservation through the annual Tioman World Ocean Day ("TWOD") with activities such as a clean-up dive to remove sea debris and Crown of Thorns from the sea beds, beach clean-up and a workshop for school children about the importance of sharks in the marine ecosystem conducted by Shark Savers'.

ARTS AND CULTURE

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



The annual Tioman Island Clean-Up Day by Berjaya Hotels & Resorts.

FUTURE OUTLOOK

The global economic environment is expected to remain modest due to the fragility of recovery in advanced economies, lower prices of crude oil and other key commodities and weak global trade. Against this scenario, the recent United Kingdom's referendum to leave the European Union or Brexit has also created heightened economic uncertainty which is likely to put added pressure on the global economy in the months or years to come.

On the domestic front, the Malaysian economy registered a lower growth of 4.1% in the first quarter of 2016 compared to 4.5% in the fourth quarter of 2015 due to slower growth in the manufacturing and services sectors as businesses and households continue to hold back on spending. In order to ensure the country remains firm to weather the economic challenges, the Government restructured and recalibrated Budget 2016 which focused on strengthening domestic resilience.

The local property market outlook is expected to remain subdued in light of the weaker economic environment, poor consumer sentiment and stringent financing requirements imposed by Bank Negara Malaysia. The Government has, however, taken proactive measures to increase home ownership among Malaysians, especially first time home buyers from the lower and middle-income groups with a household income of RM10,000 and below. This includes the introduction of The First Home Deposit Funding Scheme ("MyDeposit") for properties priced RM500,000 and below. The property development segment of B-Land is moving in tandem with the Government's aspiration to cater to the needs of the lower and middle-income groups by building more affordable houses to meet the market needs. The demand for these affordable housing projects and other residential properties is anticipated to remain strong especially developments at strategically located areas in Bukit Jalil, Kuala Lumpur with close proximity to urban public transportation systems.

Despite the increased 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 driven by its strategic locations.



Affordable homes project, Akasia Apartments at Berjaya Park, Shah Alam, Selangor.

CHAIRMAN'S STATEMENT



Artist impression of the Four Seasons Hotel and Hotel Residences Kyoto, Japan.

Meanwhile, the hotel industry is expected to remain challenging due to weakening demand from the leisure and corporate traveller markets amidst a slower economic condition. Despite the foreseeable challenging environment, the hotels and resorts business segment will continue to strengthen its brand presence through the adoption of various innovative marketing strategies and diverse distribution channels to further expand its market reach. These, coupled with the continuous efforts to improve service quality and operating efficiency throughout its operations, will enable the hotels and resorts business segment to weather the headwinds and continue to drive business growth.

On the international front, the Group's associated company's property, the Four Seasons Hotel and Hotel Residences Kyoto, Japan is scheduled to officially open for business in the middle of October 2016. The property with 123 hotel rooms and 57 hotel residences is located on a 20,433.55-square metre site in the historical core of Higashiyama-ku amidst the temples and heritage sites of Kyoto. Given the rapid growth of tourist and business arrivals into Japan for the past few years, the Four Seasons Hotel and Hotel Residences Kyoto is expected to perform well in the future.

In view of the rising cost of living which continues to dampen consumer spending, the impact from the implementation of GST on Sports Toto and increasing illegal gaming activities, the Number Forecast Operators ("NFO") business under BToto is expected to be challenging. Nonetheless, it is expected that Sports Toto would maintain its market share in the NFO sector.

The Company is mindful about the increased challenges and strives to strengthen its portfolio and drive further cost efficiencies to remain competitive. Given the current trajectory and modest growth outlook, the Directors are of the view that the Group's performance will remain challenging in the financial year ending 30 April 2017.

A NOTE OF APPRECIATION

On behalf of the Board, I would like to convey our sincere thanks to Datuk Maizan bin Shaari who retired from the Board effective 19 October 2015 for his contributions during his tenure as an Independent Non-Executive Director of the Group.

We take this opportunity to warmly welcome a new Independent and Non-Executive Director, Datuk Kee Mustafa and a new Executive Director, Ms Nerine Tan Sheik Ping, both appointed to the Board on 11 January 2016 as well as two new Executive Directors, Ms Chryseis Tan Sheik Ling, who was appointed on 1 April 2016 and Mr Pee Kang Seng @ Lim Kang Seng, appointed on 4 August 2016.

We also would like to convey our appreciation to all our valued customers, business associates, financiers and shareholders as well as the relevant government and regulatory bodies for their continued support. I also wish to accord our heartfelt gratitude to the management team for their leadership as well as the employees and the agents for their steadfast commitment, hard work and resilience, particularly during this challenging period.

To my fellow Directors, thank you for your invaluable wise counsel and support and may we continue to work together as we navigate through another challenging journey ahead.

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

4 August 2016

MANAGEMENT DISCUSSION & ANALYSIS



A Toto draw in progress.



Sports Toto product leaflets.

OVERVIEW

Berjaya Land Berhad (“B-Land”) and its subsidiaries (“Group”) is one of Malaysia’s leading companies with interest 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 in the Philippines and luxury motor retailing in the United Kingdom.

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 (“H.R. Owen”).

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

MALAYSIA

Sports Toto, the principal operating subsidiary of BToto, has approximately 680 outlets operating throughout the country, offering 7 games namely Toto 4D, Toto 4D Jackpot, Toto 5D, Toto 6D, Power Toto 6/55, Supreme Toto 6/58 and Grand Toto 6/63 which are drawn three days a week.

Revenue

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

Profit Before Tax

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

MANAGEMENT DISCUSSION & ANALYSIS

Profit After Tax

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

THE PHILIPPINES

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

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

Revenue

BPI group recorded a slight increase in revenue to Peso26.5 billion from Peso26.47 billion in the previous financial year primarily due to higher revenue contribution from H.R. Owen in the financial year under review.

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

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



A Lotto outlet in the Philippines.

Profit Before Tax

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

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

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

Profit After Tax

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



The H.R. Owen Ferrari showroom in South Kensington, London, United Kingdom.

THE UNITED STATES OF AMERICA

In the United States, BToto's subsidiary, International Lottery & Totalizator Systems, Inc. ("ILTS") provides computerised wagering equipment and systems to the online lottery and pari-mutuel racing industries worldwide. ILTS owns a voting business segment operated through Unisyn Voting Solutions, Inc. ("Unisyn") which develops and markets the 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/Profit Before Tax

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

UNITED KINGDOM

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

Revenue

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

Profit Before Tax

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

FUTURE PROSPECTS

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

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

MANAGEMENT DISCUSSION & ANALYSIS

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

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

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

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

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

HOTELS AND RESORTS

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

For the financial year under review, BHR’s total gross revenue increased to RM274.0 million from RM268.6 million registered in the previous financial year while profit before tax decreased by 43.9% to RM15.3 million compared to RM27.2 million in the previous financial year.

The increase in gross revenue was mainly contributed by higher occupancy level and room revenue which is in tandem with the growth in leisure arrivals. However, the room night bookings declined for both the Corporate FIT and Corporate Group market segments. The lower pre-tax profit was mainly due to higher operating expenses, depreciation charges and finance costs incurred during the financial year under review.



Berjaya Times Square Hotel, Kuala Lumpur.

Despite improvement in occupancy levels by 1.7 percentage points to 60.7%, stiff competition and continued pricing pressure had resulted in a 3.8% reduction in Average Room Rate (“ARR”) compared to the previous financial year. The marginal growth in the room occupancy level was insufficient to offset the reduction in ARR which contributed to a decrease in Revenue per Available Room (“RevPAR”) by 1.1% 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 and The Taaras Beach & Spa Resorts, Redang. 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 hotels and resorts were generally affected by the lower room night bookings from Corporate FIT and Corporate Group segments especially from Japan, Australia and Malaysia markets for the financial year ended 30 April 2016. However, the effect was mitigated by higher room night bookings in the Leisure Group segment from the China market. The overall occupancy level increased by 1.0 percentage point to 60.6% while the ARR decreased by 5.5%. The marginal growth in the occupancy level was insufficient to mitigate the reduction in the ARR which resulted in a decrease in RevPAR by 4.0% to RM174. With the slower rooms and food and beverage businesses, the total gross revenue decreased 3.8% to RM199.7 million compared to RM207.6 million in the previous financial year.



