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Attached please find an electronic copy of the information memorandum dated 17 September 2019 (the "**Information Memorandum**"), relating to the proposed issuance of medium term notes ("**MTNs**") under a medium term note programme of RM10.0 billion in nominal value ("**MTN Programme**") by Genting RMTN Berhad (Company No. 1332067-K) (the "**Issuer**"), irrevocably and unconditionally guaranteed by Genting Berhad (Company No. 7916-A) ("**Guarantor**").

The Information Memorandum is strictly confidential and does not constitute an offer to any person or the public generally to subscribe for or otherwise purchase any of the MTNs other than to the persons falling within the selling restrictions as set out below. Distribution of the Information Memorandum to any persons, other than the person receiving this e-mail from the Issuer, the Guarantor or CIMB Investment Bank Berhad, Maybank Investment Bank Berhad, OCBC Bank (Malaysia) Berhad and RHB Investment Bank Berhad (or their affiliates) as joint lead managers for the first issuance pursuant to the MTN Programme (collectively, "**Joint Lead Managers**") is unauthorised. The person receiving this e-mail from the Issuer, the Guarantor or the Joint Lead Managers is prohibited from disclosing the Information Memorandum, altering the contents of the Information Memorandum or forwarding a copy of the Information Memorandum or any portion thereof by e-mail or otherwise to any person.

The MTNs may only be issued, offered, sold, transferred or otherwise disposed directly or indirectly to a person to whom an offer or invitation to subscribe to the MTNs and to whom the MTNs are issued would (1) at the point of issuance of the MTNs fall within Part 1 of Schedule 6 of the Capital Markets and Services Act, 2007 ("**CMSA**") and Part 1 of Schedule 7 of the CMSA and Schedule 8 of the CMSA read together with Schedule 9 of the CMSA or Section 257(3) of the CMSA, subject to any change in the applicable laws; and (2) after the issuance of the MTNs fall within Part 1 of Schedule 6 of the CMSA or Section 229(1)(b) of the CMSA and Schedule 8 of the CMSA or Section 257(3) of the CMSA read together with Schedule 9 of the CMSA or Section 257(3) of the CMSA, subject to any change in the applicable laws ("**Selling Restrictions**"). No action has been taken or will be taken in any jurisdiction by the Issuer, the Guarantor or the Joint Lead Managers that would, or is intended to, permit an offering of the MTNs, or the invitation to subscribe or purchase, offer, issue or transfer the MTNs or the publication or distribution of this Information Memorandum or any other material in connection with the offering of the MTNs, in any country or jurisdiction where action for that purpose is required. Accordingly, no invitation to subscribe or purchase, offer, issue or transfer of the MTNs or the publication or distribution of this Information Memorandum or any other materials in connection with the offering of the MTNs in any country or jurisdiction outside Malaysia shall be made.

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Genting RMTN Berhad

(Company No. 1332067-K)
(Incorporated in Malaysia under the Companies Act, 2016)

INFORMATION MEMORANDUM

Medium Term Notes Programme of RM10.0 Billion in Nominal Value by Genting RMTN Berhad, Irrevocably and Unconditionally Guaranteed by Genting Berhad (Company No. 7916-A)

Joint Principal Advisers/Joint Lead Arrangers

CIMB Investment Bank Berhad
(Company No.18417-M)

Maybank Investment Bank Berhad
(Company No. 15938-H)

This Information Memorandum is dated 17 September 2019

IMPORTANT NOTICE

Responsibility Statements

This Information Memorandum has been approved by the directors of Genting RMTN Berhad (Company No. 1332067-K) ("**Issuer**") and Genting Berhad (Company No. 7916-A) ("**Guarantor**") and the Issuer and Guarantor accept full responsibility for the accuracy of the information contained in this Information Memorandum. The Issuer and the Guarantor, after having made all reasonable enquiries, confirm that this Information Memorandum contains all information with respect to the Issuer and the Guarantor respectively, which is material in the context of the invitation to subscribe, offering and issuance of up to RM10.0 billion medium term notes ("**MTNs**") pursuant to the RM10.0 billion medium term notes programme ("**MTN Programme**"). Reasonable enquiries made by the Issuer and the Guarantor with respect to the information in this Information Memorandum may not extend to the Issuer and the Guarantor obtaining verification from independent sources. The opinions and intentions expressed in this Information Memorandum in relation to the Issuer and the Guarantor are honestly held and there are no other facts in relation to the Issuer, the Guarantor or the MTN Programme, the omission of which would, in the context of the MTN Programme, make any statement in this Information Memorandum misleading in any material respect. No representation or warranty, expressed or implied, is made that the information remains unchanged in any respect as of any date or dates after those stated herein, with respect to any matter concerning the Issuer and the Guarantor or any statement made in this Information Memorandum.

Important Notice and General Statement of Disclaimer

This Information Memorandum is being furnished on a private and confidential basis solely for the purpose of enabling investors to consider the purchase of the MTNs. It is a condition for the MTNs to be rated AAA(s) by RAM Rating Services Berhad on the first issuance and for subsequent issues, at least AA3 on the respective issue dates. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the rating agency.

None of the information or data contained in this Information Memorandum has been independently verified by CIMB Investment Bank Berhad (Company No. 18417-M) and Maybank Investment Bank Berhad (Company No. 15938-H) as joint principal advisers and joint lead arrangers ("**Joint Principal Advisers/ Joint Lead Arrangers**") or CIMB Investment Bank Berhad, Maybank Investment Bank Berhad, OCBC Bank (Malaysia) Berhad (Company No. 295400-W) and RHB Investment Bank Berhad (Company No. 19663-P) (or their affiliates) as joint lead managers and joint book runners ("**Joint Lead Managers/ Joint Book Runners**") for the first issuance pursuant to the MTN Programme. Accordingly, no representation, warranty or undertaking, express or implied, is given or assumed by the Joint Principal Advisers, the Joint Lead Arrangers or the Joint Lead Managers as to the authenticity, origin, validity, accuracy or completeness of such information and data or that the information or data remains unchanged in any respect after the relevant date shown in this Information Memorandum. The Joint Principal Advisers, the Joint Lead Arrangers and the Joint Lead Managers have not accepted and will not accept any responsibility for the information and data contained in this Information Memorandum or otherwise in relation to the MTN Programme and shall not be liable for any consequences of reliance on any of the information or data in this Information Memorandum.

The lodgement to the Securities Commission Malaysia ("**SC**") in respect of the MTN Programme was made by the Joint Principal Advisers.

The information in this Information Memorandum supersedes all other information and material previously supplied (if any) to the recipients. By taking possession of this Information Memorandum, the recipients are acknowledging and agreeing and are deemed to have acknowledged and agreed that they will not rely on any previous information supplied. No person is authorised to give any information or data or to make any representation or warranty other than as contained in this Information Memorandum and, if given or made, any such information, data, representation or warranty must not be relied upon as having been authorised by the Issuer and the Guarantor, the Joint Principal Advisers, the Joint Lead Arrangers and the Joint Lead Managers, or any other person.

This Information Memorandum has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia ("**Foreign Jurisdiction**"), and has not been and will not be lodged, registered or approved pursuant to or under any legislation of (or with or by any regulatory authorities or other relevant bodies of) any Foreign Jurisdiction and it does not constitute an issue, offer or sale of, or an invitation to subscribe or purchase the MTNs or any other securities of any kind by any party in any Foreign Jurisdiction and it does not constitute an issue, offer or sale of, or an invitation to subscribe or purchase the MTNs or any other securities of any kind by any party in any Foreign Jurisdiction.

This Information Memorandum and any other documents or materials in relation to the issue, offering or sale of the MTNs have been prepared solely for the purpose of the initial sale by the Joint Lead Managers pursuant to the MTN Programme. This Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are persons falling within the ambit of the selling restrictions as set out in the Section on "Subscription, Purchase and Distribution" ("**Selling Restrictions**") and may not be relied upon by any person other than persons to whom the MTNs are sold falling within the ambit of the Selling Restrictions. Recipients of this Information Memorandum shall not reissue, circulate or distribute this Information Memorandum or any part thereof in any manner whatsoever. This Information Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any MTNs in any jurisdiction outside of Malaysia. The distribution of this Information Memorandum and the issue, offer or sale of or invitation to subscribe or purchase the MTNs may be restricted by law in certain jurisdictions. The Issuer, the Guarantor, the Joint Principal Advisers, the Joint Lead Arrangers and the Joint Lead Managers do not represent that this Information Memorandum may be lawfully distributed, or that any MTNs may be lawfully issued, offered or sold, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution, offering or sale.

In particular, no action has been taken by the Issuer, the Guarantor, the Joint Principal Advisers, the Joint Lead Arrangers and the Joint Lead Managers which would permit an offering of any MTNs or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required.

Accordingly, no MTNs may be issued, offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction outside of Malaysia. Persons into whose possession this Information Memorandum may fall into must inform themselves about, and observe any such restrictions on the distribution of this Information Memorandum and the issuance, offering and sale of the MTNs. In particular, there are restrictions on the distribution of this Information Memorandum. See "Subscription, Purchase and Distribution".

This Information Memorandum is not and is not intended to be a prospectus. Unless otherwise specified in this Information Memorandum, the information contained in this Information Memorandum is current as at the date hereof.

By accepting delivery of this Information Memorandum, each recipient agrees to the terms upon which this Information Memorandum is provided to such recipient as set out in this Information Memorandum, and further agrees and confirms that:

(a) it will keep confidential all such information and data;
(b) it is lawful for the recipient to subscribe for or purchase the MTNs under all jurisdictions to which the recipient is subject;
(c) the recipient has complied with all applicable Malaysian laws in connection with such subscription or purchase of the MTNs;
(d) the Issuer and the Guarantor, the Joint Principal Advisers, the Joint Lead Arrangers and the Joint Lead Managers and their respective directors, officers, employees and professional advisers are not and will not be in breach of the laws of Malaysia and of any Foreign Jurisdiction to which the recipient is subject as a result of such subscription or purchase of the MTNs, and they shall not have any responsibility or liability in the event that such subscription or purchase of the MTNs is or shall become unlawful, unenforceable, voidable or void;
(e) it is aware that the MTNs can only be offered, sold, transferred or otherwise disposed of directly or indirectly in accordance with the relevant Selling Restrictions and all applicable laws;
(f) it has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the MTNs, and is able and prepared to bear the economic and financial risks of investing in or holding the MTNs;
(g) it is subscribing or accepting the MTNs for its own account; and
(h) it falls within the ambit of the Selling Restrictions.

Each recipient is solely responsible for seeking all appropriate expert advice as to the laws of Malaysia and the laws of the Foreign Jurisdiction to which the recipient is subject. For the avoidance of doubt, this Information Memorandum shall not constitute an offer or invitation to subscribe or purchase the MTNs in relation to any recipient other than those to whom copies have been sent by the Joint Lead Managers and are persons who fall within the ambit of the Selling Restrictions.

Neither this Information Memorandum nor any other information supplied in connection with the MTN Programme is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by the Issuer, Guarantor, the Joint Principal Advisers, the Joint Lead Arrangers and the Joint Lead Managers that any recipient of this Information Memorandum should purchase any of the MTNs.

This Information Memorandum is not a substitute for, and should not be regarded as, an independent evaluation and analysis and does not purport to be all-inclusive. Each investor contemplating purchasing the MTNs should perform and is deemed to have made its own independent investigation and analysis of the financial condition, status and affairs, and its own appraisal of the creditworthiness and nature, of the Issuer and the Guarantor and of its subsidiaries and associated companies, the terms of the offering of the MTNs, including the merits and risks involved, and all other relevant matters, and each recipient should consult its own professional advisers. All information and statements herein are subject to the detailed provisions of the respective documents referred to herein and are qualified in their entirety by reference to such documents.

Neither the distribution or delivery of this Information Memorandum nor the offering, sale or delivery of any MTNs shall in any circumstance imply that the information contained herein concerning the Issuer and the Guarantor is correct at any time subsequent to the date hereof or the date specified in this Information Memorandum if a date is specified, or that any other information supplied in connection with the MTN Programme is correct as of any time subsequent to the date indicated in the document containing the same. Neither the Joint Principal Advisers, nor the Joint Lead Arrangers, nor the Joint Lead Managers nor any other advisers for the MTN Programme undertake to review the financial condition or affairs of the Issuer and the Guarantor or to advise any investor in any MTNs of any information coming to their respective attention.

This Information Memorandum includes certain historical information, estimates, or reports thereon derived from sources mentioned in this Information Memorandum and other parties with respect to the economy, the material businesses which the Issuer and the Guarantor operates and certain other matters. Such information, estimates, or reports have been included solely for illustrative purposes. No representation or warranty is made as to the accuracy or completeness of any information, estimates and/or reports thereon derived from such sources or from other third party sources.

All discrepancies (if any) in the tables included in this Information Memorandum between the listed amounts and totals thereof are due to, and certain numbers appearing in this Information Memorandum are shown, after rounding.

Forward-Looking Statements

The Issuer and the Guarantor have included statements in this Information Memorandum which contain words or phrases such as "will", "would", "aimed", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will achieve", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "seeking to", "target", "propose to", "future", "objective",

"goal", "project", "should", "can", "could", "may" and similar expressions or variations of such expressions, that are "forward-looking statements".

All of these forward-looking statements are based on estimates and assumptions made by the Issuer and the Guarantor and although each of the Issuer and the Guarantor believes that the expectations reflected in the forward-looking statements are reasonable at this time, actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties that may cause events or future results to be materially different than expected or indicated by such statements and there can be no assurance that these expectations will prove to be correct.

For a further discussion on the factors that could cause actual results to differ, see the discussion under "***Investment Considerations***" contained in this Information Memorandum. As such, no assurances can be given that any of such statements or estimates will be realised. In light of these and other uncertainties, the inclusion of a forward looking statement in this Information Memorandum should not be regarded as a representation or warranty by the Issuer and the Guarantor or any other person that the plans and objectives of the Issuer and the Guarantor will be achieved. The Issuer and the Guarantor are not under any obligation to update or revise such forward looking statements to reflect any change in expectations or circumstances.

Acknowledgement

The Issuer and the Guarantor hereby acknowledge that they have authorised the Joint Lead Managers and/or their affiliates to circulate or distribute this Information Memorandum on their behalf in respect of or in connection with the proposed offer or invitation to subscribe for and issue of the MTNs to prospective investors who fall within the ambit of the Selling Restrictions for the purpose of the initial sale pursuant to the MTN Programme and that no further evidence of authorisation is required.

Statements of Disclaimer by the Securities Commission Malaysia

A copy of this Information Memorandum has been deposited with the SC, which takes no responsibility for its contents.

The issue, offer or sale of or invitation to subscribe or purchase the MTNs is subject to the fulfilment of various conditions precedent including without limitation the lodgement of information and documents in relation to the MTN Programme to the SC in accordance with the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC on 9 March 2015 (effective on 15 June 2015) and revised on 11 October 2018 (as may be amended from time to time)("**LOLA Guidelines**").

Information and documents in relation to the MTN Programme has been lodged with the SC pursuant to the LOLA Guidelines on 17 September 2019. Each recipient of this Information Memorandum acknowledges and agrees that the lodgement of the MTN Programme with the SC shall not be taken to indicate that the SC recommends the subscription or purchase of the MTNs.

The SC shall not be liable for any non-disclosure on the part of the Issuer and the Guarantor and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Information Memorandum.

EACH ISSUANCE OF THE MTNs UNDER THE MTN PROGRAMME WILL CARRY DIFFERENT RISKS AND PROSPECTIVE INVESTORS ARE STRONGLY ENCOURAGED TO EVALUATE EACH ISSUANCE OF THE MTNs ON ITS OWN MERIT. IT IS RECOMMENDED THAT PROSPECTIVE INVESTORS CONSULT THEIR FINANCIAL, LEGAL AND OTHER ADVISERS BEFORE PURCHASING OR SUBSCRIBING FOR THE MTNs UNDER THE MTN PROGRAMME.

Documents Incorporated by Reference

The following documents published or issued from time to time after the date hereof and before the date of first issuance under the MTN Programme shall be deemed to be incorporated in, and to form part of, this Information Memorandum:

(i) the most recently published audited consolidated and non-consolidated annual financial statements and, if published later, the most recently published interim consolidated and non-consolidated financial statements (if any) of the Guarantor;

(ii) all supplements or amendments to this Information Memorandum deposited with the SC by the Issuer and the Guarantor, if any, save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum;

(iii) any pricing supplements prepared and issued in relation to an issuance of the MTNs under the MTN Programme; and

(iv) all announcements made by the Guarantor on Bursa Malaysia Securities Berhad from time to time.

The Issuer and the Guarantor will provide, without charge, to each person, falling within the Selling Restrictions, to whom a copy of this Information Memorandum has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded as specified above. Requests for such documents should be directed to the Issuer through any of the Joint Lead Managers at their offices set out at the end of this Information Memorandum.

CONFIDENTIALITY

This Information Memorandum and its contents are strictly confidential and are made strictly on the basis that the recipient shall ensure that they will remain confidential. Accordingly, this Information Memorandum and its contents, or any information, which is made available in connection with any further enquiries, must be held in complete confidence.

This Information Memorandum is sent to selected persons who fall within the ambit of the Selling Restrictions. Any person who receives this Information Memorandum who does not fall within the ambit of the Selling Restrictions must immediately notify the Joint Lead Managers by reply e-mail and permanently delete all copies of this e-mail including all attachments and destroy all printouts of it.

In the event that there is any contravention of this confidentiality undertaking or there is reasonable likelihood that this confidentiality undertaking may be contravened, the Issuer and the Guarantor may, at their discretion, apply for any remedy available to the Issuer and the Guarantor whether at law, equity, including without limitation, injunctions. The Issuer and the Guarantor are entitled to fully recover from the contravening party all costs, expenses and losses incurred and/or suffered, in this regard. For the avoidance of doubt, the recipient, the recipient's professional advisers, directors, employees and any other persons who may receive this Information Memorandum or any part of it from the recipient shall be deemed to have agreed to abide by this confidentiality undertaking.

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DEFINITIONS

Unless the context otherwise requires or unless otherwise defined, the following definitions shall apply for the purpose of this Information Memorandum:

ACGT	ACGT Sdn Bhd (Company No. 727250-A)
Board	Board of Directors
Bursa Securities	Bursa Malaysia Securities Berhad
CIMB	CIMB Investment Bank Berhad (Company No.18417-M)
CMSA	Capital Markets and Services Act, 2007 (as amended or re-enacted from time to time)
CPO	crude palm oil
CRA	Casino Regulatory Authority of Singapore
EBITDA	Earnings before interest, tax, depreciation and amortisation
Facility Agent	CIMB
F&B	food and beverage
FFB	fresh fruit bunches
FYE(s)	financial year(s) ended
GAT	Genting AgTech Sdn Bhd (Company No. 206507-K)
GBP	British Pound Sterling
GCSPL	Genting CDX Singapore Pte Ltd (Company No. 198903086G)
GENHK	Genting Hong Kong Limited (Company No. 29337)
GENM	Genting Malaysia Berhad (Company No. 58019-U)
GENM Group	GENM and its subsidiaries
GENP	Genting Plantations Berhad (Company No. 34993-X)
GENP Group	GENP and its subsidiaries
GENS	Genting Singapore Limited (Company No. 201818581G)
GENS Group	GENS and its subsidiaries
Genting or Guarantor	Genting Berhad (Company No. 7916-A)
Genting Energy	Genting Energy Limited (Company No. 51360C)
Genting Group	the Guarantor and its subsidiaries and consolidated entities
Genting Property	Genting Property Sdn Bhd (Company No. 230132-V)
GENUK	Genting UK Plc (Company No. 1519749)
GENUK Group	GENUK and its subsidiaries
GITP	Genting Integrated Tourism Plan
GOGL	Genting Oil & Gas Limited (Company No. 79952C)
GOKPL	Genting Oil Kasuri Pte Ltd (Company No. 200716033K)
GPHL	Genting Power Holdings Limited (Company No. 74568C)
IT	Information Technology
Issuer	Genting RMTN Berhad (Company No. 1332067-K)
Joint Book Runners	CIMB, Maybank IB, OCBC and RHB IB, in respect of the first issuance of the MTNs under the MTN Programme and in respect of subsequent issuances of MTNs under the MTN Programme, such party(ies) as may be appointed by the Issuer prior to each issuance of the MTNs, if applicable
Joint Lead Arrangers	CIMB and Maybank IB
Joint Lead Managers	CIMB, Maybank IB, OCBC and RHB IB in respect of the first issuance of the MTNs under the MTN Programme and in respect of subsequent issuance of the MTNs under the MTN Programme, such party(ies) as may be appointed by the Issuer prior to each

	issuance of the MTNs, of applicable
Joint Principal Advisers	CIMB and Maybank IB
LOLA Guidelines	Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC on 9 March 2015 and revised on 11 October 2018 (as amended from time to time)
LPD	Latest practicable date, being 1 August 2019
Maybank IB	Maybank Investment Bank Berhad (Company No.15938-H)
MICE	meetings, incentives, conferences, and exhibitions
mt	metric tonnes
MTN Holders	the holder(s) of the MTNs
MTN Programme	the medium term notes programme of RM10.0 billion in nominal value to be established by the Issuer and irrevocably and unconditionally guaranteed by the Guarantor
MTNs	medium term notes issued under the MTN Programme
MW	Megawatts
OCBC	OCBC Bank (Malaysia) Berhad (Company No. 295400-W)
PK	palm kernel
PLN	Perusahaan Listrik Negara
PPA	Power Purchase Agreement
PSC	Production Sharing Contracts
RAM	RAM Rating Services Berhad (Company No. 763588-T)
RHB IB	RHB Investment Bank Berhad (Company No. 19663-P)
RM	Ringgit Malaysia
RW Bimini	Resorts World Bimini
RW Las Vegas	Resorts World Las Vegas LLC (Company No. 5294456)
RWG	Resorts World Genting
RWLV	Resorts World Las Vegas
RWNYC	Resorts World Casino New York City
RWS	Resorts World Sentosa
RWSPL	Resorts World at Sentosa Pte Ltd (Company No. 200502573D)
S$	Singapore Dollar
SC	Securities Commission Malaysia
Security Agent	CIMB
Selling Restrictions	the selling restrictions set out in the Section on “Subscription, Purchase and Distribution”
series	in relation to any MTN, such MTN with identical terms and conditions, in particular with the same issue date
SGX-ST	Singapore Exchange Securities Trading Limited
Trust Deed Guidelines	the Trust Deed Guidelines issued by the SC (revised on 12 July 2011 and effective on 12 August 2011);
Trustee	MTrustee Berhad (Company No.163032-V)
UK	United Kingdom
USA	United States of America
US Dollar or US$	United States Dollar(s), being the lawful currency of the USA;

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1 EXECUTIVE SUMMARY

The following summary is qualified in its entirety by the more detailed information, the financial statements and the Principal Terms and Conditions of the MTNs thereto appearing elsewhere in this Information Memorandum. Investors should read the full text of this Information Memorandum before deciding whether or not to invest in any of the MTNs.

1.1 The Issuer

The Issuer was incorporated on 28 June 2019 in Malaysia as a public company limited by shares under the Companies Act 2016. The principal activity of the Issuer is the issuance of private debt securities. The registered office and principal place of business of the Issuer are located at 24th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur. The Issuer is a wholly-owned subsidiary of the Guarantor.

1.2 The Guarantor

The Guarantor was incorporated under the Companies Act 1965 on 30 July 1968 under the name of Genting Highlands Hotel (Sendirian) Berhad to operate a hotel and casino and to develop an integrated tourist complex in Genting Highlands, Malaysia. It changed its name to Genting Highlands Hotel Berhad upon conversion to a public company on 24 July 1970 and assumed its present name on 9 June 1978. The Guarantor has been listed on the Main Market of Bursa Securities since 1971. Presently, the Guarantor is an investment holding and management company. The Genting Group comprises the Guarantor and its listed subsidiaries namely GENM, GENP and GENS and various unlisted subsidiaries, including Genting Energy and RW Las Vegas.

The Genting Group is led by Tan Sri Lim Kok Thay and is involved in leisure and hospitality, oil palm plantations, power generation, oil and gas, property development, life sciences and biotechnology activities with operations spanning across the globe, including Malaysia, Singapore, Indonesia, India, China, the USA, the Bahamas, the UK and Egypt. The Genting Group has tie ups with established names such as Universal Studios®, Premium Outlets®, Hard Rock Hotel, Zouk and other renowned international brand partners.

1.3 Utilisation of proceeds

The net proceeds from the MTN Programme shall be utilised for the Genting Group's operating expenses, capital expenditure, investment, refinancing, working capital requirements, general funding requirements and/or other general corporate purposes of the Genting Group.

1.4 Key financial highlights of the Guarantor

Set out below is a summary of the key financial highlights of the Genting Group for the period indicated in the table below:

	FYE 31 December		For the 6 months ended	For the 6 months ended
	2017	2018	30 June 2018[1]	30 June 2019[1]
(in RM'mil)	(Audited)	(Audited)	(Unaudited)	(Unaudited)
Revenue	20,025.7	20,853.0	10,074.1	11,018.5
Profit before taxation	4,309.9	3,418.4	2,557.9	2,509.0
Profit after taxation	3,241.5	2,443.9	1,941.0	2,028.4
Shareholders' funds	33,787.9	34,273.7	33,568.2	34,764.6
Total indebtedness [3]	27,179.3	29,224.5	26,000.1	32,682.3
Total assets	93,612.6	96,141.4	91,951.4	101,420.9
Total liabilities	36,511.7	38,753.2	35,423.9	43,211.0
Current ratio (times) [2][4]	4.18	3.61	4.11	3.84
Quick ratio (times) [2][5]	3.86	3.38	3.85	3.66
Debt to equity ratio [2][6]	48%	51%	46%	56%

Notes:

(1) The financial results for the 6 months ended 30 June 2018 and 2019 were extracted from quarterly financial results announcements made by the Guarantor on Bursa Securities. The figures have not been audited.

(2) The ratios have not been audited.

(3) Total indebtedness consists of long-term borrowings and short-term borrowings.

(4) Current ratio = Current assets/ Current liabilities.

(5) Quick ratio = (bank balances and deposits (excluding restricted cash) + short term investments (including income funds) + trade and other receivables + amount due from joint ventures and associates – prepayments) / current liabilities.

(6) Debt to equity ratio = (short term borrowings + long term borrowings) / Total equity.

1.5 Brief description of the MTN Programme

The MTN Programme is a medium term notes programme of RM10.0 billion in nominal value to be established by the Issuer and irrevocably and unconditionally guaranteed by the Guarantor.

The Issuer shall have the option to upsize the MTN Programme at any time and from time to time provided that:

(i) such increase will not result in any adverse impact on the rating of the MTN Programme;

(ii) the voting for the MTN Programme subsequent to any upsizing is carried out on a "*per series*" basis and not on a collective basis;

(iii) the relevant requirements under the LOLA Guidelines in relation to such upsizing have been complied with;

(iv) the necessary corporate authorisations of the Issuer and the Guarantor have been obtained; and

(v) the relevant regulatory approvals have been obtained (if applicable).

The trust deed for the MTN Programme shall provide that the MTN Holders (by virtue of purchasing the MTNs) shall be deemed to have consented to any upsizing of the MTN Programme at any time and from time to time. Accordingly, no further consent will be required from the MTN Holders, the Trustee, the Facility Agent, the Security Agent, the Joint Principal Advisers, the Joint Lead Arrangers, the Joint Lead Managers or any other party under the MTN Programme for the Issuer to exercise the option to upsize the MTN Programme and for the upsize of the MTN Programme at any time and from time to time.

If the Issuer exercises the option to upsize the limit of the MTN Programme:

(a) after the MTN Programme limit has been upsized, all matters which require MTN Holders' consent under the MTN Programme shall be carried out on a "per series" basis; and

(b) all relevant parties will execute such supplemental agreements to the transaction documents in respect of the MTN Programme to give effect to the said upsizing and Item (a) above.

The tenure of the MTN Programme is perpetual. The first issuance of the MTNs shall be within sixty (60) business days from the date of lodgement of the required information and documents relating to the MTN Programme with the SC.

The MTN Programme, which has been assigned an initial long-term rating of AAA(s) by RAM, falls under Schedule 8 of the CMSA and therefore the Issuer is exempted from complying with the SC's Trust Deed Guidelines.

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2 PRINCIPAL TERMS AND CONDITIONS OF THE MTNs

Words and expressions used and defined in this Section 2 shall, in the event of any inconsistency with the definitions section of this Information Memorandum, only be applicable for this Section 2.

(1) Name of facility / programme : A medium term notes programme of RM10.0 billion.

(2) Issuance type :
- ☐ One-time issue
- ☒ Programme

(3) Facility description : Proposed issuance of medium term notes ("**MTN**") pursuant to a medium term notes programme of RM10.0 billion in nominal value guaranteed by Genting Berhad ("**MTN Programme**").

(4) Currency :
- ☐ Foreign Currency
- ☐ Multi-currency excluding Ringgit
- ☐ Multi-currency including Ringgit
- ☒ Ringgit

(5) Expected facility / programme size :

☒ Up to	MYR	10.0 billion

- ☐ Combined limit with
- ☐ Sub-limit of

(6) Option to upsize :
- ☒ Yes
- ☐ No

(7) Tenure of facility/programme :
- ☐

Year(s)	Month(s)	Day(s)
-	-	-

- ☒ Perpetual

(8) Availability Period

Subject to the completion of the Transaction Documents (as defined in item (17) of the section entitled *"Other terms and conditions – Definitions"*) and, unless waived by the Joint Lead Arrangers, compliance of all relevant conditions precedent therein provided always that the first issuance of MTN under the MTN Programme shall be within sixty (60) business days from the date of lodgement of the required information and documents relating to the MTN Programme with the Securities Commission Malaysia ("**SC**"), the MTN Programme is available for issuance in perpetuity.

(9) Clearing & settlement platform(s) : Payments Network Malaysia Sdn Bhd ("**PayNet**").

(10) Mode(s) of issue :
- ☒ Private/direct placement
- ☒ Bought deal
- ☒ Book building
- ☐ Tender

Additional Notes (leave blank if not applicable):

(11) Selling restrictions : **(i) At issuance**

☐ Exclusively to persons outside Malaysia
☒ Part I of Schedule 6 of the Capital Markets & Services Act, 2007 (CMSA)
☒ Part I of Schedule 7 of the CMSA
☒ Read together with Schedule 9 of CMSA
☒ Schedule 8 of CMSA
☐ Section 2(6) of the Companies Act 2016
☐ Other

(ii) After issuance

☐ Exclusively to persons outside Malaysia
☒ Part I of Schedule 6 of the CMSA
☒ Read together with Schedule 9 of CMSA
☒ Schedule 8 of CMSA
☐ Section 2(6) of the Companies Act 2016
☐ Other

Additional notes on selling restrictions (leave blank if not applicable)

Selling Restrictions at Issuance
The MTN may only be offered, sold, transferred or otherwise disposed of, directly or indirectly, to persons to whom an offer or invitation to subscribe to the MTN may be made and to whom the MTN are issued would fall within Part I of Schedule 6 of the CMSA and Part I of Schedule 7 of the CMSA and Schedule 8 of the CMSA, read together with Schedule 9 of the CMSA or Section 257(3) of the CMSA, subject to any change in the applicable laws.

Selling restrictions thereafter
The MTN may only be offered, sold, transferred or otherwise disposed of, directly or indirectly, to persons to whom an offer or invitation to purchase the MTN would fall within Part I of Schedule 6 of the CMSA or Section 229(1)(b) of the CMSA and Schedule 8 of the CMSA or Section 257(3) of the CMSA, read together with Schedule 9 of the CMSA or Section 257(3) of the CMSA, subject to any change in the applicable laws.

The MTN Programme has been assigned an initial long-term rating of AAA(s) by RAM Rating Services Berhad which falls under Schedule 8 of the CMSA and therefore the Issuer is exempted from complying with the SC's Trust Deed Guidelines issued by the SC (revised on 12 July 2011 and effective on 12 August 2011) as amended from time to time.

(12) Tradability & transferability : ☒ Tradable & transferable

MYR	RM10.0 billion

☐ Non-tradable & non-transferable
☐ Restricted transferability

(13) Details of security / collateral pledged, if applicable : ☒ Unsecured

☐ Secured/combination of secured and unsecured, details as follows:

(14) Details of guarantee, if applicable : ☐ Not guaranteed

☒ Guaranteed, details as follows:

There shall be an unconditional and irrevocable guarantee by the Guarantor in favour of the Security Agent for the benefit of the Trustee and the MTN Holders to guarantee all the obligations of the Issuer under or in connection with the Transaction Documents in respect of the MTN Programme ("**Guarantee**").

(15) Convertibility of issuance : ☒ Non-convertible

☐ Convertible, details as follows:

Click here to enter text.

(16) Exchangeability of issuance and details of the exchangeability : ☒ Non-exchangeable

☐ Exchangeable, details as follows:

Click here to enter text.

(17) Call option and details, if applicable : ☒ No call option

☐ Call option, details as follows:

Click here to enter text.

(18) Put option and details, if applicable : ☒ No put option

☐ Put option, details as follows:

Click here to enter text.

(19) Positive covenants : ☐ No positive covenant

☒ Positive covenants, details as follows:

The positive covenants shall include but not limited to the following:

(a) each of the Issuer and the Guarantor shall maintain in full force and effect all relevant authorisations, consents, rights, licences, approvals and permits (governmental and otherwise) and will promptly obtain any further authorisations, consents, rights, licences, approvals and permits (governmental and otherwise) which is necessary to enable it to own their respective assets, to carry on their respective business, to enter into or perform their respective obligations under the Transaction Documents or to ensure the validity, enforceability, admissibility in evidence of the obligations of the Issuer or the Guarantor (as the case may be) or of the priority or rights of the MTN Holders of under the Transaction Documents (save for anything required to be done by the Trustee or any of the MTN Holders), which authorisations, consents, rights, licences, approvals and permits, if not obtained or kept in full force and effect, is reasonably likely to have a

Material Adverse Effect;

(b) each of the Issuer and the Guarantor shall at all times on reasonable request of the Trustee execute all such further documents (in such form and substance to be mutually agreed) and do all such further acts reasonably necessary at any time or times solely to give full effect to the terms and conditions of the Transaction Documents;

(c) each of the Issuer and the Guarantor shall exercise reasonable diligence in carrying out their respective business and affairs;

(d) each of the Issuer and the Guarantor shall prepare its financial statements on a basis consistently applied in accordance with generally accepted accounting principles in Malaysia and those financial statements shall give a true and fair view of the results of the operations of the Issuer or the Guarantor (as the case may be) for the period to which the financial statements are made up;

(e) each of the Issuer and the Guarantor shall promptly comply with all applicable laws in relation to the Transaction Documents including the provisions of the CMSA and/or the MTN, circulars, conditions or guidelines issued by SC from time to time;

(f) the Issuer shall ensure that the liabilities and obligations of the Issuer under the MTN constitute direct, unconditional and unsecured obligations of the Issuer and shall at all times rank pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer, subject to those preferred by law and the Transaction Documents;

(g) the Guarantor shall ensure that the liabilities and obligations of the Guarantor under the Transaction Documents constitute direct, unconditional and unsecured obligations of the Guarantor and shall at all times rank pari passu with the other present and future unsecured and unsubordinated obligations of the Guarantor, subject to those preferred by law and the Transaction Documents; and

(h) each of the Issuer and the Guarantor shall comply at all times with the relevant provisions of the trust deed and the terms and conditions of the MTN which are binding upon them at all times.

(20) Negative covenants : ☐ No negative covenant

☒ Negative covenants, details as follows:

The negative covenants shall include but not limited to the following:

(a) each of the Issuer and the Guarantor shall not create or permit to exist any encumbrance, mortgage, charge

(whether fixed or floating), pledge, lien, hypothecation, assignment by way of security, trust arrangement for the purpose of providing security or other security interest of any kind including, without limitation, title transfer and/or retention arrangements having a similar effect or any agreement to create any of the foregoing, but excluding Permitted Security;

"**Permitted Security**" in respect of the Issuer and/or the Guarantor means:

(i) liens arising by operation of law or liens, netting or set-off arrangements entered into or created in the ordinary course of business or pursuant to any hedging transaction entered into for the purpose of hedging any risk or interest rate or currency management operations; or

(ii) pledges or liens created in relation to documentary credits, trust receipts and bankers acceptances opened in the ordinary course of business; or

(iii) leasing arrangements and/or hire purchase transactions in the ordinary course of business; or

(iv) security interest arising under retention of title arrangements entered into in the ordinary course of business; or

(v) any other security (including security over the assets of the Guarantor existing as at the execution of the Transaction Documents) securing indebtedness of an aggregate outstanding principal amount of which does not exceed 10% of the Guarantor's then consolidated net assets ("**Consolidated Net Assets**") (or its equivalent in another currency or currencies), based on the Guarantor's latest annual audited consolidated financial accounts);

"**Consolidated Net Assets**" shall mean the total equity less minority interests;

(b) the Issuer shall not dispose of any assets in excess of RM100,000 in any financial year, and the Guarantor shall not dispose of 10% or more of its interest in any of the Principal Subsidiaries where such disposal is reasonably likely to have a Material Adverse Effect;

"**Principal Subsidiaries**" shall mean any Subsidiary involved in leisure and hospitality whose then audited Consolidated Net Assets (proportionate to the Guarantor's shareholding in the Subsidiary) is 15% or more of the Guarantor's then audited Consolidated Net Assets;

(c) each of the Issuer or the Guarantor shall not add,

delete, amend or substitute their respective Constitutions (if any) in a manner inconsistent with the provisions of the Transaction Documents unless required by law or the relevant listing requirements;

(d) each of the Issuer or the Guarantor shall not reduce their share capital whether by varying the amount, structure or value thereof or the rights attached thereto, if the reduction would cause the rating agency to either: (i) downgrade the rating of the MTN or (ii) place the MTN on rating watch 'negative' outlook for more than two (2) months, (save and except for any decrease in its issued share capital resulting from purchases of its own shares pursuant to Section 127 of the Companies Act 2016 or such equivalent section);

(e) the Issuer shall not use the proceeds of the MTN Programme except for the purposes set out in Item (1) of the section entitled "*Other terms and conditions - Details on utilisation of proceeds by Issuer*";

(f) the Issuer shall not lend any money to any party (other than to the Issuer's directors, officers or employees as part of their terms of employment or to the Guarantor or any of the Guarantor's Subsidiaries); and

(g) The Issuer shall not carry on any business activity whatsoever (other than in connection with the MTN Programme (which shall, for the avoidance of doubt, include the on-lending of the proceeds of the issue of the MTN to the Guarantor and/or any of the Guarantor's Subsidiaries and/or subscribing for any securities issued by the Guarantor and/or any of the Guarantor's Subsidiaries and/or the Issuer obtaining any loans and advances from the Guarantor and/or any of the Guarantor's Subsidiaries and/or issuing any securities to the Guarantor and/or any of the Guarantor's Subsidiaries in any form whatsoever) and/or any fund raising exercise in connection with the Guarantor and its Subsidiaries ("**Group**")).

(21) Financial covenant : ☒ No financial covenant

☐ Financial covenant, details as follows:

(22) Information covenants : ☐ No information covenant

☒ Information covenants, details as follows:

The information covenants shall include but not limited to the following:

(a) the Issuer shall provide to the Trustee at least on an annual basis, a certificate confirming that it has complied with all its obligations under the Transaction Documents and the terms and conditions of the MTN and that there does not exist or had not existed, from the date of the first issuance of the MTN under the MTN Programme or the date of the previous certificate (as the case may be), any Event of Default, and if such is

not the case, to specify the same;

(b) each of the Issuer and the Guarantor (unless otherwise specified) shall deliver to the Trustee the following:

(i) as soon as they become available (and in any event within one hundred and eighty (180) days after the end of each of their financial years) copies of their respective consolidated financial statements (consolidated only in respect of the Guarantor) for that financial year and which are audited (and certified without qualification in respect of the Guarantor) by a firm of independent certified public accountants;

(ii) in respect of the Guarantor, as soon as they become available (and in any event within ninety (90) days after the end of the first half of its financial year) copies of its unaudited half yearly consolidated financial statements for that period which are duly certified by any one of its directors or authorised personnel;

(iii) as soon as practicable, and to the extent permitted by: (a) law and the relevant listing rules; or (b) confidentiality agreements (which the Issuer and/or the Guarantor, as the case may be, shall use its reasonable endeavours to procure consents from the counterparties to the confidentiality agreements), such additional financial or other information relating to the Issuer's or the Guarantor's (as the case may be) business and its operations as the Trustee may from time to time reasonably request in order to discharge its duties and obligations as trustee under the Transaction Documents;

(iv) as soon as practicable after the receipt thereof, any notices or other documents received by the Issuer or the Guarantor (as the case may be) from their respective shareholders (acting together as a class) or its creditors which contents are reasonably likely to materially and adversely affect the interests of the MTN Holders and which would be required to be announced by the Guarantor under the relevant listing rules; and

(v) as soon as practicable after the issue or publication thereof, any document dispatched by the Issuer or the Guarantor (as the case may be) to their respective shareholders (in their capacity as shareholders) in respect of a class right or its creditors (as a class) in respect of such matter which may materially and adversely affect the interests of the MTN Holders;

(c) the Issuer shall as soon as practicable notify the Trustee of any change in its shareholding structure;

(d) each of the Issuer and the Guarantor shall promptly notify the Trustee of any material adverse change in their respective condition (financial or otherwise) and of any material litigation or other proceedings of any nature whatsoever being threatened or initiated against the Issuer or the Guarantor (as the case may be) before any court or tribunal or administrative agency which may materially and adversely affect the ability of the Issuer or the Guarantor (as the case may be) to perform any of their respective material obligations under any of the Transaction Documents; and

(e) unless the same is capable of remedy and is forthwith remedied, each of the Issuer and the Guarantor shall promptly give notice to the Trustee of any event whereby the Issuer or the Guarantor (as the case may be) is unable to fulfil or comply with any of the provisions of the Transaction Documents, of anything which will render untrue or incorrect in any material respect any of the representations and warranties made by or on behalf of the Issuer or the Guarantor at any time at which such representations and warranties are given or deemed to be given, or of the occurrence of any Event of Default or any event which, upon the giving of notice and/or lapse of time and/or the issue of a certificate and/or the fulfilment of the relevant requirement as contemplated under the relevant Transaction Documents would constitute an Event of Default ("**Potential Event of Default**") forthwith upon becoming aware thereof, and it shall take all reasonable steps and/or such other steps as may reasonably be requested by the Trustee to remedy and/or mitigate the effect of the Event of Default or the Potential Event of Default.

(23) Details of designated account(s), if applicable : ☒ No Designated account

☐ Designated account(s) as follows:

(24) Credit rating(s) of facility/programme, if applicable : ☐ Not Rated

☒ Rated as follows:

Credit rating agency	:	RAM Rating Services Berhad ("**Rating Agency**")
Credit rating	:	AAA(s)
Final/Indicative	:	Final
Name of Tranche/Series/Class	:	
Partial rating	:	
Amount rated	:	RM10.0 billion

☐ Combination of rated and unrated as follows:

(25) Conditions Precedent : The conditions precedent for the establishment of the MTN Programme shall include but not limited to the following (all in form and substance acceptable to the Joint Lead Arrangers):

A. Main Documentation

(i) The Transaction Documents have been signed and endorsed as being exempted from stamp duty.

B. The Issuer

(i) Certified true copies of the certificate of incorporation, application for registration of a company (Section 14 of the Companies Act 2016), notification of appointment of the first company secretary (Sections 58 and 236(2) of the Companies Act 2016) and the latest forms as prescribed under sections 78 *(Return of allotment)*, 46 *(Registered office and office hours)* and 58 *(Duty to notify of particulars and changes of director, manager and secretary)* of the Companies Act 2016 of the Issuer;

(ii) A certified true copy of a board resolution of the Issuer authorising, among others, the issuance of MTN and the execution of the relevant Transaction Documents;

(iii) A list of the Issuer's authorised signatories and their respective specimen signatures;

(iv) A report of the relevant company search on the Issuer with the Companies Commission of Malaysia ("**CCM**");

(v) A report of the relevant winding-up search or the relevant statutory declaration of the Issuer which revealed that the Issuer has not been wound-up.

