

ANNUAL

REPORT



2000

LAPORAN

TAHUNAN



BERJAYA

Strength In Diversity

BERJAYA SPORTS TOTO BERHAD

(Company No. 9109-K)

برجاي سפורتس توتو برحد

成功多多博彩有限公司

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Mission & Vision



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

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

The corporate logo comprises the word BERJAYA and a symbol made up of closely interwoven Bs. It is set in rich cobalt blue. BERJAYA means "success" in Bahasa Malaysia and reflects the success and Malaysian character of the Group's traditional core businesses.

The intertwining Bs of the symbol represent our strong foundations and the constant synergy taking place within the Group. Each B faces a different direction, depicting the varied strengths of the companies that make up the Berjaya Group. Taken in totality, the corporate logo signifies Strength in Diversity.

Board of Directors

**Tan Sri Dato' Seri
Vincent Tan Chee Yioun**
Chairman/Chief Executive Officer

Tan Sri Dato' Tan Kok Ping
Deputy Chairman

Executive Directors:

Ng Foo Leong

Robin Tan Yeong Ching

Directors:

Tan Sri Dato' Jaffar Bin Abdul

Robert Yong Kuen Loke

Chan Kien Sing

Freddie Pang Hock Cheng

Mohamed Saleh Bin Gomu

Audit Committee

**Chairman/Independent
Non-Executive Director**

Tan Sri Dato' Jaffar bin Abdul

Independent Non-Executive Directors

Tan Sri Dato' Tan Kok Ping

Mohamed Saleh Bin Gomu

Secretaries

Su Swee Hong (MAICSA No. 0776729)

Lum Yuet Mei (MAICSA No. 0773324)

Registrar

Berjaya Registration Services Sdn Bhd

Lot C1-C3, Block C

2nd Floor, KL Plaza

179, Jalan Bukit Bintang

55100 Kuala Lumpur

Tel: 03-245 0533

Auditors

Ernst & Young
Public Accountants

Registered Office

Level 17, Menara Shahzan Insas

30, Jalan Sultan Ismail

50250 Kuala Lumpur

Tel: 03-935 8888

Principal Bankers

Bumiputra-Commerce Bank Berhad

Malayan Banking Berhad

RHB Bank Berhad



Tan Sri Dato' Seri Vincent Tan Chee Yioun
Chairman/Chief Executive Officer

丹斯里拿督斯里陈志远
主席/首席执行官



Tan Sri Dato' Tan Kok Ping
Deputy Chairman

丹斯里拿督陈国平
副主席



Ng Foo Leong
Executive Director

吴富亮
执行董事



Robin Tan Yeong Ching
Executive Director

陈永钦
执行董事



Tan Sri Dato' Jaffar Bin Abdul

丹斯里拿督查化敏阿都



Robert Yong Kuen Loke

杨群录



Chan Kien Sing

陈健星



Freddie Pang Hock Cheng

彭福清



Mohamed Saleh Bin Gomu

莫哈末沙烈敏国目

1. Objectives

The primary objective of the audit committee is to assist the board of directors in fulfilling its responsibilities relating to accounting and reporting practices of the Company and its subsidiary companies.

In addition, the audit committee shall:

- a) Oversee and appraise the quality of the audits conducted both by the Company's internal and external auditors;
- b) Maintain open lines of communication between the board of directors, the internal auditors and the external auditors for the exchange of views and information, as well as to confirm their respective authority and responsibilities; and,
- c) Determine the adequacy of the Group's administrative, operating and accounting controls.

2. Composition

The audit committee shall be appointed by the directors from among their number (pursuant to a resolution of the board of directors) and shall be composed of not fewer than three members of whom a majority shall not be:

- a) Executive directors of the Company or any related corporation;
- b) A spouse, parent, brother, sister, son or adopted son, daughter or adopted daughter of an executive director of the Company or any related corporation; or,
- c) Any person having a relationship which, in the opinion of the board of directors, would interfere with the exercise of independent judgement in carrying out the functions of the audit committee.

The members of the audit committee shall elect a chairman from among their number who is not an executive director or employee of the Company or any related corporation.

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

3. Functions

The functions of the audit committee are as follows:

- a) Review the audit plan with the external auditors;
- b) Review the system of internal accounting controls with the external auditors;
- c) Review the audit report with the external auditors;
- d) Review the assistance given by the Company's officers to the external auditors;
- e) Review the scope and results of internal audit procedures;
- f) Review the balance sheets and profit and loss accounts of the Company, and the Group;
- g) Review any related party transactions that may arise within the Company or the Group;
- h) To nominate a person or persons as the external auditors; and,
- i) Identify and direct any special projects or investigations deemed necessary.

4. Access

The audit committee shall have unrestricted access to both the internal and external auditors and to senior management of the Company and the Group.

The audit committee shall also have the ability to consult independent experts where they consider it necessary to carry out their duties.