Aerial view of Berjaya Langkawi Resort, Malaysia.

Profit Before Tax

The Malaysian-based properties recorded a decrease of 32.1% in profit before tax to RM16.4 million compared to RM24.2 million in the previous financial year, attributed to lower revenue, higher depreciation charges and finance costs.

Berjaya Langkawi Resort, Langkawi

The resort's room occupancy level increased by 1.1 percentage point to 67.2% mainly supported by the room night bookings from the Transient FIT, Leisure FIT and Leisure Group segments of China, Middle East and India. Due to pricing pressure, the resort's ARR fell 3.6% which resulted in a decrease of 4.5% in room revenue. Consequently, the resort recorded a marginal decrease of 3.1% in gross revenue to RM70.2 million from RM72.4 million in the previous financial year. Nonetheless, the profit before tax of RM25.9 million remained at par with the previous financial year's results.

Berjaya Times Square Hotel, Kuala Lumpur

The hotel experienced lower demand from the corporate markets especially the room night bookings from the Corporate FIT and Corporate Group segments of Japan and Australia. However, this was mitigated by higher room occupancy level from the Leisure FIT and Leisure Group. The room occupancy level stood at 66.0% compared to 65.8% in the previous financial year. With the reduction in ARR by 3.5% and fewer corporate events, the hotel's gross revenue decreased by 4.8% to RM68.0 million from RM71.4 million in the previous financial year. However, profit before tax declined to RM0.8 million from RM9.7 million mainly due to lower revenue recorded, higher finance costs and higher non-recurring non-operating expenses incurred during the financial year.

Berjaya Tioman Resort, Tioman

For the financial year under review, the resort recorded an increase in room night bookings from its leisure travel market. As a result, room occupancy level increased by 0.8 percentage point to 41.0% from 40.2% in the previous financial year mainly contributed by Transient FIT, Leisure FIT and vacation timeshare market segments of Malaysia and Singapore. Since scheduled commercial flight services to the island are no longer available, the resort offered special packages with discounted rates to attract more individual leisure arrivals which resulted in a decrease of 15.2% in ARR. However, with the improvement in food and beverage business, the gross revenue increased by 1.3% to RM18.9 million compared to RM18.7 million in the previous financial year.

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

The non-availability of scheduled commercial flight services to the island has made The Taaras less attractive to foreign guests. Despite an increase in room occupancy level by 5.4 percentage points to 29.8% from 24.4% in the previous financial year, room revenue decreased by 1.6% mainly due to the reduction of 19.6% in ARR. The resort recorded lower revenue of RM17.5 million compared to RM18.9 million in the previous financial year.

ANSA Kuala Lumpur ("ANSA")

With effect from October 2015, boutique hotel Piccolo Hotel Kuala Lumpur changed its name to ANSA Kuala Lumpur. During the financial year under review, ANSA experienced stiff competition and pricing pressures from new hoteliers within its vicinity. With this, ANSA changed its marketing strategy to focus more on Transient FIT business instead of the Leisure FIT market segment. ANSA recorded an increase in room occupancy level to 71.5% from 70.6% in the previous financial year. However, the increase in room occupancy level was insufficient to mitigate the reduction in ARR, which led to the decrease in RevPAR to RM158 compared to RM171 in the previous financial year. Consequently, revenue decreased by 6.6% to RM9.9 million for the financial year under review.

Georgetown City Hotel, Penang

During the financial year under review, the hotel's room occupancy level increased marginally to 68.5% compared to 67.5% in the previous financial year. The hotel's room night bookings were mainly contributed by Transient FIT, individual business and leisure travellers from the market segments of Malaysia and Indonesia as well as from the vacation timeshare market. Overall, the hotel's revenue of RM13.5 million is at par with the previous financial year while profit before tax decreased by 7.2% mainly due to write-off of certain assets relating to its renovation exercise.

MANAGEMENT DISCUSSION & ANALYSIS

OVERSEAS HOTELS & RESORTS

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

The overseas hotels and resorts recorded an improvement in room occupancy level by 4.0 percentage points to 61.0% compared with 57.0% in the previous financial year attributed to an increase in room night bookings from the Transient FIT, Leisure FIT and Leisure Group market segments.

Overall, revenue from BHR's overseas properties increased to RM74.3 million from RM60.9 million in the previous financial year mainly due to the improvement in operating results of Berjaya Hotel Colombo, Sri Lanka and Castleton Hotel in London, United Kingdom. However, higher operating expenses, lower ARR for its hotel rooms and higher depreciation charges had resulted in BHR's overseas properties incurring loss before tax of RM1.0 million versus profit before tax of RM3.0 million in the previous financial year.

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

In Seycelles, the steady growth in leisure arrivals led to an increase in BBVB and BPR's room occupancy levels by 6.2 percentage points to 59.5% and 13.5 percentage points to 49.2% respectively. As a result, the combined RevPAR increased by 10.3% compared to the previous financial year. The higher room night bookings were mainly from Transient FIT and Leisure FIT segments from its key markets of Europe, China and India. For the financial year under review, BBVB and BPR recorded combined revenue of RM34.9 million

compared to RM30.3 million registered in the previous financial year. In spite of the higher revenue, BBVB and BPR recorded combined loss before tax of RM0.82 million mainly due to lower ARR, higher operating expenses and depreciation charges as compared to profit before tax of RM1.2 million in the previous financial year.

Berjaya Hotel Colombo, Sri Lanka

During the financial year under review, the hotel achieved better operating results with higher room night bookings from its key market, the Leisure FIT segment. As a result, room occupancy level increased to 67.2% from 47.8% in the previous financial year. However, the ARR dropped by 5.5% as the hotel adopted a flexible rate strategy and introduced competitive special deals packages to drive business volumes. The hotel experienced an impressive growth in revenue of 42.6% to RM8.7 million from RM6.1 million in the previous financial year due to stronger demand in food and beverage for banqueting and corporate meetings.

Berjaya Eden Park Hotel, London

Berjaya Eden Park Hotel recorded a marginal decline in room occupancy level by 1.4 percentage point to 87.0% compared to 88.3% in the previous financial year. The room night bookings were mainly contributed by the Transient FIT and Leisure FIT market segments. The hotel experienced a relatively flat performance with revenue of RM15.2 million registered for the financial year under review.

Castleton Hotel, London

For the financial year under review, the hotel recorded a room occupancy level of 85.4% with a total gross revenue of RM7.4 million. The room night bookings were mainly contributed by the Transient FIT market segment.



Berjaya Hotel Colombo, Sri Lanka.



InterContinental Hanoi Westlake, Vietnam.

JOINT VENTURE HOTELS

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

During the financial year under review, Sheraton Hanoi Hotel performed well due to an increase in domestic tourists and international arrivals. The hotel registered an increase in revenue by 29.6% to RM61.2 million supported by higher room occupancy level and higher ARR. Room occupancy level increased to 82.9% from 73.0% in the previous financial year while ARR increased by 16%. As a result, RevPAR rose by 32% to RM291 compared to RM220 in the previous financial year.

InterContinental Hanoi Westlake recorded a 2.1 percentage point increase in room occupancy level to 82.8% from 80.7% in the previous financial year. As a result, the hotel registered a higher RevPAR driven by stronger business demand from the Transient FIT, Corporate FIT and Leisure Group market segments.

FUTURE PROSPECTS

The overall outlook for the global tourism industry is expected to remain challenging amid slower economic conditions.

On the local front, the hotel industry is expected to benefit from various initiatives by the Malaysian Government and Tourism Malaysia in making Malaysia an attractive tourist destination.