C. The Guarantor

(i) Certified true copies of the constitutional documents and the latest forms as prescribed under sections 78 (Return of allotment), 46 (Registered office and office hours) and 58 (Duty to notify of particulars and changes of director, manager and secretary) of the Companies Act 2016 of the Guarantor;

(ii) A certified true copy of a board resolution of the Guarantor authorising, among others, the execution of the relevant Transaction Documents;

(iii) A list of the Guarantor's authorised signatories and their respective specimen signatures;

(iv) A report of the relevant company search on the Guarantor with CCM;

(v) A report of the relevant winding-up search or the relevant statutory declaration of the Guarantor which revealed that the Guarantor has not been wound-up.

D. General

(i) Evidence that the Lodgement in respect of the MTN Programme has been made with the SC;

(ii) The MTN Programme have received the requisite rating as

stated in this Lodgement Form; and

(iii) The Joint Principal Advisers, Joint Lead Arrangers and Joint Lead Managers have received a satisfactory legal opinion from their solicitors addressed to them and to the Trustee advising with respect to, among others, the legality, validity and enforceability of the Transaction Documents, and a confirmation from the solicitors addressed to the Joint Lead Arrangers confirming that all the conditions precedent in relation to the Transaction Documents have been fulfilled (except those waived).

(26) Representation and warranties : Representations and warranties by the Issuer and the Guarantor are as follows:

(a) each of the Issuer and the Guarantor is a company with limited liability duly incorporated and validly existing under the laws of Malaysia, has full power to carry on their respective business and to own their respective assets, and has full beneficial ownership of all their respective assets (except where such failure to own is not reasonably likely to have a Material Adverse Effect);

(b) the Constitution of the Issuer (if any) or the Guarantor (as the case may be) incorporate provisions which authorise, and all necessary corporate and other relevant actions have been taken, and all relevant authorisations, licences, exemptions (other than endorsement of the stamp duty exemption), registrations, recording, filing, notarisation, consents and approvals of any administrative, governmental or other authority or body in Malaysia have been duly obtained and are in full force and effect and all duty and taxes (if any) have been paid which are required; (i) to authorise the Issuer or the Guarantor (as the case may be) to execute and deliver and perform the transactions contemplated in the Transaction Documents in accordance with their terms; (ii) to authorise it to execute and deliver the pricing supplement (if any); and (iii) to ensure the legality, validity, enforceability of the Issuer's and the Guarantor's liabilities and obligations or the rights of the Trustee under the Transaction Documents or the rights of the MTN Holders under the MTN, save and except for anything required to be done by the Trustee or any of the MTN Holders;

(c) neither the: (a) execution and delivery of any of the Transaction Documents and the pricing supplement (if any); nor (b) the performance of any of the transactions contemplated by the Transaction Documents:

(i) contravene or constitute a default under any provision contained in any agreement, instrument, law, ordinance, decree, judgment, order, rule, regulation, licence, permit or consent by which the Issuer or the Guarantor or any of their respective assets is bound or which is applicable to the Issuer or the Guarantor or any of their respective assets, which is reasonably likely to result in a Material Adverse Effect;

(ii) cause to be exceeded any limitation on the Issuer or

the Guarantor (as the case may be) or the powers of their respective directors, whether imposed by or contained in its Constitution (if any) or in any agreement, instrument, law, ordinance, decree, order, rule, regulation, judgment or otherwise; or

(iii) cause the creation or imposition of any security interest or restriction of any nature on any of the Issuer's or the Guarantor's assets, which is reasonably likely to result in a Material Adverse Effect except for any Permitted Security (as defined in item (a) of the section entitled "*Negative Covenants*");

(d) each of the Transaction Documents and the pricing supplement (if any) is or will when executed and/or issued, as the case may be, be in full force and effect and constitutes, or will when executed or issued, as the case may be, constitute, valid and legally binding obligations of the Issuer or the Guarantor (as the case may be) enforceable (subject to such qualifications the parties may agree to among themselves or as may be contained in the Transaction Documents) in accordance with its terms subject to the laws of bankruptcy and other laws affecting the rights of creditors generally.

The Issuer and Guarantor (as the case may be) shall be deemed to represent and warrant to the Trustee for the benefit of the MTN Holders that the representations and warranties set out in this paragraph are true and accurate in all material respects on the date of the execution and delivery of the Transaction Documents and on each issue date and all such representations and warranties (other than paragraphs (b)(i), (c)(i) and (d) herein) shall survive until the payment in full by the Issuer and Guarantor (as the case may be) of all monies covenanted to be paid under the MTN Programme and the Transaction Documents.

(27) Events of default or enforcement events, where applicable, including recourse available to investors : Means any of the following events ("**Events of Default**") but not limited to the following Events of Default:

(a) the Issuer or the Guarantor (as the case may be) fails to pay the principal of any MTN after the same shall become due on the due date or, if so payable, on demand and such default is not remedied within seven (7) business days after the relevant due date;

(b) the Issuer or the Guarantor (as the case may be) fails to pay within seven (7) business days from the due date or if so payable, on demand any interest on the MTN or such other amount due under any of the Transaction Documents;

(c) any representation or warranty made or given by the Issuer or the Guarantor (as the case may be) under the Transaction Documents or which is contained in any certificate, document or statement furnished at any time pursuant to the terms of the MTN and/or any of the Transaction Documents proves to have been incorrect or misleading in any material respect on or as of the date made or given or deemed made or given, and in the case of a failure which is capable of being remedied, the Issuer or the Guarantor (as the case may be) does not remedy the failure within a period of thirty (30) days

after the Issuer or the Guarantor (as the case may be) became aware or having been notified in writing by the Trustee of the failure;

(d) the Issuer or the Guarantor (as the case may be) fails to observe or perform its material obligations under any of the Transaction Documents or the MTN or under any written undertaking or written agreement entered into in connection therewith other than an obligation of the type referred to in paragraph (a) above, and in the case of a failure which is capable of being remedied, the Issuer or the Guarantor (as the case may be) does not remedy the failure within a period of thirty (30) days after the Issuer or the Guarantor (as the case may be) became aware or having been notified in writing by the Trustee of the failure, whichever is earlier;

(e) any indebtedness for borrowed moneys of the Issuer or the Guarantor (as the case may be), other than the indebtedness pursuant to the MTN Programme, becomes due or payable or capable of being declared due or payable prior to its stated maturity or any guarantee or similar obligations of the Issuer or the Guarantor (as the case may be) is not discharged at maturity or when called and such obligation to pay or declaration of indebtedness being due or payable or such call on the guarantee or similar obligations is not discharged or disputed in good faith by the Issuer or the Guarantor (as the case may be) in a court of competent jurisdiction within thirty (30) days from the date of such notification, declaration or call. For the avoidance of doubt, any indebtedness or declaration of indebtedness being due or payable or such call on the guarantee or similar obligations shall not trigger a cross-default or an event of default herein if the amount does not exceed RM500.0 million (or its equivalent in foreign currency);

(f) an encumbrancer takes possession of, or a trustee, receiver, receiver and manager or similar officer is appointed in respect of the whole or substantial part of the business or assets of the Issuer or the Guarantor (as the case may be), or distress, legal process, sequestration or any form of execution is levied or enforced or sued out against the Issuer or the Guarantor (as the case may be) which is reasonably likely to have a Material Adverse Effect and is not discharged within sixty (60) days after being levied, enforced or sued out;

For the purpose of this paragraph (f), references to "**substantial**" shall mean, in respect of such business or assets, a book value which constitutes 15% or more of the Issuer's or Guarantor's (as the case may be) then consolidated net assets;

(g) the Issuer or the Guarantor (as the case may be) fails to satisfy any judgement passed against it by any court of competent jurisdiction which is reasonably likely to have a Material Adverse Effect and no appeal against such judgement or no application for a stay of execution has been made to any appropriate appellate court within the time prescribed by law or such appeal or application for a stay of execution has been dismissed;

(h) any step is taken for the winding-up, dissolution or liquidation of the Issuer or the Guarantor (as the case may be) or a resolution is passed for the winding-up of the Issuer or the Guarantor (as the case may be) or a petition for winding-up is presented against the Issuer or the Guarantor (as the case may be) and the Issuer or the Guarantor (as the case may be) has not taken any action in good faith to set aside such petition within thirty (30) days from the date of service of such winding-up petition or a winding-up order has been made against the Issuer or the Guarantor (as the case may be);

(i) the Issuer or the Guarantor (as the case may be) convenes a meeting of its creditors generally (or any class of its creditors) (other than a meeting of the MTN Holders pursuant to the MTN Programme) to consider a proposal for or proposes or makes any arrangement including any scheme of arrangement or composition or begins negotiations with its creditors generally (or any class of its creditors), or takes any proceedings or other steps, with a view to a rescheduling or deferral of all or a substantial part of its indebtedness with its creditors generally (or any class of its creditors) or a moratorium is agreed or declared by a court of competent jurisdiction in respect of or affecting all or a substantial part of its indebtedness with its creditors generally (or any class of its creditors) or any assignment for the benefit of its creditors generally (or any class of its creditors) (other than for the purposes of and followed by a reconstruction previously approved in writing by the Trustee, unless during or following such reconstruction the Issuer or the Guarantor (as the case may be) becomes or is declared to be insolvent) or where a scheme of arrangement under section 366 of the Companies Act 2016 in respect of or affecting all or a substantial part of its indebtedness has been instituted against the Issuer or the Guarantor (as the case may be).

For the purpose of this paragraph (i) herein, references to "**substantial**" shall mean, in respect of any indebtedness, an amount of at least RM500.0 million (or its equivalent in foreign currency);

(j) the Issuer or the Guarantor (as the case may be) is for the purpose of Section 466(1) Companies Act 2016 unable to pay any of its debts as they fall due or suspend or threaten to suspend making payments with respect to all or any class of its debts unless the neglect or failure to pay is due to a bona fide dispute, which dispute has not been resolved or discharged within six (6) months from the commencement of the dispute;

(k) any creditor of the Issuer or the Guarantor (as the case may be) exercises a contractual right to take over the financial management of the Issuer or the Guarantor (as the case may be) and such event is reasonably likely to have a Material Adverse Effect;

(l) at any time any of the material provisions of the Transaction Documents is or becomes illegal, void, voidable or unenforceable, which is reasonably likely to have a Material Adverse Effect;

(m) the Issuer or the Guarantor (as the case may be) repudiates any of the Transaction Documents or the Issuer or the Guarantor (as the case may be) does or causes to be done any act or thing evidencing an intention to repudiate any of the Transaction Documents;

(n) any of the assets, undertakings, rights or revenue of the Issuer or the Guarantor (as the case may be) are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any governmental body which is reasonably likely to have a Material Adverse Effect; or

(o) any event or events (other than events mentioned in paragraphs (a) to (n) herein) has or have occurred or a situation exists which is reasonably likely to have a Material Adverse Effect on the Issuer or the Guarantor (as the case may be), and in the case of the occurrence of such event or situation which is capable of being remedied, the Issuer or the Guarantor (as the case may be) does not remedy it within a period of thirty (30) days after the Issuer or the Guarantor (as the case may be) became aware or having been notified in writing by the Trustee of the event or situation.

Upon the occurrence of any of the above Events of Default, the Trustee may, at its discretion, or shall (if directed to do so by a special resolution of the MTN Holders) declare (by giving written notice to the Issuer and the Guarantor) that an Event of Default has occurred, whereupon the Trustee may enforce its rights under the Transaction Documents and all amounts outstanding shall become immediately due and payable.

(28) Governing laws : Laws of Malaysia

(29) Provisions on buy-back, if applicable :

☐ No provision on buy-back

☒ Provisions on buy-back, details as follows:

Repurchase and cancellation

The Issuer or its Subsidiaries or its agents or the Guarantor may at any time purchase the MTN at any price in the open market or by private treaty but these repurchased MTN shall be cancelled and cannot be reissued.

(30) Provisions on early redemption, if applicable :

☐ No provision on early redemption

☒ Provisions on early redemption, details as follows:

Early Redemption

The Issuer may, at its option, redeem in whole or in part (on a pro-rata basis), a particular tranche(s) of the MTN before their respective maturity dates at the Early Redemption Amount (as defined below), plus accrued interest/coupon to be calculated from and including the preceding coupon payment date until and excluding the date of early redemption ("**Early Redemption Date**") based on a 365-day year.

The Issuer must issue a notice ("**Early Redemption Notice**") to the Facility Agent with a copy to the Trustee not less than fourteen (14) days before the Early Redemption Date notifying the Facility Agent of the Early Redemption Date and the

particulars of the tranche(s) of MTN that the Issuer wishes to redeem including the amount of such tranche to be redeemed.

Early Redemption Amount

In respect of each tranche, the Early Redemption Amount shall be the higher of: (i) the nominal value of such MTN or (ii) the Early Redemption Price ("**ERP**").

The ERP shall be calculated by the Facility Agent based on the following formula and the calculation of the Facility Agent shall, in the absence of manifest error, be final and binding:

$$ERP = \frac{NV \times ERF}{100}$$

Where:

NV means the aggregate nominal value of the MTN to be redeemed; and

ERF means the early redemption factor per RM100 (rounded to 2 decimal places) subject to a minimum of RM100, calculated as follows:

N = Number of coupon payment date(s) between the original maturity date and the Early Redemption Date

T = Number of days from the Early Redemption Date to the coupon payment date immediately following the Early Redemption Date

E = Number of days between the coupon payment date immediately preceding the Early Redemption Date to the next coupon payment date immediately following the Early Redemption Date

Mkt YTM = Reference MGS plus Spread

S = Number of days from the coupon payment date immediately preceding the Early Redemption Date to the Early Redemption Date

$$ERF = \left[\frac{100}{\left[1+(MktYTM/2)\right]^{(N-1)+(T/E)}}\right] + \left[\sum_{k=1}^{N}\frac{\left[100x(PPR/2)\right]}{\left[1+(MktYTM/2)\right]^{(k-1)+(T/E)}}\right] - \left[\frac{S}{365}xPPRx100\right]$$

For the purposes of calculating the ERF, the following variables shall be used:

1) "**Reference MGS**" shall be the Malaysian Government Securities rate for the tenor which is equal to the remaining tenor of the MTN and shall be determined from:

   (i) the latest consolidated Government Securities Rates (Conventional) published by BNM daily, two

(2) business days prior to the date of the Early Redemption Notice; or

(ii) if (i) above is unavailable, the arithmetic average of the mid-rates quoted by any five (5) principal dealers, two (2) business days prior to the date of the Early Redemption Notice;

PROVIDED THAT if the tenor of the tranche is not an integer or is not a readily quoted tenor, the Reference MGS shall be interpolated on a linear basis using the rates derived from (i) or (ii) above.

2) "**PPR**" means the coupon rate for the MTN expressed as a percentage per annum.

3) "**Spread**" in relation to any tranche of the MTN, shall be the spread to be determined by the Issuer prior to each issuance of such tranche of the MTN.

Par Redemption

Each tranche of the MTN issued under the MTN Programme may have a redemption at par option (to be determined prior to the issue date of the relevant MTN) ("**Par Redemption Option**") to allow the Issuer, at its option, to redeem the relevant MTNs in whole or in part on or after the Par Redemption Date (as defined below) at the Par Redemption Amount (as defined below).

The Issuer must issue a notice ("**Par Redemption Notice**") to the Facility Agent with a copy to the Trustee not less than fourteen (14) days before the proposed redemption date notifying the Facility Agent of the proposed redemption date and the particulars of the tranche(s) of MTN that the Issuer wishes to redeem including the amount of such tranche to be redeemed.

Par Redemption Amount

In respect of each tranche with a Par Redemption Option, at any time on or after the Par Redemption Date, the MTNs may be redeemed in whole or in part, at the Issuers' option, at a redemption price equal to 100% of the aggregate principal amount of the MTNs to be redeemed, plus accrued interest/coupon to be calculated from and including the preceding coupon payment date until and excluding the proposed redemption date (the "**Par Redemption Amount**").

The "**Par Redemption Date**" means a date which will be determined prior to issuance of the relevant tranche of MTNs.

For the avoidance of doubt, in respect of any tranche with a Par Redemption Option, the Early Redemption Amount shall not be applicable in respect of any MTNs redeemed on or after the Par Redemption Date.

Mandatory Redemption

Save and except for cessation resulting from disposals permitted or provided in Item (b) of the section entitled

"*Negative Covenants*", upon the Guarantor or any of its Principal Subsidiaries ceasing to carry on all or a substantial part of its business which is reasonably likely to have a Material Adverse Effect, the Issuer shall redeem all of the MTN at the Early Redemption Amount plus accrued interest/coupon to be calculated from and including the preceding coupon payment date until and excluding the date of mandatory redemption seven (7) business days from the occurrence of such cessation event ("**Mandatory Redemption Date**").

Reference to "**substantial part of its business**" in this paragraph shall mean a revenue contribution of 25% or more of the Guarantor's or relevant Principal Subsidiaries' (as the case may be) then audited consolidated revenue.

(31) Voting : **Prior to upsizing of the MTN Programme**
All matters which require the MTN Holders' consent under the MTN Programme shall be carried out on a collective basis.

Post upsizing of the MTN Programme
All matters which require MTN Holders' consent under the MTN Programme shall be carried out on a "per series" basis.

"**series**" shall mean, in relation to any MTN, such MTN with identical terms and conditions, in particular with the same issue date.

The Issuer shall have the option to upsize the MTN Programme at any time and from time to time provided that all relevant requirements under the LOLA Guidelines in relation to upsizing have been complied with. The trust deed for the MTN Programme shall provide that the MTN Holders by purchasing the MTNs shall be deemed to have consented to any upsizing of the MTN Programme from time to time. Accordingly, no further consent will be required from the MTN Holders, the Trustee, the Facility Agent, the Security Agent, the Joint Principal Advisers, the Joint Lead Arrangers, the Joint Lead Managers or any other party under the MTN Programme for the Issuer to exercise the option to upsize of the MTN Programme and for the upsize of the MTN Programme at any time and from time to time.

(32) Permitted investments, if applicable : ☒ No permitted investments

☐ Permitted investments, details as follows:

(33) Other terms and conditions :

(1) Details on utilisation of proceeds by Issuer : The net proceeds from the MTN Programme shall be utilised for the Group's operating expenses, capital expenditure, investment, refinancing, working capital requirements, general funding requirements and/or other general corporate purposes of the Group.

(2) Issue Price : The MTN shall be issued at par, at premium or at a discount to its nominal value, to be determined prior to the issuance of the MTN, and the issue price shall be calculated in accordance with PayNet Rules and Procedures.

(3) Status : The MTN shall constitute direct, unconditional and unsecured obligations of the Issuer and shall at all times rank pari passu, without

discrimination, preference or priority amongst themselves and pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer, subject to those preferred by law and the Transaction Documents.

The Guarantee shall constitute direct, unconditional and unsecured obligations of the Guarantor and shall at all times rank pari passu with all other present and future unsecured and unsubordinated obligations of the Guarantor, subject to those preferred by law and the Transaction Documents.

(4)	**Interest / coupon rate**	**:**	The coupon rate applicable to each tranche of the MTN may be a fixed rate or a floating rate to be determined prior to the issuance of the MTN.
(5)	**Interest / coupon payment frequency**	**:**	Payable on semi-annual basis or such other period as the Issuer and the Joint Lead Managers/relevant investors may agree. Not applicable for MTN with zero coupon.
(6)	**Interest / coupon payment basis**	**:**	MTN with coupon: Actual/365 days. MTN with zero coupon: Not applicable.
(7)	**Taxation**	**:**	All payments by the Issuer and the Guarantor shall be made without withholding or deductions for or on account of any present or future tax, duty or charge of whatsoever nature imposed or levied by or on behalf of Malaysia, or any other applicable jurisdictions, or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. The Issuer and the Guarantor shall not be required to and shall have no obligation to gross up in connection with withholding or deductions.
(8)	**Jurisdiction**	**:**	The Issuer and the Guarantor shall unconditionally and irrevocably submit to the non-exclusive jurisdiction of the courts of Malaysia.
(9)	**Form and denomination**	**:**	The issuance of the MTN under the MTN Programme shall be issued in accordance with (i) the "Participation Rules for Payments and Securities Services" issued by PayNet ("**PayNet Rules**"); (ii) the "Operational Procedures for Securities Services" issued by PayNet ("**PayNet Procedures**") or their replacement thereof (the PayNet Rules and the PayNet Procedures shall collectively be referred to as the "**PayNet Rules and Procedures**") applicable from time to time; and (iii) any other procedures/guidelines/rules issued by the relevant authorities from time to time (as the same may be amended and/or substituted from time to time). Each tranche of the MTN shall be represented by a global certificate to be deposited with BNM, and is exchanged for definitive bearer form only in certain limited circumstances.

Subject to the PayNet Rules and Procedures, the denomination of the MTN shall be in Ringgit One Hundred Thousand (RM100,000.00) and in multiples of Ringgit One Hundred Thousand (RM100,000.00) at the time of issuance.

(10) Issue

The MTNs may be issued in multiples of RM100,000.00, but subject to the PayNet Rules and other standard conditions including, without limitation, the following:

1) a minimum issue size of RM1 million for each MTN issue;

2) the issue notice shall be given to the Facility Agent at least seven (7) business days (for the first issuance of MTN) or five (5) business days (for subsequent issuances of MTN) prior to and excluding the date of proposed issuance of the MTN;

3) the rating for the MTNs are AAA(s) on the first issuance of MTN and for subsequent issuances of MTN, at least AA3(s) on their respective issue dates; and

4) any amount redeemed may be re-issued.

(11) Redemption on Maturity : Unless previously redeemed or purchased and cancelled, the MTN will be redeemed by the Issuer at 100% of their nominal value on their respective maturity dates.

(12) Listing status and types of listing, where applicable : The MTN may in the future be listed on Bursa Malaysia Securities Berhad (under the Exempt Regime) and/or any other stock exchange provided that all regulatory approvals are obtained.

(13) Default Interest : Interest on overdue amounts shall be payable at 1% per annum plus the prescribed coupon rate of the relevant MTN from and including the relevant due date to but excluding the date of actual payment, calculated based on the actual number of days elapsed and a year of 365 days.

(14) Tenure of the MTN : Tenure of the MTN Programme
Perpetual.

Tenure of MTN
Each MTN shall have a tenure of at least one (1) year.

(15) Conditions for upsizing of the MTN Programme : The Issuer shall have the option to upsize the MTN Programme provided that:

(i) such increase will not result in any adverse impact on the rating of the MTN Programme;

(ii) the voting for the MTN Programme is carried out on a "per series" basis and not on a collective basis

(iii) the relevant requirements under the under the LOLA Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC on 9 March 2015 and revised on 11 October 2018 (as amended from time to time) ("**LOLA Guidelines**") in relation to such upsizing have been complied with;

(iv) the necessary corporate authorisations of the Issuer and the Guarantor have been obtained; and

(v) the relevant regulatory approvals have been obtained.

(16) Other Conditions : The MTN shall at all times be governed by the guidelines issued and to be issued from time to time by the SC, BNM, PayNet and/or any other authority in Malaysia having jurisdiction over matters pertaining to the MTN and the MTN Programme.

(17) Definitions

Material Adverse Effect : means any material and adverse effect on the business or financial condition of the Issuer or the Guarantor (as the case may be) which may materially and adversely affect the ability of the Issuer or the Guarantor (as the case may be) to perform any of their respective material obligations under the Transaction Documents.

Subsidiary means, with respect to any person, any corporation, partnership, association or other business entity (a) which has the meaning ascribed to it in Section 4 of the Companies Act, 2016 of Malaysia; or (b) whose financial statements are, in accordance with generally accepted accounting principles consolidated with those of such person or corporation.

Transaction Documents : Such documentation shall include, but are not be limited to, the following:

(i) the Programme Agreement;

(ii) the Trust Deed;

(iii) the Subscription Agreement;

(iv) the Guarantee;

(v) the Security Agency Agreement;

(vi) the MTN represented by the Global Certificates or the Definitive Certificates;

(vii) the Securities Lodgement Form; and

(viii) all other agreements executed or to be executed by the Issuer and/or the Guarantor in connection with the MTN and agreed by the Issuer, the Guarantor and the Trustee to be designated as a Transaction Document, and includes any amendments, variations and/or supplementals made or entered into from time to time and references to "**Transaction Document**" shall mean any one of them.

3 INFORMATION ON THE ISSUER

3.1 Background

The Issuer was incorporated on 28 June 2019 in Malaysia as a public company limited by shares under the Companies Act 2016. The principal activity of the Issuer is the issuance of private debt securities. The registered office and principal place of business of the Issuer are located at 24th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur.

3.2 Share capital

The issued and paid up capital is RM2.00 comprising 2 ordinary shares. The Issuer is a wholly-owned subsidiary of the Guarantor.

3.3 Profile of Directors

As at the LPD, the Directors of the Issuer and their respective profiles are as follows:

Mr. Tan Kong Han

Mr. Tan Kong Han (Malaysian, aged 54) was appointed on 28 June 2019 as a Director of the Issuer. He is the President and Chief Operating Officer of Genting and the Chief Executive and Executive Director of GENP. He has more than 13 years working experience in investment banking prior to joining Tanjong Public Limited Company as the Group Chief Operating Officer in 2003. He left Tanjong Public Limited Company in 2007 to join Genting.

He read economics and law and has been conferred a Master of Arts by the University of Cambridge. Mr. Tan was called to the English Bar (Lincoln's Inn) in 1989 and the Malaysian Bar in 1990.

Ms. Wong Yee Fun

Ms. Wong Yee Fun (Malaysian, aged 49) was appointed on 28 June 2019 as a Director of the Issuer. She was appointed as the Deputy Chief Financial Officer of Genting on 2 January 2018 prior to her appointment as the Chief Financial Officer of Genting on 1 January 2019. Prior to joining Genting, she was the Chief Financial Officer of Maybank Islamic Berhad since 1 May 2016 and was responsible for formulating the finance strategies partnering with, and in support of Maybank Islamic Berhad's business. She possesses a good breadth and depth of finance experience given her 20 years of experience with the Maybank Group. She has held various senior roles covering finance, corporate finance, capital management, group corporate treasury, strategic planning, investor relations, mergers and acquisitions, strategic alliances and initiatives, and finance related projects which span across multiple lines of business within the Maybank Group. Additionally, she has had extensive hands-on experience in management and leading strategic initiatives.

She graduated with an Honours degree in Bachelor of Accounting from the University of Malaya. She is a member of CPA Australia, a member of the Malaysian Institute of Accountants and a member of The Malaysian Institute of Certified Public Accountants. She also obtained a Certificate in Islamic Banking and Finance Law awarded by the International Islamic University Malaysia.

Ms. Goh Lee Sian

Ms. Goh Lee Sian (Malaysian, aged 55) was appointed on 28 June 2019 as a Director of the Issuer. She is the Senior Vice President - Legal of Genting. She was in legal practice in 1991 before joining the group of companies under Maxis Communications Berhad in 1993 as their in-house legal counsel. She joined Genting from Maxis Communications Berhad in 2007.

She holds a Bachelor of Economics and Bachelor of Law from Monash University in Australia and a Masters in Business Administration from the University of Central Florida in the USA. She was called to the Malaysian Bar in 1987.

Mr. Azmi bin Abdullah

Mr. Azmi bin Abdullah (Malaysian, aged 56) was appointed on 28 June 2019 as a Director of the Issuer. He is the Group Treasurer of Genting. He has been with the Genting Group since 1990. He holds a Bachelor of Science in Business Administration from the University of Missouri, Columbia, USA and a Masters in Business Administration from the University of Missouri, Kansas City, USA.

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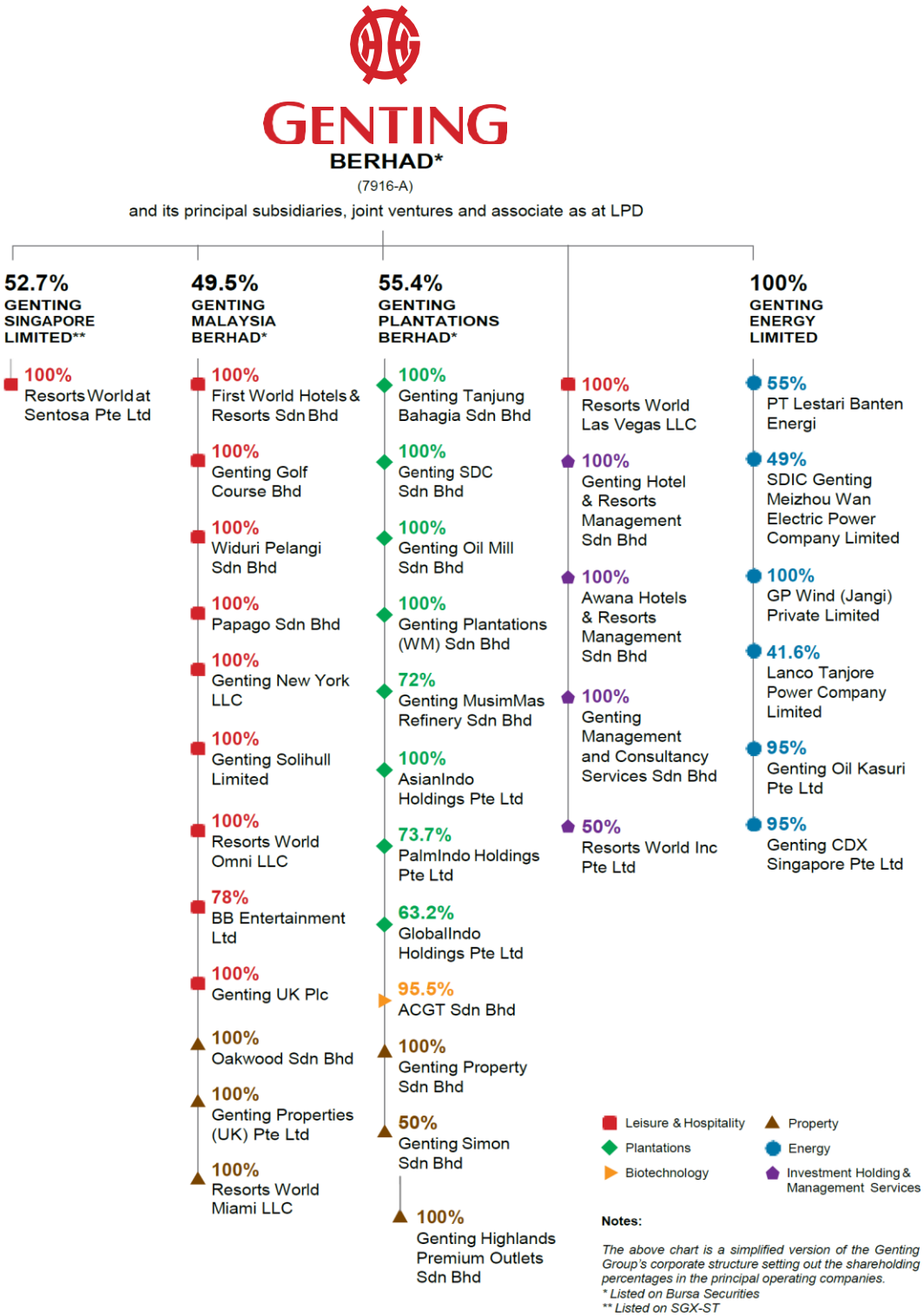
4 INFORMATION ON THE GUARANTOR AND THE GENTING GROUP

4.1 Overview

Genting is an investment holding and management company. Listed on the Main Market of Bursa Securities since 1971, Genting has a market capitalisation of RM26.4 billion as at the LPD.

The following is the Genting Group corporate structure with its principal subsidiaries, joint ventures and associate companies as at the LPD.



4.2 History

The Genting Group was founded by the late Tan Sri (Dr.) Lim Goh Tong more than 50 years ago when it was organised to develop a hotel and casino in Genting Highlands. The Group has grown steadily over the years to become the diversified global corporation that it is today with three public companies listed on the Main Market of Bursa Securities in Malaysia namely Genting, GENM and GENP and one public company, namely GENS listed on the Main Board of the SGX-ST in Singapore.

The Genting Group's activities are principally in leisure and hospitality, gaming and entertainment businesses, development and operation of integrated resorts, plantation, generation and supply of electric power, property development and management, tours and travel related services, investments, life sciences and biotechnology activities and oil and gas exploration, development and production activities with businesses spread across Malaysia, Singapore, the USA, the Bahamas, the UK, Egypt, China, Indonesia and India.

4.3 Share capital

The issued share capital of the Guarantor as at the LPD is RM3,056,174,616 comprising 3,876,896,099 ordinary shares (inclusive of 26,320,000 treasury shares).

4.4 Substantial shareholders

Based on the Guarantor's Register of Substantial Shareholders as at the LPD, the substantial shareholder(s) of the Guarantor and their respective shareholding in the Guarantor are as follows:

Shareholders	No. of ordinary shares		Shareholding (%)	
	Direct	Deemed interest	Direct	Deemed interest
Kien Huat Realty Sdn Berhad ("**KHR**")	1,621,434,110	9,277,000[(1)]	42.11	0.24
Kien Huat International Limited ("**KHI**")	-	1,630,711,110[(2)]	-	42.35
Parkview Management Sdn Bhd as trustee of a discretionary trust ("**PMSB**")	-	1,630,711,110[(2)]	-	42.35
Tan Sri Lim Kok Thay ("**TSLKT**")	68,119,980	1,630,711,110[(3)]	1.77	42.35
Mr Lim Keong Hui ("**LKH**")	-	1,630,711,110[(3)]	-	42.35

Notes:

(1) *Deemed interest through its subsidiary (Inverway Sdn Bhd).*
(2) *Deemed interest through KHR and its subsidiary (Inverway Sdn Bhd).*
(3) *Deemed interest by virtue of TSLKT and LKH being beneficiaries of a discretionary trust of which PMSB is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of KHI which in turn owns 100% of the voting shares in KHR. As such, PMSB as trustee of the discretionary trust is deemed interested in Genting's shares held by KHR and Inverway Sdn Bhd by virtue of its controlling interest in KHR and Inverway Sdn Bhd.*

4.5 Profile of Directors

As at the LPD, the Directors of the Guarantor and their respective profiles are as follows:

Tan Sri Lim Kok Thay

Tan Sri Lim Kok Thay (Malaysian, aged 68) was appointed on 17 August 1976 as a Director of Genting and was redesignated as the Chairman and Chief Executive of Genting on 1 July 2007. He is also the Chairman and Chief Executive of GENM, the Deputy Chairman and Executive Director of GENP, and the Executive Chairman of GENS and GENUK. He has served in various positions within the Genting Group since 1976. He is a Founding Member and a Permanent Trustee of The Community Chest, Malaysia. In addition, he sits on the Boards of other Malaysian and foreign companies as well as the Boards of Trustees of several charitable organisations in Malaysia.

Tan Sri Lim is the Chairman and Chief Executive Officer of GENHK, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited. He is also a director of Travellers International Hotel Group, Inc., a company listed on the Main Board of The Philippine Stock Exchange, Inc. and an associate of GENHK.

Tan Sri Lim holds a Bachelor of Science in Civil Engineering from the University of London. He attended the Programme for Management Development of Harvard Business School, Harvard University in 1979. He is a Visiting Professor in the Department of Electrical and Electronic Engineering, Imperial College London and an Honorary Professor of Xiamen University, China.

For his leadership excellence and significant contributions to the leisure and travel industry, he was named the "Travel Entrepreneur of the Year 2009" by Travel Trade Gazette (TTG) Asia, "The Most Influential Person in Asian Gaming 2009" by Inside Asian Gaming, "Asian Leader for Global Leisure and Entertainment Tourism 2011" by Seagull Philippines Inc. and "Lifetime Achievement Award for Corporate Philanthropy 2013" by World Chinese Economic Forum.

Tan Sri Foong Cheng Yuen

Tan Sri Foong Cheng Yuen (Malaysian, aged 73), was appointed on 18 January 2016 as an Independent Non-Executive Director of Genting and was appointed as Deputy Chairman/ Independent Non-Executive Director of Genting on 1 January 2019. He was appointed as Judicial Commissioner in 1990 and elevated to be High Court Bench in 1992. He also served as a High Court Judge at Johor Bahru, Shah Alam, Ipoh, and Kuala Lumpur. He was elevated to the Court of Appeal in 2005 and in 2009 elevated to the Federal Court (Malaysia Supreme Court). As a Federal Court Judge, he was made a Managing Judge of the Civil Division of the High Court at Kuala Lumpur and of the High Court and Subordinate Courts of the State of Penang. He retired from the Malaysian Judiciary on 25 February 2012.

Tan Sri Foong is currently a director of Only World Group Holdings Berhad, and Chairman of the Ombudsman For Financial Services (formerly known as Financial Mediation Bureau). He is an advocate and solicitor of the High Court of Malaya and also an arbitrator.

He graduated from the University of London with LL.B. (Honours) in 1969 and was called to the English Bar by the Honourable Society of the Inner Temple in 1970. Subsequently, he was called to the Malaysian Bar as an advocate and solicitor in 1971. He was engaged in private legal practice in both criminal and civil law, majoring in insurance law from 1971 to 1990. While in practice, he acted as legal adviser to numerous guilds and associations in Malaysia. He was a Commissioner of Oath and Public Notary. He was conferred an honorary Doctorate of Laws degree by the University of the West of England in 2011. He was also made a Bencher of the Honorable Society of the Inner Temple, London in 2009.

Mr. Lim Keong Hui

Mr. Lim Keong Hui (Malaysian, aged 35), was appointed as a Non-Independent Non-Executive Director of Genting on 15 June 2012 and was redesignated as a Non-Independent Executive

Director, following his appointment as the Senior Vice President ("**SVP**") - Business Development of Genting on 1 March 2013. Subsequently, he was redesignated as the Executive Director - Chairman's Office on 1 June 2013 and assumed additional role as the Chief Information Officer ("**CIO**") of Genting on 1 January 2015. On 1 January 2019, Mr. Lim has been redesignated as the Deputy Chief Executive and Executive Director of Genting.

On 1 January 2019, Mr. Lim was redesignated as the Deputy Chief Executive and Executive Director of GENM and GENP. He was a Non-Independent Non-Executive Director of GENM and GENP until he was redesignated as a Non-Independent Executive Director, following his appointment as the CIO of GENM and GENP on 1 January 2015. On 5 May 2017, Mr. Lim was redesignated as a Non-Independent Non-Executive Director of GENP, following his resignation as the CIO of GENP. He sits on the board of GENUK and is a member of the Board of Trustees of Yayasan Lim Goh Tong.

Prior to his appointment as the SVP - Business Development of Genting, he was the SVP - Business Development of GENHK until he was redesignated as the Executive Director - Chairman's Office of GENHK following his appointment as an Executive Director of GENHK on 7 June 2013. He was the Executive Director - Chairman's Office and CIO of GENHK after taking up additional role of CIO of GENHK on 1 December 2014. On 28 March 2019, Mr Lim was redesignated as Deputy Chief Executive Officer and Executive Director of GENHK. Prior to joining GENHK in 2009, he had embarked on an investment banking career with The Hongkong and Shanghai Banking Corporation Limited.

Mr. Lim holds a Bachelor of Science (Honours) Degree in Computer Science from the Queen Mary University of London, UK and a Master's Degree in International Marketing Management from Regent's Business School, UK.

Dato' Dr. R. Thillainathan

Dato' Dr. R. Thillainathan (Malaysian, aged 75), appointed on 15 January 2003 as a Director of Genting, was redesignated as an Independent Non-Executive Director on 30 July 2009. He was the Chief Operating Officer of Genting from 27 November 2002 to 9 September 2006 and retired as an Executive Director on 30 July 2007. He has been with the Genting Group since 1989.

He also sits on the Boards of Allianz Malaysia Berhad, Allianz Life Insurance Malaysia Berhad, Public Investment Bank Berhad and IDEAS Policy Research Berhad. Dato' Dr. R. Thillainathan has extensive years of experience in finance and banking. He is the past President of Malaysian Economic Association. He is currently a director of UM Holdings Sdn Bhd and a trustee of three companies limited by guarantee namely Child, Information, Learning and Development Centre, Yayasan MEA and Private Pension Administrator Malaysia.

He holds a Class 1 Honours in Bachelor of Arts (Economics) from the University of Malaya, obtained his Master's Degree and PhD in Economics from the London School of Economics and is a Fellow of the Institute of Bankers Malaysia.

Madam Koid Swee Lian

Madam Koid Swee Lian (Malaysian, aged 61) was appointed on 23 November 2017 as an Independent Non-Executive Director of Genting.

She was a career officer of Bank Negara Malaysia for 32.5 years until her retirement. She served Bank Negara Malaysia in various capacities, including as Head of the Financial Intelligence Unit, Director of the Consumer and Market Conduct Department and a Board member and Chief Executive Officer of Bank Negara Malaysia's wholly-owned subsidiary, Credit Counselling and Debt Management Agency ("**Agensi Kaunseling dan Pengurusan Kredit**" or "**AKPK**").

She is currently an advisor for the Consumer Education Initiatives of the Financial Planning Association of Malaysia, and a Public Interest Director appointed by the Securities Commission Malaysia to the Board of the Federation of Investment Managers Malaysia where she chairs one of the Board Committees.

She is currently a director of Federation of Investment Managers Malaysia, Deutsche Bank (Malaysia) Berhad and HLA Holdings Sdn Bhd, a wholly-owned subsidiary of Hong Leong Financial Group Berhad.

Madam Koid was granted a scholarship by Bank Negara Malaysia to read law at the Law Faculty of the University of Malaya. She graduated with a Bachelor of Laws degree in 1981 and was called to the Malaysian Bar in 1983.

Datuk Manharlal A/L Ratilal

Datuk Manharlal A/L Ratilal (Malaysian, aged 60) was appointed on 1 March 2019 as an Independent Non-Executive Director of Genting.

He was the Executive Vice President & Group Chief Financial Officer of Petroliam Nasional Berhad ("**PETRONAS**"), a member of the Board and Executive Leadership Team of PETRONAS and sat on the boards of several subsidiaries of PETRONAS until his retirement in 2018. Prior to joining PETRONAS in 2003, he was attached with a local merchant bank for 18 years, concentrating in corporate finance where he was involved in advisory work in mergers and acquisitions, and the capital markets. He is an Independent Non-Executive Director of Cagamas Holdings Berhad, a public company.

Datuk Manharlal holds a Masters in Business Administration from the University of Aston in Birmingham, UK in 1984 and a Bachelor of Arts (Honours) degree in Accountancy from the City of Birmingham Polytechnic (now known as Birmingham City University, UK) in 1982.

Mr. Eric Ooi Lip Aun

Mr. Eric Ooi Lip Aun (Malaysian, aged 61) was appointed on 1 March 2019 as an Independent Non-Executive Director of Genting.

He was a partner of PricewaterhouseCoopers ("**PwC**"), Malaysia until his retirement in June 2015 after 38 years of service. He joined the firm of Price Waterhouse ("**PW**") in 1977, qualified as a Certified Public Accountant in 1981 and was seconded to the Houston office of PW, USA from 1984 through 1986.

He was admitted to the partnership of PW in Malaysia in 1991 and worked on audit engagements, public listings, valuation engagements and was seconded to manage as Chief Executive Officer of a significant timber plantation and pulp and paper manufacturing company for a 2-year period during its privatisation from a State Government in East Malaysia. With effect from 1996, he was appointed as PW Malaysia's leader for Audit and Business Advisory Services and continued in that role until 2008, and assumed leadership positions for different parts of PW/PwC within Malaysia, across Asia and globally.