5. Meetings

The audit committee shall meet at least once a quarter and such additional meetings as the chairman shall decide in order to fulfil its duties. In addition, the chairman may call a meeting of the audit committee if a request is made by any committee member, the Company's chief executive, or the internal or external auditors.

The company secretary shall act as secretary of the audit committee and shall be responsible, in conjunction with the chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to committee members prior to each meeting.

The secretary shall also be responsible for keeping the minutes of meetings of the audit committee, and circulating them to committee members and to the other members of the board of directors.

A quorum shall consist of a majority of committee members.

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

The principal activity of BToto is investment holding while its principal subsidiary company, Sports Toto, is involved in the business of operating Toto betting under Section 5 of the Pool Betting Act, 1967.

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

Today, Sports Toto offers 6 games which are drawn 3 days in a week. Sports Toto is the sole national lotto operator in Malaysia.

On the international scene, the Group is supplying and maintaining a computerised on-line lottery system in Luzon Region in the Philippines. They were also appointed as a consultant cum project manager to restructure and improve the operation and administration of the Department of National Lotteries in Ghana.

Sports Toto’s financial growth over the past 14 years is highlighted below:

	30-4-2000		31-12-85		14 Years’ Annualised Increase (%)
	Million		Million		
	RM	US\$	RM	US\$	
Turnover	2,266.0	596.3	76.0	20.0	205.8
Pre-tax Profit	375.8	98.9	5.0	1.3	529.7
Shareholders’ Funds	135.4	35.6	1.0	0.3	960.0
Total Assets	760.8	200.2	12.7	3.3	420.8
Total No. of Employees	525		431		

Exchange rate : US\$1.00 = RM3.80

Description	1999/2000 US\$'000	1999/2000 RM'000	1998/99 RM'000	1997/98 RM'000	1996/97 RM'000	1995/96 RM'000	1994/95 RM'000	1993/94 RM'000
Turnover	615,762	2,339,894	2,176,183	2,170,569	1,817,207	1,444,973	1,021,150	886,198
Profit before taxation	101,243	384,724	438,206	453,925	343,691	221,557	145,292	146,912
Profit after taxation	61,024	231,891	439,490	334,400	238,474	150,871	111,894	99,567
Minority interests	5,943	22,583	2,637	-	-	-	-	-
Profit attributable to shareholders	66,967	254,474	442,127	334,400	238,323	149,462	104,821	94,646
Share Capital	151,338	575,084	572,339	572,322	568,197	561,649	549,271	533,154
Share Premium	24,835	94,374	80,704	80,642	76,349	68,860	61,300	58,030
Reserves	225,287	856,090	706,073	184,408	109,832	73,950	41,762	18,832
Shareholders' Fund	401,460	1,525,548	1,359,116	837,372	754,378	704,459	652,333	610,016
Treasury shares	(6,775)	(25,744)	-	-	-	-	-	-
Shareholders' Fund after treasury shares	394,685	1,499,804	1,359,116	837,372	754,378	704,459	652,333	610,016
Minority Interests	(27,972)	(106,292)	(73,948)	-	-	-	-	-
9% Redeemable Convertible Unsecured Loan Stocks 1992/1997	-	-	-	-	4,515	10,525	23,463	42,786
	366,713	1,393,512	1,285,168	837,372	758,893	714,984	675,796	652,802
Deferred Liabilities	9,520	36,175	35,865	33,180	36,953	28,207	24,597	27,308
Current Liabilities	124,339	472,487	427,245	561,050	452,715	291,241	225,665	218,287
	500,572	1,902,174	1,748,278	1,431,602	1,248,561	1,034,432	926,058	898,397
Fixed Assets	30,868	117,300	117,752	75,155	44,832	41,218	40,226	40,297
Intangible Assets	172,775	656,545	650,517	547,901	547,901	547,901	547,901	547,901
Investments	4,017	15,266	53,117	72,335	41,279	39,036	17,330	29,001
Current Assets	292,912	1,113,063	926,892	736,211	614,549	406,277	320,601	281,198
Total Assets	500,572	1,902,174	1,748,278	1,431,602	1,248,561	1,034,432	926,058	898,397
Net Tangible Assets per share (cents/sen)	38.8	147.4	123.8	50.6	36.3	27.9	19.0	11.7
Net Assets per share (cents/sen)	69.0	262.2	237.5	146.3	132.8	125.4	118.8	114.4
Gross Earnings per share (cents/sen)	18.6	70.7	76.6	79.3	60.7	39.9	26.9	35.3
Net Earnings per share (cents/sen)	11.7	44.5	76.8	58.6	42.1	27.1	20.7	23.9
Dividend Rate (%)	25.0	25.0	20	26	51	30	21	15
Dividend Amount (US\$'000/RM'000)	26,991	102,566	82,395	107,260	202,753	117,653	80,552	54,069

Note:

Figures for 1993/1994 to 1999/2000 are for 12 months ended 30 April. Where additional shares are issued, the earnings per share are calculated on a weighted average number of shares.

Exchange rate: US\$1.00 = RM3.80