While challenging market conditions are expected to persist, BHR will continue to place greater emphasis on implementing innovative marketing strategies with attractive promotions and packages as well as enhancing our distribution channels to drive business growth. Alongside these efforts, BHR will continue to improve its service quality and operating efficiency throughout its operations.

CLUBS & RECREATION

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

Staffield Country Resort have been awarded with Most Improved Golf Course in 2015 under the Malaysian Golf Awards, and Bukit Jalil Golf & Country Resort, have recently been awarded by Pargolf People's Choice Award 2016 for the "Most Improved Golf Course Malaysia" – Top 3.

The Clubs have a total membership of 16,475 as at 30 April 2016 of which 8,471 are golf membership and 8,004 are non-golf membership.

Revenue

The revenue for the financial year ended 30 April 2016 has decreased to RM53.8 million compared with RM57.1 million in the previous financial year, resulting from the hikes of revenue in previous financial year on group termination exercise.

Profit Before Tax

For the financial year ended 30 April 2016, The Clubs reported a pre-tax profit of RM4.9 million compared with RM8.1 million in the previous financial year. The decrease of the pre-tax profit was due to lower revenue generated from the reduced membership base after the group termination exercise.



Bukit Jalil Golf & Country Resort, Kuala Lumpur.

MANAGEMENT DISCUSSION & ANALYSIS

FUTURE PROSPECTS

The financial year ending 2017 will remain competitive and challenging for the recreation club industry. Moving forward, The Clubs will continue to upgrade its facilities on male changing room for Bukit Jalil Golf & Country Resort and Bukit Banang Golf & Country Club as well as golf course improvement for the latter. With the existing membership base and improved visitors patronizing The Clubs, the Club's performance will remain strong in its present position.

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 across Asia, Europe, Middle East and Africa, among others.

Revenue

For the financial year ended 30 April 2016, BVC reported a slight decrease in revenue to RM10.6 million from RM10.8 million registered in the previous financial year mainly due to fewer bookings made by members for affiliated hotels, which consequently reduced surcharges.

Operating Profit

Operating profit decreased to RM3.8 million from RM4.5 million in previous financial year due to the lower advance licence fee recognised from the termination of delinquent memberships.

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 B-Land Group is primarily involved in the development of the Group's land bank locally and abroad.

The financial year under review has been a challenging year for the PD Division as the property market softened considerably due to the various cooling measures introduced by the Government to curb speculative market and impact from the implementation of the Goods and Services Tax ("GST") coupled with declining crude oil prices and the weakening of the Ringgit against the US dollar.

Despite the multiple challenges, the PD Division remained resilient by focusing its efforts on managing the on-going projects and enhancing its marketing strategies for existing stock as well as future project launches.

The financial year under review saw the completion of KM1 East at Bukit Jalil, Kuala Lumpur comprising one block of 154 units of high-rise and one block of 24 units of low-rise luxurious condominium units. As at 30 April 2016, more than 95% of the total units available have been sold with a total sales value of RM227 million. The completed units were progressively delivered to purchasers in the first quarter of 2016.



Entrance of KM1 East Condominiums at Bukit Jalil, Kuala Lumpur.

The construction work for Phase 1 of Link 2, Bukit Jalil is at a progressive stage with more than 33% works completed. The Link 2 is a mixed development comprising shop offices, street mall commercial lots and residences within a self-contained development that embodies the concept of "Live, Work and Play". As at 30 April 2016, the project has generated a total sales value of RM428 million.

The PD Division is scheduled to launch Phase 2 of the Link 2 in the first quarter of 2017 featuring 16 units of 4-storey and 6-storey shops, 252 units of retail outlets and kiosks spread on a 5-level street mall and 3 blocks of service apartment suites with a total of 1,061 units comprising 2-bedroom and 3-bedroom types. The total gross development value ("GDV") for this project is estimated at RM857 million.

Up north in Penang Island, the Phase 1 of Jesselton Villas, Kensington Gardens showcases 69 units of bungalow lots with sizes ranging from 5,995 to 9,634 square feet priced averagely at RM644 per square foot. As at 30 April 2016, more than 49% of the total units have been sold with a total sales value of RM147 million. Construction works have commenced and the project is anticipated to be completed by the middle of 2017.

On the international front, the Group's associated company's property, luxurious Four Seasons Hotel and Hotel Residences ("Four Seasons Hotel") project in Kyoto, Japan is anticipated to be completed in September 2016. Whilst the main structure works of the buildings have been fully completed, works for the interior design are still on-going. The project features 123 hotel rooms and 57 hotel residences with a fine blend of Japanese heritage and elegance. Scheduled for opening in October 2016, Four Seasons Hotel Kyoto will offer a unique state-of-the-art experience that honours the rich Japanese heritage while the 57 hotel residences offer a once-in-a-lifetime opportunity for the discerning few to own a premium residence in the heart of Kyoto City with exclusive enjoyment of the Four Seasons Hotel hospitality plus extensive protection of resident privacy.



The Four Seasons Hotel and Hotel Residences Kyoto is scheduled to open for business in October 2016.

Revenue

Despite the subdued economic environment and slowdown in property market amid tighter lending conditions imposed by banks, the PD Division still registered an increase in revenue of 42.7% to RM331.9 million from RM232.6 million in the previous financial year due to higher progress billings and disposal of several parcels of non-strategic land.

Profit Before Tax

The PD Division recorded a loss before tax of RM125.2 million as compared to a profit before tax of RM21.6 million in the previous financial year.

The loss before tax was mainly due to the impairment of assets held for sale amounting to RM131.6 million and other incidental selling expenses incurred in respect of the proposed disposal of a foreign development project.

The Malaysian based PD projects reported a profit before tax of RM102.6 million as compared to corresponding figure of RM63.4 million in the preceding financial year. The significant improvement of 61.8% was mainly contributed by profit recognition from higher percentage of works completion for existing projects and lucrative capital gains from disposal of several parcels of non-strategic land banks.

Profit After Tax

In line with the above, PD Division reported a loss after tax of RM160.5 million as compared to profit after tax of RM2.1 million registered in the previous financial year.

FUTURE PROJECTS

Another project within Bukit Jalil, Kuala Lumpur currently in the planning stage is a high end luxurious condominium project, KM2 which will be developed in four phases over a land area of 12.24 acres. KM2 will feature four blocks of 22-storey and 33-storey condominiums totalling 1,500 units with sizes ranging from 850 square feet to 2,200 square feet and is projected to be launched by the first quarter of 2019.

MANAGEMENT DISCUSSION & ANALYSIS

Over in Seputeh Heights, Kuala Lumpur, the Ajani, an exclusive high-end semi-detached development featuring 3-storey freehold villas within a gated and guarded sanctuary, is scheduled to be unveiled by the first quarter of 2017. With only 42 units on 4.8 acres of land, this low density niche development will offer luxury and contemporary modern living homes with layout, features and fittings. The planning and other pre-construction work are in progress and well under way. The PD Division is anticipating a GDV of RM271 million from this project.

In line with Budget 2016 and the Government's concerted effort to address the demand for affordable housing projects targeted at young buyers of middle and lower income groups, the next project in the pipeline for the PD Division is Residensi Lanai @ Bukit Jalil, Kuala Lumpur targeted to be launched by the third quarter of 2016. The affordable homes project spread over a plot of 2.157 acres land comprises 648 units of 3-bedroom unit with a built-up of 800 square feet priced at RM300,000 per unit. The project is strategically located with easy accessibility to networks of highways and public transportation hubs surrounded by an established neighbourhood and comprehensive amenities. The total estimated GDV for this project is RM194 million.



Artist impression of Ajani at Seputeh Heights, Kuala Lumpur.



Artist impression of the superlink double storey terrace homes in Taman Kinrara, Puchong, Selangor.

Another affordable home project currently in planning is the "Build Then Sell" medium cost apartment at Berjaya Park, Shah Alam. This will be the PD Division's second "Build Then Sell" apartment project after the successful sales of Akasia at Berjaya Park, Shah Alam. The project features 220 units of 3-bedroom apartments priced from RM412,000 onwards. The project is expected to be completed and launched by the third quarter of 2019 with a total estimated GDV of RM95 million.