With effect from 2002, Mr. Eric Ooi assumed the role of Assurance leader for PwC's regional grouping in Asia and was a member of PwC's Global Assurance leadership team until 2008. In 2012, he assumed the responsibility to lead the middle market practices of the Asia Pacific cluster of PwC firms, focusing on entrepreneurs, high net worth individuals and family businesses and was a member of PwC's Global Middle Market leadership team until his retirement from the firm. He is an Independent Non-Executive Director of British American Tobacco (Malaysia) Berhad.

Mr. Eric Ooi is a Member of Malaysian Institute of Accountants (MIA) and Malaysian Association of Certified Public Accountants (MACPA). He is also a Certified Public Accountant.

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4.6 Senior management

As at the LPD, the Guarantor's business is managed by the following senior officers:

Tan Sri Lim Kok Thay

Tan Sri Lim Kok Thay is the Chairman and Chief Executive of Genting. Please refer to his profile in Section 4.5 above.

Mr. Lim Keong Hui

Mr. Lim Keong Hui is the Deputy Chief Executive and Executive Director of Genting. Please refer to his profile in Section 4.5 above.

Mr. Tan Kong Han

Mr. Tan Kong Han is the President and Chief Operating Officer of Genting. Please refer to his profile in Section 3.3 above.

Ms. Wong Yee Fun

Ms. Wong Yee Fun is the Chief Financial Officer of Genting. Please refer to her profile in Section 3.3 above.

Mr. Ong Tiong Soon

Mr. Ong Tiong Soon (Singaporean, aged 75) assumed the position of Chief Executive Officer of the Genting Energy division (comprising the power, oil and gas and renewable energy business) since 1992. He was primarily responsible for the development of the 720MW Kuala Langat power plant in 1993, which was disposed of in 2012. Prior to joining the Genting Energy group, he was the Chief Executive Officer and owner of Sanyen Paper Pte Ltd, a paper manufacturer in Singapore. Mr. Ong spearheaded all of the asset acquisitions and project developments in the power and oil & gas sectors for the Genting Group.

Ms. Goh Lee Sian

Ms. Goh Lee Sian is the Senior Vice President - Legal of Genting. Please refer to her profile in Section 3.3 above.

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4.7 Description of the Genting Group's main business divisions

The main business divisions of the Genting Group as at the LPD are as follows:

(a) the leisure and hospitality division (which accounted for 82.7% of the Genting Group's revenues after intersegment eliminations, and 88.5% of adjusted EBITDA, for the six months ended 30 June 2019), which includes the gaming, hotel, entertainment and amusement, tours and travel-related services, development and operation of integrated resorts and other support services;

(b) the plantations division (which accounted for 10.0% of the Genting Group's revenues after intersegment eliminations, and 5.0% of adjusted EBITDA, for the six months ended 30 June 2019), which principally comprises of cultivation of oil palms and milling of FFB into crude palm oil;

(c) the power division (which accounted for 4.4% of the Genting Group's revenues after intersegment eliminations, and 5.2% of adjusted EBITDA, for the six months ended 30 June 2019), which owns interests in power plants in Indonesia, China and India;

(d) the oil and gas division (which accounted for 1.4% of the Genting Group's revenues after intersegment eliminations, and 2.6% of adjusted EBITDA, for the six months ended 30 June 2019), which conducts oil and gas exploration and development and production activities in Indonesia and China;

(e) the property division (which accounted for 0.9% of the Genting Group's revenues after intersegment eliminations, and 0.9% of adjusted EBITDA, for the six months ended 30 June 2019), which includes developing and marketing landed properties in Malaysia;

(f) the investments and other activities consist of all other immaterial segments including investment in equities.

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The table below sets out the respective contribution of the Genting Group's main business divisions for the periods indicated. The revenue information below refers to external revenue only and does not include inter-segmental revenue within the Genting Group:

	FYE 31 December		For the 6 months ended	For the 6 months ended
	2017 (Audited)	2018 (Audited)	30 June 2018 [1] (Unaudited)	30 June 2019 [1] (Unaudited)
Leisure and Hospitality				
Revenue (RM'm)	16,604.1	17,343.6	8,393.4	9,115.5
Share of group revenue (%)	82.9	83.2	83.3	82.7
Adjusted EBITDA [2] (RM'm)	6,471.1	7,162.7	3,460.7	3,582.9
Share of group adjusted EBITDA (%)	91.7	88.0	88.1	88.5
Plantations				
Revenue (RM'm)	1,713.8	1,781.7	886.9	1,095.7
Share of group revenue (%)	8.6	8.5	8.8	10.0
Adjusted EBITDA [2] (RM'm)	588.6	394.5	253.2	202.4
Share of group adjusted EBITDA (%)	8.3	4.9	6.4	5.0
Power				
Revenue (RM'm)	1,065.8	1,067.0	469.1	487.8
Share of group revenue (%)	5.3	5.1	4.7	4.4
Adjusted EBITDA [2] (RM'm)	415.8	495.6	203.9	210.3
Share of group adjusted EBITDA (%)	5.9	6.1	5.2	5.2
Property				
Revenue (RM'm)	213.1	219.9	95.6	100.9
Share of group revenue (%)	1.1	1.1	0.9	0.9
Adjusted EBITDA [2] (RM'm)	77.5	76.4	36.2	35.8
Share of group adjusted EBITDA (%)	1.1	0.9	0.9	0.9
Oil and Gas				
Revenue (RM'm)	313.0	327.7	166.5	153.9
Share of group revenue (%)	1.6	1.6	1.7	1.4
Adjusted EBITDA [2] (RM'm)	207.2	234.5	117.7	103.4
Share of group adjusted EBITDA (%)	2.9	2.9	3.0	2.6
Investments and Others [3]				
Revenue (RM'm)	115.9	113.1	62.6	64.7
Share of group revenue (%)	0.5	0.5	0.6	0.6
Adjusted EBITDA [2] (RM'm)	(699.1)	(226.6)	(143.3)	(87.2)
Share of group adjusted EBITDA (%)	(9.9)	(2.8)	(3.6)	(2.2)

Notes:

(1) The financial results for the 6 months ended 30 June 2018 and 2019 were extracted from quarterly financial results announcements made by the Guarantor on Bursa Securities. The figures have not been audited.

(2) Adjusted EBITDA exclude the effects of non-recurring items such as net fair value gain or loss on financial assets, gain or loss on disposal of assets, assets written off, gain or loss on changes in shareholding in joint ventures and associates, project costs written off, impairment losses, reversal of previously recognised impairment losses and pre-opening and development expenses.

(3) The investments and other activities consist of all other immaterial segments including investment in equities.

4.7.1 Leisure and hospitality

The Genting Group's leisure and hospitality business is currently conducted through the GENS Group (in Singapore) and the GENM Group (in Malaysia, the UK, Egypt, the USA and the Bahamas):

(a) GENS, which is 52.7% owned by the Guarantor as at the LPD, is listed on the SGX-ST with a market capitalisation of S$11.1 billion as at the LPD, and is ranked among Singapore's largest public-listed companies.

The GENS Group owns and operates RWS, one of only two integrated resorts in Singapore. RWS, which opened in January 2010 as the first integrated resort in Singapore, is located on 49 hectares on the resort island of Sentosa. It is a leading family destination featuring six uniquely themed hotels with more than 1,600 hotel rooms, a casino, one of the world's largest aquariums, an aquatic park integrated with marine life, Universal Studios Singapore®, a destination spa, a wide selection of MICE venues and a variety of dining, retail and entertainment options.

(b) GENM, which is 49.5% owned by the Guarantor as at the LPD, is listed on the Main Market of Bursa Securities and has a market capitalisation of RM21.6 billion as at the LPD. The GENM Group owns and operates:

- RWG, a premier leisure and entertainment resort with the only land-based casino in Malaysia. RWG is equipped with approximately 10,500 rooms spread across 7 hotels (including the largest hotel in the world by room count), theme parks and entertainment attractions, dining and retail outlets, international shows and business convention facilities;

- Approximately 40 casinos in the UK, including three of the most prestigious brands in London (Crockfords, the Colony Club and The Palm Beach) and Resorts World Birmingham, which opened for business in October 2015;

- Crockfords Cairo in The Nile Ritz-Carlton, GENM's first venture into the Middle East;

- RWNYC in the USA, a casino with approximately 6,000 video gaming machines located at the Aqueduct Racetrack in New York. The first phase opened in October 2011 and a US$400 million expansion is in progress;

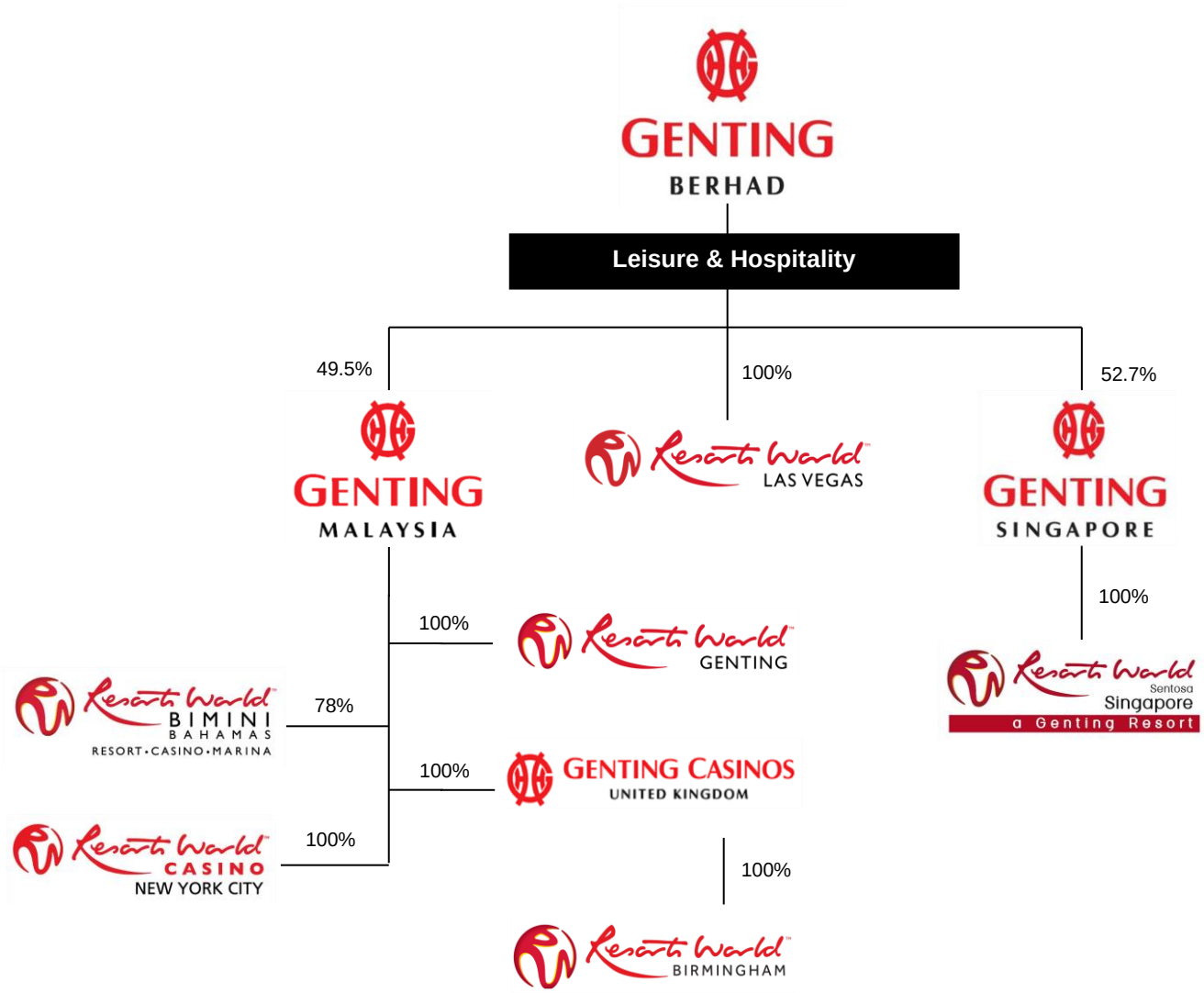
- The 527-room Hilton Miami Downtown Hotel which sits on 30 acres of prime freehold waterfront land in Miami, Florida in the USA;

- RW Bimini, a 750-acre beachfront resort in the Bahamas, offering a casino, luxurious accommodations, restaurants and bars and the largest marina in the Bahamas. The 305-room Hilton hotel opened its initial phase in April 2015, while the remaining rooms and other hotel amenities opened in June 2016; and

- Two seaside resorts in Malaysia, namely Resorts World Kijal in Terengganu and Resorts World Langkawi on Langkawi Island.

In addition, the Guarantor, through its wholly owned subsidiary RW Las Vegas, is also developing RWLV, a casino and integrated resort to be located on approximately 87 acres on the northern end of the Las Vegas Boulevard in Nevada in the USA. The RWLV project is estimated to cost approximately US$4.1 billion. Once completed, RWLV is

expected to be an iconic 'must-see' luxury destination with targeted audiences from domestic and international tourists as well as business and leisure guests.



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GENS Group

RWS

The GENS Group operates RWS and is one of only two operators licensed to undertake gaming activities in Singapore pursuant to the 30-year concession granted by the Singapore Government. Commencing operations in 2010, this 49-hectare integrated resort comprises six hotels of various themes, a casino, various attractions and a variety of indoor and outdoor facilities including MICE venues and a plethora of dining, retail and entertainment options.

The six hotels at RWS are Crockfords Tower, Hotel Michael, Hard Rock Hotel Singapore, Festive Hotel, Equarius Hotel and Beach Villa, with total aggregate capacity of over 1,600 rooms as at the LPD. Each hotel has a unique theme, offering visitors different experiences and also targeting specific markets segments. Additionally, Genting Hotel Jurong was opened by the GENS Group in April 2015 to complement RWS. The 557-room hotel is the first and only hotel in the Jurong Lake District, an area which has been earmarked by Singapore's Urban Redevelopment Authority as a new growth zone encompassing commercial, business and leisure facilities.

The casino at RWS, which comprises the main gaming floor and high-limits gaming areas such as the Crockfords Club, Maxims Platinum and Maxims Club, features a wide range of table games, electronic games and slot machines. RWS' casino license was issued by the CRA to RWSPL in February 2010 and is renewable every 3 years. The license was most recently renewed on 6 February 2019 for a further 3 years.

RWS has the first and only Universal Studios theme park in Southeast Asia, featuring 24 attractions and shows in 7 themed zones, with 18 of them original or adapted for Universal Studios Singapore®. The resort also includes:

(a) The S.E.A. Aquarium, one of the world's largest oceanariums with more than 60 million litres of water and more than 100,000 marine animals from over 800 different species;

(b) The Maritime Experiential Museum is the first and only museum dedicated to the exploration of the Maritime Silk Route. Following a nine-month revamp in 2017, it now houses a total of 15 unique galleries including five brand new zones featuring Asia's rich maritime history;

(c) The Adventure Cove Waterpark features Southeast Asia's first hydro-magnetic coaster, other unique experiences including snorkel with 20,000 colourful reef fishes or get up-close with marine animals; and Dolphin Island which is home to our Indo-Pacific bottlenose dolphins; and

(d) Other attractions such as ESPA, an award-winning flagship spa in Asia.

RWS was voted as the "*Best Integrated Resort*" at the TTG Travel Awards for 8 consecutive years (2011 through 2018) and received more than 20 million visitors in 2018.

In April 2019, RWS announced a S$4.5 billion expansion of the integrated resort over an expected period of 5 years. This will see the existing integrated resort property expanded with approximately 50% of new gross floor area, adding approximately 1,765,000 square feet of leisure and entertainment space. Developments and enhancements that will be carried out in connection with the expansion development include the following:

(a) expansion of Universal Studios Singapore®, with 2 new highly themed and immersive environments – Minion Park and Super Nintendo World;

(b) expansion of the S.E.A. Aquarium to be re-branded as "Singapore Oceanarium";

(c) conversion of the Resorts World Theatre into a new Adventure Dining Playhouse;

(d) expansion of in-resort accommodation with up to 1,100 more hotel rooms;

(e) development of a waterfront complex comprising F&B and retail outlets as well as public attractions;

(f) expansion of MICE facilities; and

(g) development of a driverless transport system which will enhance last-mile connectivity to RWS and the rest of Sentosa Island.

This expansion will be delivered in phases with new experiences opening every year from 2020 to a projected completion around 2025.

GENM Group

(i) RWG

Owned and operated by GENM, RWG is a premier leisure and entertainment resort located at the peak of Genting Highlands, approximately 58km from Kuala Lumpur. RWG has approximately 10,500 rooms of various themes spread across 7 hotels, entertainment attractions including an indoor theme park, a wide selection of dining and retail outlets in the SkyAvenue entertainment complex and the newly refurbished First World Plaza, as well as facilities for international shows and business conventions.

The hotel offering at RWG comprises six hilltop hotels, namely Crockfords Hotel, Genting Grand, Maxims, Resort Hotel, Theme Park Hotel and First World Hotel, and one mid-hill hotel, namely Awana Hotel, offering a total of approximately 10,500 hotel rooms.

RWG holds the only licence issued for the operation of a land-based casino in Malaysia. The licence is issued by the Malaysian Minister of Finance and is renewable on a quarterly basis. Since it was first issued in 1971, the licence has been able to be renewed each time when it was up for renewal.

In December 2013, GENM embarked on a 10-year master plan to reinvigorate and transform RWG under the GITP. Since then, GENM has introduced various new facilities and attractions under the GITP, including:

(a) the 1,300-room First World Hotel Tower 3 in June 2015;
(b) the Awana SkyWay cable car system and SkyAvenue entertainment complex in December 2016;
(c) two mass gaming floors in SkyCasino in March 2017;
(d) the refurbished Theme Park Hotel in July 2017;
(e) a premium gaming floor in SkyCasino in August 2017;
(f) the Crockfords Hotel at the end of 2017;
(g) the refurbished First World Plaza in early 2018; and
(h) the new 400,000 square feet Skytropolis Indoor Theme Park with more than 20 rides, which was opened in December 2018.

The opening of the Genting Highlands Premium Outlets® (a property of Genting Simon Sdn Bhd, a joint venture between the GENP Group and Simon Property Group) at the mid-hill in June 2017 further complements the new and existing offerings at RWG.

With the rollout of these various facilities and attractions, RWG welcomed over 25 million visitors in 2018.

RWG is continuing work on the development of the outdoor theme park following resolution of the legal dispute with Fox Entertainment Group, LLC, Twentieth Century Fox Film Corporation, FoxNext, LLC, Twenty First Century Fox, Inc. and The Walt Disney Company in relation to the theme park. Details on the opening date of the outdoor theme park will be made available in due course.

RWG was awarded "*Asia's Leading Theme Park Resort*" and "*Malaysia's Leading Resort*" at the World Travel Awards 2018.

(ii) GENUK *(UK and Egypt)*

In the UK, the GENM Group owns and operates casinos through the GENUK Group, which is wholly owned by GENM.

GENUK is one of the largest casino operators in the UK with approximately 40 operating casinos spread across from Edinburgh to Plymouth. In London, GENUK operates five casinos of which three are operated under the prestigious brands of Crockfords, the Colony Club and The Palm Beach. In October 2015, Resorts World Birmingham opened its doors, the first integrated leisure complex in the UK, offering gaming and entertainment facilities, retail and dining outlets and a 178-room four-star hotel.

The GENUK Group is also involved in an interactive business which operates an online gaming platform comprising an online casino and sports book operation aimed at providing customers a seamless multi-channel gaming experience.

Over in Egypt, Crockfords Cairo is an exclusive casino situated inside The Nile Ritz-Carlton Hotel in Cairo and is the GENM Group's first venture into the region.

(iii) RWNYC *(New York, USA)*

The GENM Group operates RWNYC, the first and only video gaming machine facility in New York City, at the site of the Aqueduct Racetrack in Queens. RWNYC's strategic location places it within the city and in close proximity to an extensive public transportation system including direct access to the city-wide subway system. The JFK International Airport is only a 10-minute drive from RWNYC, providing easy connectivity for air travellers.

As a premier entertainment hub, RWNYC offers the ultimate gaming and entertainment experience, with approximately 6,000 video gaming machines, shows, events and culinary delights complimented by ample covered car parks and valet services.

RWNYC embarked on a US$400 million expansion project in July 2017. The first phase is expected to open by the end of 2019 while the development of the remaining facilities is progressing well. Once completed, the expansion which includes a 400-room hotel, additional gaming space, F&B outlets, retail stores and entertainment facilities will position the GENM Group to capitalise on growing opportunities in the New York State amid an increasingly competitive landscape.

Separately, the GENM Group also owns a 30-acre freehold waterfront site in Miami, which includes the newly renovated 527-room Hilton Miami Downtown Hotel.

(iv) RW Bimini *(Bahamas)*

Operated by GENM, RW Bimini is a 750-acre beachfront resort spanning half the island of Bimini featuring a casino, villa and other luxury accommodations and resort amenities including the largest marina complex in the Bahamas. The 305-room Hilton Hotel opened its initial phase in April 2015 while the remaining rooms and other hotel amenities opened in June 2016.

RW Las Vegas

RWLV

The Guarantor, through its wholly-owned subsidiary, RW Las Vegas, is presently developing RWLV, a casino and integrated resort to be located on approximately 87 acres on the northern end of the Las Vegas Boulevard, commonly referred to as the "Las Vegas Strip".

The project is estimated to cost approximately US$4.1 billion and represents the Genting Group's third multi-billion-dollar integrated destination resort development. RWLV will be the first major resort development within Las Vegas in the last 10 years. The resort is expected to feature two 57-storey hotel towers, a casino, various entertainment offerings including bars, nightclubs, day-clubs, dining and retail outlets, spa and health club, resort pools and conference and meeting space. The construction of RWLV is progressing well with the hotel towers being topped off in July 2019.

4.7.2 Plantations

The Genting Group's plantation activities are conducted by its subsidiary, GENP. GENP's plantation activities principally comprise the cultivation of oil palms, harvesting of FFB and milling of FFB into CPO. GENP is listed on the Main Market of Bursa Securities with a market capitalisation of RM8.6 billion as at the LPD. GENP is 55.4% owned by the Guarantor as at the LPD. The other major shareholder of GENP is the Employees Provident Fund Board, holding approximately 10.1% as at the LPD.

GENP commenced operations in Malaysia in 1980 and has over the years, completed several acquisitions to increase its landbank to 247,400 hectares where approximately 64,600 hectares are located in Malaysia and approximately 182,800 hectares (including the Plasma scheme) in Indonesia.

As part of its upstream operations, GENP has also invested in oil mills over the years, operating 11 oil mills (seven in Malaysia and four in Indonesia), with a total milling capacity of 565 mt per hour.

The table set out below provides a breakdown of the types of plantation land of GENP:

Land area (hectares)	**As at 31 December 2018**
Oil Palm	
Mature	112,822
Immature	31,005
	143,827
Oil Palm (Plasma)	
Mature	11,552
Immature	3,746
	15,298
Total planted area	**159,125**
Unplanted area	81,691
Buildings, infrastructure etc	6,332
Property development	310
Total land area	**247,458**

Operations	**As at 31 December 2018**
FFB production (mt)	2,083,405
Yield per mature hectare (mt)	18.2
Average selling price:	
CPO (RM/mt)	2,117
PK (RM/mt)	1,681

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4.7.3 Power

GPHL spearheads the power businesses of the Genting Group which comprises power plants operated in China, India and Indonesia respectively.

China

In China, the Genting Group has 49% interest in a coal-fired power plant, comprising 2 units aggregating 786MW and 2 ultra-supercritical units aggregating 2,000MW located in Putian City, Fujian Province ("**Meizhou Wan power plant**").

India

The Genting Group first ventured into the Indian power sector in 2003. Presently, the Genting Group has interests in three power plants in India namely:

(a) 100% owned 91.8MW Jangi wind farm in the Gujarat Province;

(b) 41.6% interest in 113MW Lanco Tanjore gas-fired power plant in Tamil Nadu; and

(c) 15.3% interest in Lanco Kondapalli gas-fired power plant in Andhra Pradesh comprising 368MW phase 1, 366MW phase 2 and 740MW phase 3.

Indonesia

In 2011, the Genting Group ventured into the Indonesian power sector when it won the bid to develop the 670MW supercritical coal-fired Banten power plant ("**Banten power plant**"). In 2016, the Genting Group sold 40% effective interest in the Banten power plant to its strategic partner, SDIC Power Holdings Co. Ltd. The Genting Group retains a 55% effective interest in the Banten power plant. The plant commenced operations in March 2017 and was completed ahead of schedule and within budget. Banten power plant has consistently achieved availability well above the average projected availability specified in the power purchase agreement. The plant is part of Indonesia's Build-Own-Operate-Transfer programme and provides a base load generation capacity into PT PLN (Persero)'s Java-Bali power grid.

4.7.4 Property

The Genting Group's property development activities are conducted principally by Genting Property, a wholly owned subsidiary of GENP. Genting Property's property projects include commercial, industrial, office and residential properties and are strategically located in the southern state of Johor in the Iskandar Region of Peninsular Malaysia. Its landbank comprises primarily plantation land of GENP which is feasible for property development.

The GENP Group established Johor Premium Outlets®, the first Premium Outlet Center® in Malaysia and Southeast Asia in 2011, under a 50:50 joint venture with the Simon Property Group of the USA and Genting Highlands Premium Outlets®, a second Premium Outlet Center® at RWG opened in June 2017.

Johor Premium Outlets® has a net leasable area of about 321,000 square feet and Genting Highlands Premium Outlets® has a net leasable area of about 278,000 square feet.

4.7.5 Oil and gas

The Genting Group's oil and gas exploration, development and production businesses are conducted by its wholly owned subsidiary, Genting Energy, which in turn, operates through GOGL, a 95%-owned subsidiary of Genting Energy. GOGL spearheads the Genting Group's oil and gas businesses.

In China, GOGL's wholly owned subsidiary, GCSPL presently has a 49% working interest in the Petroleum Contract for the Petroleum Exploration, Development and Production in Chengdaoxi Block in the shallow waters of Bohai Bay, China. Chengdaoxi Block spreads across 29 square kilometres and has consistently produced close to 8,000 barrels of oil per day.

In Indonesia, GOGL's wholly owned subsidiary, GOKPL has onshore oil and gas development activities under the Kasuri Production Sharing Contract in West Papua, Indonesia ("**Kasuri PSC**"). Presently, Kasuri PSC has advanced to the development stage following the approval received from the Ministry of Energy and Mineral Resources of the Republic of Indonesia in respect of the plan of development for the Asap-Merah-Kido structures within the Kasuri PSC.

4.7.6 Biotechnology

The Genting Group's biotechnology activities is conducted by its subsidiary, ACGT and its oil palm seed producing unit, GAT. The biotechnology division focuses on research and development efforts towards advancing its marker-driven high yielding planting materials along with microbial solutions for improved plant productivity and health. More than 1,000 hectares of GENP's estates are planted with marker-screened seeds since 2015 and the yield results have been encouraging.

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5 INVESTMENT CONSIDERATIONS

The following is a summary of certain aspects of the Genting Group's businesses, the MTNs and the principal risks inherent in purchasing and investing in the MTNs, which prospective investors of the MTNs should consider. This summary is not intended to be exhaustive in terms of all the investment considerations and risks relating to the Genting Group's business or the MTNs or any decision to purchase, own or dispose of the MTNs. Further, the inability of the Issuer or the Guarantor to make payment under or in connection with the MTNs may occur for reasons not related to the investment considerations identified below and the Issuer and the Guarantor do not represent that the considerations relating to an investment in the MTNs described below are exhaustive. Therefore, prospective investors of the MTNs should carefully consider the detailed information set out elsewhere in this Information Memorandum.

An investment in the MTNs is only suitable for investors who have the requisite knowledge and experience in financial and business matters and access to, and knowledge of, appropriate analytical resources to evaluate the information contained in this Information Memorandum. If you are in any doubt about the contents of this Information Memorandum, you should consult an appropriate professional advisor.

5.1 Considerations relating to the Genting Group

(a) Economic, political and social risks

The Genting Group derives its revenues mainly from Malaysia and Singapore. The Genting Group's leisure and hospitality revenues from Malaysia, Singapore, the UK and Egypt, and the USA and the Bahamas accounted for 33.2%, 35.1%, 7.6% and 6.8% respectively, of the Genting Group's total revenue for the six months ended 30 June 2019. As a result, adverse developments in the economic, political and social conditions in the countries where the Genting Group operates, transacts business or has interests could materially and adversely affect the business, financial condition and results of operations of the Genting Group as well as cause a setback to the Genting Group's growth and expansion plans.

In particular, political, economic and social developments in Malaysia and Singapore may materially and adversely affect the Genting Group. Any changes to the governments in these countries or any change in political control within the states of Pahang and/or Selangor in Malaysia where RWG is located, could result in a change in government policies that may affect the operation of gaming facilities, which may materially and adversely affect the Genting Group's casino licences and/or result in increased competition.

Other external risks relating to the Genting Group's international operations include, but are not limited to, recent trade war between the USA and China, Brexit, adverse macroeconomic conditions, foreign exchange rate fluctuations, inflation, instability in local financial markets, natural disasters, political instability, expropriation, nationalisation and re-negotiation or nullification of existing contracts, potential acts of terrorism, riots or war, global economic downturn and adverse changes in government policies such as potential restrictions on capital transfers and increases in interest rates.

Addressing these risks requires the respective Genting Group entities to understand and monitor the legal and operating environment and the political, economic and social conditions in each country where it operates and transacts business. There can be no guarantee that the Genting Group will be able to develop and apply procedures, policies and practices that will allow it to anticipate and control these risks or manage them effectively. If it does not succeed, the Genting Group's business, financial condition, results of operations or future growth may be materially and adversely affected.

(b) Regulatory risks

The Genting Group is subject to extensive regulation, in particular relating to gaming, leisure and hospitality, plantation activities, energy business, environmental matters and health and safety. Further, the gaming business is subject to supervision by the relevant gaming authorities. The Genting Group is also subject to laws governing its relationship with employees, such as minimum wage requirements, overtime, working conditions and work permit regulations.

The degree of regulation to which each relevant Genting Group entity is subject to, varies according to the type of business and the jurisdiction where a particular operation is located or interest is held and may be materially different from one jurisdiction to another. Changes in applicable legislation and regulations or licence conditions may require increased compliance costs and monitoring of activities, changes to the Genting Group's business operations and the implementation of new internal control systems. While the Genting Group believes that its businesses have been operated in compliance with applicable laws and regulations, licences, permits and approvals in all material respects, no assurance can be given that any particular Genting Group entity will not be in breach at any given time of any applicable laws and regulations, and all conditions established by applicable licences, permits and approvals, or that the relevant Genting Group entity will not be subject to stricter enforcement or interpretation of existing laws and regulations, or that such laws and regulations, or requirements established for maintaining or renewing applicable licences, permits and approvals will not become more stringent in the future.

Failure to renew or maintain any required licences, permits or approvals and/or any relevant Genting Group entity's inability to satisfy any existing or new laws and regulations of the licence conditions in the future may result in the revocation of licences, permits and approvals, the suspension of operations, the imposition of fines, the imposition of remedial measures or give rise to other liabilities that may result in significant costs, including compliance costs and/or additional capital expenditure. Such liabilities and costs could have a material adverse effect on the Genting Group's business, financial conditions and results of operations.

Amendments or differing interpretations, or implementation of tax laws and regulations, may also adversely affect the Genting Group's profitability after tax. The Genting Group's gaming operations are subject to a number of taxes including, among others, gaming taxes and sales and services taxes. Increases in existing taxes or the introduction of new tax laws and regulations may have a material adverse effect on the Genting Group's business, financial condition, results of operations and cash flows. For example, the recent revision which results in higher casino duties and higher casino licence fee as announced in the Malaysian Budget 2019, may affect the Genting Group's earnings as the Genting Group derives a large bulk of its earnings from GENM's hilltop casino operations.

(c) Business strategy risks

The Genting Group has in the past made acquisitions, or bid for new licences to own and/or operate gaming facilities, and its strategy includes pursuing acquisitions or bidding for new licences in new jurisdictions to grow its business or to complement its existing operations. The Genting Group expends significant time and resources both before and after each expansion on integration issues, including negotiating terms of internal restructuring, training, providing know-how and business support and creating new incentive structures for management and staff.

However, there is no assurance that the investments made will not be loss-making investments or will yield the desired returns or that the measures taken will be effective in successfully integrating the acquired companies or businesses into the Genting Group's existing operations or in creating profitable businesses. Delays in integration or unresolved corporate culture issues may divert the Genting Group's management's attention and resources or delay or prevent revenue growth in the Genting Group's other investments and may thereby materially and adversely affect the business, operating results and financial position of the Genting Group.

(d) Dependence on senior management team and skilled employees

The Genting Group depends on the continued services and contributions of its respective senior management teams and skilled employees for the successful operation of the Genting Group's businesses and implementation of its business strategy. The Genting Group's success is to a large extent attributable to the strategy and vision of the various senior management teams led by Tan Sri Lim Kok Thay, the Genting Group's Chairman and Chief Executive, who has been instrumental in setting the business direction and leading the growth of the Genting Group. There is no assurance that the Genting Group will be able to retain its key management personnel or secure suitable replacements in the event of a loss of such key personnel, which could have a material adverse effect on its business, prospects, financial condition and results of operations.

The Genting Group's success also depends upon its continued efforts and ability to attract, hire, train and retain skilled professionals with the requisite experience. Many of the casino personnel occupy sensitive positions requiring qualifications sufficient to meet gaming regulatory and other requirements (including "fit and proper" qualifications) or will be required to acquire other skills for which substantial training and experience may be needed. Competition to attract such qualified and skilled professionals is intense, and there is no assurance that the Genting Group will be successful in retaining or attracting such qualified and skilled professionals, the loss of which may materially and adversely affect the Genting Group's business, prospects, financial condition and results of operations.

(e) Foreign currency exchange risks

The Genting Group's financial reporting currency is Ringgit Malaysia. The Genting Group's underlying revenue is mainly denominated in Ringgit Malaysia and Singapore Dollars. The Genting Group's underlying operating costs are mainly denominated in Ringgit Malaysia, Singapore Dollars, GBP and US Dollars due to the various jurisdictions in which the Genting Group's subsidiaries, associates and joint ventures operate and source their supplies. As such, the Genting Group is exposed to foreign exchange risks to the extent that cash inflows and cash outflows do not match, either in the overall amounts of the respective foreign currencies or the timing of such payments. Foreign currency denominated costs or sales are recorded at exchange rates as at the date of transaction. The different exchange rates prevailing at the date of payment and receipt may give rise to foreign currency exchange gains or losses.

Further, the financial statements of the Genting Group's subsidiaries, associates and joint ventures are presented in the respective currencies of the primary economic environment in which they operate. Any significant fluctuations in the presentation currencies of the subsidiaries, associates and joint ventures against the Ringgit Malaysia would have an impact on the Genting Group's consolidated financial statements.

(f) Interest rate risks

The Genting Group is subject to interest rate risks arising mainly from its subsidiaries' borrowings. A substantial portion of the Genting Group's debt is and will continue in the foreseeable future to be at variable rates of interest, which exposes the Genting Group to higher interest expense in the event of increases in interest rates. As at 30 June 2019, the total borrowings of the Genting Group were RM32.7 billion, of which less than 20% were at variable rates. Increases in the reference interest rates of these borrowings may thus have an adverse effect on the Genting Group's financial condition and results of operations.

(g) Insurance risks

The Genting Group generally holds insurance coverage as required by applicable regulations and in accordance with common industry practice for the industries in which it operates. The Genting Group may not be able to obtain sufficient insurance coverage to protect it against all material losses, particularly for damages resulting from certain casualty events, such as acts of terrorism, acts of God or acts of war or may not be able to obtain coverage under terms (including premiums payable and deductibles required) which are acceptable to it. The Genting Group's insurance policies also contain certain exclusions and limitations on coverage that will

result in certain claims not being honoured to the full extent of the losses or damages suffered by the Genting Group. Furthermore, the premium of the policies and the coverage provided may be affected by external circumstances, such as natural disasters, global economic conditions and similar events. There is no assurance that in the future the Genting Group will be able to obtain and maintain sufficient insurance at economically acceptable premiums or at all, or that the insurance policies purchased will provide sufficient protection against all liabilities. As a result, any such event could have a material adverse effect on the Genting Group's business, financial condition and results of operations.

In addition, in accordance with common practice in the plantation industry, the Genting Group does not insure its plantation crops against losses arising from natural disasters, floods, fires, adverse weather conditions and crop pests and diseases. As a result, any significant losses to the Genting Group's planted crops not otherwise covered by insurance may negatively impact the business, financial condition and results of operations of the Genting Group.

(h) Future financing risks

In order to successfully implement its expansion plans, the Genting Group may be required to fund these plans through a combination of internally generated funds and additional financing. Although the Genting Group currently has access to the banking and debt capital markets, future access to financing on commercially acceptable terms, or at all, cannot be assured. Should the Genting Group not be able to secure banking facilities, debt capital or other borrowings on commercially reasonable terms, it may not be able to implement its future growth plans fully or at all.

(i) Infringement of intellectual property rights risks

While the Genting Group is not aware of any instances in which any of its systems, processes or trademarks has infringed any intellectual property rights of third parties, no assurance can be given that a third party will not initiate or pursue any action that could ultimately give those third parties the right of action against the Genting Group in the future.

In addition, no assurance can be given that third parties will not initiate litigation against the Genting Group for any alleged infringement of their intellectual property rights. Any claims or litigation, regardless of their merit, could result in a diversion of the Genting Group's resources and such claims or litigation may materially and adversely affect the Genting Group's business, operating results and financial position.

(j) Risk of fluctuations in the market values of traded equities fluctuations risks

The Genting Group is subject to price risks from its investments in quoted securities classified as financial assets at fair value through profit or loss statements and financial assets at fair value through other comprehensive income. To manage its price risk arising from such investments, the Genting Group diversifies its portfolio of investments. Notwithstanding this, price fluctuations will continue to result in changes to the fair values of the investments, which may result in volatility in the Genting Group's results of operations.

(k) Risk of Impairment of investments and intangible assets

The Genting Group reviews its investments as well as its intangible assets with indefinite useful life for impairment on an annual basis or whenever events indicate that the carrying amount may not be recoverable to the full extent of its book value. Significant negative trends, reduced estimates of future cash flows, disruptions to the Genting Group's business or that of its investments, unsuccessful research outcomes, slower growth rates or lack of growth have resulted in write-downs and impairment charges in the past and, if one or more of such events occurs in the future, additional impairment charges may be required in future periods. If the Genting Group were required to record additional impairment charges, such charges could have a material adverse impact on its financial condition and results of operations.

(l) Negative impact in respect of any violation of anti-corruption laws

The Genting Group's underlying revenue is derived from operations in Malaysia, Singapore and several other countries, which exposes the Genting Group to complex regulations inherent in each of the countries in which it transacts its business. As the leisure and hospitality business of the Genting Group is operated largely out of Malaysia, Singapore, the USA and the UK, the Genting Group is subject to compliance with the Malaysian Anti-Corruption Commission Act of 2009, Singapore's Prevention of Corruption Act of 1960, USA's Foreign Corrupt Practices Act of 1977, UK Bribery Act of 2010 and other similar anti-corruption laws which generally prohibit companies and their intermediaries from making improper payments to foreign government officials and/or any person for the purpose of obtaining or retaining businesses. While the Genting Group's employees and agents are required to comply with these laws, the Genting Group cannot guarantee that its internal policies and procedures will always protect it from violations of these laws. Violations of these laws may result in severe criminal and civil sanctions as well as other penalties or sanctions. In certain jurisdictions, the gaming licence or approval may be revoked in the event of serious breaches of laws or regulations. The occurrence or allegation of these types of risks may materially and adversely affect the Genting Group's reputation, business, prospects, financial conditions and results of operations.

(m) Risks on certain projects through joint ventures and associated companies

Certain of the Genting Group's projects are conducted through joint ventures or associated companies in which the Genting Group holds minority interests. In certain cases, the Genting Group may have limited influence and control over the behaviour, performance and cost of operations of the joint ventures and associated companies in which it holds an equity interest. Additionally, the Genting Group's partners may have economic or business interests or goals that are inconsistent with the goals of the Genting Group or may not be able to meet their financial or other obligations to the projects. These could impact the viability of a given project, the financial condition and results of operations of these entities and, in turn, affect the implementation of the Genting Group's business strategy and negatively impact the share of profits or losses it derives from its investments in these companies.

(n) Risk of litigation or arbitration proceedings risks from Genting Group's operations

The Genting Group may be subject to various litigation or arbitration proceedings from time to time in respect of its businesses. Disputes and legal proceedings in which the Genting Group may be involved are subject to uncertainty, and their outcomes are often difficult to predict. The defence of any such claims and any associated settlement costs could be substantial, even with respect to claims that the Genting Group may consider to have no merit. In addition, adverse judgments or awards arising from litigation or arbitration proceedings could result in restrictions or limitations on the Genting Group's operations or result in a material adverse impact on the Genting Group's reputation or financial condition. The Genting Group could in particular be involved in claims, lawsuits and administrative proceedings relating to money laundering or environmental matters in connection with gaming activities. The occurrence of any of these events or the perception that the Genting Group's operations may cause or be associated with negative effects may significantly damage its reputation. Furthermore, due to the inherent uncertainty of the litigation, arbitration and dispute resolution processes, there is no assurance that the resolution of any particular legal proceeding or dispute will not have, individually or in the aggregate, a material adverse effect on the Genting Group's financial condition and results of operations.

5.2 Considerations relating to the Leisure and Hospitality Division

Revenues derived from the Genting Group's leisure and hospitality division have historically represented the majority of the Genting Group's total revenue, representing 82.7% of the Genting Group's total revenue for the six months ended 30 June 2019.

The risks inherent to the leisure and hospitality division that the Genting Group may be exposed to include, but are not limited to the following:

(a) Licensing and gaming regulation risks

Revenues from the Genting Group's gaming operations comprise the majority of the Genting Group's total revenue. These activities are extensively regulated in each of the countries where the Genting Group operates. Any failure to renew or maintain any required licences, permits or approvals may result in the suspension of operations, the imposition of remedial measures or give rise to other liabilities, which may result in significant costs or losses of revenue. For example, in order to operate its casino and gaming activities at RWG, GENM requires a casino licence issued under the Common Houses Gaming Act, 1953 (Revised 1983). The licence is renewable on a quarterly basis. Since it was first issued by the Malaysian Minister of Finance, the licence has been able to be renewed each time when it was up for renewal, but such renewal cannot be guaranteed. In the event its casino licence is not renewed or is terminated for any reason, GENM would not be able to operate its casino and gaming facilities in Malaysia and the Genting Group would lose one of its current key source of leisure and hospitality revenue.

The casino licence required to operate RWS' casino and gaming activities (first issued by the CRA on 6 February 2010) is renewable every three years and was last renewed for another three years on 6 February 2019. RWSPL currently holds this casino licence. In connection with each renewal of its casino licence, among other things, RWSPL and its associates' reputation, financial soundness and stability will come under the scrutiny of the CRA. Further, the CRA retains the right to alter or modify the terms of the casino licence at any time. RWSPL also has to comply with CRA regulations pertaining to matters such as the licencing of its special employees, layout of the casino, casino operations, its relationship with suppliers of goods and services to the casino, advertising and promotion, security and casino access by the public. No assurance can be given that RWSPL will at all times be in total compliance or will be able to fully comply with all of the CRA regulations at any point of time or as they evolve over time.

In addition, gaming laws, regulations and ordinances generally concern the responsibility, financial stability, probity and character of the owners and managers of gaming operations, and persons financially interested or involved in gaming operations. The relevant gaming regulators in the jurisdictions where the Genting Group operates could therefore require the relevant Genting Group entity or entities to sever ties with certain of its associates, stakeholders, partners, employees, directors, officers or suppliers, or even cease operations that regulators could determine to be unsuitable or unable to meet their respective approval standards. Any such determination by a regulator could have a material adverse effect on the Genting Group's business, financial condition and results of operations.