The final phase of the landed residential units at Taman Kinrara Section 4, Puchong will be unveiled within the third quarter of 2016 featuring 34 units comprising 29 units of 20 feet x 65 feet (IRIS) and 5 units of 24 feet x 97 feet superlink (JASMINE) double storey terrace homes with built-up ranging from 1,527 square feet to 2,452 square feet. Based on the sustained demand for landed properties, IRIS and JASMINE are anticipated to be well-received and will generate a total GDV of RM28 million.

Up north, the PD Division is also planning an affordable home project within Jesselton Villas in Penang Island. Mutiara Jesselton comprises 334 units of apartments ranging from 750 square feet to 850 square feet and 16 units of shoplots with facilities such as covered carparks, swimming pool, gymnasium, community hall, children's playground, shoplots and security system. This project is targeted to be launched by the third quarter of 2016 with an estimated total GDV of RM122 million.



Artist impression of Mutiara Jesselton, Penang.

FUTURE PROSPECTS

The PD Division is mindful that the year ahead will bring its fair share of challenges for the local property market due to the slower economic momentum, cautious bank lending practices, increasing supply of new properties and rising competition among developers.

Against this backdrop, the residential market segment will continue to be the main driver of the property sector albeit at a slower growth momentum. The demand for landed properties that are competitively priced and strategically located with good accessibility and good development concept will remain strong due to scarcity of supply.

The PD Division is cautiously optimistic that its development projects in the much sought-after locations of Bukit Jalil and around the Klang Valley will continue to enjoy sustained interest and contribute positively to its revenue. The Division strives to achieve better operational excellence and financial prudence while focusing its efforts on sustainability and innovation in meeting the market needs.

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 93% during the financial year under review compared to 89% in the previous financial year.

Revenue

The PI Division registered a marginal decline in revenue to RM30.9 million compared to RM31.6 million in the previous financial year primarily attributed to the lower occupancy rate at Kota Raya Complex, Kuala Lumpur.

Profit Before Tax And Profit After Tax

For the financial year under review, the PI Division reported an increase in profit before tax of 44.6% to RM25.6 million from RM17.7 million recorded in the previous financial year due to higher fair value gains of investment properties.

Profit after tax increased by 50.7% to RM21.4 million compared to RM14.2 million in the previous financial year.

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 their 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 implement innovative marketing strategies and exciting promotional activities in an effort to strengthen their market presence.

CORPORATE STRUCTURE

of main subsidiaries, associated companies and joint ventures as at 4 August 2016

BERJAYA LAND BERHAD

HOTELS, RESORTS, RECREATION DEVELOPMENT, VACATION TIMESHARE AND OTHERS

100%	Berjaya Vacation Club Berhad	<ul style="list-style-type: none"> Georgetown City Hotel, Penang – Malaysia
100%	Berjaya Vacation Club (Cayman) Limited	<ul style="list-style-type: none"> Berjaya Eden Park London Hotel – United Kingdom
100%	BHR (Cayman) Limited	<ul style="list-style-type: none"> Castleton Hotel, London – United Kingdom
100%	ANSA Hotel KL Sdn Bhd (formerly known as Absolute Prestige Sdn Bhd)	<ul style="list-style-type: none"> ANSA Kuala Lumpur – Malaysia (formerly known as Piccolo Hotel Kuala Lumpur)
100%	Berjaya Langkawi Beach Resort Sdn Bhd	<ul style="list-style-type: none"> Berjaya Langkawi Resort – Malaysia
99.5%	The Taaras Beach & Spa Resort (Redang) Sdn Bhd	<ul style="list-style-type: none"> The Taaras Beach & Spa Resort, Redang Island Redang Island Resort – Malaysia
86.25%	Tioman Island Resort Berhad	<ul style="list-style-type: none"> Berjaya Tioman Resort – Malaysia Tioman Island Resort – Malaysia
100%	BTS Hotel Sdn Bhd	<ul style="list-style-type: none"> Berjaya Times Square Hotel, Kuala Lumpur – Malaysia
100%	Berjaya Beau Vallon Bay Beach Resort Limited	<ul style="list-style-type: none"> Berjaya Beau Vallon Bay Resort & Casino – Seychelles
100%	Berjaya Praslin Limited	<ul style="list-style-type: none"> Berjaya Praslin Resort – Seychelles
70%	Berjaya Long Beach Limited Liability Company	<ul style="list-style-type: none"> Long Beach Resort, Phu Quoc – Vietnam
100%	Perdana Hotel Philippines Inc. [#]	<ul style="list-style-type: none"> Berjaya Makati Hotel – Makati, Philippines [#]
50%	Kyoto Higashiyama Hospitality Assets TMK [*]	<ul style="list-style-type: none"> Four Seasons Hotel & Hotel Residences, Kyoto – Japan
92.6%	Berjaya Mount Royal Beach Hotel Limited	<ul style="list-style-type: none"> Berjaya Hotel Colombo – Sri Lanka
50%	Berjaya Hotay Joint Venture Company Limited	<ul style="list-style-type: none"> Sheraton Hanoi Hotel, Hanoi – Vietnam
75%	T.P.C. Nghi Tam Village Ltd	<ul style="list-style-type: none"> InterContinental Hanoi Westlake, Hanoi – Vietnam
100%	Bukit Kiara Resort Berhad	<ul style="list-style-type: none"> Bukit Kiara Equestrian & Country Resort, Kuala Lumpur
100%	KDE Recreation Berhad	<ul style="list-style-type: none"> Kelab Darul Ehsan, Selangor
100%	Berjaya Golf Resort Berhad	<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
80%	Staffield Country Resort Berhad	<ul style="list-style-type: none"> Staffield Country Resort, Negeri Sembilan
100%	Indah Corporation Berhad	<ul style="list-style-type: none"> Bukit Banang Golf & Country Club, Johor
100%	Berjaya Air Sdn Bhd	
72.03%	H.R. Owen Plc, United Kingdom [#]	
27.09%	Informatics Education Ltd, Singapore	

[#] subsidiary companies of Berjaya Philippines Inc.

^{*} subsidiary company of Berjaya Corporation Berhad

CORPORATE STRUCTURE

of main subsidiaries, associated companies and joint ventures as at 4 August 2016

PROPERTY INVESTMENT & DEVELOPMENT

100%	Taman Tar Development Sdn Bhd
	<ul style="list-style-type: none"> The Peak @ Taman TAR, Ampang, Selangor
100%	Berjaya Tagar Sdn Bhd (formerly known as Selat Makmur Sdn Bhd)
	<ul style="list-style-type: none"> Seputeh Heights, Kuala Lumpur Vasana 25, Kuala Lumpur Subang Heights, Shah Alam, Selangor
80%	Pakar Angsana Sdn Bhd
	<ul style="list-style-type: none"> Berjaya Park, Shah Alam, Selangor
100%	Sri Panglima Sdn Bhd
	<ul style="list-style-type: none"> Taman Kinrara IV, Puchong, Kuala Lumpur
100%	Berjaya Land Development Sdn Bhd
	<ul style="list-style-type: none"> 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
	<ul style="list-style-type: none"> 1 Petaling Residences & Commerz @ Sg Besi, Kuala Lumpur Petaling Indah Condominiums, Kuala Lumpur 3-Storey Shop Office @ Sg Besi, Kuala Lumpur
80%	Berjaya-Handico12 Co, Limited
	<ul style="list-style-type: none"> Ha Noi Garden City, Hanoi – Vietnam

100%	Berjaya Vietnam Financial Center Limited
	<ul style="list-style-type: none"> Vietnam Financial Center, Ho Chi Minh City – Vietnam
75%	Berjaya-D2D Co. Limited
	<ul style="list-style-type: none"> Bien Hoa City Square, Dong Nai Province – Vietnam
100%	Berjaya VIUT Limited
	<ul style="list-style-type: none"> Vietnam International University Township Ho Chi Minh City – Vietnam
72.6%	Berjaya Jeju Resort Limited
	<ul style="list-style-type: none"> Berjaya Jeju Airst City, Yerae-Dong Jeju Island – South Korea
100%	Berjaya Okinawa Development Co. Ltd
100%	Nural Enterprise Sdn Bhd
	<ul style="list-style-type: none"> Plaza Berjaya, Kuala Lumpur
100%	Kota Raya Development Sdn Bhd
	<ul style="list-style-type: none"> Kota Raya Complex, Kuala Lumpur
100%	Cempaka Properties Sdn Bhd
	<ul style="list-style-type: none"> Berjaya Megamall, Kuantan, Pahang Kuantan Perdana, Kuantan, Pahang
	+
14.09%	Berjaya Assets Berhad
	<ul style="list-style-type: none"> 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
	+
40.05%	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	2016 US\$'000	2016 RM'000	2015 RM'000	2014 RM'000	2013 RM'000	2012 RM'000
Revenue	1,616,254	6,283,997	5,910,163	5,021,299	4,246,613	4,195,638
Profit Before Tax	2,305	8,961	25,276	535,248	461,390	488,402
(Loss)/Profit for the Year	(42,444)	(165,024)	(161,828)	309,013	272,996	304,036
(Loss)/Profit Attributable to Owners of the Parent	(69,608)	(270,637)	(382,960)	104,620	33,033	73,386
Share Capital	643,047	2,500,168	2,500,168	2,500,168	2,500,168	2,500,168
Reserves	588,050	2,286,337	2,445,151	2,906,379	2,748,873	2,794,776
Equity Funds	1,231,097	4,786,505	4,945,319	5,406,547	5,249,041	5,294,944
Treasury Shares	(5,324)	(20,699)	(20,699)	(45,466)	(45,466)	(45,466)
Net Equity Funds	1,225,773	4,765,806	4,924,620	5,361,081	5,203,575	5,249,478
Non-controlling Interests	836,468	3,252,188	3,292,065	3,261,232	3,208,319	3,156,686
Total Equity	2,062,241	8,017,994	8,216,685	8,622,313	8,411,894	8,406,164
Long Term Loans	750,301	2,917,170	3,238,987	2,456,877	1,353,043	1,943,780
Deferred Tax Liabilities	38,804	150,869	117,054	118,878	95,242	95,166
Other Non-Current Liabilities	35,693	138,775	165,513	176,609	180,016	191,541
Current Liabilities	821,561	3,194,224	2,432,891	2,658,863	2,250,783	1,262,291
Total Equity and Liabilities	3,708,600	14,419,032	14,171,130	14,033,540	12,290,978	11,898,942
Property, Plant And Equipment	445,576	1,732,398	2,586,999	2,396,591	1,838,930	1,856,716
Intangible Assets	1,209,092	4,700,949	5,093,609	5,572,627	5,463,962	5,457,319
Other Non-Current Assets	875,152	3,402,592	2,634,335	2,680,652	2,716,861	2,351,102
Current Assets	926,778	3,603,311	3,798,178	3,370,139	2,242,921	2,229,024
Assets Held for Sale	252,002	979,782	58,009	13,531	28,304	4,781
Total Assets	3,708,600	14,419,032	14,171,130	14,033,540	12,290,978	11,898,942
Net Assets Per Share (US\$/RM)*	0.25	0.96	0.99	1.07	1.04	1.05
Net (Loss)/Earnings Per Share (US\$/RM)*	(0.014)	(0.05)	(0.08)	0.02	0.01	0.01
Dividend (cents/sen)*	—	—	—	1.00	1.00	1.00
Dividend Amount (US\$'000/RM'000)	—	—	—	49,894	37,322	37,322

Notes:

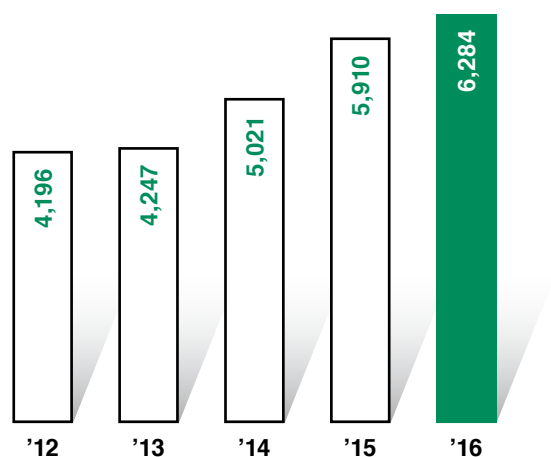
Net assets per share represents the net equity funds divided by the number of outstanding shares with voting rights in issue.

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.

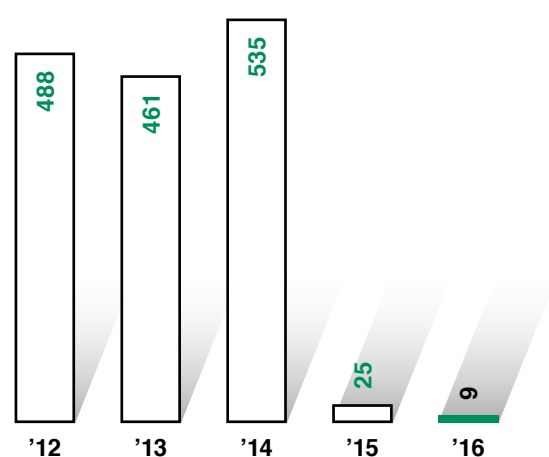
Exchange rate as at 30-4-2016: US\$1.00 = RM3.888

GROUP FINANCIAL HIGHLIGHTS

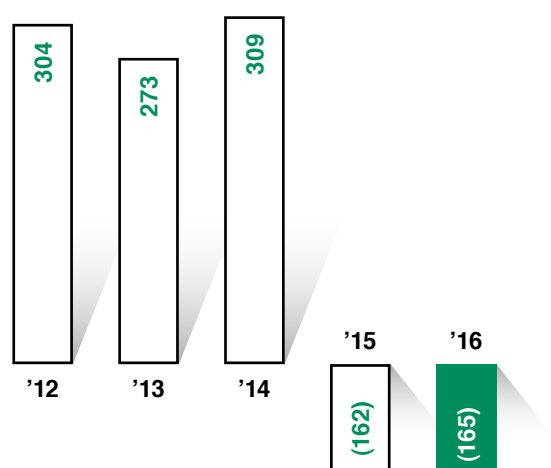
Revenue (RM' Million)



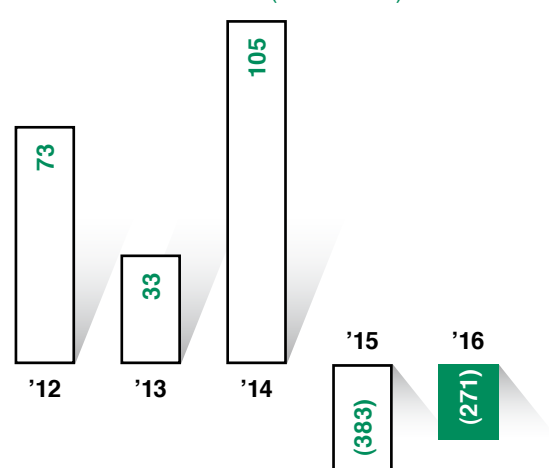
Profit Before Tax (RM' Million)