(b) Competition

The hotel, resort and gaming industries are very competitive. RWG and RWS will therefore have to compete with similar businesses in the region, including Singapore, Macau, the Philippines, Australia, New Zealand, Vietnam and Cambodia.

The GENUK casinos, RWNYC, RW Bimini and the up-coming RWLV may face stiff competition from existing casino operators within the UK, the USA and from abroad, as well as from other non-traditional sources of gambling such as internet betting and other technology-based gaming and leisure facilities operators.

Failure by the Genting Group to remain competitive may materially and adversely affect the Genting Group's business and operating results.

In addition, other countries may in the future legalise casino gambling, such as Japan, Taiwan and Thailand. There can be no assurance that the Genting Group will be able to successfully secure new gaming licences in existing gaming jurisdictions and/or new jurisdictions, or generally remain competitive in its existing markets, failing which, the proliferation of gaming venues in the region could have a material adverse effect on the Genting Group's business, financial performance and condition.

The Genting Group may also compete with online gaming and other forms of entertainment, such as state-sponsored lotteries, on- and off-track wagering, card parlours and sports betting. In particular, online gaming platforms offer a variety of online games and entertainment experiences, many of which simulate the games and entertainment experiences the Genting Group expects to offer. As consumers become more integrated with their mobile phones and tablets, they may prefer to spend their income on online gaming over visiting a physical casino. With numerous emergences of legal and illegal online gambling, consumers will have easier access to online gambling platform and are not bound by an age limit. These factors may inadvertently affect the demand of a physical casino and there are no assurances that the Genting Group will not encounter such risks which may have a material adverse effect on its business given the potential likelihood of a decline in the number of patrons at casino's operated by the Genting Group.

(c) Conflict of interest

Tan Sri Lim Kok Thay is the Chairman and Chief Executive of Genting and GENM, and also the Executive Chairman of GENS. Mr. Lim Keong Hui, the son of Tan Sri Lim Kok Thay is the Deputy Chief Executive and Executive Director of Genting and GENM.

Tan Sri Lim Kok Thay is also a director of Golden Hope Limited ("**GHL**"), Joondalup Limited and Goldsfine Investments Ltd ("**GIL**") and the Chairman and Chief Executive Officer, and a shareholder of GENHK. Mr. Lim Keong Hui is the Deputy Chief Executive Officer and Executive Director of GENHK. GHL acts as trustee of Golden Hope Unit Trust ("**GHUT**"), which is ultimately owned by a discretionary trust in which Tan Sri Lim Kok Thay, Mr. Lim Keong Hui and certain other family members of Tan Sri Lim Kok Thay are beneficiaries. GHL as trustee of the GHUT, holds directly 64.33% equity interest in GENHK. Joondalup Limited, a company wholly-owned by GHL as trustee of the GHUT, holds directly 6.44% equity interest in GENHK. GIL holds 0.43% equity interest in GENHK. Tan Sri Lim Kok Thay and his spouse each owns 50% equity interest in GIL. GENHK group is principally engaged in the business of cruise and cruise related operations and leisure, entertainment and hospitality activities. Tan Sri Lim Kok Thay is also a director of Travellers International Hotel Group, Inc, which is an associate of GENHK and the developer and operator of Resorts World Manila, an integrated tourism resort in the Philippines.

GHL as trustee of the Golden Hope Unit Trust indirectly owns approximately 85.6% of the voting interest in Empire Resorts Inc. ("**Empire Resorts**"), a gaming and entertainment company listed on the NASDAQ Global Market which through various subsidiaries owns and operates Resorts World Catskills and Monticello Casino and Raceway, both located in New York state in the USA.

On 5 August 2019, Tan Sri Lim Kok Thay, via Kien Huat Realty III Ltd ("**KHR III**"), entered into a binding term sheet with GENM's wholly owned subsidiary, Genting (USA) Limited in respect of the acquisition of 46% of the common stock held by KHR III in Empire Resorts, for US$128.6 million cash or RM538.8 million ("**Acquisition**"). Following the Acquisition, GENM and KHR III intend to privatise Empire Resorts via a joint venture between Genting (USA) Limited and KHR III.

The Genting Group therefore competes with ventures held by or under the control of Tan Sri Lim Kok Thay, which may result in conflicts of interest with the Genting Group. As such, Tan Sri Lim Kok Thay or Mr. Lim Keong Hui may be put into a conflict of interest situation should they be in possession of confidential information as the confidential information may concern new gaming business opportunities which they may be called upon to evaluate for Genting, GENM, GENS, GENHK, Empire Resorts, or GHL.

Although Tan Sri Lim Kok Thay and Mr. Lim Keong Hui will exercise their appropriate business judgement in such evaluation and may refer the confidential information to the respective companies in which they are directors in the discharge of their duties to each of these companies, in the event such confidential information is referred to GENHK, Empire Resorts or GHL and not to Genting, GENM or GENS, the Genting Group may not have the opportunity of pursuing such business opportunities and consequently its future growth from such opportunities may be affected.

(d) Risk of changing customer preferences

The Genting Group's leisure and hospitality properties will need to offer themes, products and services that appeal to both existing and potential customers. The Genting Group may not anticipate or react quickly enough to any significant changes in customer preferences or the emergence of a popular gaming option provided by its competitors, or hotel amenities supplied by its competitors. In addition, general changes in consumer behaviour such as redirection of entertainment income to other venues, or reduced travel activity, could materially affect the Genting Group's business, financial position and operating results.

(e) Changes in discretionary consumer and corporate spending resulting from economic downturns

Demand for integrated resorts, trade shows and conventions and for other types of amenities the Genting Group offers through its leisure and hospitality division is particularly sensitive to downturns in the global and regional economies where it conducts its operations and consequential decreases in discretionary spending.

Changes in discretionary spending or preferences could be driven by factors such as perceived or actual general economic conditions; a global economic downturn; high energy, fuel and other commodity costs; the cost of travel; a weakening job market; an actual or perceived decrease in disposable consumer income and wealth; any anticipation of recession; concern regarding war or future acts of terrorism; and changes in consumer confidence in the economy.

Economic uncertainty may result in a decrease in the number of gaming patrons at the Genting Group’s establishments, decrease in consumer demand for the luxury amenities and leisure activities the Genting Group offers, thereby potentially imposing downward pressure on pricing which in turn may materially and adversely affect the Genting Group’s business, financial condition and results of operations.

(f) The Genting Group’s leisure and hospitality business is sensitive to the willingness or ability of its customers to travel and access its resorts

The number of tourists visiting the countries in which the Genting Group’s leisure and hospitality companies operate may be adversely affected due to factors such as terrorist attacks, security alerts, military conflicts, epidemics or other factors. Terrorist attacks and the potential occurrence of such attacks in countries where the Genting Group operates could create economic and political uncertainties that could materially and adversely impact the Genting Group’s business, prospects, financial condition and results of operations. In addition, any potential outbreak of infectious diseases such as swine influenza, Severe Acute Respiratory Syndrome, the Zika virus or avian influenza, or fears concerning such outbreaks, may cause a reduction in air travel to, and leisure-related spending at, the Genting Group’s leisure and hospitality resorts.

In addition, the main access to RWG is a dual-carriage road and any prolonged road closure arising from any significant landslide or other event damaging the main access road would adversely affect the number of tourists going to RWG.

The Genting Group cannot predict the extent to which disruptions in air or other forms of travel as a result of terrorist acts, outbreak of hostilities, civil unrest, escalation of wars, natural disasters, major accidents, outbreaks of disease or other factors could materially and adversely affect its business, financial condition and results of operations.

(g) Potentially volatile gaming revenues

Revenues from all gaming activities are generally predictable on the basis of the “win ratio” that the Genting Group expects to derive from gaming. The “win ratio” in any period refers to the aggregate amount of money wagered by customers in comparison to the aggregate amount of money retained by the Genting Group in the form of gaming winnings. Although the Genting Group believes the long-term win ratios have generally been, and will continue to be, consistent with theoretical or statistical ratios, high-end gaming ratios tend to be more variable when

measured in smaller samplings or over shorter periods of time. As a result, variances attributable to high-end gaming may have a positive or negative impact on the cash flow and earnings of the Genting Group in a particular financial period. Furthermore, economic downturn in countries where high-end gaming customers reside could result in reduced visits to the Genting Group's gaming facilities and hence reduce the revenues generated from such visits.

(h) Risk of fraudulent and money laundering activities

There is a possibility that players or employees may cheat at the casinos which the Genting Group owns or operates. In the event that the Genting Group is not able to detect such cheating at the casinos that it owns or operates in time or at all, the Genting Group may suffer losses and its revenue, operating results and financial position would be adversely affected. Any negative publicity arising from such incidents could also tarnish the Genting Group's reputation and may result in a decline in business which would materially and adversely affect the Genting Group's revenue, operating results and financial position. Money laundering is another risk faced by the gaming industry. Any incidents of money laundering, accusations of money laundering or regulatory investigations into alleged money laundering activities involving the Genting Group, its employees, agents, affiliates or customers could have a material adverse effect on the Genting Group's reputation and business and may subject the Genting Group to penalties and sanctions, including the withdrawal of its gaming licences.

(i) Technological risks including rapid technological changes, virus attacks, industrial espionage and computer fraud

The leisure and hospitality division is dependent to a significant degree on computerised resort and casino management systems and its operations are exposed to risks of computer virus attacks, industrial espionage, hacking and fraud. While the Genting Group believes that it has taken reasonable efforts to minimise potential security breaches by implementing appropriate security systems and contingency plans, no assurance can be given that such measures will be able to withstand all virus attacks, industrial espionage, computer fraud perpetrated by third parties, and any such events may materially and adversely affect the Genting Group's financial conditions, results of operations and cash flow.

In addition, the Genting Group is subject to continued rapid development of its IT platform to cater to the increasingly sophisticated needs of customers changing industry standards, computer operating environments and software and hardware applications and frequent new product offerings and enhancements; thus, the Genting Group's IT platform may become obsolete. Further, it is impossible to predict the effect of emerging and future technological advancements and changes in the viability or competitiveness of the IT platform. These technological changes and upgrades could result in disruptions to the Genting Group's IT platform.

(j) Risks relating to the health and safety of Genting Group staff, contractors and visitors in its theme parks and public facilities

As operators of theme parks and various public facilities, companies in the Genting Group attract visitors every day. While periodic safety checks are conducted and selected attractions are closed in the event of adverse weather or other conditions, it is possible that a staff member, a contractor or a member of the public may suffer a serious injury or fatality connected to the rides should there be mechanical or technical malfunctions or otherwise. Any such incident could lead to potential criminal and civil liability and could have a material adverse effect on the Genting Group's reputation, financial condition and results of operations.

(k) The Genting Group is in the process of developing several leisure and hospitality projects at various development stages, and its current expansion plans are therefore subject to risks and uncertainties

The Genting Group is implementing its expansion strategy and currently has several projects under development. These projects include the GITP (a 10-year master plan to develop, expand, enhance and refurbish the hotels, theme park and infrastructure at RWG) which commenced at

the end of 2013 and RWLV, two 57-storey hotel towers and casino being developed on Las Vegas Boulevard, in Las Vegas. These two projects are funded through a combination of internally generated funds and external financing.

Risks and uncertainties experienced in connection with the development of projects of this scale and nature have been and will continue to be experienced by the Genting Group. Some of the risks relate to the Genting Group's ability to, amongst others:

- complete the projects within anticipated timeframes and budget;
- manage any unforeseen engineering problems or delays;
- obtain all regulatory permits, licences and authorisations;
- maintain effective control of operating costs and expenses;
- raise additional capital or procure additional completion support, as necessary;
- attract and retain partners, customers and qualified employees;
- develop and maintain internal systems, controls and procedures to assure compliance with the extensive regulatory and stringent safety requirements applicable to the gaming and theme park businesses;
- manage construction risks;
- respond to changes in the regulatory environment;
- manage any severe weather interferences that may arise; and
- respond to competitive industry and market conditions.

If the Genting Group is unable to manage these risks effectively to complete and operate these new projects in the manner contemplated, the projects and may not generate revenue in the amounts and by the times anticipated. Such failure could cause a material adverse effect on the Genting Group's business, prospects, financial condition and results of operations.

5.3 Considerations relating to the Plantations Division

The Genting Group is subject to risks inherent in the plantation industry. These include but are not limited to changes in the global, regional and national economies, in particular the Malaysian and Indonesian economies, the entry of new players into the market, the outbreak of pests and crop diseases, changes in law and tax regulations affecting palm oil, increases in production costs, adverse weather conditions, changes in technology and changes in business and credit conditions.

The risks relating to the plantation business that the Genting Group may be exposed to include, but are not limited to, the following:

(a) Competition

As palm oil is a homogeneous product, prices are primarily driven by world-wide demand and supply of palm oil. In terms of major producers and everything being equal, costs are expected to be higher for Malaysian producers compared to other major palm oil-producing countries such as Indonesia due to higher labour and land costs. To ensure its cost competitiveness in the industry, improvements in seed quality and collective estate management experience and practice are key to profitability. Improvements in output are nevertheless dependent on global demand of palm oil as a commodity.

Notwithstanding the above, no assurance can be given as to the future growth of the palm oil consumption rates or the palm oil export markets as these may be affected by amongst others: (i) adverse developments in the economy; (ii) changes in inflation and interest rates; (iii) taxation; (iv) the government budget deficit/surplus; and (v) political and social developments; all respectively affecting Malaysia and Indonesia and the countries to which Malaysia and Indonesia export their palm oil.

The GENP Group's competitors within the edible oils industry include companies of various sizes, some of which may have greater financial resources and operational experience than the GENP Group. Some of the GENP Group's existing customers may also have established relationships with some of the GENP Group's competitors, exacerbating the difficulty for the GENP Group to increase selling prices or sales volume. Due to the size of the industry, the production volumes have been, and will continue to be, small in comparison to overall world production. In the event the GENP Group's market share is reduced or the profit margin is lowered as a result of competition, there is no assurance that such actions will not adversely affect the business, financial condition and prospects of the GENP Group.

(b) CPO and PK price fluctuations

Inherent to the palm oil industry is the fluctuation in the selling price of CPO and PK, which are globally traded commodity products. Profit generated by GENP will be subject to changes in the selling price of these palm products. Aside from world-wide demand and supply and price of edible oils and fats and mineral oils, there are a number of other factors affecting the movement of palm oil prices (some of which are interrelated and unpredictable), which could cause price volatility in the world vegetable oils market. These include: (i) import and export tariff barriers; (ii) agricultural related policies imposed by importing and exporting countries; (iii) currency exchange fluctuations; and (iv) weather and other agricultural influences.

There is no assurance that adverse movement in the demand and supply of prices of CPO, PK and FFB will not have an adverse effect on the performance of the GENP Group.

(c) Substitution products and changing customer preferences

Demand for products from the edible oils industry is subject to frequent changes in consumer preferences, which are, in turn, influenced by factors that may not even be driven by pricing and taste. GENP's success in the edible oils industry is contingent upon its ability to respond to market forces surrounding the industry, shaped by factors including global economic conditions, pricing of edible oils, substitute products, competitors' pricing policies, introduction of new edible oils products and shifting consumer preferences. There is no assurance that the GENP Group will continue to compete at the current level of efficiency or that it will be able to effectively respond to future shifts in customer preferences.

(d) Adverse weather conditions

Oil palm yields and the production of FFB and CPO could be adversely affected by severe weather conditions such as heavy flooding or droughts. Excessive rainfall or extended periods of dry weather will lead to a decrease in the overall yield of FFB. Excessive rainfall will also generally lead to poor pollination of palms and reduce the effectiveness of fertilisers, while drought results in oil palm trees forming fewer fruit bunches and could also result in fire outbreaks in the plantations. As the GENP Group's Malaysian and Indonesian landbanks are primarily concentrated in the states of Sabah and Kalimantan, respectively, the GENP Group faces higher risks from severe weather conditions than other more geographically diversified plantation companies.

Any adverse weather conditions, especially if continued for a prolonged period, could adversely affect the Genting Group's business, financial condition, operating results and prospects.

(e) Labour intensive and dependency on foreign workers in Malaysia

The Malaysian palm oil industry is a very labour intensive industry whereby majority of the workers employed on the plantations are foreign workers. Oil palm plantations require extensive manpower in the nurturing of seedlings, tree planting, fertilising, harvesting as well as other routine maintenance works to attain optimal yield. The palm oil industry has faced difficulties in recruiting local labourers and thus the high employment of foreign plantation workers. In order to help ensure that there are sufficient workers for the GENP Group's plantations, the workers have been provided with various incentives, benefits, welfare schemes and facilities such as clinics, living quarters, schools and sports amenities for them and their families.

Whilst GENP is exploring various alternatives to implement semi-automated operations to reduce reliance on labour force, there can be no assurance that any of these measures will be successful. Further, no assurance can be given that any change in immigration and labour policies on foreign workers by the government of the relevant jurisdictions will not affect the operations of GENP or that GENP can continue to attract sufficient workers required for its plantation operations.

(f) Environmental considerations/regulations

GENP is required to comply with various environmental laws and regulations where GENP's operations are located relating to amongst others, biodiversity, environmental management and conservation. Although GENP believes that it is in compliance in all material aspects with these environmental laws and regulations, some risk of environmental and social costs and liabilities is inherent in its operations and there can be no assurance that material costs and liabilities will not be incurred in the future in this regard. No assurance can be given that the standards imposed by such environmental laws and regulations will not change and compliance with environmental laws and regulations may add extra costs to the development and replanting of oil palm.

(g) Execution risk

The GENP Group faces execution risk with regards to its ongoing development of oil palm estates outside of Malaysia. The challenges of developing greenfield oil palm estates, such as the ones of which the GENP Group is embarking in Kalimantan, Indonesia, include sourcing adequate seeds, preparation of the land, hiring and managing foreign labour, seeking and obtaining the requisite regulatory approvals, timely planting schedules and establishing efficient production logistics.

The future performances of these greenfield oil palm estates are subject to the risks relating to operating in Indonesia, which include, but are not limited to, the following:

(i) **Changes in trade, import and export policies and tariffs**

Any material changes in the Indonesian import policies on fertiliser, plant and equipment or export duty or levy on palm products or similar or related actions by the relevant governments may cause significant disruptions to operations and may adversely affect the GENP Group's profitability.

(ii) **Various risks relating to ownership and acquisition of land**

Changes in the regulations or any new regulations imposed by the Indonesian Government in relation to the ownership and acquisition of land may affect the ability of the GENP Group to maintain and renew all necessary licences in relation to the existing land owned and/or controlled by the GENP Group and in the certification process for obtaining Hak Guna Usaha, which may in turn adversely and materially affect the GENP Group's business and financial performance.

(iii) **Indonesia is located in an earthquake zone and is subject to significant geological and meteorological risks that could lead to social and economic unrest**

The Indonesian archipelago is one of the most volcanically active regions in the world. As it is located in the convergence zone of three major lithospheric plates, it is subject to destructive tsunamis (or tidal waves) and earthquakes. A significant earthquake or other geological disturbance in any of Indonesia's more populated cities and financial centres could severely disrupt the Indonesian economy and, thereby may materially and adversely affect the GENP Group's business and operations.

5.4 Considerations relating to the Energy Division

5.4.1 Considerations relating to Power division

The Genting Group is subject to risks inherent in the power industry. These include but are not limited to changes in the global, regional and national economies, in particular the changes in law and tax regulations affecting the restrictions on foreign ownership, and expropriation or repatriation of profits, as well as increases in the fuel price.

The risks relating to the power generation and supply business that the Genting Group may be exposed to include, but are not limited to, the following:

(a) Risks of diversifying into uncontracted assets

It is the Genting Group's current policy, particularly with respect to the development of greenfield power generation facilities, to enter into PPAs to sell capacity and/or energy output from its power generation facilities. However, the Genting Group may in the future decide or be compelled to resort to projects or assets requiring different arrangements for selling its output, for example, through merchant sales or shorter term forward sales contracts, which are exposed to electricity sales price fluctuations. The Genting Group cannot give any assurance that sales prices achieved through the Genting Group's PPAs will be sufficient to enable it to recover the incurred costs of developing or acquiring power plants, or that the Genting Group will not in the future operate its plants under merchant sale or short term forward sale arrangements lacking price protection.

(b) Operating risks

The continued operation of power generation facilities involves many risks, including the failure or performance below expected levels of output or efficiency of power generation equipment or other equipment, including information technology used to operate plants and conduct trading activities. If there is a mechanical failure and the power generation facilities are not available, the Genting Group may suffer a loss, either through loss of revenue or due to penalties under the PPA. The Genting Group can give no assurance that equipment failures in the future will not have a material adverse effect on its business or results of operations.

In addition, the Genting Group's operations may be adversely affected by insufficient or poor quality fuel resulting either from inadequate sources of supply or lack of adequate transportation and infrastructure. In addition, events such as fires, floods, earthquakes or other similar events may result in personal injury, loss of life, severe damage or destruction of the Genting Group's assets, pollution or environmental damage or suspension of operations. Although the Genting Group maintains insurance against certain of these risks in relation to its operations and it expects to maintain or cause to be maintained insurance against certain of these risks in relation to future operations, in such amounts and including such coverage as is typical for power generation companies of equivalent scale in the countries in which it operates, the proceeds of such insurance may not be adequate to cover reduced revenue, increased expenses or other liabilities arising from the occurrence of any of the events described above. The events described above may also be subject to limitations in coverage.

(c) Dependency on single supplier and customer

Substantially all of the power which the Genting Group generates at its Meizhou Wan power plant in China, Jangi power plant in India and Banten power plant in Indonesia are supplied to single customers, namely Fujian Electric Power Company Limited, Gujarat Urja Vikas Nigam Limited and PT PLN (Persero), respectively. Should any of these single customers terminate its contractual arrangements with the Genting Group or not honour any of the contractual terms for any reason, the Genting Group's power business and revenues would be materially and adversely affected.

(d) Electricity demand

Some of the PPAs entered into in respect of the Genting Group's power plants contain a tariff component that compensates them should stipulated levels of availability be achieved.

However, the number of hours which the Meizhou Wan power plant may generate electricity is determined by the relevant authority. Changes in economic climates may affect electricity demand in the Fujian province where the Meizhou Wan power plant is located. There are also supply competitions coming from the nuclear power plant and hydropower plants (hydropower plants are given priority to generate during rainy seasons). Changes in generating hours allocated by the relevant authority and changes in electricity demand may affect the operating profit of the Meizhou Wan power plant.

(e) Industry restructuring risks

At present, all independent power plants are regulated by their respective PPAs. In future, there may be a possibility of the respective governments restructuring their power industries by the introduction of competition via power pooling markets. Should the governments restructure, independent power plant owners may face uncertainties in their tariff structures and would have to ensure that they have a cost-effective plant to be able to compete in the market. There can be no assurance that any industry restructuring will not have an adverse effect on the Genting Group's business and operations.

(f) Regulatory risks

The power generation business is heavily regulated by local, provincial and federal governments. The Genting Group's ability to continue operations in China, India and Indonesia or to earn a profit from its operations in these countries could be negatively affected by changes in laws or regulations, such as the imposition of restrictions on foreign ownership, expropriation or repatriation of earnings, environmental compliance, and tax laws.

Further, the government may impose new, stricter laws and regulations, or may change its interpretation or implementation of existing laws or may require additional permits or licenses. If the costs of complying with these changes in requirements and/or laws, or the plant become subject, for any reason, to liabilities arising from the impact of its operations on the above changes, the Genting Group's business, financial condition and results of operations could be adversely affected.

(g) Exposure to fluctuations in energy price and other variable costs

The Genting Group's gas and coal fired power assets in India (other than the Lanco Kondapalli power plant PPA for its first block of 368MW and Lanco Tanjore power plant) and China respectively are susceptible to fluctuations in energy price and other variables as the power plant are not fully insulated from any fluctuations that is achieved by a direct pass-through mechanism in the formula for energy payments subject to certain pre-agreed restrictions. With the power plants not having such pass-through mechanisms in their PPAs, it could result in high volatility in gross margins and reduced price income.

(h) Exposure to fluctuations in coal price

The Genting Group's Meizhou Wan power plant located in China and Banten power plant located in Indonesia rely on coal as their primary fuel. Whilst the Genting Group has been able to enter into coal supply agreements to meet their requirements, the failure of the suppliers to supply sufficient amounts of coal in a timely manner may have an adverse effect on the Genting Group's operating results. While there has not been any historic difficulties in obtaining adequate supplies of coal to meet the obligations under the PPA, if the plant faces disruptions in coal supply in the future, there can be no assurance that it will be able to switch to alternative suppliers of coal or increase the amount of coal that it receives from the current suppliers, as necessary. The plant may face delays in the implementation of such a change or be required to pay increased coal prices as a result. These factors may have a material adverse effect on Genting Group's business, financial condition and results of operations.

5.4.2 Considerations relating to the Oil & Gas Division

(a) Exploration and development risks

The Genting Group has a 100% interest in a single PSC in Indonesia which is now in the development phase. The volumes of gas currently discovered and yet-to-be discovered are subject to considerable uncertainty. While it is believed that the Asap Gas Discovery is significant in size, there is no assurance that the total gas volumes within the Asap Gas Discovery and/or other discoveries (if made) will be significant enough to justify commercial development and production. Coupled with the fact that development cost can be significant, there is a risk that the return on the project may be affected.

GOKPL believes that there are other discoveries to be made within the Kasuri PSC. Further exploration drilling in West Papua will be conducted and this is capital intensive and complex, similar to the exploration drilling of the Asap-Merah-Kido structures. Kasuri wells are deep and difficult to drill. There is always the risk of significant cost or drilling time over-runs for these wells. However, GOKPL has, in the past mitigated some of this risk via the use of an integrated drilling service arrangement with the drilling contractor. Similar arrangement may be considered for future exploration drilling.

In addition, exploration activities inherently involve significant risks, many of which are beyond the Genting Group's control. Risks such as adverse weather conditions, environmental hazards, industrial accidents, occupational and health hazards, technical failures, unusual or unexpected geological formations, explosions and other acts of God are inherent to the business. The occurrence of any of these incidents could result in substantial losses due to injury or loss of life, severe damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation and penalties and suspension of operations.

(b) Volatility of prices for crude oil, condensate and natural gas and the cyclical nature of the oil and gas industry

The prospects of the Genting Group's oil and gas activities will be dependent upon the prices of, and demand for, oil and natural gas. This can be highly volatile. The price received for oil, condensate or natural gas when sold and the amount of production will depend on numerous factors beyond the Genting Group's control; including the condition of the world economy, and the political and regulatory conditions in Indonesia and China.

5.5 Consideration relating to the Life Sciences and Biotechnology Activities

Risk relating to research and development activities

Given the uncertainty inherent in research and development ("**R&D**") activities, there is no assurance that R&D activities undertaken by ACGT, GAT or any of the Genting Group's life sciences and biotechnology investments will lead to commercially viable products which can be

economically produced or that their intellectual property rights can be effectively protected. These R&D activities are also subject to high investment costs and a long gestation period. In the event ACGT, GAT and/or the Genting Group's life sciences and biotechnology investments fail or are unable to successfully bring their products/solutions to the market in a timely manner, or at the anticipated scale, the Genting Group's investments in these companies may be impaired.

5.6 Considerations relating to the MTNs

(a) Issuer's and Guarantor's ability to meet its obligations under the MTNs

The MTNs represent the direct, unsecured and unconditional obligations of the Issuer, guaranteed by the Guarantor. The MTNs will not be the obligations or responsibilities of any other person other than the Issuer and the Guarantor and shall not be the obligations or responsibilities of, any subsidiary or affiliate thereof, nor any other person involved or interested in the MTNs. None of such persons will accept any liability whatsoever to the MTN Holders in respect of any failure by the Issuer or the Guarantor to pay any amount due under the MTNs.

(b) Liquidity of the MTNs

The MTNs comprise a new issue of securities for which there is currently no established trading market. There can be no assurance that an active or liquid trading market for the MTNs will develop or if a trading market develops, that it will provide investors with liquidity of investments or that the liquidity continues for the entire tenure of the MTNs. In addition, the MTNs could trade in the secondary market at prices that may be higher or lower than the face value of the MTNs depending on many factors, including prevailing market interest rates, the Issuer's results of operations, and the market for similar securities.

The MTN Holders should also take note that the MTNs may be listed on Bursa Securities under the Exempt Regime and there are selling restrictions governing the MTNs as described under "Selling Restrictions" under item (11) of "Principal Terms and Conditions of The MTNs" in Section 2.0 of this Information Memorandum.

Accordingly, the purchase or subscription of the MTNs are suitable only for investors who can bear the risks associated with a lack of liquidity in the MTNs apart from the financial and other risks associated with an investment in the MTNs.

(c) Rating of the MTN Programme

The MTN Programme has been assigned an initial long term rating of AAA(s) by RAM. A rating is not a recommendation to purchase, hold or sell the MTNs. The Issuer and the Guarantor will not be under any obligation to maintain the credit ratings throughout the tenor of the MTN Programme and that there is no assurance that the ratings will remain in effect for any given period of time or that the ratings will not be lowered or withdrawn entirely if circumstances in the future so warrant.

In the event that the rating initially assigned to the MTN Programme is subsequently downgraded or withdrawn for any reason, no person or entity will be obligated to provide any additional credit enhancement with respect to the MTN Programme. Any downgrade or withdrawal of a rating will not constitute an event of default or an event obliging the Issuer or the Guarantor to prepay the MTNs.

(d) Market Risk

Trading prices of the MTNs are subject to fluctuations and may be influenced by numerous factors, including the prevailing interest rates, the market for similar securities, the operating results and/or the financial condition of the Genting Group, political, economic, financial and any other factors that can affect the capital markets or the industry in which Genting Group are operating in. Consequently, any sale of the MTNs by the MTN Holders in any secondary market

which may develop may be at prices that may be higher or lower than the initial offering price. Adverse economic developments could also have a material adverse effect on the market value of the MTNs.

(e) Interest rate risks

The MTN Holders may suffer unforeseen losses due to fluctuations in interest rates. The MTNs are fixed income securities and may therefore see their prices fluctuate due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in bond prices. The MTNs may be similarly affected resulting in a capital loss for the MTN Holders. Conversely, when interest rates fall, bond prices and the prices at which the MTNs trade may rise. The MTN Holders may enjoy a capital gain but the profit received may be reinvested for lower returns.

(f) Inflation risk

The MTN Holders may suffer erosion on the return of their investments due to inflation. The MTN Holders would have an anticipated rate of return based on expected inflation rates on the purchase of the MTNs. An unexpected increase in inflation could reduce the actual return to the MTN Holders.

(g) Suitability of investment

The MTNs may not be a suitable investment for all investors. Each potential investor in the MTNs must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the MTNs, the merits and risks of investing in the MTNs and the information contained in this Information Memorandum;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the MTNs and the impact the MTNs will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the MTNs;

(iv) understand thoroughly the terms of the MTNs and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

The MTNs are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or to enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in MTNs which are complex financial instruments unless it has the expertise (either alone or with the help of a legal, financial and other adviser) to evaluate how the MTNs will perform under changing conditions, the resulting effects on the value of such MTNs and the impact this investment will have on the potential investor's overall investment portfolio.

(h) The Issuer may raise other capital which affects the price of the MTNs

The Issuer may raise additional capital through the issue of other securities or other means. There are no restrictions, contractual or otherwise, on the amount of securities or other liabilities which the Issuer may issue or incur and which rank senior to, or pari passu with, the MTNs, and there are no restrictions on the Issuer issuing securities with similar, different or no loss absorption event provisions. The issue of any such securities or the incurrence of any such other

liabilities may reduce the amount (if any) recoverable by the MTN Holders on a dissolution or winding-up. The issue of any such securities or the incurrence of any such other liabilities might also have an adverse impact on the trading price of the MTNs and/or the ability of the MTN Holders to sell their MTNs.

(i) Global financial turmoil may lead to volatility in international capital markets which may adversely affect the market price of the MTNs

Global financial turmoil may result in substantial and continuing volatility in international capital markets. Any deterioration in global financial conditions may have a material adverse effect on worldwide financial markets, which may adversely affect the prices of the MTNs.

(j) The Issuer may redeem the MTNs early

The Issuer may, at its sole discretion, elect to exercise its option to redeem the MTNs pursuant to the early redemption provisions set out in Item (30) of Section 2.0 - "Principal Terms and Conditions of the MTNs".

Such early redemption by the Issuer will result in the acceleration of payment under the MTNs. Potential investors of the MTNs should consider the reinvestment risk in light of other available investments at such time of early redemption by the Issuer.

(k) The Issuer may upsize the MTN Programme limit

The Issuer shall have the option to upsize the MTN Programme provided that:

(i) such increase will not result in any adverse impact on the rating of the MTN Programme;

(ii) the voting for the MTN Programme is carried out on a "per series" basis after the upsize and not on a collective basis;

(iii) the relevant requirements under the under the LOLA Guidelines in relation to such upsizing have been complied with;

(iv) the necessary corporate authorisations of the Issuer and the Guarantor have been obtained; and

(v) the relevant regulatory approvals have been obtained.

The trust deed for the MTN Programme shall provide that the MTN Holders by purchasing the MTNs shall be deemed to have consented to any upsizing of the MTN Programme from time to time. Accordingly, no further consent will be required from the MTN Holders, the Trustee, the Facility Agent, the Security Agent, the Joint Principal Advisers, the Joint Lead Arrangers, the Joint Lead Managers or any other party under the MTN Programme for the Issuer to exercise the option to upsize of the MTN Programme and for the upsize of the MTN Programme at any time and from time to time.

For the avoidance of doubt, post upsizing of the MTN Programme, in the event that the MTN Holders of any one series of MTNs then outstanding do not pass the special resolution or ordinary resolution (as the case may be), then the consent or determination of the MTN Holders is not obtained or granted.

(l) No gross up on account of withholding tax by the Issuer and the Guarantor

All payments by the Issuer and the Guarantor shall be made without withholding or deductions for or on account of any present or future tax, duty or charge of whatsoever nature imposed or levied by or on behalf of Malaysia or any other applicable jurisdictions, or any other applicable jurisdictions, or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. The Issuer and the Guarantor shall not be required to gross up in connection with withholding or deductions.

5.7 General Considerations

(a) Forward Looking Statements

Certain statements in this Information Memorandum are forward-looking in nature. These statements include, among other things, discussions of the Genting Group's business strategy and expectation concerning its position in the global economy, future operations, profitability, liquidity, capital resources and financial position. All forward looking statements are based on estimates and assumptions made by the Genting Group that, although believed to be reasonable, are subject to risks and uncertainties that may cause actual events and the future results of the Genting Group to be materially different from that expected or indicated by such statements and estimates and no assurance can be given that any of such statements or estimates will be realised. In light of these and other uncertainties, the inclusion of forward looking statements in this Information Memorandum should not be regarded as a representation or warranty by the Genting Group that the plans and objectives of the Genting Group will be achieved.

(b) Force Majeure

An event of force majeure is an event which is not within the control of the party affected, which that party is unable to prevent, avoid or remove and shall include war and acts of terrorism, riot and disorders, natural catastrophes and others. Force majeure events do not include economic downturn, non-availability or insufficient or lack of financing on the part of the Issuer and the Guarantor. The occurrence of a force majeure event may have a material impact on the Genting Group's business.

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6 SUBSCRIPTION, PURCHASE AND DISTRIBUTION

Each of the following selling restrictions is applicable in relation to the invitation to subscribe or purchase, offer, issue or transfer of the MTNs or the publication or distribution of this Information Memorandum or any other materials in connection with the offering of the MTNs.

Malaysia

The MTNs may only be issued, offered or sold, transferred or otherwise disposed directly or indirectly to a person to whom an offer or invitation to subscribe to the MTNs and to whom the MTNs are issued would:

(a) at the point of issuance of the MTNs fall within:

(i) Part I of Schedule 6 of the CMSA, Part I of Schedule 7 of the CMSA and Schedule 8 of the CMSA; read together with

(ii) Schedule 9 of the CMSA or Section 257(3) of the CMSA,

subject to any change in the applicable laws.

(b) after the issuance of the MTNs fall within:

(i) Part I of Schedule 6 of the CMSA or Section 229(1)(b) of the CMSA and Schedule 8 of the CMSA or Section 257(3) of the CMSA; read together with

(ii) Schedule 9 of the CMSA or Section 257(3) of the CMSA,

subject to any change in the applicable laws.

General

No action has been taken or will be taken in any jurisdiction by the Issuer, the Guarantor, the Joint Principal Advisers, the Joint Lead Arrangers and the Joint Lead Managers that would, or is intended to, permit an offering of the MTNs, or the invitation to subscribe or purchase, offer, issue or transfer of the MTNs or the publication or distribution of this Information Memorandum or any other material in connection with the offering of the MTNs, in any country or jurisdiction where action for that purpose is required. Accordingly, no invitation to subscribe or purchase, offer, issue or transfer of the MTNs or the publication or distribution of this Information Memorandum or any other materials in connection with the offering of the MTN in any country or jurisdiction outside of Malaysia shall be made.

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7 MALAYSIAN TAXATION

The description below is of a general nature and is only a summary of the law and practice currently applicable in Malaysia. Prospective investors should consult their own professional advisers on the relevant taxation considerations applicable to the acquisition, holding and disposal of the MTNs and the receipt of distributions.

7.1 Withholding tax

Pursuant to paragraph 33A of Schedule 6 of the Income Tax Act 1967, interest paid or credited to any company not resident in Malaysia (other than such interest accruing to a place of business in Malaysia of such company) in respect of debenture issued in Ringgit Malaysia, other than convertible loan stock, approved by the SC is tax exempt. Therefore, any interest in respect of the MTNs payable to such persons is not subject to withholding tax. In the event any withholding tax is imposed, the Issuer and the Guarantor shall not be required to gross up in connection with the withholding or deductions.

7.2 Capital gains tax

There is no capital gains tax in relation to the MTNs in Malaysia.

7.3 Stamp duty

The lodgement with the SC in relation to the issue of the MTN has been made on 17 September 2019 and for the purposes of the Stamp Duty (Exemption) (No. 23) Order 2000 as amended by the Stamp Duty (Exemption) (No. 3) (Amendment) Order 2005 ("**Order**"), all instruments relating to the issue of, offer for subscription or purchase of, or invitation to subscribe for or purchase, the MTN and the transfer of the MTN and is therefore exempted from stamp duty pursuant to the Order.

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8 OTHER INFORMATION

8.1 Material contracts

There are no material contracts (being contracts that are not entered into in the ordinary course of business) which have been entered into by the Issuer or the Guarantor within the 2 years preceding the LPD.

8.2 Material litigation

As at the LPD, the Issuer and the Guarantor are not involved in any legal or arbitration proceedings (including proceedings which, as far as the Guarantor is aware, are pending or threatened) which the Issuer and the Guarantor believe would, individually or taken as a whole, have a material adverse impact on its business, financial condition, results of operations or prospects of any of them.

8.3 Contingent liabilities

As at the LPD, the Issuer and the Guarantor are not aware of any material contingent liabilities which upon becoming enforceable may have a material adverse impact on the financial position and the business of the Issuer and the Guarantor.

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APPENDIX I

REPORTS AND FINANCIAL STATEMENTS OF GENTING BERHAD FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

GENTING BERHAD
(Company No: 7916-A)
(Incorporated and domiciled in Malaysia)
(A public limited liability company listed on the
Main Market of Bursa Malaysia Securities Berhad)

REPORTS AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

(In Ringgit Malaysia)

Registered & Corporate Head Office
24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur

GENTING BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

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GENTING BERHAD
(Incorporated in Malaysia under Company No. 7916-A)

DIRECTORS' REPORT AND STATEMENT PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

The Directors of **GENTING BERHAD** have pleasure in submitting their report together with this statement pursuant to Section 251(2) of the Companies Act 2016 therein and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The Company is principally an investment holding and management company.

The principal activities of the Group include leisure and hospitality, gaming and entertainment businesses, development and operation of integrated resorts, plantation, generation and supply of electric power, property development and management, tours and travel related services, investments, life sciences and biotechnology activities and oil and gas exploration, development and production activities.

Details of the principal activities of the subsidiaries, joint ventures and associates are set out in Note 49 to the financial statements.

There have been no other significant changes in the nature of the activities of the Group and of the Company during the financial year.

FINANCIAL RESULTS

	Group RM Million	Company RM Million
Profit before taxation	**3,418.4**	**731.9**
Taxation	**(974.5)**	**(165.4)**
Profit for the financial year	**2,443.9**	**566.5**

CONSOLIDATION OF SUBSIDIARY WITH DIFFERENT FINANCIAL YEAR END

The Companies Commission of Malaysia ("CCM") had on 18 February 2019 granted an order pursuant to Section 247 of the Companies Act 2016 approving the application by the Company to allow Resorts World Travel Services Private Limited (incorporated in India), a wholly owned subsidiary of Resorts World Tours Sdn Bhd, which in turn is a wholly owned subsidiary of Genting Malaysia Berhad, a company which is 49.5% owned by the Company to adopt a financial year end which does not coincide with that of the Company in relation to the financial year ending 31 March 2019, subject to the following conditions:

(i) The Company is required to report this approval in its Directors' Report; and

(ii) The Company is to ensure compliance with Sections 252 and 253 of the Companies Act 2016 and Approved Accounting Standards pertaining to the preparation of Consolidated Accounts.

TREASURY SHARES

The shareholders of the Company had granted a mandate to the Company to purchase its own shares at the Annual General Meeting of the Company held on 6 June 2018.

As at 31 December 2018, the total number of shares purchased was 26,320,000 and held as treasury shares in accordance with the provisions of Section 127(4) of the Companies Act 2016.

DIVIDENDS

Dividends paid by the Company since the end of the previous financial year were:

(i) A special single-tier dividend of 7.0 sen per ordinary share amounting to RM268.2 million in respect of the financial year ended 31 December 2017 was paid by the Company on 3 April 2018;

(ii) A final single-tier dividend of 6.0 sen per ordinary share amounting to RM229.9 million in respect of the financial year ended 31 December 2017 was paid by the Company on 2 July 2018; and

(iii) An interim single single-tier dividend of 8.5 sen per ordinary share amounting to RM327.3 million in respect of the financial year ended 31 December 2018 was paid by the Company on 12 October 2018.

A special single-tier dividend of 7.0 sen per ordinary share in respect of the financial year ended 31 December 2018 has been declared for payment on 8 April 2019 to shareholders registered in the Register of Members on 14 March 2019. Based on the total number of issued shares (excluding treasury shares) of the Company as at 31 December 2018, the special dividend would amount to RM269.5 million.

The Directors recommend payment of a final single-tier dividend of 6.0 sen per ordinary share in respect of the financial year ended 31 December 2018 to be paid to shareholders registered in the Register of Members on a date to be determined later by the Directors. Based on the total number of issued shares (excluding treasury shares) of the Company as at 31 December 2018, the final dividend would amount to RM231.0 million.

RESERVES AND PROVISIONS

There were no other material transfers to or from reserves or provisions during the financial year other than as disclosed in Notes 28, 32, 37 and 39 to the financial statements.

ISSUE OF SHARES AND DEBENTURES

During the financial year, 25,113,876 new ordinary shares were issued by virtue of the exercise of 25,113,876 warrants to subscribe for 25,113,876 ordinary shares in the share capital of the Company at an exercise price of RM7.96 per ordinary share pursuant to the non-renounceable restricted issue of 764,201,920 new warrants in the Company ("Warrants 2013/2018").

All the above mentioned ordinary shares rank pari passu with the then existing ordinary shares of the Company.

There were no issue of debentures during the financial year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

WARRANTS 2013/2018

The Warrants 2013/2018 are listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") with effect from 23 December 2013.

Each Warrant carries the right to subscribe for 1 new ordinary share in the Company at any time from 19 December 2013 up to the expiry date on 18 December 2018, at an exercise price of RM7.96 for each new share. Any warrant not exercised by the expiry of the exercise period will lapse and cease to be valid for all purposes. The Warrants 2013/2018 are constituted by a Deed Poll dated 12 November 2013.

The ordinary shares issued from the exercise of Warrants 2013/2018 shall rank pari passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new shares arising from the exercise of Warrants 2013/2018.

The Warrants 2013/2018 had expired on 18 December 2018 and delisted from Bursa Securities on 19 December 2018.

DIRECTORATE

The Directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Tan Sri Lim Kok Thay
Tan Sri Foong Cheng Yuen
Mr Lim Keong Hui
Dato' Dr. R. Thillainathan
Tan Sri Dr. Lin See Yan
Datuk Chin Kwai Yoong
Madam Koid Swee Lian
Tun Mohammed Hanif bin Omar (Retired on 31 December 2018)

DIRECTORATE (Cont'd)

According to the Register of Directors' Shareholdings, the following persons who were Directors of the Company at the end of the financial year have interests in shares and/or performance shares and/or warrants of the Company, Genting Malaysia Berhad, a company which is 49.5% owned by the Company as at 31 December 2018, Genting Plantations Berhad and Genting Singapore Limited, both of which are subsidiaries of the Company, as set out below:

Interest in the Company

	1.1.2018	Acquired	Disposed	31.12.2018
		(Number of ordinary shares)		
Shareholdings in which the Directors have direct interests				
Tan Sri Lim Kok Thay	68,119,980	-	-	68,119,980
Dato' Dr. R. Thillainathan	20,000	5,000	-	25,000
Tan Sri Foong Cheng Yuen	10,000	-	-	10,000
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	1,630,411,110[(a)]	300,000[(a)]	-	1,630,711,110[(a)]
Mr Lim Keong Hui	1,630,411,110[(a)]	300,000[(a)]	-	1,630,711,110[(a)]
Interest of Spouse/Child of the Director				
Dato' Dr. R. Thillainathan	623,000	144,250	-	767,250

	1.1.2018	Acquired	Exercised[@]/ Expired*	31.12.2018
		(Number of warrants 2013/2018)		
Warrantholdings in which the Directors have direct interests				
Tan Sri Lim Kok Thay	17,029,995	-	17,029,995*	-
Dato' Dr. R. Thillainathan	5,000	-	5,000[@]	-
Interest of Spouse/Child of the Director				
Dato' Dr. R. Thillainathan	138,750	-	138,750[@]	-

DIRECTORATE (Cont'd)

Interest in the Company (Cont'd)

	1.1.2018	Acquired	Exercised@/ Expired*	31.12.2018
		(Number of warrants 2013/2018)		
Warrantholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	407,602,777[(a)]	-	407,602,777*	-
Mr Lim Keong Hui	407,602,777[(a)]	-	407,602,777*	-

Interest in Genting Malaysia Berhad ("Genting Malaysia")

	1.1.2018	Acquired	Disposed	31.12.2018
		(Number of ordinary shares)		
Shareholdings in which the Directors have direct interests				
Tan Sri Lim Kok Thay	8,127,900	6,012,200	-	14,140,100
Mr Lim Keong Hui	186,800	235,500	-	422,300
Tan Sri Dr. Lin See Yan	450,000	100,000	-	550,000
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	2,796,992,189[(b)]	-	-	2,796,992,189[(b)]
Mr Lim Keong Hui	2,796,992,189[(b)]	-	-	2,796,992,189[(b)]

	1.1.2018	Granted	Vested	Lapsed	31.12.2018
			(Number of ordinary shares)		
Long Term Incentive Plan shares in the names of Directors					
Restricted Share Plan					
Tan Sri Lim Kok Thay	4,203,425[(e)]	1,561,000[(e)]	1,842,700	-	3,921,725[(e)]
Mr Lim Keong Hui	183,400[(e)]	51,100[(e)]	62,300	-	172,200[(e)]

DIRECTORATE (Cont'd)

Interest in Genting Malaysia (Cont'd)

	1.1.2018	Granted	Vested	Lapsed	31.12.2018
		(Number of ordinary shares)			
Long Term Incentive Plan shares in the names of Directors (cont'd)					
Performance Share Plan					
Tan Sri Lim Kok Thay	7,213,987[(e)]	5,748,875[(e)]	4,169,500	293,468	8,499,894[(e)]
Mr Lim Keong Hui	378,924[(e)]	188,125[(e)]	173,200	46,306	347,543[(e)]

Interest in Genting Plantations Berhad ("Genting Plantations")

	1.1.2018	Acquired	Disposed	31.12.2018
		(Number of ordinary shares)		
Shareholding in which the Director has direct interest				
Tan Sri Lim Kok Thay	369,000	-	-	369,000
Interest of Spouse/Child of the Director				
Dato' Dr. R. Thillainathan	10,000	2,000	-	12,000
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	407,005,000[(c)]	-	-	407,005,000[(c)]
Mr Lim Keong Hui	407,005,000[(c)]	-	-	407,005,000[(c)]

	1.1.2018	Acquired	Exercised[@]/ Disposed	31.12.2018
		(Number of warrants 2013/2019)		
Warrantholding in which the Director has direct interest				
Tan Sri Lim Kok Thay	73,800	-	-	73,800

DIRECTORATE (Cont'd)

Interest in Genting Plantations (cont'd)

	1.1.2018	Acquired	Exercised[@]/ Disposed	31.12.2018
		(Number of warrants 2013/2019)		
Warrantholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	81,401,000[(c)]	-	-	81,401,000[(c)]
Mr Lim Keong Hui	81,401,000[(c)]	-	-	81,401,000[(c)]
Interest of Spouse/Child of the Director				
Dato' Dr. R. Thillainathan	2,000	-	2,000[@]	-

Interest in Genting Singapore Limited ("Genting Singapore")

	1.1.2018	Acquired	Disposed	31.12.2018
		(Number of ordinary shares)		
Shareholdings in which the Directors have direct interests				
Tan Sri Lim Kok Thay	13,445,063	-	-	13,445,063
Dato' Dr. R. Thillainathan	1,582,438	-	-	1,582,438
Tan Sri Dr. Lin See Yan	496,292	-	-	496,292
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	6,353,828,069[(d)]	-	-	6,353,828,069[(d)]
Mr Lim Keong Hui	6,353,828,069[(d)]	-	-	6,353,828,069[(d)]

	1.1.2018	Awarded	Vested	31.12.2018
		(Number of performance shares)		
Performance Shares in the name of a Director				
Tan Sri Lim Kok Thay	-	750,000[(f)]	-	750,000[(f)]

DIRECTORATE (Cont'd)

Legend:

∗ *The warrants 2013/2018 had expired on 18 December 2018.*

(a) *Deemed interest by virtue of Tan Sri Lim Kok Thay and Mr Lim Keong Hui being:*

i) beneficiaries of a discretionary trust of which Parkview Management Sdn Bhd ("PMSB") is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of Kien Huat International Limited ("KHI") which in turn owns 100% of the voting shares in Kien Huat Realty Sdn Berhad ("KHR"). As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares and warrants of the Company held by KHR and Inverway Sdn Bhd ("Inverway"), a wholly owned subsidiary of KHR by virtue of its controlling interest in KHR and Inverway; and

ii) beneficiaries of a discretionary trust of which First Names Trust Company (Isle of Man) Limited ("FNTC") is the trustee. Golden Hope Limited ("GHL") acts as trustee of the Golden Hope Unit Trust ("GHUT"), a private unit trust whose voting units are ultimately owned by FNTC as trustee of the discretionary trust. GHL as trustee of the GHUT owns ordinary shares and warrants in the Company.

Arising from the above, Tan Sri Lim Kok Thay and Mr Lim Keong Hui have deemed interests in the shares of certain subsidiaries of Genting Berhad.

(b) *Deemed interests by virtue of Tan Sri Lim Kok Thay and Mr Lim Keong Hui being:*

i) beneficiaries of a discretionary trust of which PMSB is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of KHI which in turn owns 100% of the voting shares of KHR. KHR owns more than 20% of the voting shares of the Company which owns these ordinary shares in Genting Malaysia. As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of Genting Malaysia held by the Company as it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in the Company. PMSB as trustee of the discretionary trust is also deemed interested in the ordinary shares of Genting Malaysia held by KHR by virtue of its controlling interest in KHR; and

ii) beneficiaries of a discretionary trust of which FNTC is the trustee. GHL acts as trustee of the GHUT, a private unit trust whose voting units are ultimately owned by FNTC as trustee of the discretionary trust. GHL as trustee of the GHUT owns ordinary shares in Genting Malaysia.

DIRECTORATE (Cont'd)

Legend (Cont'd):

(c) *Deemed interests by virtue of Tan Sri Lim Kok Thay and Mr Lim Keong Hui being beneficiaries of a discretionary trust of which PMSB is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of KHI which in turn owns 100% of the voting shares in KHR. KHR owns more than 20% of the voting shares of the Company which owns these ordinary shares and warrants in Genting Plantations. As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares and warrants of Genting Plantations held by the Company as it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in the Company.*

(d) *Deemed interests by virtue of Tan Sri Lim Kok Thay and Mr Lim Keong Hui being beneficiaries of a discretionary trust of which PMSB is the trustee.*

PMSB as trustee of the discretionary trust is deemed interested in the shares of Genting Singapore held by KHR and Genting Overseas Holdings Limited, a wholly owned subsidiary of the Company. KHR controls more than 20% of the voting share capital of the Company.

(e) *Represents the right of the participant to receive ordinary shares subject to the performance conditions as determined by the Remuneration Committee of Genting Malaysia.*

(f) *Represents the right of the participant to receive fully-paid shares of Genting Singapore free of charge, upon the participant satisfying the criteria set out in the Genting Singapore Performance Share Scheme and upon satisfying such criteria as may be imposed.*

Apart from the above disclosures:

(a) the Directors of the Company do not have any other interests in shares in the Company and in shares in other related corporations of the Company either at the beginning or end of the financial year; and

(b) neither during nor at the end of the financial year, was the Company a party to any arrangement whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORATE (Cont'd)

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the Directors and the provision for Directors' retirement gratuities shown in the financial statements or the fixed salary of a full time employee of the Company and/or its related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member or with a company in which he has a substantial financial interest except for any benefit which may be deemed to have arisen by virtue of the following transactions:

(i) A corporation in which Tan Sri Lim Kok Thay is a Director and has substantial financial interest, has:

(a) leased an office premise on the 10th Floor, Genting Centre, Singapore from Resorts World Properties Pte. Ltd., a wholly owned subsidiary of Genting Singapore, which in turn is an indirect 52.7% owned subsidiary of the Company.

(b) been appointed by Resorts World at Sentosa Pte. Ltd., an indirect wholly owned subsidiary of Genting Singapore, as the consultant for theme park and resort development and operations of the Resorts World Sentosa.

(c) been appointed by Genting Malaysia, a company which is 49.5% owned by the Company, as the consultant for theme park and resort development and operations of the Resorts World Genting at Genting Highlands.

(d) been appointed by Resorts World Las Vegas LLC, an indirect wholly owned subsidiary of the Company to provide design services as an Entertainment Design Consultant for the indoor Entertainment Street of the Resorts World Las Vegas project.

(ii) Transactions made by the Company or its related corporations with certain corporations referred to in Note 48 to the financial statements in which the nature of relationships of Tan Sri Lim Kok Thay and Mr Lim Keong Hui are disclosed therein.

Tan Sri Dr. Lin See Yan and Datuk Chin Kwai Yoong are due to retire by rotation at the forthcoming Annual General Meeting ("AGM") in accordance with Paragraph 99 of the Company's Constitution and they have indicated their intention not to seek for re-election at the conclusion of the aforesaid AGM.

In accordance with Paragraph 99 of the Company's Constitution, Mr Lim Keong Hui is due to retire by rotation at the forthcoming AGM and he, being eligible, has offered himself for re-election.

Details of the remuneration of the Directors of the Company are set out in Note 12 to the financial statements.

DIRECTORATE (Cont'd)

The names of directors of subsidiaries where the shares are held by the Company are listed below (excluding directors who are also Directors of the Company):

Tan Sri Dato' Seri Alwi Jantan
Tan Sri Clifford Francis Herbert
Mr Quah Chek Tin
Mr Teo Eng Siong
Dato' Koh Hong Sun
Madam Chong Kwai Ying
Mr Tan Kong Han
Mr Ong Tiong Soon
Mr Chong Kin Leong
Ms Wong Yee Fun
Mr Derrik Khoo Sin Huat
Ms Goh Lee Sian
Encik Azmi bin Abdullah
Ms Chiew Sow Lin
Ms Woon Yoke Sun
Mr Chew Weng Hong
Dato' Justin Leong Ming Loong
Ms Koh Poy Yong
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)
Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)
Mr Ching Yew Chye
Mr Yong Chee Kong
Tan Sri Dato' Sri Zaleha binti Zahari
Mr Lee Ser Wor
Mr Hiu Woon Yau
Professor Claude Michel Wischik
Mr Wong Kin Meng
Dr Loh Yin Sze
(alternate director to Mr Wong Kin Meng)
Ms Christine Chan Meng Yook
Mr Declan Thomas Kenny
Mr John Craig Brown
Mr Christopher James Tushingham
(alternate director to Mr John Craig Brown)
Mr Charles Gary Hepburn*
Mr Christopher James Tushingham
(alternate director to Mr Charles Gary Hepburn)#

**Resigned/ #ceased during the financial year*

Total directors' remuneration paid by these subsidiaries during the financial year is RM1.6 million.

INDEMNITY AND INSURANCE COSTS

The Directors and officers of the Group and the Company are covered by Directors and Officers Liability Insurance ("D&O") for any liability incurred in the discharge of their duties provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The sum insured was determined by the Company after taking into account the diversified nature of the Group's businesses across multiple territories globally. The premium borne by the Company and the Group for the D&O coverage during the financial year was approximately RM0.2 million and RM0.9 million respectively.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets, which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent;

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading;

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; and

(iv) not otherwise dealt with in this report or in the financial statements of the Group and of the Company, that would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

OTHER STATUTORY INFORMATION (Cont'd)

In the opinion of the Directors:

(i) the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature except for those disclosed in the financial statements; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

SUBSIDIARIES

Details of the subsidiaries of the Company are set out in Note 49 to the financial statements.

AUDITORS

Details of auditors' remuneration are set out in Note 10 to the financial statements.

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF1146), have expressed their willingness to accept re-appointment as auditors.

Genting Berhad (Company No: 7916-A)

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, **TAN SRI LIM KOK THAY** and **TAN SRI FOONG CHENG YUEN**, being two of the Directors of **GENTING BERHAD**, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 15 to 199 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2018 and financial performance of the Group and of the Company for the financial year ended 31 December 2018 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 27 February 2019.

TAN SRI LIM KOK THAY
Chairman and Chief Executive

TAN SRI FOONG CHENG YUEN
Deputy Chairman/ Independent Non-Executive Director

Kuala Lumpur

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)

INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
Amounts in RM million unless otherwise stated

	Note(s)	Group		Company	
		2018	2017	**2018**	2017
Revenue	5 & 6	**20,853.0**	20,025.7	**1,852.4**	1,417.2
Cost of sales	7	**(13,029.9)**	(12,746.5)	**(111.4)**	(120.4)
Gross profit		**7,823.1**	7,279.2	**1,741.0**	1,296.8
Other income		**1,149.9**	1,686.5	**94.9**	69.6
Selling and distribution costs		**(452.5)**	(467.4)	**-**	-
Administration expenses		**(1,459.4)**	(1,515.6)	**(16.2)**	(16.3)
Reversal of previously recognised impairment losses	8	**3.4**	-	**8.9**	-
Impairment losses*****	8	**(2,008.5)**	(675.0)	**(841.5)**	(428.1)
Other expenses		**(546.0)**	(493.7)	**(18.7)**	-
Other gains/(losses)	9	**(212.9)**	(506.9)	**(56.5)**	(7.6)
Finance cost	10	**(1,013.1)**	(950.1)	**(180.0)**	(180.2)
Share of results in joint ventures	23	**141.3**	38.8	**-**	-
Share of results in associates	24	**(6.9)**	(85.9)	**-**	-
Profit before taxation	5 & 10	**3,418.4**	4,309.9	**731.9**	734.2
Taxation	13	**(974.5)**	(1,068.4)	**(165.4)**	(138.5)
Profit for the financial year		**2,443.9**	3,241.5	**566.5**	595.7

* Included in impairment losses of the Group in the current financial year is the impairment loss on the promissory notes of RM1,834.3 million by Genting Malaysia Berhad Group. Genting Malaysia Berhad ("Genting Malaysia") is 49.5% owned by the Company.

GENTING BERHAD (Incorporated in Malaysia)

INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (Cont'd)
Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2018	2017	**2018**	2017
Profit attributable to:					
Equity holders of the Company		**1,365.6**	1,444.7	**566.5**	595.7
Holders of perpetual capital securities of a subsidiary		**-**	256.5	**-**	-
Non-controlling interests		**1,078.3**	1,540.3	**-**	-
		2,443.9	3,241.5	**566.5**	595.7
Earnings per share for profit attributable to the equity holders of the Company:					
Basic (sen)	14	**35.58**	38.27		
Diluted (sen)	14	**35.56**	37.60		

GENTING BERHAD (Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2018	2017	**2018**	2017
Profit for the financial year		**2,443.9**	3,241.5	**566.5**	595.7
Other comprehensive loss					
Items that will not be reclassified subsequently to profit or loss:					
Actuarial (loss)/gain on retirement benefit liability		**(5.1)**	7.8	**-**	-
Change in the fair value of equity investments at fair value through other comprehensive income		**(654.1)**	-	**-**	-
		(659.2)	7.8	**-**	-
Items that will be reclassified subsequently to profit or loss:					
Available-for-sale financial assets					
- Fair value gain		**-**	26.3	**-**	-
- Reclassification to profit or loss		**-**	(168.6)	**-**	-
		-	(142.3)	-	-
Cash flow hedges					
- Fair value gain		**101.6**	73.8	**-**	-
- Reclassifications		**3.7**	(12.5)	**-**	-
		105.3	61.3	**-**	-
Share of other comprehensive income/(loss) of joint ventures	23	**0.9**	(9.1)	**-**	-
Share of other comprehensive income/(loss) of associates	24	**13.3**	(47.3)	**-**	-
Net foreign currency exchange differences		**305.4**	(2,405.8)	**-**	-
		424.9	(2,543.2)	**-**	-
Other comprehensive loss for the financial year, net of tax		**(234.3)**	(2,535.4)	**-**	-
Total comprehensive income for the financial year		**2,209.6**	706.1	**566.5**	595.7
Total comprehensive income/(loss) attributable to:					
Equity holders of the Company		**1,120.4**	(234.1)	**566.5**	595.7
Holders of perpetual capital securities of a subsidiary		**-**	114.6	**-**	-
Non-controlling interests		**1,089.2**	825.6	**-**	-
		2,209.6	706.1	**566.5**	595.7

GENTING BERHAD (Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

Amounts in RM million unless otherwise stated

	Note	Group			Company		
		31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
ASSETS							
Non-Current Assets							
Property, plant and equipment	16	**38,996.0**	36,261.4	34,783.6	**2.6**	2.8	2.0
Land held for property development	17	**370.7**	378.8	374.2	**-**	-	-
Investment properties	18	**1,995.2**	1,965.3	2,099.6	**-**	-	-
Leasehold land use rights	19	**664.6**	641.0	495.8	**-**	-	-
Intangible assets	20	**5,677.1**	5,903.8	6,527.4	**-**	-	-
Rights of use of oil and gas assets	21	**3,544.2**	3,608.1	4,069.7	**-**	-	-
Subsidiaries	22	**-**	-	-	**14,001.0**	14,286.4	14,357.4
Amounts due from subsidiaries	22	-	-	-	**355.9**	68.7	68.7
Joint ventures	23	**1,667.8**	1,213.8	1,284.8	**-**	-	-
Associates	24	**710.8**	720.2	1,023.3	**-**	-	-
Available-for-sale financial assets	25	**-**	1,957.4	2,117.0	**-**	-	-
Financial assets at fair value through other comprehensive income	26	**514.3**	-	-	**-**	-	-
Financial assets at fair value through profit or loss	27	**679.6**	-	-	**-**	-	-
Derivative financial instruments	42	**25.9**	4.3	114.1	**-**	227.9	232.8
Other non-current assets	28	**4,332.6**	6,019.8	6,164.2	**-**	-	-
Deferred tax assets	29	**394.9**	172.7	237.9	**30.3**	24.6	20.9
		59,573.7	58,846.6	59,291.6	**14,389.8**	14,610.4	14,681.8
Current Assets							
Property development costs	17	**44.8**	31.2	50.0	**-**	-	-
Inventories	30	**685.3**	579.8	583.0	**-**	-	-
Produce growing on bearer plants	31	**3.8**	6.1	9.2	**-**	-	-
Trade and other receivables	32	**2,205.1**	2,123.8	2,344.9	**11.0**	10.5	10.8
Current tax assets		**228.8**	247.7	134.3	**-**	-	-
Amounts due from subsidiaries	22	**-**	-	-	**33.5**	66.4	275.4
Amounts due from joint ventures	23	**149.9**	4.2	3.8	**-**	-	-
Amounts due from associates	24	**4.4**	1.1	7.0	**-**	-	-
Available-for-sale financial assets	25	**-**	868.1	1,619.7	**-**	-	200.0
Financial assets at fair value through other comprehensive income	26	**383.2**	-	-	**-**	-	-
Financial assets at fair value through profit or loss	27	**757.8**	7.4	10.8	**-**	-	-
Derivative financial instruments	42	**23.0**	3.9	7.7	**170.9**	-	-
Restricted cash	33	**1,059.3**	1,325.1	565.1	**0.5**	0.1	0.1
Cash and cash equivalents	33	**30,987.9**	29,491.9	25,318.5	**2,503.3**	2,460.2	1,430.4
		36,533.3	34,690.3	30,654.0	**2,719.2**	2,537.2	1,916.7
Assets classified as held for sale	34	**34.4**	75.7	1,600.9	**-**	-	-
		36,567.7	34,766.0	32,254.9	**2,719.2**	2,537.2	1,916.7
Total Assets		**96,141.4**	93,612.6	91,546.5	**17,109.0**	17,147.6	16,598.5

GENTING BERHAD (Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2018 (Cont'd)

Amounts in RM million unless otherwise stated

	Note	Group			Company		
		31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
EQUITY AND LIABILITIES							
Equity Attributable to Equity Holders of the Company							
Share capital	35	**3,056.2**	2,818.7	375.0	**3,056.2**	2,818.7	375.0
Treasury shares	36	**(221.2)**	(221.2)	(221.2)	**(221.2)**	(221.2)	(221.2)
Reserves	37	**31,438.7**	31,190.4	33,854.1	**10,411.3**	10,707.8	12,538.6
		34,273.7	33,787.9	34,007.9	**13,246.3**	13,305.3	12,692.4
Perpetual capital securities of a subsidiary		**-**	-	7,144.9	**-**	-	-
Non-controlling interests		**23,114.5**	23,313.0	23,549.2	**-**	-	-
Total Equity		**57,388.2**	57,100.9	64,702.0	**13,246.3**	13,305.3	12,692.4
Non-Current Liabilities							
Long term borrowings	38	**25,163.5**	24,950.2	15,745.0	**-**	-	-
Amounts due to subsidiaries	22	-	-	-	**1,997.0**	3,592.8	3,592.5
Deferred tax liabilities	29	**2,363.6**	2,214.8	2,072.8	**-**	-	-
Derivative financial instruments	42	**114.3**	148.4	232.2	**-**	-	-
Provisions	39	**551.9**	512.0	496.1	**109.6**	103.0	88.3
Other non-current liabilities	40	**441.5**	363.3	338.3	**-**	-	-
		28,634.8	28,188.7	18,884.4	**2,106.6**	3,695.8	3,680.8
Current Liabilities							
Trade and other payables	41	**5,251.4**	5,176.5	5,106.9	**44.3**	48.0	39.1
Amounts due to subsidiaries	22	-	-	-	**1,666.8**	62.5	155.5
Amounts due to joint ventures	23	**53.5**	112.4	128.0	**-**	-	-
Short term borrowings	38	**4,061.0**	2,229.1	2,298.9	**-**	-	-
Derivative financial instruments	42	**29.3**	46.1	73.4	**-**	-	-
Taxation		**709.6**	699.7	341.8	**45.0**	36.0	30.7
		10,104.8	8,263.8	7,949.0	**1,756.1**	146.5	225.3
Liabilities classified as held for sale	34	**13.6**	59.2	11.1	**-**	-	-
		10,118.4	8,323.0	7,960.1	**1,756.1**	146.5	225.3
Total Liabilities		**38,753.2**	36,511.7	26,844.5	**3,862.7**	3,842.3	3,906.1
Total Equity and Liabilities		**96,141.4**	93,612.6	91,546.5	**17,109.0**	17,147.6	16,598.5

Genting Berhad (Company No: 7916-A)
GENTING BERHAD (Incorporated in Malaysia)
STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
Amounts in RM million unless otherwise stated

		Attributable to equity holders of the Company										
	Note(s)	Share Capital	Warrants Reserve	Revaluation Reserve	Fair Value Reserve	Cash Flow Hedge Reserve	Foreign exchange and other reserves	Retained Earnings	Treasury Shares	Total	Non-controlling Interests	Total Equity
Group												
At 1 January 2018, as previously reported		**2,818.7**	**946.3**	**292.7**	**276.9**	**(52.1)**	**4,405.8**	**25,322.6**	**(221.2)**	**33,789.7**	**23,319.2**	**57,108.9**
Effects of transition from FRSs to MFRSs and reclassifications	44	**-**	**-**	**(292.7)**	**4.6**	**-**	**(5,992.9)**	**6,274.1**	**-**	**(6.9)**	**(10.7)**	**(17.6)**
At 1 January 2018, as restated		**2,818.7**	**946.3**	**-**	**281.5**	**(52.1)**	**(1,587.1)**	**31,596.7**	**(221.2)**	**33,782.8**	**23,308.5**	**57,091.3**
Profit for the financial year		**-**	**-**	**-**	**-**	**-**	**-**	**1,365.6**	**-**	**1,365.6**	**1,078.3**	**2,443.9**
Other comprehensive (loss)/income		**-**	**-**	**-**	**(592.8)**	**77.2**	**272.3**	**(1.9)**	**-**	**(245.2)**	**10.9**	**(234.3)**
Total comprehensive (loss)/income for the financial year		**-**	**-**	**-**	**(592.8)**	**77.2**	**272.3**	**1,363.7**	**-**	**1,120.4**	**1,089.2**	**2,209.6**
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings		**-**	**-**	**-**	**(17.6)**	**-**	**-**	**17.6**	**-**	**-**	**-**	**-**
Transactions with owners:												
Effects arising from changes in composition of the Group		**-**	**-**	**-**	**-**	**-**	**-**	**(11.6)**	**-**	**(11.6)**	**8.0**	**(3.6)**
Transfer upon expiry of share option scheme of a subsidiary		**-**	**-**	**-**	**-**	**-**	**-**	**7.6**	**-**	**7.6**	**(7.6)**	**-**
Buy-back of shares by a subsidiary		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(111.4)**	**(111.4)**
Effects of share-based payment		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**81.0**	**81.0**
Total changes in ownership interests in subsidiaries that do not result in loss of control		**-**	**-**	**-**	**-**	**-**	**-**	**(4.0)**	**-**	**(4.0)**	**(30.0)**	**(34.0)**
Issue of shares upon exercise of warrants	35 & 37	**237.5**	**(37.6)**	**-**	**-**	**-**	**-**	**-**	**-**	**199.9**	**-**	**199.9**
Transfer of warrants reserve upon expiry of warrants to retained earnings	37	**-**	**(908.7)**	**-**	**-**	**-**	**-**	**908.7**	**-**	**-**	**-**	**-**
Dividend paid to non-controlling interests		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,253.2)**	**(1,253.2)**
Appropriation:												
Special single-tier dividend for the financial year ended 31 December 2017	15	**-**	**-**	**-**	**-**	**-**	**-**	**(268.2)**	**-**	**(268.2)**	**-**	**(268.2)**
Final single-tier dividend for the financial year ended 31 December 2017	15	**-**	**-**	**-**	**-**	**-**	**-**	**(229.9)**	**-**	**(229.9)**	**-**	**(229.9)**
Interim single-tier dividend for the financial year ended 31 December 2018	15	**-**	**-**	**-**	**-**	**-**	**-**	**(327.3)**	**-**	**(327.3)**	**-**	**(327.3)**
Total contributions by and distributions to owners		**237.5**	**(946.3)**	**-**	**-**	**-**	**-**	**83.3**	**-**	**(625.5)**	**(1,253.2)**	**(1,878.7)**
Total transactions with owners		**237.5**	**(946.3)**	**-**	**-**	**-**	**-**	**79.3**	**-**	**(629.5)**	**(1,283.2)**	**(1,912.7)**
Balance as at 31 December 2018		**3,056.2**	**-**	**-**	**(328.9)**	**25.1**	**(1,314.8)**	**33,057.3**	**(221.2)**	**34,273.7**	**23,114.5**	**57,388.2**

GENTING BERHAD (Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (Cont'd)

Amounts in RM million unless otherwise stated

		Attributable to equity holders of the Company												
Group	**Note(s)**	**Share Capital**	**Share Premium**	**Warrants Reserve**	**Revaluation Reserve**	**Fair Value Reserve**	**Cash Flow Hedge Reserve**	**Foreign exchange and other reserves**	**Retained Earnings**	**Treasury Shares**	**Total**	**Perpetual Capital Securities of a Subsidiary**	**Non-controlling Interests**	**Total Equity**
At 1 January 2017, as previously reported		375.0	1,481.2	1,098.7	293.0	384.3	(85.3)	6,010.8	24,672.5	(221.2)	34,009.0	7,144.9	23,550.4	64,704.3
Effects of transition from FRSs to MFRSs and reclassifications	44	-	-	-	(293.0)	-	-	(5,992.9)	6,284.8	-	(1.1)	-	(1.2)	(2.3)
At 1 January 2017, as restated		375.0	1,481.2	1,098.7	-	384.3	(85.3)	17.9	30,957.3	(221.2)	34,007.9	7,144.9	23,549.2	64,702.0
Transfer from share premium	35	1,481.2	(1,481.2)	-	-	-	-	-	-	-	-	-	-	-
Profit for the financial year		-	-	-	-	-	-	-	1,444.7	-	1,444.7	256.5	1,540.3	3,241.5
Other comprehensive (loss)/income		-	-	-	-	(107.4)	33.2	(1,605.0)	0.4	-	(1,678.8)	(141.9)	(714.7)	(2,535.4)
Total comprehensive (loss)/income for the financial year		-	-	-	-	(107.4)	33.2	(1,605.0)	1,445.1	-	(234.1)	114.6	825.6	706.1
Transactions with owners:														
Effects arising from changes in composition of the Group		-	-	-	-	-	-	-	16.9	-	16.9	-	15.5	32.4
Transfer upon expiry of share option scheme of a subsidiary		-	-	-	-	-	-	-	9.8	-	9.8	-	(9.8)	-
Effects of share-based payment		-	-	-	-	-	-	-	-	-	-	-	80.0	80.0
Perpetual capital securities distribution paid by a subsidiary		-	-	-	-	-	-	-	-	-	-	(357.6)	-	(357.6)
Redemption of perpetual capital securities, net of transaction costs by a subsidiary		-	-	-	-	-	-	-	(40.1)	-	(40.1)	(6,901.9)	(35.7)	(6,977.7)
Tax credit arising from perpetual capital securities of a subsidiary		-	-	-	-	-	-	-	10.3	-	10.3	-	9.2	19.5
Total changes in ownership interests in subsidiaries that do not result in loss of control		-	-	-	-	-	-	-	(3.1)	-	(3.1)	(7,259.5)	59.2	(7,203.4)
Issue of shares upon exercise of warrants	35 & 37	962.5	-	(152.4)	-	-	-	-	-	-	810.1	-	-	810.1
Dividend paid to non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	(1,121.0)	(1,121.0)
Appropriation:														
Special single-tier dividend for the financial year ended 31 December 2016	15	-	-	-	-	-	-	-	(242.0)	-	(242.0)	-	-	(242.0)
Final single-tier dividend for the financial year ended 31 December 2016	15	-	-	-	-	-	-	-	(226.6)	-	(226.6)	-	-	(226.6)
Interim single-tier dividend for the financial year ended 31 December 2017	15	-	-	-	-	-	-	-	(324.3)	-	(324.3)	-	-	(324.3)
Total contributions by and distributions to owners		962.5	-	(152.4)	-	-	-	-	(792.9)	-	17.2	-	(1,121.0)	(1,103.8)
Total transactions with owners		962.5	-	(152.4)	-	-	-	-	(796.0)	-	14.1	(7,259.5)	(1,061.8)	(8,307.2)
Balance as at 31 December 2017		2,818.7	-	946.3	-	276.9	(52.1)	(1,587.1)	31,606.4	(221.2)	33,787.9	-	23,313.0	57,100.9

GENTING BERHAD (Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (Cont'd)

Amounts in RM million unless otherwise stated

Company	Note(s)	Share Capital	Share Premium	Warrants Reserve	Retained Earnings	Treasury Shares	Total
At 1 January 2018		**2,818.7**	**-**	**946.3**	**9,761.5**	**(221.2)**	**13,305.3**
Profit for the financial year		**-**	**-**	**-**	**566.5**	**-**	**566.5**
Transactions with owners:							
Issue of shares upon exercise of warrants	35 & 37	**237.5**	**-**	**(37.6)**	**-**	**-**	**199.9**
Transfer of warrants reserve upon expiry of warrants to retained earnings	37	**-**	**-**	**(908.7)**	**908.7**	**-**	**-**
Appropriation:							
Special single-tier dividend for the financial year ended 31 December 2017	15	**-**	**-**	**-**	**(268.2)**	**-**	**(268.2)**
Final single-tier dividend for the financial year ended 31 December 2017	15	**-**	**-**	**-**	**(229.9)**	**-**	**(229.9)**
Interim single-tier dividend for the financial year ended 31 December 2018	15	**-**	**-**	**-**	**(327.3)**	**-**	**(327.3)**
Total transactions with owners		**237.5**	**-**	**(946.3)**	**83.3**	**-**	**(625.5)**
Balance as at 31 December 2018		**3,056.2**	**-**	**-**	**10,411.3**	**(221.2)**	**13,246.3**
At 1 January 2017		375.0	1,481.2	1,098.7	9,958.7	(221.2)	12,692.4
Transfer from share premium	35	1,481.2	(1,481.2)	-	-	-	-
Profit for the financial year		-	-	-	595.7	-	595.7
Transactions with owners:							
Issue of shares upon exercise of warrants	35 & 37	962.5	-	(152.4)	-	-	810.1
Appropriation:							
Special single-tier dividend for the financial year ended 31 December 2016	15	-	-	-	(242.0)	-	(242.0)
Final single-tier dividend for the financial year ended 31 December 2016	15	-	-	-	(226.6)	-	(226.6)
Interim single-tier dividend for the financial year ended 31 December 2017	15	-	-	-	(324.3)	-	(324.3)
Total transactions with owners		962.5	-	(152.4)	(792.9)	-	17.2
Balance as at 31 December 2017		2,818.7	-	946.3	9,761.5	(221.2)	13,305.3

GENTING BERHAD (Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
Amounts in RM million unless otherwise stated

	Group		Company	
	2018	2017	**2018**	2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	**3,418.4**	4,309.9	**731.9**	734.2
Adjustments for:				
Depreciation and amortisation	**2,223.7**	2,127.0	**0.7**	0.9
Impairment losses	**2,008.5**	675.0	**841.5**	428.1
Finance cost	**1,013.1**	950.1	**180.0**	180.2
Net fair value loss on financial assets at fair value through profit or loss ("FVTPL")	**196.3**	2.5	**-**	-
Impairment losses and write off of receivables	**168.8**	168.3	**-**	-
Provision for share-based payments	**81.0**	80.3	**-**	-
Fair value adjustment of long term receivables	**40.9**	1.1	**-**	-
Provision for retirement gratuities	**36.1**	63.8	**15.5**	16.1
Property, plant and equipment ("PPE") written off	**35.4**	57.0	**-**	-
Share of results in associates	**6.9**	85.9	**-**	-
Inventories written off	**8.5**	1.3	**-**	-
Intangible assets written off	**4.0**	-	-	-
Net fair value loss arising from produce growing on bearer plants	**2.3**	3.2	**-**	-
Net loss on derecognition/dilution of shareholding in joint ventures and associates	**1.8**	62.4	**-**	-
Net fair value loss on derivative financial instruments	**0.6**	42.3	**57.0**	4.9
Interest income	**(838.1)**	(886.8)	**(94.6)**	(68.4)
Share of results in joint ventures	**(141.3)**	(38.8)	**-**	-
Net unrealised exchange (gain)/ loss	**(47.9)**	304.2	**(1.2)**	4.5
Income from financial assets at FVTPL	**(23.9)**	-	**-**	-
Net surplus arising from compensation in respect of land acquired by the Government	**(17.5)**	(10.6)	**-**	-
Dividend income	**(10.6)**	(10.3)	**(1,131.5)**	(779.6)
Net gain on disposal of PPE	**(9.9)**	(31.2)	**-**	-
Reversal of previously recognised impairment losses	**(3.4)**	-	**(8.9)**	-
Gain on disposal of assets and liabilities classified as held for sale	**(0.3)**	(302.2)	**-**	-
Amount due from an associate written off	**-**	5.4	**-**	-
Net gain on disposal of available-for-sale financial assets	**-**	(226.0)	**-**	-
Construction profit	**-**	(48.6)	**-**	-
Income from available-for-sale financial assets	**-**	(27.6)	**-**	(0.8)
Gain on bargain purchase	**-**	(2.8)	**-**	-
Other non-cash items	**14.5**	42.9	**-**	-
	4,749.5	3,087.8	**(141.5)**	(214.1)
Operating profit before changes in working capital	**8,167.9**	7,397.7	**590.4**	520.1
Working capital changes:				
Property development costs	**(30.2)**	18.0	**-**	-
Inventories	**(111.5)**	(4.0)	**-**	-
Receivables	**(234.6)**	181.8	**(0.4)**	(0.3)
Payables	**175.7**	12.2	**(12.9)**	9.0
Amounts due from/to associates	**-**	0.7	**-**	-
Amounts due from/to joint ventures	**(56.8)**	(14.4)	**-**	-
Amounts due from/to subsidiaries	**-**	-	**(12.8)**	(15.7)
Other non-current assets	**(28.0)**	-	**-**	-
Restricted cash	**(27.0)**	-	**-**	-
	(312.4)	194.3	**(26.1)**	(7.0)

GENTING BERHAD (Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (Cont'd)
Amounts in RM million unless otherwise stated

	Group		Company	
	2018	2017	**2018**	2017
Cash generated from operations	**7,855.5**	7,592.0	**564.3**	513.1
Tax paid	**(1,129.2)**	(702.2)	**(162.1)**	(136.8)
Payment of retirement gratuities	**(3.1)**	(9.4)	**(0.1)**	(1.4)
Tax refunded	**116.3**	49.9	**-**	-
Onerous lease paid	**(3.9)**	(94.8)	**-**	-
Other operating activities	**(5.3)**	(0.1)	**-**	-
	(1,025.2)	(756.6)	**(162.2)**	(138.2)
NET CASH FLOW FROM OPERATING ACTIVITIES	**6,830.3**	6,835.4	**402.1**	374.9
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of PPE	**(4,502.1)**	(3,399.9)	**(0.5)**	(1.7)
Purchase of investments	**(923.3)**	(435.4)	**(547.2)**	(240.6)
Payment for rights of use of oil and gas assets	**(84.1)**	(30.2)	**-**	-
Purchase of leasehold land use rights	**(37.5)**	(50.4)	**-**	-
Investment in joint venture	**(35.8)**	-	**-**	-
Purchase of intangible assets	**(23.9)**	(28.9)	**-**	-
Costs incurred on land held for property development	**(5.7)**	(8.4)	**-**	-
Restricted cash	**(4.1)**	(9.7)	**-**	-
Loan to an associate	**(2.9)**	(1.0)	**-**	-
Purchase of investment properties	**(0.1)**	(51.2)	**-**	-
Interest received	**604.8**	526.4	**94.5**	68.4
Proceeds from disposal of investments	**298.9**	903.7	**-**	200.0
Proceeds from disposal of PPE	**132.5**	14.8	**-**	-
Proceeds from disposal of assets and liabilities classified as held for sale	**35.3**	1,871.3	**-**	-
Finance lease rental received	**33.9**	-	**-**	-
Proceeds from government grant	**28.3**	-	**-**	-
Income received from financial assets at FVTPL	**18.6**	-	**-**	-
Dividends received from joint ventures	**11.2**	57.8	**-**	-
Dividends received	**10.3**	3.7	**1,131.5**	779.6
Dividends received from associates	**3.9**	12.2	**-**	-
Acquisition of subsidiaries	-	(531.1)	**-**	-
Investment in associate	-	(25.2)	**-**	-
Income received from available-for-sale financial assets	-	29.0	**-**	1.4
Proceeds from disposal of subsidiaries	-	17.5	**-**	-
Advances to subsidiaries	-	-	**(427.1)**	(190.6)
Repayment of advances from subsidiaries	-	-	**194.2**	205.7
Other investing activities	**23.9**	13.2	**-**	-
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	**(4,417.9)**	(1,121.8)	**445.4**	822.2

GENTING BERHAD (Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (Cont'd)
Amounts in RM million unless otherwise stated

		Group		Company	
		2018	2017	**2018**	2017
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of borrowings and payment of transaction costs		**(2,221.5)**	(4,357.8)	**-**	-
Dividends paid to non-controlling interests		**(1,253.2)**	(1,121.0)	**-**	-
Finance cost paid		**(1,197.6)**	(955.4)	**(180.1)**	(179.9)
Dividends paid		**(825.4)**	(792.9)	**(825.4)**	(792.9)
Buy-back of shares by a subsidiary		**(111.4)**	-	**-**	-
Proceeds from issuance of Medium Term Notes by a subsidiary		**2,600.0**	2,600.0	**-**	-
Proceeds from bank borrowings		**1,175.3**	4,257.6	**-**	-
Net movement in restricted cash		**313.1**	(753.4)	**-**	-
Proceeds from issue of shares upon exercise of warrants		**199.9**	810.1	**199.9**	810.1
Proceeds from shareholder loan		**40.4**	28.3	**-**	-
Proceeds from issue of shares to non-controlling interests		**18.1**	72.5	**-**	-
Redemption of perpetual capital securities by a subsidiary		**-**	(6,977.7)	**-**	-
Perpetual capital securities distribution paid by a subsidiary		**-**	(357.6)	**-**	-
Proceeds from issuance of guaranteed notes by a subsidiary		**-**	6,584.8	**-**	-
Net proceeds from issuance of bonds by a subsidiary		**-**	722.9	**-**	-
Settlement of derivative financial instruments		**-**	63.7	**-**	-
Other financing activities		**(0.1)**	0.1	**-**	-
NET CASH FLOW USED IN FINANCING ACTIVITIES		**(1,262.4)**	(175.8)	**(805.6)**	(162.7)
NET INCREASE IN CASH AND CASH EQUIVALENTS		**1,150.0**	5,537.8	**41.9**	1,034.4
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		**29,491.9**	25,318.5	**2,460.2**	1,430.4
EFFECT OF CURRENCY TRANSLATION		**346.0**	(1,364.4)	**1.2**	(4.6)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		**30,987.9**	29,491.9	**2,503.3**	2,460.2
ANALYSIS OF CASH AND CASH EQUIVALENTS					
Bank balances and deposits	33	**24,710.9**	24,473.9	**1,097.7**	891.4
Money market instruments	33	**6,277.0**	5,018.0	**1,405.6**	1,568.8
		30,987.9	29,491.9	**2,503.3**	2,460.2

GENTING BERHAD (Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (Cont'd)
Amounts in RM million unless otherwise stated

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

Reconciliation of liabilities arising from financing activities

Group **2018**	**Long term borrowings**	**Short term borrowings**	**Total**
Beginning of the financial year	**(24,950.2)**	**(2,229.1)**	**(27,179.3)**
Cash flows	**(2,703.7)**	**2,347.5**	**(356.2)**
Non-cash changes			
Finance cost	**(23.2)**	**(1,323.7)**	**(1,346.9)**
Additions from finance leases	**-**	**(51.6)**	**(51.6)**
Reclassification	**2,820.0**	**(2,820.0)**	**-**
Foreign exchange movement	**(306.4)**	**15.9**	**(290.5)**
End of the financial year	**(25,163.5)**	**(4,061.0)**	**(29,224.5)**

Group **2017**			
Beginning of the financial year	(15,745.0)	(2,298.9)	(18,043.9)
Cash flows	(11,230.0)	2,377.9	(8,852.1)
Non-cash changes			
Finance cost	(40.6)	(1,134.6)	(1,175.2)
Borrowings of subsidiaries acquired	(35.5)	(153.3)	(188.8)
Additions from finance leases	(4.9)	(1.9)	(6.8)
Reclassification	1,098.4	(1,098.0)	0.4
Foreign exchange movement	1,007.4	79.7	1,087.1
End of the financial year	(24,950.2)	(2,229.1)	(27,179.3)

Company	**Amount due to subsidiaries (including interest payables)**	
	2018	2017
Beginning of the financial year	**(3,611.3)**	(3,611.0)
Cash flows	**180.1**	179.9
Non-cash changes		
Finance cost	**(180.0)**	(180.2)
End of the financial year	**(3,611.2)**	(3,611.3)

GENTING BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2018
Amounts in RM million unless otherwise stated

1. CORPORATE INFORMATION

Genting Berhad ("the Company") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is 24th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur.