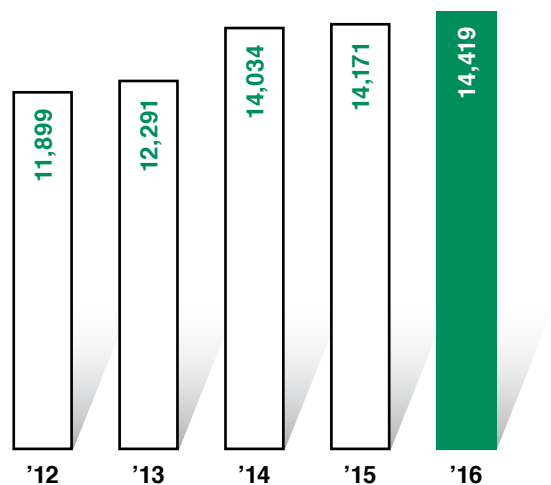
(Loss)/Profit for the Year (RM' Million)



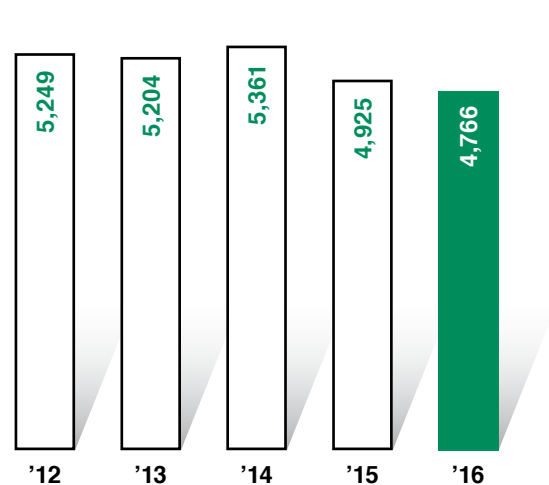
(Loss)/Profit Attributable to Owners of the Parent (RM' Million)



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 throughout the financial year ended 30 April 2016.

(A) ROLES AND RESPONSIBILITIES

Board composition and balance

The Board currently has ten (10) members, comprising three (3) Independent Non-Executive Directors (including the Chairman), the Chief Executive officer, five (5) 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 7 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 (3) 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.

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.

STATEMENT ON CORPORATE GOVERNANCE

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

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

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

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

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

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

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

Directors' Code of Conduct/Ethics

The Board has adopted a Code of Ethics for Directors ("Code") which is incorporated in the Board Charter. The Code was formulated to enhance the standard of corporate governance and promote ethical conduct of the Directors.

The Group has also put in place a Code of Conduct for all its employees and Directors to ensure a high standard of ethical and professional conduct is upheld by all its employees and Directors in the performance of their duties and responsibilities. All employees are required to declare that they have received, read and understood the provisions of the Code of Conduct.

Sustainability Strategies

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

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

STATEMENT ON CORPORATE GOVERNANCE

Supply of Information

All Directors have unrestricted and timely access to all information concerning the Company's 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 play 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.

Board Meetings

The Board meets at least five (5) times a year with additional meetings to be held when necessary. During the financial year ended 30 April 2016, ten (10) 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 ##	10/10
Dato' Ng Sooi Lin	10/10
Tan Thiam Chai	10/10
Phan Yoke Seng	10/10
Dato' Dickson Tan Yong Loong	8/10
Datuk Robert Yong Kuen Loke ##	9/10
Datuk Maizan bin Shaari @	5/5*
Datuk Kee Mustafa ** (Appointed on 11 January 2016) ##	1/1*
Nerine Tan Sheik Ping ** (Appointed on 11 January 2016)	1/1*
Chryseis Tan Sheik Ling (Appointed on 1 April 2016) ^	^

Denotes Independent Non-Executive Director.

@ During the financial year, Datuk Maizan Bin Shaari retired as an Independent Non Executive Director of the Company at the conclusion of the Company's last Annual General Meeting held on 19 October 2015.

** Datuk Kee Mustafa was appointed as an Independent Non-Executive Director of the Company on 11 January 2016 and Nerine Tan Sheik Ping was appointed as an Executive Director of the Company on 11 January 2016.

^ Ms Chryseis Tan Sheik Ling was appointed as an Executive Director of the Company on 1 April 2016. There was no Board Meeting being held subsequent to the date of her appointment up to 30 April 2016.

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

Subsequent to the financial year ended 30 April 2016, Mr Pee Kang Seng @ Lim Kang Seng has been appointed as an Executive Director of the Company on 4 August 2016.

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) 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 Kee Mustafa	– 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 thrice during the financial year ended 30 April 2016.

The Chairman of the Nomination Committee, 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.

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

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

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

Develop, maintain and review criteria for recruitment and annual assessment of Directors***Appointment to the Board***

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

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

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

STATEMENT ON CORPORATE GOVERNANCE

Re-elections of Directors

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

The Company's Articles of Association provides that a Director appointed during the year is required to retire and seek election by shareholders at the following AGM immediately after their appointment. The Articles also requires that one-third of the Directors including the Managing Director, if any, to retire by rotation and seek re-election at each AGM and that each Director shall submit himself/herself for re-election once every three (3) years.

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

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

The Directors who will retire by rotation and eligible for re-election pursuant to Article 101 of the Company's Articles of Association at the forthcoming Twenty-Sixth AGM are Tan Thiam Chai and Dato' Dickson Tan Yong Loong. The newly appointed Directors, namely Datuk Kee Mustafa, Ms Nerine Tan Sheik Ping, Ms Chryseis Tan Sheik Ling and Mr Pee Kang Seng @ Lim Kang Seng who were appointed during the year will also retire at the forthcoming AGM pursuant to Article 106 of the Company's Articles of Association. The profiles of these Directors are set out on pages 4 to 7 of the Annual Report.

The Senior Independent Non-Executive Director, namely Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim, is now over seventy (70) years of age and his office shall become vacant upon the conclusion of the forthcoming Twenty-Sixth AGM. However, he has been recommended for re-appointment as a Director of the Company at the forthcoming Twenty-Sixth AGM, pursuant to Section 129(6) of the Companies Act, 1965 and his profile is set out on page 3 of the Annual Report.

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

Annual Assessment

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

During the financial year under review, the Nomination Committee reviewed and recommended to the Board the appointment of Nerine Tan Sheik Ping and Chryseis Tan Sheik Ling as new members of the Board. In addition, the Nomination Committee also reviewed and recommended to the Board the appointment of Datuk Kee Mustafa as a new Independent Non-Executive Director to fill the vacancy following the retirement of Datuk Maizan Bin Shaari as an Independent Non-Executive Director at the conclusion of the Company's last AGM held on 19 October 2015.

The Nomination Committee also carried the following activities during the meeting held on 23 June 2016:-

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

Boardroom Diversity

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

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

Currently, the Board has two (2) female Directors namely, Nerine Tan Sheik Ping and Chryseis Tan Sheik Ling.

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 Bin Che Din Md Hashim	– Chairman/Independent Non-Executive
Datuk Kee Mustafa	– 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 remuneration of Directors is determined at levels which enables the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively.

The 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/her individual remuneration package. The Board recommends the Directors' fees payable to the Non-Executive Directors on a yearly basis to the shareholders for approval at the Annual General Meeting.

Details of the Directors' Remuneration

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

Company

	← RM'000 →				
	Fees	Benefits-in-kind	Salaries and other emoluments	Bonus	Total
Executive	–	57	1,149	66	1,272
Non-Executive	119	–	16	–	135
	119	57	1,165	66	1,407

Group

	← RM'000 →				
	Fees	Benefits-in-kind	Salaries and other emoluments	Bonus	Total
Executive	–	62	3,511	196	3,769
Non-Executive	164	21	789	13	987
	164	83	4,300	209	4,756

STATEMENT ON CORPORATE GOVERNANCE

The number of Directors as at the end of the financial year and their total remuneration from the Group categorized in the various bands were 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
RM300,001 – RM350,000	1	–
RM550,001 – RM600,000	–	1
RM900,001 – RM950,000	1	–
RM1,000,001 – RM1,050,000	1	–
RM1,400,001 – RM1,450,000	1	–
	5	4

(C) 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 of the Company namely, Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim, Datuk Robert Yong Kuen Loke and Datuk Kee Mustafa 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. The Board is of the view that the independence of the Independent Directors should not be determined solely or arbitrarily by their tenure of service. The Board believes that continued contribution will provide stability and benefits to the Board and the Company as a whole, especially their invaluable knowledge of the Group and its operations gained through the years. The calibre, qualification, experience and personal qualities, particularly of the Director’s integrity and objectivity in discharging his responsibilities in the best interest of the Company should be the predominant factors to determine the ability of a Director to serve effectively as an Independent Director.

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

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

The Independent Director of the Company, namely Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim who is also the Chairman of the Company, was appointed as an Independent Non-Executive Director of the Company on 3 September 2007. Hence, he would have served the Company for a cumulative term of nine (9) years at the date of the forthcoming AGM.

The Board has decided to retain him as an Independent Director notwithstanding his service tenure as Independent Director shall exceed nine (9) years by September 2016 after the assessment and recommendation by the Nomination Committee.

In line with Recommendation 3.3 of the MCCG 2012, the Board will seek approval from the shareholders of the Company at the forthcoming AGM to support the Board's decision to retain Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim as an Independent Non-Executive Director of the Company when his tenure has exceeded the nine (9) years 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 being independent, he will 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 almost nine (9) years and is familiar with the Company's business operations which enable him to participate objectively in deliberations and decision making process of the Board and Board Committees.
- (iii) he has exercised due care during his tenure as an Independent Non-Executive Director as well as the Chairman of the Company and he has carried out his duties proficiently in the interest of the Company and the shareholders.

(D) COMMITMENT

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

Directors' Training

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

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

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

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

STATEMENT ON CORPORATE GOVERNANCE

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

Director	Title of Programmes/Seminars/Courses/Forums
Tan Sri Datuk Seri Razman Md Hashim	– Sunway Managers Conference
Bin Che Din Md Hashim	– Enterprise Risk Management by Trace Management Services Sdn Bhd
Dato' Ng Sooi Lin	– Bursa Malaysia ASEAN CAP10 Sustainability Symposium
Tan Thiam Chai	– Enhanced Understanding of Risk Management & Internal Control for Chief Financial Officers/Internal Auditors/Risk Officers – Opportunities for Public Listed Companies in Shariah-compliant Landscape
Phan Yoke Seng	– Mandatory Accreditation Programme for Directors of Public Listed Companies – The Interplay between Corporate Governance, Non-Financial Information and Investment Decision – Mission Impossible of Strata Management Act and Regulations – International Real Estate Federation Malaysia – Property Outlook 2016 – International Real Estate Federation Malaysia – Updates and Hotspots in Northern Region – Nurture, Engage, Exchange 2016 Penang Leadership Conference
Nerine Tan Sheik Ping	– Mandatory Accreditation Programme for Directors of Public Listed Companies
Dato' Dickson Tan Yong Loong	– Briefing on the amendments to the Housing Development (Control & Licensing) Act 1966 and the Strata Management Act 2013
Datuk Robert Yong Kuen Loke	– Datuk Robert Yong kept himself abreast with the latest developments on the various accounting, finance and business issues both locally and globally through his extensive networking, reading of various magazines and journals and serving as a council member of the Malaysian Institute of Certified Public Accountants
Datuk Kee Mustafa	– Sustainability Engagement Series for Directors/Chief Executive Officer – MSWG – Institutional Investor Council Governance Week 2016

Subsequent to the financial year ended 30 April 2016, Ms Chryseis Tan Sheik Ling had attended the Mandatory Accreditation Programme on 1 and 2 June 2016.

(E) 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 Malaysian Financial Reporting Standards and International Financial Reporting Standards in Malaysia.

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

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

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

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

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

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. Assessment of external auditors

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

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

To support the Audit Committee's assessment of their independence, the External Auditors will provide the Audit Committee with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. The External Auditors are required to declare their independence annually to the Audit Committee as specified by the By-Laws issued by the Malaysian Institute of Accountants. The External Auditors have provided the declaration in their annual audit plan presented to the Audit Committee of the Company.

The Audit Committee also ensures that the External Auditors are independent of the activities they audit and will review the contracts for provision of non-audit services by the External Auditors. The recurring non-audit services comprise mainly review of financial disclosures due to application of new accounting standards and review of component auditors' work papers, tax compliance, services as scrutineers at the Company's annual general meeting, the annual review of the Risk Management and Internal Control Statement. The non-recurring non-audit services are acting as reporting accountants for any corporate exercises.

STATEMENT ON CORPORATE GOVERNANCE

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

	Company		Group	
	FYE2016 RM'000	FYE2015 RM'000	FYE2016 RM'000	FYE2015 RM'000
Statutory audit fees paid/payable to:-				
– Ernst & Young (“EY”) Malaysia	150	150	1,351	1,385
– Affiliates of EY Malaysia	–	–	256	261
Total (a)	150	150	1,607	1,601
Non-audit fees paid/payable to*:-				
– EY Malaysia	341	391	430	591
– Affiliates of EY Malaysia	8	8	215	226
Total (b)	349	399	645	817
% of non-audit fees (b/a)	233%	266%	40%	56%

* Non-audit fees comprised mainly fees for services rendered to review financial disclosures due to application of new accounting standards and review of component auditors’ work papers, tax compliance and services as scrutineers at annual general meeting.

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

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

(F) RISK MANAGEMENT

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

A Statement on Risk Management and Internal Control of the Group which provides an overview of the state of internal controls within the Group is set out on Page 42 of the Annual Report.

(G) TIMELY DISCLOSURES

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

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

(H) 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 external auditors are also present to provide professional and independent clarification on issues and concerns raised by the shareholders.

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.

Poll Voting

In line with the MCGG 2012, all the resolutions passed by the shareholders at the previous AGM held on 19 October 2015 were voted by way of a poll. The shareholders were briefed on the voting procedures by the Share Registrar while the results of the poll were verified and announced by the independent scrutineer, Ernst & Young.

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

Dialogue between the Company and shareholders

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

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

(I) COMPLIANCE WITH THE MCGG 2012

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

STATEMENT OF 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. The Board recognizes that effective risk management framework is an integral part of good business management. It is an ongoing process to identify, evaluate, monitor, manage and mitigate the risks that may affect the Group's ability to achieve its business objectives and strategies. In order to measure the achievement of the business objectives, the Board monitors the Group's performance and profitability at its Board meetings.

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 and is of the view that the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects.

RISK MANAGEMENT

A Risk Management Committee ("RMC") has been established by the Company with the intention to further enhance the Group's system of internal control and be in line with the Malaysian Code of Corporate Governance. The management teams of business units maintain risk registers which outlines the risk policies including the procedures of risk identification, risk tolerance and the evaluation and managing process.

The key aspects of the risk management process are as follows:

- The business units are required to identify the risks relevant to their businesses.
- The risks are then assessed based on the probability of their occurrence and are evaluated as Low, Medium or High. The level of residual risk is determined after evaluating the effectiveness of controls and mitigating measures.
- The business units develop control procedures or action plans to either prevent the occurrence or reduce the impact upon its occurrence.
- The business units are required to update their risk profiles and review their processes in monitoring the risks periodically.
- The business units are required to prepare a report summarising the significant risks and status of action plan. Selected reports will be submitted to the RMC for review and deliberation.

The members of the RMC during the financial year ended 30 April 2016 are Datuk Robert Yong Kuen Loke (Chairman), Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim, Dato' Ng Sooi Lin, Tan Thiam Chai, Phan Yoke Seng, Nerine Tan Sheik Ping, Chryseis Tan Sheik Ling and Datuk Kee Mustafa.

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 2016, the RMC held meetings where it reviewed risk management reports of various unlisted operating subsidiary companies (i.e. Staffield Country Resort Berhad, Bukit Banang Golf & Country Club and Tioman Island Resort) and risk assessment of an overseas project in Japan, Berjaya Kyoto Development Co Ltd and recommended certain measures to be adopted to mitigate their business risks.