The Company is principally an investment holding and management company.

The principal activities of the Group include leisure and hospitality, gaming and entertainment businesses, development and operation of integrated resort, plantation, generation and supply of electric power, property development and management, tours and travel related services, investments, life sciences and biotechnology activities and oil and gas exploration, development and production activities.

Details of the principal activities of the subsidiaries, joint ventures and associates are set out in Note 49 to the financial statements.

There have been no other significant changes in the nature of the activities of the Group and of the Company during the financial year.

2. BASIS OF PREPARATION

The financial statements of the Group and the Company have been prepared in accordance with and comply with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company for the financial year ended 31 December 2018 are the first set of financial statements prepared in accordance with MFRS, including MFRS 1 "First-time Adoption of Malaysian Financial Reporting Standards". Aside from the short-term exemption on first-time application of MFRS 9 "Financial Instruments" and certain transition elections as disclosed in Note 44, the Group and the Company have consistently applied the same accounting policies in their opening MFRS statements of financial position as at 1 January 2017, being the transition date, and throughout all years presented, as if these policies had always been in effect. The impact of the transition to MFRS on the Group's reported financial position, financial performance and cash flows, are disclosed in Note 44. The transition to MFRSs has no impact to the Company's financial statements.

The financial statements have been prepared on a historical cost basis, except as disclosed in the significant accounting policies below.

BASIS OF PREPARATION (Cont'd)

The preparation of financial statements in conformity with MFRS requires the Directors to make judgements, estimations and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported financial year. It also requires Directors to exercise their judgements in the process of applying the Group's accounting policies. Although these judgements and estimations are based on Directors' best knowledge of current events and actions, actual results could differ from those judgements and estimations.

(a) **Judgements and estimations**

In the process of applying the Group's accounting policies, management makes judgements and estimations that can significantly affect the amount recognised in the financial statements. These judgements and estimations include:

(i) **Exploration costs**

Exploration cost is accounted for in accordance with the successful efforts method. Under this method, all costs relating to exploration activities, except for geological and geophysical costs and office administration costs, are capitalised when incurred.

Exploration cost is written down to its recoverable amount when:

- it is determined that further exploration activities will not yield commercial quantities of reserves, no further exploration drilling is planned, and there is no existing production in the block or field; or

- the petroleum contract has expired or is surrendered.

In making decisions about whether to continue to capitalise exploration drilling costs, it is necessary to make judgements about the satisfaction of the above conditions after technical, commercial and management reviews. The Group is committed to continue exploring and developing these interests.

The Group tests exploration costs for any indicators of impairment or when facts and circumstances suggest that the carrying amount of exploration cost may exceed its recoverable amount. The key assumptions and judgement used in the assessment are set out in Note 21.

(ii) **Goodwill and intangible assets with indefinite useful life**

The Group tests goodwill and intangible assets with indefinite useful life for impairment annually or whenever events indicate that the carrying amount may not be recoverable. The calculations require the use of estimates as set out in Note 20.

BASIS OF PREPARATION (Cont'd)

(a) **Judgements and estimations (cont'd)**

(iii) **Impairment of trade receivables**

As at 31 December 2018, the Group's trade receivables are grouped based on shared credit risk characteristics and days past due, with expected loss rates assessed based on the Group's historical credit loss experience.

The Group further evaluates the expected credit loss ("ECL") on customers on a case-by-case basis, which may be assessed based on indicators such as changes in financial capability of the debtor, and default or significant delay in payments.

The Group's credit risk exposure for trade receivables are set out in Note 4(a)(iii).

(iv) **Impairment of promissory notes issued by Mashpee Wampanoag Tribe ("the Tribe")**

The measurement of ECL allowance for the Group's investment in promissory notes issued by the Tribe requires the use of significant judgements and assumptions. Explanation of the assumptions and estimation technique used in measuring ECL is detailed in Note 28.

(v) **Valuation of unquoted financial assets at fair value through profit or loss ("FVTPL") and financial assets at fair value through other comprehensive income ("FVOCI")**

The Group measures its unquoted financial assets at FVTPL and FVOCI (2017: available-for-sale financial assets ("AFS")) at fair value. The fair values of certain investments in unquoted equity and debt instruments are determined based on valuation techniques which involve the use of estimates as disclosed in Notes 26 and 27 respectively. In addition, the measurements of these financial assets within Level 3 of the fair value hierarchy are disclosed in Note 4(c) respectively.

(vi) **Taxation**

The Group is subjected to income taxes in numerous jurisdictions in which the Group operates. Significant judgement is required in determining the provision for income taxes that includes the estimate of the amount of capital allowances for items within the leasehold improvements and fixtures and fittings asset categories and the deductibility of certain expenses.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax assets and liabilities, where applicable, in the period in which such determination is made.

BASIS OF PREPARATION (Cont'd)

(a) **Judgements and estimations (cont'd)**

(vi) **Taxation (cont'd)**

In addition, Genting Malaysia has been granted a customised incentive under the East Coast Economic Region which entitled Genting Malaysia to claim for income tax exemption equivalent to 100% of the qualifying capital expenditure incurred for a period of 10 years ("2014 Tax Incentive Approval"). In December 2017, the Ministry of Finance made a decision to amend the 2014 Tax Incentive Approval. The amendment does not remove the tax incentives previously granted but will effectively prolong the utilisation period of the tax allowance significantly ("MOF Decision"). Genting Malaysia has filed an application for judicial review of the MOF Decision at the Kuala Lumpur High Court ("High Court"). In January 2019, the High Court granted Genting Malaysia's application for leave to commence judicial review of the MOF Decision and a stay of the MOF Decision pending disposal of the judicial review application before the High Court ("Stay Order").

In view of the Stay Order granted by the High Court and based on legal view obtained from the external legal counsel, Genting Malaysia has estimated the tax liability for year of assessment 2018 of RM122.0 million in accordance with the basis of utilisation as per the 2014 Tax Incentive Approval.

The Directors performed an assessment of the potential tax liability and is of the view that it is probable Genting Malaysia's judicial review will be allowed based on discussion with the external legal counsel.

(vii) **Ongoing litigation and contingent liability**

Genting Malaysia filed a complaint in connection with the planned Fox-branded theme park at Resorts World Genting ("Theme Park") in which Genting Malaysia alleged claims for breach of contract, breach of the implied covenant of good faith and fair dealing, inducing breach of contract, and intentional interference with contract. In addition, a counter claim was filed against Genting Malaysia.

In view of the uncertainty of the outcome of the ongoing litigation, which is in its early stage, Genting Malaysia has carried out an impairment assessment on the recoverability of the property, plant and equipment for the Theme Park assets as well as determined the probability of an outflow of resources embodying economic benefits that will be required to settle the counter claim. Details of the impairment assessment and ongoing litigation and contingent liability are disclosed in Notes 16 and 46 respectively.

(b) **Standards and amendments that have been issued but not yet effective**

A number of new standards and amendments to standards and interpretations are effective for financial year beginning on or after 1 January 2019 as set below:

- MFRS 16 "Leases" (effective from 1 January 2019) supersedes MFRS 117 "Leases" and the related interpretations.

  Under MFRS 16, a lease is a contract (or part of a contract) that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

BASIS OF PREPARATION (Cont'd)

(b) **Standards and amendments that have been issued but not yet effective (cont'd)**

MFRS 16 eliminates the classification of leases by the lessee as either finance leases (on balance sheet) or operating leases (off balance sheet). MFRS 16 requires a lessee to recognise a "right-of-use" of the underlying asset and a lease liability reflecting future lease payments for most leases.

The right-of-use asset is depreciated in accordance with the principle in MFRS 116 "Property, Plant and Equipment" and the lease liability is accreted over time with interest expense recognised in the income statement. For lessors, MFRS 16 retains most of the requirements in MFRS 117. Lessors continue to classify all leases as either operating leases or finance leases and account for them differently.

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. Based on the assessment undertaken to-date, the adoption of this standard would impact on the Group's financial position with the recognition of right-of-use assets and lease liabilities.

Annual Improvements to MFRSs 2015 - 2017 Cycle

- Amendments to MFRS 3 "Business Combinations" (effective from 1 January 2019) clarify that when a party obtains control of a business that is a joint operation, the acquirer should account the transaction as a business combination achieved in stages. Accordingly it should remeasure its previously held interest in the joint operation (rights to the assets and obligations for the liabilities) at fair value on the acquisition date.

- Amendments to MFRS 11 "Joint Arrangements" (effective from 1 January 2019) clarify that when a party obtains joint control of a business that is a joint operation, the party should not remeasure its previously held interest in the joint operation.

- Amendments to MFRS 112 "Income Taxes" (effective from 1 January 2019) clarify that where income tax consequences of dividends on financial instruments classified as equity is recognised (either in profit or loss, other comprehensive income or equity) depends on where the past transactions that generated distributable profits were recognised. Accordingly, the tax consequences are recognised in profit or loss when an entity determines payments on such instruments are distribution of profits (that is, dividends). Tax on dividend should not be recognised in equity merely on the basis that it is related to a distribution to owners.

- Amendments to MFRS 123 "Borrowing Costs" (effective from 1 January 2019) clarify that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

- Amendments to MFRS 119 "Plan amendment, curtailment or settlement" (effective 1 January 2019) require an entity to use the updated actuarial assumptions from remeasurement of its net defined liability or asset arising from plan amendment, curtailment or settlement, to determine current service cost and net interest for the remaining period after the change to the plan. The amendments will be applied prospectively.

The adoption of the above amendments will not have any significant impact on the Group's financial statements.

BASIS OF PREPARATION (Cont'd)

(b) **Standards and amendments that have been issued but not yet effective (cont'd)**

- Amendments to MFRS 101 "Presentation of Financial Statements" and MFRS 108 "Accounting Policies, Changes in Accounting Estimates and Errors" (effective 1 January 2020) clarify the definition of materiality and use a consistent definition throughout MFRSs and the Conceptual Framework for Financial Reporting.

  The definition of "material" has been revised as "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

  The amendments also:
  - clarify that an entity assess materiality in the context of the financial statements as a whole.
  - explain the concept of obscuring information in the new definition. Information is obscured if it has the effect similar as omitting or misstating that information. For example, material transaction is scattered throughout the financial statements, dissimilar items are inappropriately aggregated, or material information is hidden by immaterial information.
  - clarify the meaning of "primary users of general purpose financial statements" to whom those financial statements are directed, by defining them as "existing and potential investors, lenders and other creditors" that must rely on general purpose financial statements for much of the financial information they need.

  The amendments shall be applied prospectively.

- Amendments to MFRS 3 "Definition of a Business" (effective 1 January 2020) revise the definition of a business. To be considered a business, an acquisition would have to include an input and a substantive process that together significantly contribute to the ability to create outputs.

  The amendments provide guidance to determine whether an input and a substantive process are present, including situation where an acquisition does not have outputs. To be a business without outputs, there will now need to be an organised workforce. It is also no longer necessary to assess whether market participants are capable of replacing missing elements or integrating the acquired activities and assets.

  In addition, the revised definition of the term "outputs" is narrower, focuses on goods or services provided to customers, generating investment returns and other income but excludes returns in the form of cost savings.

  The amendments introduce an optional simplified assessment known as "concentration test" that, if met, eliminates the need for further assessment. Under this concentration test, if substantially all of the fair value of gross assets acquired is concentrated in a single identifiable asset (or a group of similar assets), the assets acquired would not represent a business.

  The amendments shall be applied prospectively.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in the profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 9 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest and the fair value of any previous equity interest in the acquiree at the acquisition date over the fair value of the net identifiable assets acquired and liabilities assumed. If the total consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the profit or loss as a gain on bargain purchase.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits or losses resulting from inter-company transactions that are recognised in assets are also eliminated. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated income statements, statements of comprehensive income, statements of changes in equity and statements of financial position respectively.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of Consolidation (cont'd)

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income ("OCI") in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This means that amounts previously recognised in OCI are reclassified to the profit or loss. Gains or losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the subsidiaries sold.

(d) Joint arrangements

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangements have rights to the assets and obligations for the liabilities, relating to the arrangement. Joint control is based on the contractually agreed sharing of control of an arrangement, and decisions of relevant activities would require the unanimous consent of the parties sharing control. The Group accounts for each of the assets, liabilities, revenue and expenses relating to its interest in a joint operation in accordance with its contractually conferred rights and obligations. These have been incorporated in the financial statements under the appropriate headings.

The Group's interests in joint ventures are accounted for in the consolidated financial statements by the equity method of accounting. Equity accounting involves recognising the Group's share of the post acquisition results of joint ventures in the profit or loss and its share of post acquisition movements within reserves in OCI. The cumulative post acquisition movements are adjusted against the cost of the investment and include goodwill on acquisition less impairment losses, where applicable. See accounting policy note on impairment of non-financial assets.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of Consolidation (cont'd)

(d) Joint arrangements (cont'd)

The Group recognises the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other parties in the ventures. The Group does not recognise its share of profits or losses from the joint venture until it resells the assets to an independent party. However, if a loss on the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, the loss is recognised immediately.

Equity accounting is discontinued when the carrying amount of the investment in joint ventures (including any other unsecured receivables) reaches zero, unless the Group has incurred obligation or made payment on behalf of the joint venture.

Where necessary, in applying the equity method, adjustments have been made to the financial statements of joint ventures to ensure consistency of accounting policies with those of the Group.

When the Group ceases to equity account its joint venture because of a loss of joint control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amount previously recognised in OCI in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This means that amounts previously recognised in OCI are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in OCI is reclassified to profit or loss where appropriate.

(e) Associates

Associates are companies in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not control over those policies.

Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. Equity accounting involves recognising in profit or loss the Group's share of the associates' results and its share of post-acquisition movements in reserves is recognised in OCI with a corresponding adjustment to the carrying amount of the investment. Dividends received or receivable from an associate are recognised as a reduction in the carrying amount of the investment. Equity accounting is discontinued when the carrying amount of the investment in an associate (including any other unsecured receivables) reaches zero, unless the Group has incurred obligation or made payment on behalf of the associate.

The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition. See impairment policy note on impairment of non-financial assets.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of Consolidation (cont'd)

(e) Associates (cont'd)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the assets transferred.

Dilution gains and losses arising in investments in associates are recognised in the profit or loss.

When the Group increases its stake in an existing investment and the investment becomes an associate for the first time, the cost of an associate acquired in stages is measured as the sum of the fair value of the interest previously held plus the fair value of any additional consideration transferred as of the date when the investment became an associate. Any gain or loss on re-measurement of the previously held stake is taken to profit or loss and any OCI recognised in prior periods in relation to the previously held stake in the acquired associate is also recognised in profit or loss. Any acquisition-related costs are expensed in the periods in which the costs are incurred.

The cost of acquiring additional stake in an associate is added to the carrying amount of the associate. This is the deemed cost of the Group's investment in the associate for applying equity accounting. Goodwill arising on the purchase of additional stake is computed using the fair value information at the date the additional interest is purchased. The previously held interest is not re-measured.

Where necessary, in applying the equity method, adjustments have been made to the financial statements of associates to ensure consistency of accounting policies with those of the Group.

When the Group ceases significant influence, investments in associates are derecognised. Any retained equity interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence is lost and its fair value is recognised in the profit or loss.

Investment in Subsidiaries

In the Company's separate financial statements, investments in subsidiaries are shown at cost less accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy on impairment of non-financial assets.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property, Plant and Equipment

Property, plant and equipment are tangible items that:

(i) are held for use in the production or supply of goods or services, or for administrative purposes; and
(ii) are expected to be used during more than one period.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

A bearer plant is a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales. Costs include plantation expenditure incurred from the stage of land clearing up to the stage of maturity.

Cost of other property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. See accounting policy on borrowings.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial year that they are incurred.

Freehold land is stated at cost and is not depreciated. Leasehold lands are amortised equally over their respective periods of lease. The depreciation of leasehold land is capitalised as part of the cost of bearer plant from the stage of land clearing up to the stage of maturity. Immature bearer plants and other property, plant and equipment which are under construction are not depreciated. Depreciation commences when the bearer plants mature or when the assets under construction are ready for their intended use.

The depreciable amount of an item of property, plant and equipment is determined as the difference between the cost less its residual value. The residual value is the estimated amount that the Group expects to obtain from disposal of the asset, after deducting the estimated cost of disposal, if the asset was already of the age and in the condition expected at the end of its useful lives.

Depreciation of other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	Years
Buildings and improvements	2 – 60
Plant, equipment and vehicles	2 – 50
Bearer plants	22
Leasehold lands	30 – 999
Aircrafts, sea vessels and improvements	2 – 25

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property, Plant and Equipment (Cont'd)

The assets' residual values and useful lives are reviewed annually and revised if appropriate.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of non-financial assets.

Gains or losses on disposals are determined by comparing the net disposal proceeds with the carrying amounts and are included in the profit or loss.

Investment Properties

Investment properties consist of investments in land and buildings that are held for long-term rental yield and/or for capital appreciation and are not occupied by the Group.

Investment in freehold land is stated at cost. Leasehold land is amortised using the straight-line method over the lease period. Other investment properties are stated at cost less accumulated depreciation and impairment losses. Investment properties under construction are not depreciated. Depreciation for other investment properties is calculated using the straight-line method to allocate their cost over their estimated useful lives as follows:

	Years
Leasehold land	51 – 97
Buildings and improvements	2 – 50

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of non-financial assets.

Investment property is derecognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its retirement from use.

Gains or losses on disposals are determined by comparing the net disposal proceeds with the carrying amount and are included in the profit or loss.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Leasehold Land Use Rights

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in MFRS 117 "Leases") and is amortised over the lease term in accordance with the pattern of benefits provided.

Financial Assets

Accounting policies applied from 1 January 2018

(a) Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

(i) those to be measured at fair value (either through OCI or through profit or loss); and
(ii) those to be measured at amortised cost.

The classification depends on the Group's and the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Assets (cont'd)

Accounting policies applied from 1 January 2018 (cont'd)

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ("SPPI").

(i) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- Amortised cost

  Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income/expenses.

- FVTPL

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. Fair value changes are recognised in profit or loss and presented in other gains/(losses) in the period in which it arises.

(ii) Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the profit or loss as applicable.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Assets (cont'd)

Accounting policies applied from 1 January 2018 (cont'd)

(d) Impairment of financial assets

From 1 January 2018, the Group assesses on a forward looking basis the ECL associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. See Note 4(a)(iii) for further details.

Impairment losses on trade receivables are presented within "cost of sales" in the profit or loss. Impairment losses on other debt instruments at amortised cost are presented within "impairment losses" in the profit or loss.

Accounting policies applied until 31 December 2017

The Group has applied MFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

(a) Classification

The Group classified its financial assets in the following categories: at FVTPL, loans and receivables and available-for-sale. The classification depends on the nature of the asset and purpose for which the asset was acquired. The Group determines the classification of its financial assets at initial recognition.

(i) Financial assets at FVTPL

There are two subcategories: financial assets held for trading and those designated as at FVTPL on initial recognition. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months after the reporting date; otherwise, they are classified as non-current.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Assets (cont'd)

Accounting policies applied until 31 December 2017 (cont'd)

(a) Classification (cont'd)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those maturing more than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in "trade and other receivables", "other non-current assets", "restricted cash", "cash and cash equivalents" and intercompany balances in the statement of financial position (see accounting policy note on receivables).

(iii) Available-for-sale financial assets ("AFS")

AFS are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the assets within 12 months after the reporting date.

(b) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets for all financial assets not carried at FVTPL. Financial assets carried at FVTPL are initially recognised at fair value, and transaction costs are expensed in the profit or loss. AFS and financial assets at FVTPL are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the "financial assets at FVTPL" category are presented in the profit or loss within other gains/(losses) in the financial year in which they arise. Dividend income from financial assets at FVTPL is recognised in the profit or loss as part of other income when the Group's right to receive payments is established.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Assets (cont'd)

Accounting policies applied until 31 December 2017 (cont'd)

(b) Recognition and measurement (cont'd)

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognised in the profit or loss and translation differences on non-monetary securities are recognised in OCI. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in OCI.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the profit or loss as "gains/losses or impairment losses from AFS".

Interest on available-for-sale securities calculated using the effective interest method is recognised in the profit or loss. Dividends on available-for-sale equity instruments are recognised in the profit or loss when the Group's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Financial assets are derecognised when the right to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

(c) Impairment of financial assets

In prior years, the Group assessed impairment of financial assets based on incurred loss model. The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is taken as evidence that the securities are impaired. If any such evidence exists for AFS, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the profit or loss. Impairment losses recognised in the profit or loss on equity instruments classified as available-for-sale are not reversed through the profit or loss.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Intangible Assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired and liabilities assumed. If the aggregate of consideration transferred, the amount of non-controlling interest and the fair value of previously held interest in the acquiree are less than the fair value of the net identifiable assets of the acquiree, the resulting gain is recognised in the profit or loss. Goodwill is stated at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of annual impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

(b) Licences

Casino licences - indefinite lives

The Group capitalises purchased casino licences. The amount capitalised is the difference between the price paid for a casino including the associated licence and the fair value of a similar property without a casino licence. Casino licences have indefinite useful lives as there is no foreseeable limit to the period over which the licences are expected to generate cash inflows. Each licence is reviewed annually for impairment and as such is stated at cost less any accumulated impairment losses.

Purchased licences - definite lives

The Group capitalises purchased licences. The licences, which have definite useful lives, are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. The cost is amortised using the straight-line method over its estimated useful lives of 30 to 40 years. The amortisation period and amortisation method are reviewed at each reporting date. The effects of any revision are recognised in the profit or loss when changes arise. Where an indication of impairment exists, the carrying amount of licence is assessed and written down immediately to its recoverable amount.

Casino and theme park licences - Singapore

Casino and theme park licences are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Such cost is amortised using the straight-line method over 3 to 30 years, which is the shorter of its economic useful life and periods of contractual right. The amortisation period and amortisation method are reviewed at each reporting date. The effects of any revision are recognised in the profit or loss when changes arise. Amortisation is recognised in the profit or loss unless the amount can be capitalised as part of construction-in-progress. Where an indication of impairment exists, the carrying amount of licence is assessed and written down immediately to its recoverable amount.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Intangible Assets (cont'd)

(c) Trademarks

Trademarks are reviewed annually for impairment and are stated at cost less any accumulated impairment losses. Trademarks have an indefinite useful life as it is maintained through continuous marketing and upgrading. Trademarks are tested annually for impairment. Where an indication of impairment exists, the carrying amount of trademarks are assessed and written down immediately to its recoverable amount. See impairment policy note on impairment of non-financial assets for intangible assets.

(d) Research and development expenditure

Research expenditure is recognised as an expense when incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

(i) It is technically feasible to complete the intangible asset so that it will be available for use or sale;
(ii) Management intends to complete the intangible asset and use or sell it;
(iii) There is an ability to use or sell the intangible asset;
(iv) It can be demonstrated that the intangible asset will generate probable future economic benefits;
(v) Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
(vi) The expenditure attributable to the intangible asset during its development can be reliably measured.

Collaborations and alliances are maintained with third parties for provision of research and development expertise and capacity in genomics for the achievement of performance milestones. Milestone payments are capitalised to the extent that the capitalisation criteria in MFRS 138 "Intangible Assets" are met. Judgement is involved in determining whether the amount paid meets the performance milestones so as to enable the amount to be capitalised as intangible assets.

Other development expenditures that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use or sale, on a straight-line basis over the estimated useful lives, not exceeding 20 years.

(e) Software development

Software development that does not form an integral part of other related hardware is treated as an intangible asset. Costs that are directly associated with development and acquisition of software development programmes by the Group are capitalised as intangible assets when the following criteria are met:

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Intangible Assets (cont'd)

(e) Software development (cont'd)

(i) It is technically feasible to complete the software product so that it will be available for use;
(ii) Management intends to complete the software product and use or sell it;
(iii) There is an ability to use or sell the software product;
(iv) It can be demonstrated that the software product will generate probable future economic benefits;
(v) Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
(vi) The expenditure attributable to the software product during its development can be reliably measured.

Direct costs include staff cost of the software development team and an appropriate portion of relevant overheads. Costs associated with maintaining software development programmes are recognised as an expense when incurred.

Expenditure that enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software.

Completed software development programmes recognised as assets are amortised using the straight-line method over their estimated useful lives of 10 years. The amortisation period and amortisation method are reviewed at each reporting date. The effects of any revision are recognised in profit or loss when changes arise.

Software development programmes under development are not amortised.

See accounting policy note on impairment of non-financial assets for intangible assets.

Rights of Use of Oil and Gas Assets

(a) Rights and concessions

Included in rights and concessions are purchase consideration that the Group has paid for the acquisition of working interest in contracts for petroleum exploration, development and production.

Rights and concessions are amortised according to the unit of production ("UOP") method based on the proved and probable reserves of the fields, represented by the Group's estimated entitlements to future production under the terms of the petroleum contracts.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Rights of Use of Oil and Gas Assets (cont'd)

(b) Exploration cost

Oil and gas exploration cost is accounted for in accordance with the successful efforts method. Under this method, costs directly associated with an exploration well are capitalised when incurred and are accumulated in respect of each identifiable area of interest. These costs are carried as an asset when the well has found a sufficient quantity of reserves to justify its completion as a producing well and the Group is making sufficient progress assessing the reserves and the economic and operating viability of the project. Exploration costs not meeting these criteria are charged to expense. Other exploratory expenditures including geological and geophysical costs are expensed when incurred.

Exploration cost is stated at cost less any accumulated impairment losses. Where one or more of the following facts and circumstances exists, the carrying amount of the exploration cost is assessed and written down immediately to its recoverable amount.

(i) the petroleum contract has expired during the period or will expire in the near future, and is not expected to be renewed;

(ii) no further exploration and evaluation activities budgeted nor planned;

(iii) exploration and evaluation activities in the specific area have not led to the discovery of commercially viable quantities of oil and gas and the Group has decided to discontinue such activities in the specific area;

(iv) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

When development plan is commercially viable and approved by the relevant authorities, the related exploration and evaluation costs are transferred to development costs – work-in-progress within the Rights of Use of Oil and Gas Assets. Development costs incurred in bringing an area of interest to commercial production is capitalised. Upon commencement of production, the exploration and development expenditure initially capitalised as development costs – work-in-progress are transferred to production wells and amortised as described in the accounting policy 3(c) below.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Rights of Use of Oil and Gas Assets (cont'd)

(c) Production wells, related equipment and facilities

Production wells, related equipment and facilities are shown in the statement of financial position as Rights of Use of Oil and Gas Assets in recognition of the eventual ownership of production assets being vested in the government. Capitalisation is made within Rights of Use of Oil and Gas Assets according to the nature of the expenditure. These assets are stated at cost less accumulated depreciation, depletion and amortisation.

Completed production wells, related equipment and facilities are depleted according to the UOP method based on the proved and probable reserves of each field, represented by the Group's estimated entitlements to future production under the terms of the relevant petroleum contracts.

Construction in progress are not amortised until the assets are completed and transferred to production wells.

At each reporting date, the Group assesses whether there is any indication of impairment. If such indication exists, an analysis is performed to assess whether the carrying amount of asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

Inventories

All inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less costs to completion and selling expenses.

(a) Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle and such land is classified as non-current asset and is stated at the lower of cost and net realisable value.

Cost comprises cost of land and all related costs incurred on activities necessary to prepare the land for its intended use.

Land held for property development is transferred to property development costs and included under current assets when development activities have commenced and where the development activities can be completed within the normal operating cycle.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Inventories (cont'd)

(b) Property development costs

Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or costs that can be allocated on a reasonable basis to these activities.

Property development costs are stated at the lower of cost and net realisable value. The property development costs are subsequently recognised as an expense in profit or loss as and when the control of the development unit is transferred to the customer.

(c) Completed development properties

The cost of unsold completed properties comprise cost associated with the acquisition of land, direct costs and an appropriate proportion of allocated costs attributable to property development activities.

(d) Produce stocks, stores and spares, raw materials and consumables, food, beverages and other hotel supplies

Cost includes, where relevant, appropriate proportions of overheads and is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less costs of completion and the estimated costs necessary to make the sale.

Produce growing on bearer plants

The produce growing on bearer plants of the Group comprises fresh fruit bunches ("FFB") prior to harvest. The produce growing on bearer plants are measured at fair value less costs to sell ("FVLCTS"). Any gains or losses arising from changes in the FVLCTS are recognised within cost of sales in profit or loss. The fair value of unharvested FFB is determined by using the market approach, which takes into consideration the market prices of FFB, adjusted for estimated oil content of unharvested FFB, less harvesting, transport and other costs to sell.

Non-Current Assets Held for Sale

Non-current assets are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are stated at the lower of carrying amount and FVLCTS.

An impairment loss is recognised for any initial or subsequent write-down of the asset to FVLCTS. A gain is recognised for any subsequent increases in FVLCTS of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities classified as held for sale continue to be recognised.

Non-current assets classified as held-for-sale are presented separately from the other assets in the statement of financial position. The liabilities classified as held for sale are presented separately from other liabilities in the statement of financial position.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Cash and Cash Equivalents

Cash and cash equivalents include cash and bank balances (net of bank overdrafts), money market instruments, deposits and other short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank overdrafts are included within short term borrowings in current liabilities in the statements of financial position.

Payables

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Finance Leases

(a) Accounting for Lessee

Leases of property, plant and equipment where the Group, as lessee, assumes substantially all the benefits and risks of ownership are classified as finance leases.

Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of interest on the balance outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance charge incurred on qualifying assets are capitalised until the assets are ready for their intended use after which such expense is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance lease is depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

(b) Accounting for Lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of return on the balance outstanding.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Operating Leases

(a) Accounting for Lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are charged to the profit or loss on a straight-line basis over the period of the lease.

(b) Accounting for Lessor

Leases where the Group retains substantially all risks and rewards of ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in the profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Lease incentives are recognised as other receivables where such incentives are provided by the Group and recognised net of lease income in profit or loss over the lease term on the same basis as the lease income. Contingent rents are recognised as income in profit or loss when earned.

Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another entity or to exchange financial assets or liabilities with another entity that are potentially unfavourable to the issuer.

Incremental costs directly attributable to the issue of new shares, warrants, options or for the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Treasury Shares

A purchase by the Company of its own equity shares is accounted for under the treasury stock method. Under this method, the shares purchased and held as treasury shares is measured and carried at the cost of purchase (including any directly attributable incremental external costs, net of tax). On presentation in the statements of financial position, the carrying amount of the treasury shares is offset against equity. Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the distributable reserves. Where treasury shares are reissued by re-sale in the open market, the difference between the sales consideration and the carrying amount of the treasury shares is shown as a movement in equity. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

Perpetual Capital Securities

Perpetual capital securities are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or to exchange financial assets or financial liabilities with another person or entity that are potentially unfavourable to the issuer. Incremental costs directly attributable to the issuance of new perpetual capital securities are shown in equity as a deduction, net of tax, from the proceeds. The proceeds received net of any directly attributable transaction costs are credited to perpetual capital securities. The perpetual capital securities had been fully redeemed in 2017.

Warrants Reserve

Proceeds from the issuance of warrants, net of issuance costs, are credited to warrants reserve. Warrants reserve is transferred to the share capital upon the exercise of the warrants. Warrants reserve in relation to unexercised warrants at the expiry of the warrants period is transferred to retained earnings.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Subsequently, borrowings are stated at amortised cost using the effective interest method. Any difference between the amount recorded as borrowings and the associated redemption value is recognised in the profit or loss over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan and are capitalised and amortised over the period of the facility to which it relates.

All other borrowing costs are charged to profit or loss.

Borrowings are derecognised from the statements of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the borrowings that have been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred and liabilities assumed, is recognised in profit or loss.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Borrowings (cont'd)

Interest income earned from specific borrowings which are invested temporarily pending the utilisation of such borrowings on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Accounting policies applied from 1 January 2018

Any gain or loss, being the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate of borrowings measured at amortised cost and modified without resulting in derecognition shall be recognised immediately in profit or loss.

Accounting policies applied until 31 December 2017

The difference arising from the modifications of borrowings, if any, measured at amortised cost without resulting in the extinguishment of the original borrowings are amortised in profit or loss over the remaining life of the modified borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting date.

Financial Guarantee Contracts

Financial guarantee contracts are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due. Financial guarantee contracts are recognised initially at fair value.

Accounting policies applied from 1 January 2018

Financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with the ECL model under MFRS 9 "Financial Instruments" and the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15 "Revenue from Contracts with Customers", where appropriate.

Accounting policies applied until 31 December 2017

Financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets" and the amount initially recognised less cumulative amortisation, where appropriate.

Impairment of Non-Financial Assets

The carrying amounts of non-financial assets other than inventories, assets arising from construction contracts, property development activities, deferred tax assets and non-current assets classified as held for sale are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, an impairment review is performed to assess whether the carrying amount of the asset is fully recoverable.

Irrespective of whether there is any indication of impairment, the Group also:

(a) tests intangible assets with indefinite useful life for impairment annually by comparing its carrying amount with its recoverable amount; and

(b) tests goodwill acquired in a business combination for impairment annually.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment of Non-Financial Assets (cont'd)

Impairment loss is recognised when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash generating unit.

An impairment loss is charged to the profit or loss.

Non-financial assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

An impairment loss is reversed only to the extent of previously recognised impairment losses for the same asset. An impairment loss recognised for goodwill shall not be reversed.

Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. A contingent liability is disclosed, unless the possibility of an outflow of resource embodying economic benefit is remote. When a change in the probability of an outflow of economic resources occurs and the outflow is probable, it will then be recognised as a provision. However, contingent liabilities do not include financial guarantee contracts.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses their existence where inflows of economic benefits are probable, but not virtually certain. When inflow of economic resources is virtually certain, the asset is recognised.

In the acquisition of subsidiaries by the Group under a business combination, the contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any non-controlling interests.

The Group recognises separately the contingent liabilities of the acquirees as part of allocating the cost of a business combination where the fair values can be measured reliably. Where the fair values cannot be measured reliably, the resulting effect will be reflected in the goodwill arising from the acquisitions.

Subsequent to the initial recognition, the Group measures the contingent liabilities that are recognised separately at the date of acquisition at the higher of the amount that would be recognised in accordance with MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets" and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with MFRS 15 "Revenue from Contracts with Customers".

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits received under it.

Where the Group expects a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Asset Retirement Obligations – oil and gas

Asset retirement obligations (including future decommissioning and restoration) which meet the criteria of provisions are recognised as provisions and the amount recognised is the present value of the estimated future expenditure determined in accordance with local conditions and requirements, while a corresponding addition to the related oil and gas assets of an amount equivalent to the provision is also created. This is subsequently amortised as part of the costs of the Rights of Use of Oil and Gas Assets. Interest expense from asset retirement obligations for each period are recognised using the effective interest method over the useful life of the related oil and gas assets.

Income Taxes

Current taxation is determined according to the tax laws of each jurisdiction in which the Group operates and includes all taxes based upon the taxable income and is measured using the tax rates which are applicable at the reporting date.

Deferred tax liabilities and/or assets are recognised, using liability method, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their related tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit or loss. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be utilised. Deferred tax liability in respect of asset revaluations is also recognised. Deferred tax liabilities and assets are measured at the tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, joint ventures and associates except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Income Taxes (cont'd)

Deferred and current tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Tax benefits from investment tax allowance and customised incentive granted under the East Coast Economic Region are recognised when the tax credit is utilised and no deferred tax asset is recognised on the unutilised tax benefits.

Employee Benefits

(a) Short-Term Employee Benefits

Short-term employee benefits include wages, salaries, bonus, social security contributions and paid annual leave. These benefits are accrued when incurred and are measured on an undiscounted basis.

(b) Post-Employment Benefits

Post-employment benefits include defined contribution plans under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. These benefits are accrued when incurred and are measured on an undiscounted basis.

(c) Long-Term Employee Benefits

Long-term employee benefits include retirement gratuities payable under a retirement gratuity scheme which was established in 1991 by the Board of Directors for Executives and Executive Directors of the Company and certain subsidiaries. The level of retirement gratuities payable is determined by the Board of Directors in relation to services rendered and it does not take into account the employee's performance to be rendered in later years up to retirement and the gratuity is a vested benefit when the employee reaches retirement age.

The present value of the retirement gratuities is determined by discounting the amount payable by reference to market yields at the reporting date on high quality corporate bonds which have terms to maturity approximating the terms of the related liability. Employee turnover is also factored in arriving at the level of the retirement gratuities payable. Past-service costs are recognised immediately in the profit or loss.

Such retirement gratuities payable are classified as current liabilities where it is probable that a payment will be made within the next twelve months and also provided that the amount has been approved for payment by the Board of Directors.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Employee Benefits (cont'd)

(d) Share-based Compensation

For equity-settled, share-based compensation plan, the fair value of employee services rendered in exchange for the grant of the shares and/or options is recognised as an expense with a corresponding increase in equity over the vesting period. The total amount to be expensed in the income statement over the vesting period is determined by reference to the fair value of shares and/or options granted at the grant date and the number of shares and/or options vested by vesting date, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in the estimates of the number of shares and/or options that are expected to become vested and/or exercisable. At each reporting date, the respective companies will revise its estimates of the number of shares and/or options that are expected to be vested and it recognises the impact of this revision in the income statement with a corresponding adjustment to equity. After the vesting date, no adjustment to the income statement is made. For performance shares that are expected to be granted, due to services received before grant date, the total amount to be recognised over the vesting period is determined by reference to the fair value of the performance shares at the end of the reporting period, until the date of grant has been established.

The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium when the options are exercised. For share-based compensation plan implemented by a subsidiary, the proceeds are credited in equity as transactions with owners.

Where the terms of a share-based compensation plan are modified, the expense that has yet to be recognised for the award is recognised over the remaining vesting period as if the terms had not been modified. Additional expense is recognised for any increase in the total fair value of the share and/or options due to the modification, as measured at the date of the modification.

Revenue Recognition

The Group's activities arise mainly from leisure and hospitality, plantations, power, property, oil and gas and investments and others. Revenue from each business segment is recognised as follows:

(a) Leisure and hospitality

(i) Gaming revenue

Gaming revenue represents net house takings, which is the aggregate of wins and losses arising from gaming play. Revenue is reported after deduction of goods and services tax or service tax, rebates and services provided by non-gaming operations on a complimentary basis. The casino licence in Malaysia is renewable every three months.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue Recognition (cont'd)

(a) Leisure & Hospitality (cont'd)

(ii) Non-gaming revenue

Non-gaming revenue mainly includes:

i) Hotel room revenue

Hotel room revenue is recognised when service is rendered to the customer over their stay at the hotel. The transaction price is the net amount collected from the customer. Advance deposits on hotel rooms are recorded as customer deposits (i.e. contract liability) until services are provided to the customer.

ii) Food and beverage, entertainment and attractions and retail sales

Revenue from the sale of goods or services is recognised when the food and beverage, entertainment and attractions and retail goods is delivered, rendered or control transferred to the customer. Payment of the transaction price is due immediately when the customer purchases the food and beverage or retail goods. Advance ticket sales for entertainment and attractions are recorded as customer deposits (i.e. contract liability) until services are rendered to the customer.

iii) Tenancy revenue

Tenancy revenue (including maintenance and upkeep services) from retail outlets, net of any incentives given to the lessee, is recognised on a straight-line basis over the period of the respective lease terms.

iv) Transportation revenue

Transportation revenue from the provision of taxi, bus and aviation services are recognised upon performance of services.

v) Timeshare membership fees

Timeshare membership fees from the operation of time share ownership scheme are received upfront and recorded as deferred income (i.e. contract liability) and recognised on a straight-line basis over the tenure of the memberships offered.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue Recognition (cont'd)

(b) Plantations and Downstream Manufacturing

The Group's plantation revenue is derived mainly from its upstream and downstream operations.

In the upstream operations, the Group sells plantation produce such as crude palm oil, palm kernel and FFB (collectively known as "plantation produce"). In the downstream operations, revenue is derived from sales of Refined Bleached Deoderised Palm Oil, Olein, Stearin, biodiesel and Crude Glycerin (collectively known as "biodiesel and refined palm products").

Revenue from sales of plantation produce, biodiesel and refined palm products are recognised net of discount and taxes collected on behalf at the point when the control of goods has been transferred to the customer. Based on the terms of the contract with the customer, control transfers upon delivery of the goods to a location specified by the customer and the acceptance of the goods by the customer.

There is no element of financing present as the Group's sales of goods are either on cash terms (including cash on delivery ("COD") for export) or on credit terms ranging from 7 to 45 days. The Group's obligation to provide quality claims against off-spec goods under the Group's contractual terms is recognised as a provision.

Revenue from provision of tolling services is recognised in the period in which the manufacturing activities are performed. There is no element of financing present as sales are normally on COD basis.

(c) Power

The Group's generation and supply of electric power activities are carried out based on power purchase agreements with the provincial or national electricity utility companies in the respective countries in which the Group operates.

(i) Sale of electricity

The Group's generation and supply of electric power activities are carried out based on power purchase agreements with the provincial or national electricity utility companies in the respective countries in which the Group operates.

Revenue from sale of electricity is recognised over time upon delivery of the electricity to the customer at a single point within the electricity grid. No element of financing is deemed present as the sales are made with specified credit terms. A receivable is recognised when electricity is delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue Recognition (cont'd)

(c) Power (cont'd)

(ii) Revenue from service concession arrangement

The Group's responsibilities under a Power Purchase Agreement signed with PT. Perusahaan Listrik Negara (Persero) ("PLN") on 10 July 2012 comprise the design, engineering, financing, construction, testing, commissioning, ownership, operation, management and maintenance of the 660MW coal-fired power plant in Banten, Indonesia ("Banten Power Plant"). The Group has determined that the Power Purchase Agreement is within the scope of IC Interpretation 12 "Service Concession Arrangements" and the service concession arrangement should be accounted for under the financial assets model as the Group's power plant in Indonesia has a contractual right to receive a specified or determinable amount of cash from PLN for the construction services.

The Group recognised construction revenue over time as the power plant being constructed has no alternative use to the Group. The stage of completion is measured using the output method, which is based on the level of completion of the physical proportion of contract work to date, certified by professional consultants. Contract asset from service concession arrangement is presented within "other non-current receivables" and "trade and other receivables" on the statements of financial position.

Capacity payment represents finance income on the service concession receivable that contain a significant financing component subsequent to the commencement of commercial operation of the power plant in Banten, and is recognised using the effective interest method.

(d) Property

(i) Property development

Contracts with customers may include multiple promises to customers and are therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each separate performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from property development is measured at the fixed transaction price agreed under the Sale and Purchase Agreement ("SPA"). When the Group determines that it is not probable that the Group will collect the consideration to which the Group is entitled to in exchange for the properties, the Group will defer the recognition of revenue from such sales of properties and consideration received from the customer is recognised as a contract liability. For such properties, the Group recognises revenue when it becomes probable that the Group will collect consideration to which it will be entitled to in exchange for the properties sold.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue Recognition (cont'd)

(d) Property (cont'd)

(i) Property development (cont'd)

Revenue from property development is recognised as and when the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for work performance completed to-date.

The promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) as attached in its layout plan in the SPA. The purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised property for another use is substantive and therefore the promised properties sold to the purchasers do not have an alternative use to the Group. The Group has the right to payment for performance completed to-date, is entitled to continue to transfer to the customer the development units promised, and has the right to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the contract costs incurred to-date to the estimated total costs for the contract.

For sale of completed properties, the Group recognises revenue when the control of the properties has been transferred to the purchasers, being when the properties have been handed over to the purchasers (i.e. upon delivery of vacant possession).

(ii) Rental income

Rental income from operating leases (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease terms.

(e) Oil and Gas

Sales of crude oil

Revenue from the sale of crude oil, net of taxes, is recognised when control of the oils has been transferred to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the crude oils. Delivery occurs when the crude oil has been delivered to the delivery point. No element of financing is deemed present as the sales are made with a specified credit term. A receivable is recognised when the crude oil is delivered as this is the point in time when the consideration is unconditional as only the passage of time is required before the payment is due.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue Recognition (cont'd)

(f) Investments and others

(i) Investment and interest income

Investment and interest income are recognised using the effective interest method.

Investment and interest income from financial assets at FVTPL are recognised as part of net gains or net losses on these financial instruments.

Interest income on financial assets at amortised cost and financial assets at FVOCI (2017: AFS debt securities) is recognised as part of other income in the profit or loss, using the effective interest method.

Accounting policies applied from 1 January 2018

Investment and interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount (after deduction of the loss allowance).

Accounting policies applied until 31 December 2017

When a financial asset is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

(ii) Dividend income

Dividend income is recognised as revenue in profit or loss when the right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Dividend income that are not generated as part of the Group's and the Company's principal activities are classified as other income.

From 1 January 2018, dividends on equity instruments designated as FVOCI that clearly represent a recovery of part of the cost of investment are presented in OCI.

(iii) Management and licensing services

Fees from management and licensing services are recognised in the period in which the services are rendered.

(iv) Other services

Revenue from other services includes utilities and IT services and is recognised upon performance of services.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Loyalty program

The Group operates a loyalty program known as Genting Rewards Programme. Genting Rewards members can earn points primarily based on gaming activity and non-gaming activities such as spending on hotel room, food and beverages, retail, transports and others. Such points can be redeemed for free play and other goods and services such as transportation, hotel room, food and beverages, retail and others.

The Group accrues for Genting Rewards points liability earned from gaming activities as a casino expense and non-gaming activities as an allocation of a portion of the revenue from contracts based on the stand-alone selling price of the goods or services expected to be redeemed. The estimation takes into consideration the expected free play or free goods and services to be redeemed and history of expiration of unused points results in a reduction of points liability. Redemption of Genting Rewards points at third party outlets are deducted from provision for points liability and amounts owed are paid to the third party.

Dividends

Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained earnings and accrued as a liability in the financial year in which the obligation to pay is established.

Government Grant

Government grants related to assets are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant and are then recognised in profit or loss as other income on a systematic basis over the useful life of the assets when the assets are commissioned.

Government grants relating to expenses are presented as a deduction of the related expense.

Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary financial assets and liabilities such as equities held at FVTPL are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as FVOCI or AFS are included in foreign exchange and other reserves as OCI.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Foreign Currency Translation (cont'd)

(c) Group companies

On consolidation, the results and financial position of all the Group's entities which have a functional currency different from that of the Group's presentation currency are translated into the Group's presentation currency as follows:

(i) assets and liabilities are translated at the closing rate at the reporting date;
(ii) income and expenses in profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
(iii) all resulting exchange differences are recognised as a separate component of OCI.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other financial instruments designated as hedges of such investments, are taken to OCI. When a foreign operation is partially disposed of or sold, such exchange differences that were recorded in equity are recognised in the profit or loss as part of the gain or loss on disposal.

Intercompany loans where the settlement is neither planned nor likely to occur in the foreseeable future, are treated as part of the parent's net investment and translation differences arising therefrom are recognised in OCI.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in OCI.

Derivative Financial Instruments and Hedging Activities

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value at the end of each reporting period. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivative that are not designated or do not qualify for hedge accounting are recognised in profit or loss within other gains/(losses) on derivative financial instruments when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Derivative Financial Instruments and Hedging Activities (cont'd)

The fair value changes on the effective portion of interest rate swaps or other derivatives that are designated and qualify as cash flow hedges are recognised in the cash flow hedge reserve and reclassified to the profit or loss when the interest expense on the borrowings is recognised in the profit or loss unless the amount transferred can be capitalised as part of the cost of a self-constructed asset, in which case, both the reclassification and interest expense are capitalised. The fair value changes on the ineffective portion are recognised immediately in the profit or loss.

When a hedging instrument expires or is sold or is terminated, or when the cash flow hedge is discontinued or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is only transferred to profit or loss when the forecast transaction is ultimately recognised in the profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in cash flow hedge reserve is immediately transferred to the profit or loss within other gains/(losses) on derivative financial instruments.

The carrying amount of the derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, otherwise it will be classified as a current asset or liability.

Contract assets/liabilities

Contract asset is the right to consideration for goods or services transferred to the customers when that right is conditioned on something other than the passage of time. In the case of property development and service concession arrangement, contract asset is the excess of cumulative revenue earned over the billings to-date, for which the billings to customers are based on progress milestones set out in SPA with the customers. Contract asset include the right to consideration for the provision of utility services to customers. See Note 4(a)(iii) for impairment of contract assets.

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration in advance. In the case of property development and service concession receivables, contract liability is the excess of the billings to-date over the cumulative revenue earned. Contract liabilities include timeshare membership fees, advance collections from customers and other deferred income where the Group has collected the payment before the goods are delivered or services are provided to the customers.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the Chairman and Chief Executive and the President and Chief Operating Officer of the Company.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Financial risk factors

The Group's overall financial risk management objective is to optimise the value creation for shareholders. The Group seeks to minimise the potential adverse impacts arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group operates within clearly defined guidelines that are approved by the Board of Directors. Financial risk management is carried out through risk reviews conducted at all significant operating units. This process is further enhanced by effective internal controls, a comprehensive insurance programme and adherence to the financial risk management policies.

The main areas of financial risks faced by the Group are as follows:

(i) Foreign currency exchange risk

The Group is exposed to foreign currency exchange risk when the Company and its subsidiaries enter into transactions that are not denominated in their functional currencies. The Group attempts to significantly limit its exposure for committed transactions by entering into forward foreign currency exchange contracts and cross currency swap within the constraints of market and government regulations.

The Group's principal foreign currency exposure relates mainly to the Singapore Dollar ("SGD"), United States Dollar ("USD"), Hong Kong Dollar ("HKD") and Indonesia Rupiah ("IDR").

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) Financial risk factors (cont'd)

(i) Foreign currency exchange risk (cont'd)

The Group's exposure to foreign currencies in respect of its financial assets and financial liabilities as at the reporting date is as follows:

	SGD	USD	HKD	IDR	Others	Total
At 31 December 2018						
Financial assets						
Financial assets at FVOCI	**-**	**196.9**	**0.5**	**-**	**-**	**197.4**
Financial assets at FVTPL	**-**	**322.7**	**-**	**-**	**-**	**322.7**
Other non-current assets	**-**	**69.2**	**-**	**-**	**-**	**69.2**
Trade and other receivables	**2.2**	**20.5**	**-**	**113.1**	**2.1**	**137.9**
Amount due from joint venture	**-**	**279.7**	**-**	**-**	**-**	**279.7**
Restricted cash	**-**	**-**	**-**	**-**	**171.4**	**171.4**
Cash and cash equivalents*	**55.0**	**1,271.0**	**43.9**	**40.7**	**8.9**	**1,419.5**
	57.2	**2,160.0**	**44.4**	**153.8**	**182.4**	**2,597.8**
Financial liabilities						
Trade and other payables	**(0.6)**	**(41.6)**	**(0.2)**	**(133.6)**	**(10.5)**	**(186.5)**
Derivative financial instruments	**(17.4)**	**-**	**-**	**-**	**-**	**(17.4)**
Borrowings	**(203.0)**	**(265.8)**	**-**	**-**	**-**	**(468.8)**
	(221.0)	**(307.4)**	**(0.2)**	**(133.6)**	**(10.5)**	**(672.7)**
Net currency exposure	**(163.8)**	**1,852.6**	**44.2**	**20.2**	**171.9**	**1,925.1**
At 31 December 2017						
Financial assets						
Available-for-sale financial assets	-	315.1	0.4	-	-	315.5
Other non-current assets	-	1,328.7	-	-	-	1,328.7
Trade and other receivables	0.1	23.9	-	99.1	0.3	123.4
Restricted cash	-	-	-	-	164.8	164.8
Cash and cash equivalents*	63.0	3,585.7	253.1	59.1	24.0	3,984.9
	63.1	5,253.4	253.5	158.2	189.1	5,917.3
Financial liabilities						
Trade and other payables	(1.2)	(39.2)	-	(107.8)	(11.7)	(159.9)
Derivative financial instruments	(14.4)	-	-	-	-	(14.4)
Borrowings	(215.1)	(707.3)	-	-	-	(922.4)
	(230.7)	(746.5)	-	(107.8)	(11.7)	(1,096.7)
Net currency exposure	(167.6)	4,506.9	253.5	50.4	177.4	4,820.6

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) Financial risk factors (cont'd)

(i) Foreign currency exchange risk (cont'd)

	SGD	USD	HKD	IDR	Others	Total
At 1 January 2017						
Financial assets						
Available-for-sale financial assets	-	-	0.5	-	-	0.5
Other non-current assets	-	1,189.9	-	-	-	1,189.9
Trade and other receivables	0.5	28.5	0.8	11.4	3.8	45.0
Derivative financial instruments	1.9	115.5	-	-	-	117.4
Cash and cash equivalents	287.3	4,310.0	265.9	75.3	39.5	4,978.0
	289.7	5,643.9	267.2	86.7	43.3	6,330.8
Financial liabilities						
Trade and other payables	(0.1)	(61.6)	(0.4)	(27.8)	(121.6)	(211.5)
Derivative financial instruments	(60.6)	(10.9)	-	-	-	(71.5)
Other non-current liabilities	-	(10.5)	-	-	-	(10.5)
Borrowings	(198.8)	(763.2)	-	-	-	(962.0)
	(259.5)	(846.2)	(0.4)	(27.8)	(121.6)	(1,255.5)
Net currency exposure	30.2	4,797.7	266.8	58.9	(78.3)	5,075.3

** Cash and cash equivalents of RM3,983.5 million (31 December 2017: RM5,488.9 million; 1 January 2017: Nil) denominated in USD and arising from a subsidiary whose functional currency is SGD were not shown in the table above. This exposure to foreign exchange risk arising from cash and cash equivalents was offset by similar exposure from the subsidiary's corresponding USD inter-company loan. As a result, the Group's net exposure to foreign exchange risk had been minimised.*

The following table demonstrates the sensitivity of the Group's profit after tax and equity to 2% (2017: 10%) strengthening of each currency respectively in SGD, USD, HKD and IDR against the respective functional currencies of the entities within the Group, with all other variables held constant.

31 December 2018	**<---- Increase/(Decrease) --->**	
Group	**Profit after tax**	**OCI**
SGD	**(3.3)**	-
USD	**33.2**	**3.9**
HKD	**0.9**	-
IDR	**0.4**	-

31 December 2017	**<---- Increase/(Decrease) --->**	
Group	**Profit after tax**	**OCI**
SGD	(16.8)	-
USD	419.2	31.5
HKD	25.4	-
IDR	5.0	-

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) Financial risk factors (cont'd)

(i) Foreign currency exchange risk (cont'd)

A 2% (2017: 10%) weakening of the above currencies against the respective functional currencies of the entities within the Group would have the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

The Company's principal foreign currency exposure relates mainly to cash and cash equivalents of RM50.1 million (2017: RM53.6 million) which is denominated in USD and amount due to a subsidiary of RM0.2 million (2017: RM0.2 million) which is denominated in SGD. At the reporting date, if exchange rate of USD had been 2% (2017: 10%) stronger/weaker, with all other variables remaining constant, the profit after tax of the Company will be higher/lower by RM1.0 million (2017: RM5.4 million). The impact of a 2% change on the SGD is not material as the exposure to SGD is not significant (2017: Nil).

(ii) Interest rate risk

Interest rate risks arise mainly from the Group's borrowings and debt securities classified as financial assets at FVTPL. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting the borrowings from floating rates to fixed rates. Under the interest rate swaps, the Group agrees with financial institutions to exchange, at specified intervals, the difference between the fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts. There are no significant cash flow interest rate risks arising from debt securities classified as financial assets at FVTPL.

The Group's outstanding borrowings as at the year end at variable rates on which hedges have not been entered into are denominated mainly in SGD, USD and RMB. At the reporting date, if annual interest rates had been 1% (2017: 1%) higher/lower respectively, with all other variables in particular foreign exchange rates and including tax rate being held constant, the profit after tax will be lower/higher by RM63.5 million (2017: RM77.7 million) as a result of increase/decrease in interest expense on these borrowings.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) Financial risk factors (cont'd)

(iii) Credit risk

Risk management

The Group's exposure to credit risk arises mainly from sales made on deferred credit terms, cash and cash equivalents, deposits with financial institutions, money market instruments, income fund and debt instruments carried at amortised cost. The Company's exposure to credit risk arises from amounts due from subsidiaries, cash and cash equivalents and deposits with banks and financial institutions. Risks arising therefrom are minimised through:

- Effective monitoring of receivables and suspension of sales to customers whose accounts exceed the stipulated credit terms.
- Setting credit limits and reviewing credit history to minimise potential losses.
- Ensuring that the Group remains as the registered owner of the development properties (in respect of the Group's sale of development properties) until full settlement by the purchaser of the self-financed portion of the purchase consideration and upon obtaining the undertaking from the purchaser's end-financier.
- Investing cash assets safely and profitably, which involves placement of cash and cash equivalents and short-term deposits with creditworthy financial institutions. In addition, the Group and the Company set exposure limits as well as limit placement tenures to less than one year for each of the financial institutions.
- Assessment of counterparty's credit risks and setting of limits to minimise any potential losses. To minimise the Group's counterparty risk, the Group enters into derivative transactions only with creditworthy financial institutions.
- Purchasing insurance to protect the Group and the Company against insurable risks.
- Performing regular reviews of the aging profiles of amounts due from subsidiaries, joint ventures and associates.

The Group's trade receivables as at 31 December 2018 mainly arose from Genting Singapore Limited ("Genting Singapore"), an indirect 52.7% subsidiary of the Company, amounting to RM1,016.5 million (31 December 2017 and 1 January 2017: RM765.0 million and RM1,054.5 million respectively). In managing credit risk exposure from trade receivables, Genting Singapore has established a Credit Committee and processes to evaluate the creditworthiness of its counterparties. The counterparty's payment profile and credit exposure are continuously monitored by the Credit Committee, together with the operational policies and guidelines. Credit exposure to an individual counterparty is restricted by the credit limits set by the Credit Committee based on ongoing credit evaluation.

The Group avoids, where possible, any significant exposure to a single customer. However, in the ordinary course of business, subsidiaries with the principal activity of generation and supply of electric power have trade receivables that are solely from their offtakers, the provincial or national electricity utility companies whereas certain subsidiaries in the Group's Oil and Gas segment transact solely with the state-owned customers. As such, the counterparty risks are considered to be minimal.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

Impairment

The Group has five types of financial assets that are subject to the ECL model:
- Trade receivables for sales of goods and services;
- Contract assets;
- Lease receivables;
- Debt instruments carried at amortised cost; and
- Debt investments carried at FVTPL.

In addition to debt instruments carried at amortised cost, the Company has issued corporate guarantees to banks for its subsidiaries' facilities (financial guarantee contracts) that are subject to the ECL model.

While cash and cash equivalents are also subject to the impairment requirements as set out in MFRS 9, there is no impairment loss identified given the financial strength of the financial institutions with which the Group and the Company have a relationship.

The Group assesses on a forward looking basis the ECL associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group considers the probability of default upon initial recognition of an asset and whether there has been significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information, such as:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligation;
- significant increases in credit risk on other financial instruments of the same debtor;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; or
- significant changes in the expected performance or behaviour of the debtor, including changes in the payment status of the debtor.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

Impairment (cont'd)

The Group considers a trade receivable or other receivable as credit impaired when one or more events that have a detrimental impact on the estimated cash flow have occurred. These instances include adverse changes in the financial capability of the debtor and default or significant delay in payments.

Trade and other receivables are written off when there is no reasonable expectation of recovery, with the case-by-case assessment performed based on indicators such as insolvency or demise. Where receivables are written off, the Group continues to recover the receivables due. Where recoveries are made, these are recognised in the income statement.

The Group use three categories for those receivables which reflect their credit risk and how the loss provision is determined for those categories.

i) Trade receivables and contract assets using simplified approach

The Group applies the simplified approach under MFRS 9 to measure ECL, which uses a lifetime ECL allowance for all trade receivables and contract assets. To measure the expected losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and days past due.

The expected loss rates are based on historical payment profiles of sales and the corresponding historical credit losses experienced during these periods. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors (such as palm products prices and crude oil price) affecting the ability of the customers to settle the receivables. The historical loss rates will be adjusted based on the expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

The Group's maximum exposure to credit risk and loss allowance recognised as at 31 December 2018 is disclosed in Note 32. The remaining amount in which no ECL allowance was recognised is deemed to be recoverable, with low probability of default.

In respect of the previous financial years, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables were assessed to determine whether there was objective evidence that a loss-event had occurred and an allowance for impairment was recognised accordingly when the loss-event occurred. Information in respect of the allowance for impairment loss in the prior financial year is disclosed in Note 32.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) **Financial risk factors (cont'd)**

(iii) Credit risk (cont'd)

Impairment (cont'd)

ii) Debt instruments at amortised costs other than trade receivables and contract assets using general 3-stage approach

All of the Group's and the Company's debt instruments at amortised costs (other than trade receivables, contract assets and the Group's investment in the Promissory Notes ("Notes") issued by the Tribe) are considered to have low credit risk, as these were considered to be performing, have low risks of defaults and historically there were minimal instances where contractual cash flow obligations have not been met.

The Group is exposed to credit risk in relation to investment in the Notes issued by the Tribe. General 3 stage approach is applied in accessing ECL for Notes. In view of the uncertainty of recovery of the Notes following the decision by US Federal Government in September 2018 concluding that the Tribe did not satisfy the conditions under the Indian Reorganisation Act that allow the Tribe to have the land in trust for an integrated gaming resort development, the loss allowance recognised during the period was therefore lifetime expected loss. Refer to Note 28 for further details.

The Group uses four categories to reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions which underpin the Group's ECL model is as follows:

Category	Definition of category	Basis for recognition of ECL provision
Performing	Customers have a low risk of default and a strong capacity to meet contractual cash flows.	12 months expected losses. Where the expected lifetime on an asset is less than 12 months, expected losses are measured at its expected lifetime.
Underperforming	Debtors for which there is a significant increase in credit risk due to actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations.	Lifetime expected losses.
Non-performing	There is evidence indicating the assets are credit-impaired.	Lifetime expected losses.
Write-off	There is evidence indicating that there is no reasonable expectation of recovery based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.	Asset is written-off.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) **Financial risk factors (cont'd)**

(iii) Credit risk (cont'd)

Impairment (cont'd)

ii) Debt instruments at amortised costs other than trade receivables and contract assets using general 3-stage approach (cont'd)

Based on the above, loss allowance is measured on either 12 month ECL or lifetime ECL, by considering the likelihood that the debtor would not be able to repay during the contractual period, the percentage of contractual cash flows that will not be collected if default happens and the outstanding amount that is exposed to default risk.

For intercompany balances that are repayable on demand, the Company's ECL is based on the following assumptions:

- If the borrower has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, the ECL is likely to be immaterial.

- If the borrower could not repay the loan if demanded at the reporting date, the Company considers the expected manner of recovery to measure the ECL. The recovery manner could be either through 'repayment over time' or a fire sale of less liquid assets by the borrower.

- If the recovery strategies indicate that the Company would fully recover the outstanding balance of the loan, the ECL would be limited to the effect of the discounting of the amount due on the loan, at the loan's effective interest rates, over the period until the amount is fully recovered.

The maximum exposure to credit risks for debt instruments at amortised cost other than trade receivables and contract assets are represented by the carrying amounts recognised in the statements of financial position.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) **Financial risk factors (cont'd)**

(iii) Credit risk (cont'd)

iii) Financial guarantee contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowance was identified based on 12 months ECL.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position, except as follows:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Corporate guarantee provided by certain subsidiaries in Indonesia to banks on plasma farmers' loan facilities	**127.3**	131.4	133.4

	Company		
	31.12.2018	31.12.2017	1.1.2017
Corporate guarantee provided to banks on subsidiaries' facilities	**3,816.3**	3,615.1	4,203.7

The Company is exposed to credit risk arising from financial guarantee contracts given to banks for subsidiaries' borrowings where the maximum credit risk exposure is the amount of borrowings utilised by the subsidiaries and the interest charged on the borrowings.

Information in respect of the provision for impairment losses for trade and other receivables is disclosed in Note 32.

Information regarding other non-current assets and trade and other receivables that are neither past due nor impaired is disclosed in Notes 28 and 32. Deposits with banks and other financial institutions, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) Financial risk factors (cont'd)

(iv) Price risk

The Group and the Company are exposed to price risk from its quoted investments in financial assets at FVTPL and FVOCI (2017: Equity securities classified as AFS) and derivative financial instruments respectively. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio which is done in accordance with the limits set by the Group.

If the prices of the financial assets at FVTPL and FVOCI and derivative financial instruments listed in the respective countries change by 1% (2017: 1%) with all other variables including tax rate being held constant, the Group's profit after tax and OCI for the current and previous financial years will be as follows:

31 December 2018	**<-- Increase/Decrease -->**	
Group	**Profit after tax**	**OCI**
Listed financial assets at FVTPL and FVOCI – increase/decrease 1%	**5.7**	**4.7**
Company		
Listed derivative financial instruments – increase/decrease 1%	**1.7**	**-**

31 December 2017	**<-- Increase/Decrease -->**	
Group	**Profit after tax**	**OCI**
Listed equity securities – increase/decrease 1%	0.1	9.4
Company		
Listed derivative financial instruments – increase/decrease 1%	2.3	-

Profit after tax would increase/decrease as a result of gains/losses on financial assets at FVTPL and derivative financial instruments. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as financial assets at FVOCI (2017: available-for-sale financial assets).

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) Financial risk factors (cont'd)

(v) Liquidity risk

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities. The Group's cash flow is reviewed regularly to ensure that the Group is able to settle its commitments when they fall due.

The Group manages its liquidity risk with the view to maintaining a healthy level of cash and cash equivalents appropriate to the operating environment and expected cash flows of the Group. Liquidity requirements are maintained within its undrawn committed borrowing facilities at all times and are sufficient and available to the Group to meet its obligations.

Generally, surplus cash held by the operating entities over and above the balance required for working capital management are managed by the Group Treasury. The Group Treasury invests surplus cash in interest bearing accounts, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned cash flows of the Group.

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Group				
At 31 December 2018				
Other non-current liabilities	**-**	**347.4**	**0.9**	**-**
Derivative financial instruments				
- hedged	**30.9**	**31.2**	**71.9**	**29.2**
Trade and other payables*	**5,024.2**	**-**	**-**	**-**
Amounts due to joint ventures	**16.6**	**-**	**-**	**-**
Borrowings				
(principal and finance costs)	**4,938.8**	**4,980.5**	**9,421.7**	**16,611.3**
Financial guarantee contracts	**127.3**	**-**	**-**	**-**
Company				
At 31 December 2018				
Trade and other payables	**44.3**	**-**	**-**	**-**
Amounts due to subsidiaries				
- current	**3,434.3**	**-**	**-**	**-**
- non-current	**-**	**95.3**	**750.4**	**1,750.5**
Financial guarantee contracts	**3,816.3**	**-**	**-**	**-**

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) **Financial risk factors (cont'd)**

(v) Liquidity risk (cont'd)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Group				
At 31 December 2017				
Other non-current liabilities	-	295.2	0.1	-
Derivative financial instruments				
- hedged	46.7	36.6	82.8	50.3
Trade and other payables*	4,879.9	-	-	-
Amounts due to joint ventures	112.4	-	-	-
Borrowings				
(principal and finance costs)	3,143.9	4,202.2	10,743.2	15,767.7
Financial guarantee contracts	131.4	-	-	-
Company				
At 31 December 2017				
Trade and other payables	44.0	-	-	-
Amounts due to subsidiaries				
- current	242.3	-	-	-
- non-current	-	1,767.5	772.7	1,823.4
Financial guarantee contracts	3,615.1	-	-	-
Group				
At 1 January 2017				
Derivative financial instruments				
- hedged	71.8	52.8	(29.3)	90.5
- unhedged	0.7	-	-	-
Trade and other payables	4,769.1	-	-	-
Amounts due to joint ventures	4.5	-	-	-
Borrowings				
(principal and finance costs)	2,895.3	1,714.0	9,326.4	8,094.3
Financial guarantee contracts	133.4	-	-	-
Company				
At 1 January 2017				
Trade and other payables	39.1	-	-	-
Amounts due to subsidiaries				
- current	335.3	-	-	-
- non-current	-	179.8	1,957.7	2,405.8
Financial guarantee contracts	4,203.7	-	-	-

*Excludes contract liabilities.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(b) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to provide returns for shareholders and benefits for other stakeholders.

In order to optimise the capital structure, or the capital allocation amongst the Group's various businesses, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and warrants, buy back issued shares, take on new debt or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital utilisation on the basis of the gearing ratio. This ratio is calculated as total debt divided by total capital. Total debt is calculated as total borrowings (comprising 'short term and long term borrowings' as shown in the statements of financial position). Total capital is calculated as the sum of total equity and total debt.

The gearing ratio as at the reporting date are as follows:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Total debt	**29,224.5**	27,179.3	18,043.9
Total equity	**57,388.2**	57,100.9	64,702.0
Total capital	**86,612.7**	84,280.2	82,745.9
Gearing ratio	**34%**	32%	22%

There were no changes in the Group's approach to capital management during the current financial year.

The Group was in compliance with externally imposed capital requirements as at the reporting date.

(c) Fair value measurement

The assets and liabilities carried at fair value are categorised into different levels of the fair value hierarchy as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(c) **Fair value measurement (cont'd)**

The following table presents the Group's financial instruments that are measured at fair value.

	Level 1	Level 2	Level 3	Total
Group				
At 31 December 2018				
Financial assets				
Financial assets at FVOCI	**466.4**	**-**	**431.1**	**897.5**
Financial assets at FVTPL	**564.1**	**751.6**	**121.7**	**1,437.4**
Derivative financial instruments	**-**	**48.9**	**-**	**48.9**
	1,030.5	**800.5**	**552.8**	**2,383.8**
Financial liability				
Derivative financial instruments	**-**	**143.6**	**-**	**143.6**
At 31 December 2017				
Financial assets				
Financial assets at FVTPL	7.4	-	-	7.4
Available-for-sale financial assets	935.1	620.0	1,270.4	2,825.5
Derivative financial instruments	-	4.5	3.7	8.2
	942.5	624.5	1,274.1	2,841.1
Financial liability				
Derivative financial instruments	-	194.5	-	194.5
At 1 January 2017				
Financial assets				
Financial assets at FVTPL	10.8	-	-	10.8
Available-for-sale financial assets	872.7	1,250.0	1,614.0	3,736.7
Derivative financial instruments	-	121.8	-	121.8
	883.5	1,371.8	1,614.0	3,869.3
Financial liability				
Derivative financial instruments	-	305.6	-	305.6
Company				
As at 31 December 2018				
Financial asset				
Derivative financial instruments	**170.9**	**-**	**-**	**170.9**
As at 31 December 2017				
Financial assets				
Derivative financial instruments	227.9	-	-	227.9
At 1 January 2017				
Financial assets				
Available-for-sale financial assets	-	200.0	-	200.0
Derivative financial instruments	232.8	-	-	232.8
	232.8	200.0	-	432.8

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(c) Fair value measurement (cont'd)

The carrying values of current financial assets and current financial liabilities of the Group and the Company at the end of the reporting period approximated their fair values.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps, cross currency swaps and commodity swaps contracts are calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign currency exchange contracts is determined using forward exchange rates at the reporting date.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There were no transfers between Levels 1 and 2 during the current financial year (2017: Nil).

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(c) Fair value measurement (cont'd)

The following table presents the changes in Level 3 financial instruments:

	Group	
	2018	2017
As at 1 January, as previously reported	**1,274.1**	1,614.0
Effect of adoption of MFRS 9 (see Note 44)	**(0.5)**	-
As at 1 January, as restated	**1,273.6**	1,614.0
Foreign exchange differences	**20.8**	(138.8)
Additions	**305.2**	94.2
Disposals	**(4.5)**	(1.7)
Fair value changes – recognised in OCI	**(557.6)**	(130.9)
Fair value changes – recognised in income statement	**(199.1)**	(0.4)
Impairment loss	**-**	(191.2)
Investment income and interest income	**8.2**	29.0
Repayment	**-**	(0.1)
Reclassification to investment in joint ventures and non-current assets	**(293.8)**	-
As at 31 December	**552.8**	1,274.1

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The assessment of the fair value of unquoted securities is performed based on the available data such as discounted cash flow with key inputs such as growth rates and discount rates, or recent transacted prices of similar financial instruments as indications of their fair values as at reporting date.

Although the Group believes that its estimates of fair values are appropriate, the use of different methodologies or assumptions could lead to different measurement of fair value. For fair value measurement in Level 3, there are no reasonably possible changes in any of the growth rate or discount rate that would materially impact the profit or loss, total assets and total equity of the Group.

5. SEGMENT ANALYSIS

Management has determined the operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions.

The chief operating decision-makers consider the business from both a geographic and industry perspective and has the following reportable segments:

Leisure & Hospitality	-	This segment includes gaming, hotels, food and beverages, theme parks, retail, entertainment and attractions, tours and travel related services, development and operation of integrated resorts and other support services.
Plantation	-	This segment is involved mainly in oil palm plantations, palm oil milling and related activities.
Power	-	This segment is involved in generation and supply of electric power.
Property	-	This segment is involved in property development activities and property investment.
Oil & Gas	-	This segment is involved in oil & gas exploration, development and production activities.

All other immaterial segments including investments in equities are aggregated and disclosed under "Investments & Others" as they are not of a sufficient size to be reported separately.

The performance of the operating segments is based on a measure of adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA"). This measurement basis also excludes the effects of non-recurring items from the operating segments, such as net fair value gain or loss on financial assets, gain or loss on disposal of financial assets, gain or loss on derecognition/dilution of shareholding in joint ventures and associates, project costs written off, reversal of previously recognised impairment losses, impairment losses, pre-opening and development expenses, assets written off, gain or loss on disposal of assets and share-based payment expenses.

Segment assets consist primarily of property, plant and equipment, investment properties, intangible assets, inventories, trade and other receivables, financial assets at FVOCI (2017: AFS), financial assets at FVTPL and cash and cash equivalents. Segment assets exclude interest bearing instruments, joint ventures, associates, deferred tax assets, tax recoverable and assets classified as held for sale as these assets are managed on a group basis.

Segment liabilities comprise operating liabilities. Segment liabilities exclude interest-bearing instruments, tax payable, deferred tax liabilities and liabilities classified as held for sale as these liabilities are managed on a group basis.

SEGMENT ANALYSIS (Cont'd)

The segment analysis of the Group is set out below:

	Leisure & Hospitality					Plantation			Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	UK and Egypt	US and Bahamas	Total	Oil Palm Plantation *(Notes (ii))*	Downstream Manufacturing	Total					
2018													
Revenue													
Total revenue	**7,816.8**	**7,592.1**	**1,780.7**	**1,384.9**	**18,574.5**	**1,232.0**	**977.8**	**2,209.8**	**1,067.0**	**226.5**	**333.3**	**117.1**	**22,528.2**
Inter/Intra segment	**(1,230.5)**	**(0.4)**	**-**	**-**	**(1,230.9)**	**(414.4)**	**(13.7)**	**(428.1)**	**-**	**(6.6)**	**(5.6)**	**(4.0)**	**(1,675.2)**
External	**6,586.3**	**7,591.7**	**1,780.7**	**1,384.9**	**17,343.6**	**817.6**	**964.1**	**1,781.7**	**1,067.0**	**219.9**	**327.7**	**113.1**	**20,853.0**
Results													
Adjusted EBITDA	**2,915.7**	**3,758.8**	**182.4**	**305.8**	**7,162.7**	**383.3**	**11.2**	**394.5**	**495.6**	**76.4**	**234.5**	**(226.6)**	**8,137.1**
Net fair value (loss)/gain on derivative financial instruments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.1)**	**0.5**	**(0.6)**
Net fair value loss on financial assets at FVTPL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(196.3)**	**(196.3)**
Net loss on derecognition/dilution of shareholding in joint ventures and associates	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.8)**	**(1.8)**
Gain on disposal of assets and liabilities classified as held for sale	**-**	**0.3**	**-**	**-**	**0.3**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.3**
Reversal of previously recognised impairment losses	**-**	**-**	**-**	**3.4**	**3.4**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3.4**
Impairment losses	**(118.1)**	**-**	**-**	**-**	**(118.1)**	**-**	**-**	**-**	**(4.9)**	**-**	**-**	**(1,885.5)**	**(2,008.5)**
Depreciation and amortisation	**(551.1)**	**(941.4)**	**(119.2)**	**(245.9)**	**(1,857.6)**	**(203.2)**	**(11.0)**	**(214.2)**	**(10.6)**	**(31.3)**	**(86.0)**	**(24.0)**	**(2,223.7)**
Interest income													**838.1**
Finance cost													**(1,013.1)**
Share of results in joint ventures	**-**	**11.8**	**-**	**-**	**11.8**	**-**	**-**	**-**	**50.0**	**40.7**	**-**	**38.8**	**141.3**
Share of results in associates	**-**	**-**	**-**	**-**	**-**	**2.4**	**-**	**2.4**	**6.7**	**-**	**-**	**(16.0)**	**(6.9)**
Others *(Note (i))*	**(129.0)**	**(17.7)**	**-**	**(50.6)**	**(197.3)**	**11.5**	**-**	**11.5**	**(27.9)**	**4.4**	**(13.0)**	**(28.6)**	**(250.9)**
Profit before taxation													**3,418.4**
Taxation													**(974.5)**
Profit for the financial year													**2,443.9**

SEGMENT ANALYSIS (Cont'd)

	Leisure & Hospitality					Plantation			Power *(Notes (iii) & (iv))*	Property	Oil & Gas	Investments & Others	Total
	Malaysia	**Singapore**	**UK and Egypt**	**US and Bahamas**	**Total**	**Oil Palm Plantation** *(Notes (ii))*	**Downstream Manufacturing**	**Total**					
2017													
Revenue													
Total revenue	6,907.4	7,445.0	1,893.4	1,435.2	17,681.0	1,511.1	723.4	2,234.5	1,065.8	222.7	319.4	121.7	21,645.1
Inter/Intra segment	(1,075.9)	(1.0)	-	-	(1,076.9)	(520.7)	-	(520.7)	-	(9.6)	(6.4)	(5.8)	(1,619.4)
External	5,831.5	7,444.0	1,893.4	1,435.2	16,604.1	990.4	723.4	1,713.8	1,065.8	213.1	313.0	115.9	20,025.7
Results													
Adjusted EBITDA	2,378.2	3,629.9	231.0	232.0	6,471.1	576.5	12.1	588.6	415.8	77.5	207.2	(699.1)	7,061.1
Net fair value (loss)/gain on derivative financial instruments	-	-	-	-	-	-	-	-	(42.8)	-	0.9	(0.4)	(42.3)
Net gain on disposal of available-for-sale financial assets	-	-	-	-	-	-	-	-	-	-	-	226.0	226.0
Gain on disposal of assets and liabilities classified as held for sale	-	34.9	-	-	34.9	-	-	-	-	-	-	267.3	302.2
Net loss on derecognition/ dilution of shareholding in associates	-	-	-	-	-	-	-	-	(62.4)	-	-	-	(62.4)
Impairment losses	(13.5)	(21.0)	(163.4)	(35.2)	(233.1)	-	-	-	(86.2)	-	(29.6)	(326.1)	(675.0)
Depreciation and amortisation	(483.1)	(877.6)	(134.5)	(285.9)	(1,781.1)	(170.1)	(12.1)	(182.2)	(10.7)	(32.4)	(99.4)	(21.2)	(2,127.0)
Interest income													886.8
Finance cost													(950.1)
Share of results in joint ventures	-	10.5	-	-	10.5	-	-	-	(21.1)	30.2	-	19.2	38.8
Share of results in associates	-	-	-	-	-	4.4	-	4.4	(77.2)	0.1	-	(13.2)	(85.9)
Others *(Note (i))*	(106.0)	(55.1)	(12.0)	(51.9)	(225.0)	7.8	(0.1)	7.7	-	29.0	(9.9)	(64.1)	(262.3)
Profit before taxation													4,309.9
Taxation													(1,068.4)
Profit for the financial year													3,241.5

Notes:

(i) Others include pre-opening and development expenses, assets written off, gain or loss on disposal of assets and share-based payment expenses.

(ii) Comprises Plantation Malaysia and Indonesia as one reportable segment and the comparatives are restated accordingly.

(iii) Power segment for the previous financial year ended 31 December 2017 included construction revenue and costs of approximately RM183.3 million and RM134.7 million respectively thereby generating a construction profit of RM48.6 million. This construction profit was in relation to the construction and development of the 660MW coal-fired power plant in the Banten province, West Java, Indonesia.

(iv) Other than as disclosed in note (iii) above, revenue and adjusted EBITDA for the previous financial year ended 31 December 2017 also included sale of electricity by the Indonesian coal-fired power plant following the start of commercial operations on 28 March 2017.

SEGMENT ANALYSIS (Cont'd)

	← Leisure & Hospitality →					← Plantation →			Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	UK and Egypt	US and Bahamas	Total	Oil Palm Plantation*	Downstream Manufacturing	Total					
31 December 2018													
Assets													
Segment assets	**12,263.5**	**15,511.0**	**4,403.3**	**10,082.7**	**42,260.5**	**5,493.2**	**514.0**	**6,007.2**	**4,772.3**	**2,764.3**	**4,006.2**	**4,677.2**	**64,487.7**
Interest bearing instruments													**28,617.0**
Joint ventures	**-**	**177.5**	**-**	**-**	**177.5**	**-**	**-**	**-**	**881.7**	**148.8**	**-**	**459.8**	**1,667.8**
Associates	**-**	**-**	**-**	**-**	**-**	**9.6**	**-**	**9.6**	**37.0**	**0.2**	**-**	**664.0**	**710.8**
Unallocated corporate assets													**623.7**
Assets classified as held for sale (see Note 34)													**34.4**
Total assets													**96,141.4**
Liabilities													
Segment liabilities	**2,430.7**	**1,361.7**	**409.6**	**757.8**	**4,959.8**	**243.5**	**34.9**	**278.4**	**669.9**	**202.8**	**371.2**	**473.3**	**6,955.4**
Interest bearing instruments													**28,711.0**
Unallocated corporate liabilities													**3,073.2**
Liabilities classified as held for sale (see Note 34)													**13.6**
Total liabilities													**38,753.2**

SEGMENT ANALYSIS (Cont'd)

	← Leisure & Hospitality →					← Plantation →			Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	UK and Egypt	US and Bahamas	Total	Oil Palm Plantation*	Downstream Manufacturing	Total					
31 December 2017													
Assets													
Segment assets	11,211.9	16,418.3	4,751.2	7,548.0	39,929.4	5,437.6	489.3	5,926.9	4,706.8	2,703.6	4,159.7	5,368.9	62,795.3
Interest bearing instruments													28,387.2
Joint ventures	-	164.7	-	-	164.7	-	-	-	851.2	108.1	-	89.8	1,213.8
Associates	-	-	-	-	-	12.7	-	12.7	43.6	0.4	-	663.5	720.2
Unallocated corporate assets													420.4
Assets classified as held for sale (see Note 34)													75.7
Total assets													93,612.6
Liabilities													
Segment liabilities	2,145.7	1,383.2	473.1	503.8	4,505.8	232.3	18.3	250.6	670.4	169.6	630.0	342.3	6,568.7
Interest bearing instruments													26,969.3
Unallocated corporate liabilities													2,914.5
Liabilities classified as held for sale (see Note 34)													59.2
Total liabilities													36,511.7

SEGMENT ANALYSIS (Cont'd)

	Leisure & Hospitality					Plantation			Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	UK	US and Bahamas	Total	Oil Palm Plantation*	Downstream Manufacturing	Total					
1 January 2017													
Assets													
Segment assets	9,395.9	17,517.2	4,857.0	7,650.3	39,420.4	4,856.3	378.8	5,235.1	4,873.0	2,948.0	4,753.8	5,347.7	62,578.0
Interest bearing instruments													24,687.3
Joint ventures	-	157.6	-	-	157.6	-	-	-	922.0	77.9	-	127.3	1,284.8
Associates	-	-	-	-	-	12.2	-	12.2	215.8	0.5	-	794.8	1,023.3
Unallocated corporate assets													372.2
Assets classified as held for sale (see Note 34)													1,600.9
Total assets													91,546.5
Liabilities													
Segment liabilities	1,929.7	1,074.3	421.7	496.1	3,921.8	281.8	14.4	296.2	795.5	237.4	812.8	370.0	6,433.7
Interest bearing instruments													17,985.1
Unallocated corporate liabilities													2,414.6
Liabilities classified as held for sale (see Note 34)													11.1
Total liabilities													26,844.5

* *Comprises Plantation Malaysia and Indonesia as one reportable segment and the comparatives are restated accordingly.*

SEGMENT ANALYSIS (Cont'd)

Geographical Information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets		
	2018	2017	**31.12.2018**	31.12.2017	1.1.2017
Malaysia	**8,060.2**	7,187.4	**13,180.2**	12,305.6	10,286.1
Singapore	**7,597.4**	7,449.6	**15,126.5**	15,761.3	16,677.8
Asia Pacific (excluding Malaysia & Singapore)	**1,916.4**	1,933.6	**7,896.5**	8,052.2	7,851.6
US and Bahamas	**1,456.7**	1,512.7	**10,538.5**	7,950.8	8,522.2
UK and Egypt	**1,822.3**	1,942.4	**4,506.1**	4,688.5	5,012.6
	20,853.0	20,025.7	**51,247.8**	48,758.4	48,350.3

Non-current assets exclude investments in joint ventures, associates, AFS, financial assets at FVOCI, financial assets at FVTPL, derivative financial instruments, deferred tax assets and other non-current assets as presented in the consolidated statement of financial position.