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

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, as the Board does not have any direct control over their operations. The Group's interests are served through board representations on the board of associated companies and the review of their management accounts, and enquiries thereon. As for its joint ventures, the Group has appointed representatives to the respective members' councils or to the respective board of these joint ventures which hold regular meetings to oversee and manage their respective operations. These representatives provide the Board with information and timely decision making on the continuity of the Board's investments based on the performance of the associated companies and joint ventures.

INTERNAL CONTROL PROCESSES

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

- The operating units identify the areas of control relevant to their business, design the internal control procedures and document the procedures in manuals.
- The internal auditors of the Group establish the annual audit plan and table the plan to the Audit Committee for approval.
- The internal auditors perform the audit and present their audit reports to the Audit Committee, highlighting any shortcomings by the business units in implementing the controls and the remedial procedures implemented by the business units.

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

ASSURANCE MECHANISM

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. The Board has assigned the Audit Committee 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. These independent and objective reports on the state of internal controls of the operating units within the Group 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.

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

The Board also reviews the minutes of meetings of the Audit Committee. The Report of the Audit Committee is set on pages 45 to 48 of the Annual Report.

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 2016.

AUDIT COMMITTEE MEMBERS AND MEETING ATTENDANCES

The members of the Audit Committee comprises the following:-

Datuk Robert Yong Kuen Loke

Chairman/Independent/Non-Executive Director

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

Independent/Non-Executive Director

Datuk Kee Mustafa

Independent/Non-Executive Director

The Audit Committee held six (6) meetings during the financial year ended 30 April 2016. The details of attendance of the Audit Committee members are as follows:-

Name	Attendance
Datuk Robert Yong Kuen Loke	5/6
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	6/6
Datuk Kee Mustafa #	1/1*
Datuk Maizan Bin Shaari @	4/4*

@ During the financial year, Datuk Maizan Bin Shaari has retired as an Independent Non Executive Director of the Company at the conclusion of the Company's last Annual General Meeting held on 19 October 2015.

Datuk Kee Mustafa has been appointed as an Independent Non-Executive Director of the Company on 11 January 2016.

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

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

The Chief Executive Officer, the Executive Director who is also heading the Group Accounts and Budgets Division and the General Manager of Group Internal Audit were also invited to attend the Audit Committee meetings ("ACM"). The External Auditors were also invited to attend three (3) of these meetings. The Audit Committee also met with the External Auditors without the presence of executive Board members and the Management. In addition, the senior management of the relevant operations were also invited to provide clarification on the follow-up audit review and the adequacy on internal controls of the issues arising from the audit reports.

SUMMARY OF WORK OF THE AUDIT COMMITTEE

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

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

Financial Reporting

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

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

AUDIT COMMITTEE REPORT

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

- (b) Reviewed the audited financial statements of the Company and the Group for the financial year ended 30 April 2015 together with the Management and the External Auditors at its meeting held on 26 August 2015 to ensure that it presented a true and fair view of the Company's financial position and performance for the year and is in compliance with all disclosure and regulatory requirements before recommending the audited financial statements to the Board for approval.

External Audit

- (a) Evaluated the performance of the External Auditors for the financial year ended 30 April 2015 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit fees of the External Auditors. The Audit Committee, having been satisfied with the independence, suitability and performance of Messrs Ernst & Young ("EY"), had recommended to the Board for approval of the re-appointment of EY as External Auditors for the ensuing financial year end of 30 April 2016 at its meeting held on 26 August 2015.
- (b) Discussed and considered the significant accounting and auditing issues arising from the interim audit as well as the final audit with the External Auditors. The Audit Committee also had a private discussion with EY on 26 August 2015 without the presence of Management during the review of the audited financial statements for the year ended 30 April 2015 to discuss any problems/issues arising from the final audit and the assistance given by the employees during the course of audit by EY.
- (c) Reviewed with the External Auditors at the meeting held on 23 March 2016, their audit plan in respect of the financial year end of 30 April 2016, outlining the audit scope, methodology and timetable, audit materiality, areas of focus, fraud consideration and the risk of management override and also the new and revised auditors reporting standards.

Internal Audit

- (a) Reviewed fifteenth (15) Internal Audit reports on the various non-listed operating subsidiaries of the Group during the financial year under review. Areas covered by the Internal Audit included the following:-
- Management and internal controls
 - Finance and cash handling management
 - Human Resource related matters
 - Logistic/transportation matters
 - Club memberships
 - Sales and Marketing
 - Information Technology
 - Refurbishment/Renovation exercise
 - Purchasing, inventories & maintenance
 - Administrative and control issue

The Audit Committee then considered the findings and recommendations made including the Management's responses thereto. The Internal Audit monitored the implementation of management's action plan on outstanding issues through follow up reports to ensure that all key risks and control weaknesses were being properly addressed.

- (b) Reviewed and approved the Internal Audit Plan for financial year ending 30 April 2017 to ensure that the scope and coverage of the internal audit on the operations of the BLand Group is adequate and comprehensive and that all the risk areas are audited annually.

Recurrent Related Party Transactions

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

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

- (i) The transaction prices are based on prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;
- (ii) The Related Parties and interested Directors will be notified of the method and/or procedures of the Group;
- (iii) Records of Recurrent Related Party Transactions will be retained and compiled by the Group accountant for submission to the Audit Committee for review;
- (iv) The Audit Committee is to provide a statement that it has reviewed the terms of the Recurrent Related Party Transactions to ensure that such transactions are undertaken based on terms not more favourable to the Related Parties than those generally available to the public, are not detrimental to the minority shareholders and are in the best interest of the Group;
- (v) The Audit Committee also reviewed the procedures and processes with regards to the Recurrent Related Party Transactions on a half yearly basis to ensure that the transactions are within the approved mandate;
- (vi) Directors who have any interest in any Recurrent Related Party Transaction shall abstain from Board deliberations and voting and will ensure that they and any Person Connected with them will also abstain from voting on the resolution at the EGM or AGM to be convened for the purpose; and
- (vii) Disclosures will be made in the annual report on the breakdown of the aggregate value of the Recurrent Related Party Transactions during the financial year, amongst others, based on the following information:-
 - the type of the Recurrent Related Party Transactions made; and
 - the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationships with the Group.

Related Party Transactions

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

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

- (i) Disposals of the entire 211,220,823 0% 10-Year Irredeemable Convertible Unsecured Loan Stocks 2005/2015 of RM0.50 nominal amount each ("ICULS") in Berjaya Corporation Berhad ("BCorporation") via direct business transaction by the Company's subsidiaries, namely Gateway Benefit Sdn Bhd, Immediate Capital Sdn Bhd, Berjaya Tagar Sdn Bhd (formerly known as Selat Makmur Sdn Bhd) and Regnis Industries (Malaysia) Sdn Bhd for a total cash consideration of about RM42.24 million or at RM0.20 per BCorporation ICULS.
- (ii) Proposed subscription by the Company's ultimate holding company, Berjaya Corporation Berhad ("BCorp") of 1 new ordinary share representing 50% of the enlarged issued share capital of Berjaya Kyoto Development (S) Pte. Ltd. ("BKyoto"), for a cash subscription of SGD34.66 million (about RM97.28 million) which will result in dilution of the Company's equity interest in BKyoto from 100% to 50% ("Proposed Dilution").

In conjunction with the Proposed Dilution, BCorp will undertake to advance up to RM152.74 million to the BKyoto Group to part-settle the inter-company debts between BKyoto Group and the Company as well as to fund working capital of BKyoto Group in proportion to its shareholdings in BKyoto.

AUDIT COMMITTEE REPORT

Other activities

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

SUMMARY OF THE WORK OF THE INTERNAL AUDIT FUNCTION

The 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 with the Group's established policies and procedures.

The Internal Audit's activities are guided by the Group's Internal Audit Charter and the Internal Audit Division adopts a risk-based approach focusing on high risk areas. All high risk activities in each auditable area are audited annually.

The activities undertaken by the Internal Audit Division during the financial year ended 30 April 2016 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 2016 was approximately RM1,252,560.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

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