6. REVENUE

	Group		Company	
	2018	2017	**2018**	2017
Leisure and hospitality:				
Gaming operations				
- Net gaming wins *	**12,784.7**	12,382.1	**-**	-
Non-gaming operations				
- Hotel room revenue	**1,397.8**	1,368.2	**-**	-
- Food and beverage revenue	**918.5**	866.1	**-**	-
- Attractions and entertainment revenue	**1,424.6**	1,331.3	**-**	-
- Tenancy	**277.8**	190.0	**-**	-
- Transportation	**257.9**	231.7	**-**	-
- Others	**282.3**	234.7	**-**	-
Total Leisure and Hospitality	**17,343.6**	16,604.1	**-**	-
Plantation:				
Sale of agriculture produce	**1,230.2**	1,509.4	**-**	-
Sale of biodiesel and refined palm products	**549.6**	202.7	**-**	-
Others	**1.9**	1.7	**-**	-
	1,781.7	1,713.8	**-**	-
Property:				
Rental and property management income	**93.1**	101.5	**-**	-
Sale of development properties	**126.8**	111.6	**-**	-
	219.9	213.1	**-**	-
Power and Oil & Gas:				
Sale of electricity	**570.2**	497.7	**-**	-
Capacity payment	**494.6**	380.4	**-**	-
Sale of crude oil	**325.3**	310.7	**-**	-
Construction revenue	**-**	183.3	**-**	-
Others	**4.6**	6.7	**-**	-
	1,394.7	1,378.8	**-**	-
Investment and others:				
Fees from management and licensing services	**3.4**	2.4	**720.9**	637.6
Dividend income	**10.4**	9.9	**1,131.5**	779.6
Other services	**99.3**	103.6	**-**	-
	113.1	115.9	**1,852.4**	1,417.2
Total revenue	**20,853.0**	20,025.7	**1,852.4**	1,417.2

* Net gaming wins is disclosed net of complimentary goods and services provided to customers as part of Group's gaming operations of RM1,156.8 million (2017: RM1,038.1 million).

7. COST OF SALES

	Group		Company	
	2018	2017	**2018**	2017
Cost of services and other operating costs	**10,435.8**	10,419.7	**111.4**	120.4
Cost of inventories recognised as an expense	**2,594.1**	2,192.1	**-**	-
Construction cost	**-**	134.7	**-**	-
	13,029.9	12,746.5	**111.4**	120.4

Included in other operating costs are gaming related expenses amounting to RM2,972.9 million (2017: RM2,899.9 million) for the Group and Nil (2017: Nil) for the Company.

8. REVERSAL OF PREVIOUSLY RECOGNISED IMPAIRMENT LOSSES/IMPAIRMENT LOSSES

(a) Reversal of previously recognised impairment losses

During the current financial year, the Group's reversal of previously recognised impairment losses of RM3.4 million was in relation to property, plant and equipment of Genting Malaysia, on the basis that the recoverable amounts exceeded the carrying values.

During the current financial year, the Company's reversal of previously recognised impairment losses of RM8.9 million was in relation to investment in a subsidiary, on the basis that the recoverable amounts exceeded the carrying values.

There was no reversal of previously recognised impairment loss in the previous financial year.

(b) Impairment losses

During the current financial year, the impairment losses of the Group comprised RM1,834.3 million on Genting Malaysia Group's investment in the promissory notes issued by the Tribe to finance the Tribe's development of an integrated resort in Taunton, Massachusetts, United States of America, RM112.8 million on property, plant and equipment, RM56.5 million on intangible assets and RM4.9 million on the Group's investment in associate, on the basis that the carrying values exceeded their recoverable amounts.

During the previous financial year, the impairment losses of the Group comprised RM163.4 million relating to the casino business in UK, RM245.6 million on the Group's AFS, RM162.9 million on the Group's investment in associates, RM100.7 million on property, plant and equipment and RM2.4 million on intangible assets, on the basis that the carrying values exceeded their recoverable amounts.

During the current financial year, the Company recognised impairment losses of RM841.5 million (2017: RM311.5 million) on investment in subsidiaries, as their carrying values exceeded their recoverable amounts given the challenging market conditions in the current financial year. The net assets of these subsidiaries are used as a proxy for their recoverable amounts based on FVLCTS method given the underlying assets mainly comprised financial assets at FVOCI which are measured at fair value. Prior year's impairment losses on amounts due from subsidiaries were previously presented in "other expenses" but had been reclassified to "impairment losses" to conform with current year presentation.

9. OTHER GAINS/(LOSSES)

	Group		Company	
	2018	2017	**2018**	2017
Net exchange (loss)/gain– realised	**(63.9)**	(157.9)	**(0.7)**	1.8
Net exchange gain/(loss) – unrealised	**47.9**	(304.2)	**1.2**	(4.5)
Net fair value loss on derivative financial instruments	**(0.6)**	(42.3)	**(57.0)**	(4.9)
Net fair value loss on financial assets at fair value through profit or loss	**(196.3)**	(2.5)	**-**	-
	(212.9)	(506.9)	**(56.5)**	(7.6)

10. PROFIT BEFORE TAXATION

Profit before taxation from operations has been determined after inclusion of the following charges and credits. The expenses by nature of the Group are also disclosed in the charges below:

	Group		Company	
	2018	2017	**2018**	2017
Charges:				
Depreciation of property, plant and equipment	**1,929.4**	1,818.7	**0.7**	0.9
Depreciation of investment properties	**16.5**	15.8	**-**	-
Amortisation of leasehold land use rights	**4.3**	1.7	**-**	-
Amortisation of intangible assets	**190.6**	200.6	**-**	-
Depletion, depreciation and amortisation of rights of use of oil and gas assets	**82.9**	90.2	**-**	-
Directors' remuneration excluding estimated monetary value of benefits-in-kind (see Note 12)	**181.7**	203.4	**64.6**	75.5
Impairment losses on property, plant and equipment	**112.8**	102.7	**-**	-
Impairment losses on intangible assets	**56.5**	163.8	**-**	-
Impairment losses on available-for-sale financial assets	**-**	245.6	**-**	-
Impairment losses on investment in associates	**4.9**	162.9	**-**	-
Impairment losses on investment in promissory notes	**1,834.3**	-	**-**	-
Impairment losses in subsidiaries	**-**	-	**841.5**	311.5
Impairment losses on amounts due from subsidiaries	**-**	-	**-**	116.6
Inventories written off	**8.5**	1.3	**-**	-
Property, plant and equipment written off	**35.4**	57.0	**-**	-
Intangible assets written off	**4.0**	-	**-**	-
Net loss on derecognition/dilution of shareholding in joint ventures and associates	**1.8**	62.4	**-**	-
Impairment losses and write off of receivables	**168.8**	168.3	**-**	-
Amount due from an associate written off	**-**	5.4	**-**	-
Hire of aircraft and equipment	**25.6**	55.7	**-**	-
Rental of land and buildings	**114.4**	117.3	**-**	-

PROFIT BEFORE TAXATION (Cont'd)

	Group		Company	
	2018	2017	**2018**	2017
Charges: (Cont'd)				
Fair value adjustment of long term receivables	**40.9**	1.1	**-**	-
Finance cost				
- Interest on borrowings	**1,121.6**	946.1	**-**	-
- Sukuk Murabahah	**38.5**	29.1	**-**	-
- Other finance costs	**186.8**	200.0	**-**	-
- Less: capitalised costs	**(265.3)**	(172.8)	**-**	-
- Less: interest income earned	**(68.5)**	(52.3)	**-**	-
	1,013.1	950.1	**-**	-
Statutory audit fees				
- Payable to PricewaterhouseCoopers PLT	**3.6**	3.3	**0.2**	0.2
- Payable to other member firms of PricewaterhouseCoopers International Limited	**11.8**	12.1	**-**	-
- Payable to other auditors	**1.4**	1.8	**-**	-
Audit related fees				
- Payable to PricewaterhouseCoopers PLT	**0.8**	0.8	**0.2**	0.1
- Payable to other member firms of PricewaterhouseCoopers International Limited	**2.7**	2.1	**-**	-
Expenditure paid to subsidiaries:				
- Finance cost	**-**	-	**180.0**	180.2
- Rental of land and buildings	**-**	-	**2.7**	2.7
- Rental of equipment	**-**	-	**1.2**	1.3
- Service fees	**-**	-	**2.5**	1.8
Repairs and maintenance	**207.9**	312.9	**1.0**	1.6
Utilities	**319.7**	270.5	**0.2**	0.2
Legal and professional fees	**157.6**	144.7	**20.7**	1.9
Transportation costs	**131.3**	100.7	**-**	-
Credits:				
Interest income	**838.1**	886.8	**94.6**	68.4
Gain on disposal of available-for-sale financial assets	**-**	226.0	-	-
Net gain on disposal of property, plant and equipment	**9.9**	31.2	-	-
Gain on disposal of subsidiaries	**-**	3.5	-	-
Gain on disposal of assets and liabilities classified as held for sale	**0.3**	302.2	-	-
Rental income from land and buildings	**250.3**	197.1	-	-
Gain on bargain purchase	**-**	2.8	-	-
Net surplus arising from compensation in respect of land acquired by the Government	**17.5**	10.6	-	-

PROFIT BEFORE TAXATION (Cont'd)

	Group		Company	
	2018	2017	**2018**	2017
Credits: (Cont'd)				
Reversal of previously recognised impairment losses on property, plant and equipment	**3.4**	-	**-**	-
Reversal of previously recognised impairment losses on investment in a subsidiary	**-**	-	**8.9**	-
Dividends (gross) from:				
- Quoted foreign corporations	**4.4**	3.9	**-**	-
- Quoted Malaysian corporations	**0.2**	0.2	**-**	-
- Unquoted Malaysian corporations	**6.0**	6.2	**-**	-
Income from financial assets at FVTPL	**23.9**	-	**-**	-
Income from available-for-sale financial assets	**-**	27.6	**-**	0.8
Other information:				
Non-audit fees and non-audit related costs*				
- Payable to PricewaterhouseCoopers PLT	**0.5**	0.2	**-**	-
- Payable to other member firms of PricewaterhouseCoopers International Limited	**7.9**	6.4	**-**	-

* Non-audit fees and non-audit related costs are in respect of tax related services of RM2.6 million (2017: RM2.5 million) and corporate and financial advisory services of RM5.8 million (2017: RM4.1 million).

11. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2018	2017	**2018**	2017
Wages, salaries and bonuses	**3,500.2**	3,680.4	**80.4**	88.2
Defined contribution plan	**283.3**	276.6	**12.9**	13.5
Other short-term employee benefits	**495.2**	453.1	**2.6**	2.6
Share-based payments (see note below)	**81.0**	80.3	**-**	-
Provision for retirement gratuities, net (see Note 39)	**36.1**	63.8	**15.5**	16.1
	4,395.8	4,554.2	**111.4**	120.4

Employee benefits expense, as shown above, includes the remuneration of Executive Directors.

Note: The share-based payments arose mainly from the Performance Share Scheme and Employee Share Option Scheme of the Group's subsidiaries, Genting Singapore and Genting Malaysia.

12. DIRECTORS' REMUNERATION

	Group		Company	
	2018	2017	**2018**	2017
Non-Executive Directors:				
Fees	**0.8**	0.6	**0.8**	0.6
Executive Directors:				
Fees	**1.2**	1.1	**0.4**	0.4
Salaries and bonuses	**116.0**	134.7	**44.4**	52.4
Defined contribution plan	**16.5**	19.4	**8.2**	9.8
Other short-term employee benefits	**0.4**	0.5	**-**	-
Share-based payments	**29.3**	21.8	**-**	-
Provision for retirement gratuities	**17.5**	25.3	**10.8**	12.3
	180.9	202.8	**63.8**	74.9
Directors' remuneration excluding estimated monetary value of benefits-in-kind (see Note 10)	**181.7**	203.4	**64.6**	75.5
Estimated monetary value of benefits-in-kind (not charged to the income statements) in respect of Executive Directors	**1.9**	2.0	**-**	-
	183.6	205.4	**64.6**	75.5

13. TAXATION

	Group		Company	
	2018	2017	**2018**	2017
Current taxation charge:				
Malaysian taxation	**385.2**	347.6	**170.7**	142.3
Foreign taxation	**654.9**	671.1	**-**	-
	1,040.1	1,018.7	**170.7**	142.3
Deferred tax (credit)/charge (see Note 29)	**(58.2)**	98.8	**(5.7)**	(3.7)
	981.9	1,117.5	**165.0**	138.6
Prior years' taxation:				
Income tax (over)/under provided	**(7.4)**	(49.1)	**0.4**	(0.1)
	974.5	1,068.4	**165.4**	138.5

TAXATION (Cont'd)

The reconciliation between the average effective tax rate and the Malaysian tax rate is as follows:

	Group		Company	
	2018	2017	**2018**	2017
	%	%	**%**	%
Malaysian tax rate	**24.0**	24.0	**24.0**	24.0
Tax effects of:				
- expenses not deductible for tax purposes	**20.1**	13.1	**36.0**	20.5
- over provision in prior years	**(0.2)**	(1.1)	**0.1**	-
- different tax regime	**(4.5)**	(4.6)	**-**	-
- tax incentives	**(7.6)**	(4.1)	**-**	-
- income not subject to tax	**(3.5)**	(4.0)	**(37.5)**	(25.6)
- others	**0.2**	1.5	**-**	-
Average effective tax rate	**28.5**	24.8	**22.6**	18.9

Taxation is calculated at the Malaysian statutory tax rate of 24% (2017: 24%) on the estimated chargeable profit for the year of assessment 2018.

The income tax effect of the other comprehensive (loss)/income items of the Group, which are individually not material, is a tax credit of RM2.0 million (2017: tax credit of RM16.1 million) in the current financial year.

14. EARNINGS PER SHARE

The basic and diluted earnings per share of the Group are computed as follows:

(a) Basic earnings per share:

Basic earnings per share of the Group is calculated by dividing the profit for the financial year by the weighted average number of ordinary shares in issue during the financial year.

	2018	2017
Profit for the financial year attributable to equity holders of the Company (RM million)	**1,365.6**	1,444.7
Weighted average number of ordinary shares in issue ('million)	**3,837.9**	3,775.1
Basic earnings per share (sen)	**35.58**	38.27

EARNINGS PER SHARE (Cont'd)

(b) Diluted earnings per share:

For the diluted earnings per share calculation, the Group's profit for the financial year is reduced by the lower consolidated earnings from subsidiaries arising from the potential dilution of the Group's shareholdings in those subsidiaries that have issued potential ordinary shares that are dilutive. The weighted average number of ordinary shares in issue of the Company is also adjusted to assume conversion of all dilutive potential ordinary shares issued by the Company.

	2018	2017
Earnings adjusted as follows:		
Profit for the financial year attributable to equity holders of the Company (RM million)	**1,365.6**	1,444.7
Net impact on earnings on potential exercise of Performance Share Scheme awarded to executives of the Company's subsidiaries and warrants issued to shareholders of the Company's subsidiary (RM million)	**(0.7)**	(0.9)
Adjusted earnings for the financial year (RM million)	**1,364.9**	1,443.8
Weighted average number of ordinary shares adjusted as follows:		
Weighted average number of ordinary shares in issue ('million)	**3,837.9**	3,775.1
Adjustment for potential conversion of warrants of the Company ('million)	**-**	64.3
Adjusted weighted average number of ordinary shares in issue ('million)	**3,837.9**	3,839.4
Diluted earnings per share (sen)	**35.56**	37.60

15. DIVIDENDS

Dividends recognised as distribution to ordinary equity holders of the Company are as follows:

	Group/Company			
	2018		2017	
	Gross dividend per share Sen	**Amount of dividend, net of tax RM million**	Gross dividend per share Sen	Amount of dividend, net of tax RM million
Special dividends paid in respect of previous financial year	**7.0**	**268.2**	6.5	242.0
Final dividends paid in respect of previous financial year	**6.0**	**229.9**	6.0	226.6
Interim dividends paid in respect of current financial year	**8.5**	**327.3**	8.5	324.3
	21.5	**825.4**	21.0	792.9

A special single-tier dividend of 7.0 sen (2017: 7.0 sen) per ordinary share in respect of the current financial year has been declared for payment to shareholders registered in the Register of Members on 14 March 2019. The special single-tier dividend shall be paid on 8 April 2019. Based on the issued and paid-up capital of the Company as at 31 December 2018, the special single-tier dividend would amount to RM269.5 million (2017: RM268.2 million). The special single-tier dividend has not been recognised in the Statement of Changes in Equity as it was declared subsequent to the financial year end.

At the forthcoming Annual General Meeting, a final single-tier dividend in respect of the financial year ended 31 December 2018 of 6.0 sen (2017: 6.0 sen) per ordinary share amounting to RM231.0 million (2017: RM229.9 million) will be proposed for shareholders' approval. These financial statements do not reflect this final single-tier dividend which will be accrued as a liability upon approval by shareholders.

16. PROPERTY, PLANT AND EQUIPMENT

2018 Group	Freehold lands	Leasehold lands	Buildings and improvements	Plant, equipment and vehicles	Aircrafts, sea vessels and improvements	Construction in progress	Bearer plants	Total
Net Book Value:								
At 1 January, as previously reported	**1,855.9**	**2,697.9**	**15,502.5**	**9,030.4**	**597.9**	**3,916.3**	**2,627.9**	**36,228.8**
Purchase Price Allocation ("PPA") adjustment relating to the acquisition of subsidiaries (see Note 44)	**-**	**-**	**-**	**-**	**-**	**-**	**32.6**	**32.6**
At 1 January, restated	**1,855.9**	**2,697.9**	**15,502.5**	**9,030.4**	**597.9**	**3,916.3**	**2,660.5**	**36,261.4**
Additions (including capitalised interest)	**8.0**	**0.3**	**87.7**	**487.3**	**-**	**4,182.8**	**168.4**	**4,934.5**
Disposals	**(0.3)**	**-**	**-**	**(2.9)**	**(69.0)**	**-**	**-**	**(72.2)**
Written off	**-**	**-**	**(7.3)**	**(27.4)**	**-**	**(0.7)**	**-**	**(35.4)**
Depreciation charged for the financial year	**-**	**(42.0)**	**(502.8)**	**(1,242.9)**	**(33.2)**	**-**	**(108.5)**	**(1,929.4)**
Transfer from/(to):								
- Investment properties (see Note 18)	**-**	**-**	**(17.5)**	**0.2**	**-**	**(7.2)**	**-**	**(24.5)**
Depreciation and amortisation capitalised on bearer plants:								
- Leasehold land use rights (see Note 19)	**-**	**-**	**-**	**-**	**-**	**-**	**0.3**	**0.3**
- Other assets	**-**	**(0.6)**	**(5.1)**	**(4.5)**	**-**	**-**	**10.2**	**-**
Reclassifications	**2.3**	**(2.1)**	**292.6**	**491.9**	**-**	**(784.7)**	**-**	**-**
Impairment losses	**-**	**(3.5)**	**(28.4)**	**-**	**(80.9)**	**-**	**-**	**(112.8)**
Reversal of impairment losses	**-**	**-**	**-**	**-**	**3.4**	**-**	**-**	**3.4**
Cost adjustments	**-**	**(23.5)**	**37.9**	**54.9**	**-**	**(82.6)**	**-**	**(13.3)**
Foreign exchange differences	**20.3**	**8.1**	**5.4**	**(18.2)**	**0.9**	**35.1**	**(67.6)**	**(16.0)**
At 31 December 2018	**1,886.2**	**2,634.6**	**15,365.0**	**8,768.8**	**419.1**	**7,259.0**	**2,663.3**	**38,996.0**
At 31 December 2018:								
Cost	**1,886.2**	**3,138.3**	**19,773.7**	**20,146.9**	**547.8**	**7,259.0**	**3,301.6**	**56,053.5**
Accumulated depreciation	**-**	**(496.6)**	**(4,252.9)**	**(11,282.4)**	**(64.2)**	**-**	**(638.3)**	**(16,734.4)**
Accumulated impairment losses	**-**	**(7.1)**	**(155.8)**	**(95.7)**	**(64.5)**	**-**	**-**	**(323.1)**
Net book value	**1,886.2**	**2,634.6**	**15,365.0**	**8,768.8**	**419.1**	**7,259.0**	**2,663.3**	**38,996.0**

PROPERTY, PLANT AND EQUIPMENT (Cont'd)

2017 Group	Freehold lands	Leasehold lands	Buildings and improvements	Plant, equipment and vehicles	Aircrafts, sea vessels and improvements	Construction in progress	Bearer plants	Total
Net Book Value:								
At 1 January 2017	1,959.2	2,683.2	14,768.9	8,359.9	454.8	4,441.6	2,116.0	34,783.6
Additions (including capitalised interest)	0.4	124.2	142.0	788.1	288.0	2,262.9	209.9	3,815.5
Disposals	(0.1)	-	(24.0)	(6.6)	-	(0.4)	(0.3)	(31.4)
Written off	-	-	(15.0)	(37.8)	-	(3.9)	(0.3)	(57.0)
Depreciation charged for the financial year	-	(62.3)	(465.4)	(1,166.0)	(40.2)	-	(84.8)	(1,818.7)
Assets of subsidiaries acquired	-	-	18.5	33.0	-	40.4	567.4	659.3
Transfer from/(to):								
- Investment properties (see Note 18)	-	-	(1.1)	-	-	(0.1)	-	(1.2)
- Assets classified as held for sale (see Note 34)	-	-	(26.5)	(8.2)	(39.3)	-	-	(74.0)
Depreciation and amortisation capitalised on bearer plants:								
- Leasehold land use rights (see Note 19)	-	-	-	-	-	-	0.3	0.3
- Other assets	-	(0.4)	(6.1)	(4.0)	-	-	10.5	-
Reclassification	-	0.5	1,451.1	1,256.7	-	(2,708.3)	-	-
Impairment losses	(1.2)	(0.9)	(15.5)	(30.7)	(54.4)	-	-	(102.7)
Cost adjustments	0.9	1.5	1.9	(3.7)	(0.2)	2.7	-	3.1
Foreign exchange differences	(103.3)	(47.9)	(326.3)	(150.3)	(10.8)	(118.6)	(158.2)	(915.4)
At 31 December 2017	1,855.9	2,697.9	15,502.5	9,030.4	597.9	3,916.3	2,660.5	36,261.4
At 31 December 2017:								
Cost	1,857.1	3,152.1	19,442.3	19,561.8	725.6	3,916.3	3,220.4	51,875.6
Accumulated depreciation	-	(451.8)	(3,808.5)	(10,434.4)	(102.1)	-	(559.9)	(15,356.7)
Accumulated impairment losses	(1.2)	(2.4)	(131.3)	(97.0)	(25.6)	-	-	(257.5)
Net book value	1,855.9	2,697.9	15,502.5	9,030.4	597.9	3,916.3	2,660.5	36,261.4
At 1 January 2017:								
Cost	1,959.2	3,081.8	18,315.8	18,051.8	577.5	4,441.6	2,598.3	49,026.0
Accumulated depreciation	-	(397.1)	(3,429.8)	(9,620.1)	(110.0)	-	(482.3)	(14,039.3)
Accumulated impairment losses	-	(1.5)	(117.1)	(71.8)	(12.7)	-	-	(203.1)
Net book value	1,959.2	2,683.2	14,768.9	8,359.9	454.8	4,441.6	2,116.0	34,783.6

PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Notes:

(a) During the current financial year, the Group has capitalised borrowing costs amounting to RM265.3 million (2017: RM172.8 million) on qualifying assets.

(b) The Group has carried out the impairment assessments on property, plant and equipment with an indication of impairment. Details are as follows:

Bimini operations ("Bimini Assets")

The Group has carried out an impairment assessment on these assets with carrying amount of RM1,403.1 million (2017: RM1,333.4 million) in view of the continued losses recorded since the commencement of the Bimini operations. The recoverable amount of Bimini Assets is determined based on the value in use ("VIU") method. Cash flow projections used in this calculation were based on financial budgets approved by management covering a nine-year period (2017: eight-year period). Cash flows beyond the nine-year period (2017: eight-year period) were extrapolated using the estimated growth rate.

Key assumptions used in the VIU calculations are as follows:

	Group	
	2018	2017
Growth rate	**2.3%**	2.3%
Short term discount rate	**9.6%**	8.4%
Long term discount rate	**7.4%**	6.7%
Hotel occupancy rate	**53% - 83%**	57% - 81%

Based on the impairment assessment, no impairment loss has been recognised for Bimini Assets (2017: Nil).

If the growth rate is reduced to 1.65% and all other variables including tax rate are being held constant, this will give rise to an impairment loss of RM28.1 million. If the short term discount rate is increased to 10.8% and all other variables including tax rate are being held constant, this could give rise to an impairment loss of RM16.8 million. If the long term discount rate is increased to 7.95% and all other variables including tax rate are being held constant, this will result in an impairment loss of RM10.2 million.

Resorts World Birmingham operations ("RWB Assets")

The Group has carried out an impairment assessment on RWB assets of RM729.7 million in view of the continued losses recorded since the commencement of RWB operations. The recoverable amount of RWB Assets is determined based on the higher of FVLCTS and VIU. Based on management's assessment, VIU is higher. Estimates of fair value have been determined with reference to an external valuation performed during the year, and prepared in accordance with RICS valuation professional standards, as published by the Royal Institution of Chartered Surveyors, on the basis of market value. Cash flow projections used in determining the VIU were based on financial budgets approved by management covering a ten-year period. Cash flows beyond the ten-year period were extrapolated using the estimated growth rate.

PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(b) Resorts World Birmingham operations ("RWB Assets") (cont'd)

Key assumptions used in the VIU calculations are as follows:

	Group 2018
Discount rate	**7.2%**
Long term EBITDA growth rate	**2.0%**

Based on the impairment assessment, no impairment loss has been recognised for RWB Assets.

If the discount rate is increased by 0.2% and all other variables including tax rate are being held constant, this could indicate an impairment loss of RM37.1 million on RWB Assets. If the long term EBITDA growth rate decreased by 0.25%, this will result in an impairment loss of RM31.8 million.

Outdoor theme park assets at Resorts World Genting ("Theme Park Assets")

The Group have carried out an impairment assessment on the recoverability of the Theme Park Assets of RM2,590.9 million in view of the uncertainty of the outcome of the on-going litigation (see Note 46), which is in its early stage.

The recoverable amount of Theme Park Assets is determined based on the VIU method, one appropriate method available to support the carrying amount of property, plant and equipment. For purposes of this impairment assessment only, cash flow projections used in this calculation were based on the approved financial budgets covering a thirteen-year period. Cash flows beyond the thirteen-year period were extrapolated using the estimated growth rate.

The key assumptions used in the VIU calculation are long term growth rate of 3.0%, discount rate of 8.0% and number of visitors.

Based on the impairment assessment, no impairment loss has been recognised for Theme Park Assets as at 31 December 2018.

If the long term growth rate is reduced to 2.5% and all other variables including tax rate are being held constant, this will give rise to an impairment loss of RM231.5 million on Theme Park Assets. If the discount rate is 8.5% and all other variables including tax rate are being held constant, this could indicate an impairment loss of RM400.0 million on Theme Park Assets. If the number of visitors decreased by 4.8%, this will result in an impairment loss of RM304.9 million.

PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(c) Certain freehold land and buildings and improvements of the casino business in the UK amounting to RM669.2 million (31 December 2017: RM693.1 million, 1 January 2017: Nil) have been pledged as collateral for the Group's GBP borrowings.

(d) Property, plant and equipment with a carrying amount of approximately RM378.8 million (31 December 2017: RM432.8 million, 1 January 2017: RM422.8 million) have been pledged as collateral for the borrowings in the Group's power business and plantation business.

(e) As at 31 December 2017, banker's guarantees of SGD10.0 million (equivalent to approximately RM30.3 million) were obtained and held by Sentosa Development Corporation ("SDC"), as part of the conditions in the Development Agreement entered into with SDC. Pursuant to the terms of the Development Agreement, SDC returned these banker's guarantees which were subsequently cancelled by the issuing banks in July 2018.

Bank borrowings of Genting Singapore Group are substantially secured over assets of the Singapore leisure and hospitality business segment.

(f) During the current financial year, Genting Singapore Group has drawn up plans to retire certain assets. The estimated useful lives of these assets have been revised in accordance with the plans. The changes in estimates were applied prospectively. This has resulted in an increase in the depreciation expense of RM126.0 million in current financial year. This change in estimated useful lives is expected to result in an increase in depreciation expense of about RM294.8 million and RM56.9 million in financial years 2019 and 2020, respectively.

(g) During the current financial year, the Group recognised impairment loss on property, plant and equipment amounting to RM112.8 million (2017: RM102.7 million), on the basis that the carrying amount exceeded its recoverable amount, given the challenging market condition in the current financial year. These are mainly assets in the Leisure and Hospitality segment. RM80.9 million of the impairment loss arose from aircraft of which the recoverable amounts of these aircrafts were determined based on the FVLCTS method. Estimates of fair value on these aircrafts were determined using recent transaction prices by an independent third party. The recoverable amounts of other property, plant and equipment were determined using the VIU method.

PROPERTY, PLANT AND EQUIPMENT (Cont'd)

2018 **Company**	**Freehold buildings and improvements**	**Plant, equipment and vehicles**	**Total**
Net Book Value:			
At 1 January 2018	**-**	**2.8**	**2.8**
Additions	**-**	**0.5**	**0.5**
Depreciation	**-**	**(0.7)**	**(0.7)**
At 31 December 2018	**-**	**2.6**	**2.6**
At 31 December 2018:			
Cost	**3.6**	**11.8**	**15.4**
Accumulated depreciation	**(3.6)**	**(9.2)**	**(12.8)**
Net book value	**-**	**2.6**	**2.6**
2017 **Company**			
Net Book Value:			
At 1 January 2017	0.1	1.9	2.0
Additions	-	1.7	1.7
Depreciation	(0.1)	(0.8)	(0.9)
At 31 December 2017	-	2.8	2.8
At 31 December 2017:			
Cost	8.8	18.8	27.6
Accumulated depreciation	(8.8)	(16.0)	(24.8)
Net book value	-	2.8	2.8
At 1 January 2017:			
Cost	8.8	18.7	27.5
Accumulated depreciation	(8.7)	(16.8)	(25.5)
Net book value	0.1	1.9	2.0

17. PROPERTY DEVELOPMENT ACTIVITIES

		Group			
		2018		2017	
(a)	Land held for property development:				
	Freehold land		**191.6**		194.0
	Leasehold land		**72.2**		68.1
	Development costs		**112.4**		122.2
	Accumulated impairment		**(5.5)**		(5.5)
			370.7		378.8
	At 1 January				
	- freehold land	**194.0**		196.3	
	- leasehold land	**68.1**		68.1	
	- development costs	**122.2**		114.5	
	- accumulated impairment	**(5.5)**	**378.8**	(4.7)	374.2
	Costs incurred during the financial year				
	- leasehold land	**4.1**		-	
	- development costs	**4.5**	**8.6**	6.2	6.2
	Costs charged to profit or loss		**(0.1)**		-
	Write-down charged to profit or loss		**-**		(0.8)
	Costs transferred to property development costs (see Note 17(b))				
	- freehold land	**(2.3)**		(2.4)	
	- development costs	**(14.3)**	**(16.6)**	(4.4)	(6.8)
	Costs transferred from assets classified as held for sale				
	- freehold land	**-**		0.1	
	- development costs	-	**-**	5.9	6.0
	At 31 December		**370.7**		378.8
(b)	Property development costs:				
	Freehold land		**5.2**		4.2
	Development costs		**84.3**		48.7
	Accumulated costs charged to income statement		**(44.7)**		(21.7)
			44.8		31.2
	At 1 January				
	- freehold land	**4.2**		2.7	
	- development costs	**48.7**		68.3	
	- accumulated costs charged to income statement	**(21.7)**	**31.2**	(21.0)	50.0
	Costs incurred during the financial year				
	- development costs		**68.1**		47.6
	Costs charged to income statement		**(55.3)**		(44.1)
	Costs transferred from land held for property development (see Note 17(a))		**16.6**		6.8
	Costs transferred to inventories				
	- freehold land	**(1.3)**		(0.9)	
	- development costs	**(46.8)**		(71.6)	
	- accumulated costs charged to income statement	**32.3**	**(15.8)**	43.4	(29.1)
	At 31 December		**44.8**		31.2

18. INVESTMENT PROPERTIES

	Group	
	2018	2017
Net Book Value:		
At 1 January	**1,965.3**	2,099.6
Additions	**0.1**	51.2
Transfer from property, plant and equipment (see Note 16)	**24.5**	1.2
Depreciation charged for the financial year	**(16.5)**	(15.8)
Derecognition of investment property	**-**	(41.5)
Foreign exchange differences	**21.8**	(129.4)
At 31 December	**1,995.2**	1,965.3

	31.12.2018	31.12.2017	1.1.2017
Cost	**2,329.3**	2,277.0	2,425.1
Accumulated depreciation	**(300.6)**	(278.0)	(289.3)
Accumulated impairment losses	**(33.5)**	(33.7)	(36.2)
Net book value	**1,995.2**	1,965.3	2,099.6
Fair value at end of the financial year	**3,956.9**	3,650.7	3,590.9

Certain investment properties within the UK business segment amounting to RM179.2 million (31 December 2017: RM185.8 million, 1 January 2017: Nil) have been pledged as collateral for the Group's GBP borrowings.

Fair values of the Group's investment properties at the end of the financial year have been determined by independent professional valuers based on the market comparison approach that reflect the recent transaction prices for similar properties in size and type within the vicinity and are within Level 2 of the fair value hierarchy, except for the Group's investment properties in Miami, Florida, US which have been determined by independent professional valuers based on the income approach of the respective properties and are within Level 3 of the fair value hierarchy. The recoverable amounts of the Group's properties at Omni Center in the City of Miami, Florida, US were assessed together with the related goodwill arising from the acquisition of Omni Center. The calculations require the use of estimates as set out in Note 20.

The aggregate rental income and direct operating expenses arising from investment properties of the Group that generated rental income which was recognised during the financial year amounted to RM85.7 million and RM39.6 million (2017: RM87.8 million and RM53.5 million) respectively.

The direct operating expenses incurred from investment properties of the Group which did not generate rental income during the financial year amounted to RM7.6 million (2017: RM7.4 million).

19. LEASEHOLD LAND USE RIGHTS

	Group	
	2018	2017
Net Book Value:		
At 1 January	**641.0**	495.8
Additions	**37.5**	50.4
Assets of subsidiaries acquired	**-**	163.3
Disposal of a subsidiary	**-**	(43.0)
Amortisation	**(4.3)**	(1.7)
Amortisation capitalised under property, plant and equipment (see Note 16)	**(0.3)**	(0.3)
Foreign exchange differences	**(9.3)**	(23.5)
At 31 December	**664.6**	641.0

	31.12.2018	31.12.2017	1.1.2017
Cost	**692.7**	665.2	519.6
Accumulated amortisation	**(28.1)**	(24.2)	(23.8)
Net book value	**664.6**	641.0	495.8

Leasehold land use rights of certain subsidiaries with an aggregate carrying value of RM540.6 million (31 December 2017: RM469.1 million, 1 January 2017: RM398.9 million) have been pledged as securities for borrowings.

The Group holds land use rights in Indonesia in the form of Hak Guna Usaha ("HGU"), which give the rights to cultivate land for agricultural purposes with expiry dates between 2037 and 2053. The Group also holds other rights relating to certain plots of land in Indonesia and the Group is at various stages of the application process in converting such rights to HGU.

20. INTANGIBLE ASSETS

Group	Goodwill	Casino licences	Licences	Trademarks	Other intangibles	Total
Net Book Value:						
At 1 January 2018	**951.1**	**2,265.7**	**2,463.9**	**76.9**	**146.2**	**5,903.8**
Foreign exchange differences	**6.9**	**(64.2)**	**57.1**	**(2.1)**	**1.7**	**(0.6)**
Additions	**-**	**-**	**-**	**-**	**25.0**	**25.0**
Written off	**-**	**-**	**-**	**-**	**(4.0)**	**(4.0)**
Amortisation	**-**	**(65.9)**	**(116.6)**	**-**	**(8.1)**	**(190.6)**
Impairment losses	**(41.6)**	**-**	**(14.9)**	**-**	**-**	**(56.5)**
At 31 December 2018	**916.4**	**2,135.6**	**2,389.5**	**74.8**	**160.8**	**5,677.1**
At 31 December 2018:						
Cost	**2,331.4**	**2,770.8**	**3,205.4**	**74.8**	**250.0**	**8,632.4**
Accumulated amortisation	**-**	**(194.5)**	**(796.0)**	**-**	**(53.4)**	**(1,043.9)**
Accumulated impairment losses	**(1,415.0)**	**(440.7)**	**(19.9)**	**-**	**(35.8)**	**(1,911.4)**
Net book value	**916.4**	**2,135.6**	**2,389.5**	**74.8**	**160.8**	**5,677.1**
Net Book Value:						
At 1 January 2017	988.8	2,506.8	2,826.7	77.3	127.8	6,527.4
Foreign exchange differences	(33.5)	(11.2)	(238.3)	(0.4)	(5.5)	(288.9)
Additions	-	-	-	-	33.9	33.9
Amortisation	-	(68.5)	(124.5)	-	(7.6)	(200.6)
Adjustments (see note (a) Goodwill-Indonesia (ii) below)	(4.2)	-	-	-	-	(4.2)
Impairment losses	-	(161.4)	-	-	(2.4)	(163.8)
At 31 December 2017	951.1	2,265.7	2,463.9	76.9	146.2	5,903.8
At 31 December 2017:						
Cost	2,363.0	2,845.6	3,128.9	76.9	229.5	8,643.9
Accumulated amortisation	-	(127.0)	(659.9)	-	(46.6)	(833.5)
Accumulated impairment losses	(1,411.9)	(452.9)	(5.1)	-	(36.7)	(1,906.6)
Net book value	951.1	2,265.7	2,463.9	76.9	146.2	5,903.8
At 1 January 2017:						
Cost	2,413.1	2,863.6	3,423.9	77.3	205.2	8,983.1
Accumulated amortisation	-	(61.4)	(592.0)	-	(40.7)	(694.1)
Accumulated impairment losses	(1,424.3)	(295.4)	(5.2)	-	(36.7)	(1,761.6)
Net book value	988.8	2,506.8	2,826.7	77.3	127.8	6,527.4

The other intangible assets comprised software development, patents and research and development costs.

Included in the licences is an amount of RM2,321.4 million (31 December 2017: RM2,362.6 million, 1 January 2017: RM2,701.0 million) which has been pledged as collateral for the Genting Malaysia Group's USD borrowing.

INTANGIBLE ASSETS (Cont'd)

(a) Impairment tests for goodwill and other intangible assets with indefinite useful lives

Goodwill and other intangible assets with indefinite useful lives are allocated to the Group's cash-generating units ("CGU") identified according to geographical area and business segments.

A segment-level summary of the Group's net book value of goodwill and other intangible assets with indefinite useful lives allocation is as follows:

Group	**2018**	2017
Goodwill – leisure and hospitality segment:		
Malaysia	**277.1**	277.1
United Kingdom	**26.7**	27.4
United States of America	**44.0**	42.0
Singapore	**380.8**	379.3
Goodwill – others:		
United Kingdom – investment and others segment	**40.9**	82.1
Indonesia – plantation and oil and gas segment	**146.9**	143.2
Intangible assets other than goodwill:		
United Kingdom – leisure and hospitality segment		
- casino licences	**2,129.1**	2,192.4
- trademarks	**71.6**	73.7
Isle of Man – leisure and hospitality segment		
- trademarks	**3.2**	3.2

Goodwill – Malaysia

The impairment test for goodwill relating to the Malaysia CGU was assessed using the VIU method. Cash flow projections used in this calculation were based on financial budgets approved by management covering a three-year period. Cash flows beyond the three-year period were extrapolated using the estimated growth rate stated below. The growth rate did not exceed the long-term average growth rate for the leisure & hospitality industry in which the CGU operates.

Key assumptions used in the VIU calculation for 2018 include a growth rate and discount rate of 3.5% and 8.8% (2017: 1.0% and 10.2%) respectively.

Based on the impairment assessment, no impairment is required for goodwill attributed to the Malaysia CGU (2017: Nil).

If the growth rate is reduced by 0.35% and all other variables including tax rate are being held constant, the impairment loss of intangible assets will increase by RM50.3 million.

If the discount rate is 0.3% higher and all other variables including tax rate are being held constant, the impairment loss of intangible assets and property, plant and equipment will increase by RM31.6 million.

In previous financial year, there was no reasonably possible changes in any of the key assumptions used that would cause the carrying amount of this CGU to materially exceed the recoverable amount.

INTANGIBLE ASSETS (Cont'd)

Goodwill and other intangible assets– UK

(i) Goodwill and other intangible assets with indefinite useful lives – casino business in UK

Goodwill arising from the acquisition of UK casino business is allocated to the leisure and hospitality segment in UK for the purposes of impairment review. The casino licences, considered to have indefinite useful lives, are assigned to smaller CGU for the purposes of impairment review. Casinos that are located within the same "permitted" area where the nature of the customers is such that they move between casinos, these casinos have then been grouped together and treated as a single CGU. This has resulted in 27 separate CGUs for purposes of impairment review in 2018 (2017: 27 CGUs).

The recoverable amounts of goodwill, casino licences and trademarks in the UK were determined based on the higher of fair value less cost to sell and value in use. Estimate of fair value have been determined with reference to an external valuation and is within Level 3 of fair value hierarchy. VIU has been calculated using cash flow projections with a "base" cash flow for 2019 calculated using a combination of historic financial information (5 years) and financial projections for the following year. The base cash flows has been extrapolated for a further 4 years using an annual and long term growth rate of 2.0% (2017: 2.0%), including inflation.

Key assumptions used for VIU calculations include:

	Leisure and hospitality	
	2018	2017
Growth rate	**2.00%**	2.00%
Discount rate	**7.75%**	7.75%

The growth rate did not exceed the long-term average growth rate for the leisure and hospitality industry in which the CGUs operate and is consistent with the forecasts included in industry reports.

Based on the above impairment assessment, no impairment is required for casino business in UK (2017: impairment losses of RM161.4 million on casino licences and RM2.0 million on property, plant and equipment in respect of casino business in UK).

If the growth rate is reduced to 1.75% (2017: 1.75%) and all other variables including tax rate are being held constant, there would be impairment losses of intangible assets and property, plant and equipment of RM7.0 million (2017: impairment losses increase by RM67.0 million).

If the discount rate is 0.25% (2017: 0.25%) higher and all other variables including tax rate are being held constant, there would be impairment losses of intangible assets and property, plant and equipment of RM8.6 million (2017: impairment losses increase by RM65.4 million).

INTANGIBLE ASSETS (Cont'd)

Goodwill and other intangible assets – UK (cont'd)

(ii) Goodwill – Acquisition of DNAe Group Holdings Limited ("DNAe Group") and DNA Electronics, Inc ("DNA Electronics")

The impairment test for goodwill relating to the acquisition of DNAe Group and DNA Electronics was assessed using the VIU method. Cash flow projections used in this calculation were based on financial budgets covering a twelve-year period in consideration of its nature of the business in research and development which requires a longer period. Cash flows beyond the twelve-year period were extrapolated using the estimated growth rate stated below.

Key assumptions used in the VIU calculation include a growth rate and discount rate of 1.0% and 30% (2017: 1.0% and 30%) respectively.

Based on the impairment assessment and discontinuation of one of the two research and development programs in 2018, the Group recorded an impairment loss of RM41.6 million on the goodwill attributed to the acquisition of DNAe Group and DNA Electronics.

If a change in the discount rate to above 38%, and other variables including tax rate being held constant, the remaining goodwill of RM40.9 million will be fully impaired.

Goodwill – United States of America ("US")

The goodwill attributable to the US CGU arose from the acquisition of Omni Center in the City of Miami, Florida, US.

The Group has engaged an independent professional valuer to carry out a formal valuation of Omni Center, which includes a hotel and office building in 2018. The fair value of the retail shops and development parcel is determined based on valuation carried out by an independent property valuer in 2017. The recoverable amounts of the Omni Center were determined based on the FVLCTS of the respective properties using the income approach and are within Level 3 of the fair value hierarchy. Key assumptions used include growth rates of 3.0% to 7.0% (2017: 3.0% to 6.4%) and discount rates of 15.5% to 24.4% (2017: 17.5% to 23.8%). Based on the impairment assessment, no impairment is required for goodwill attributed to the US CGU.

There are no reasonably possible changes in any of the key assumptions used that would cause the carrying amount of this CGU to materially exceed the recoverable amount.

INTANGIBLE ASSETS (Cont'd)

Goodwill – Singapore

The goodwill attributed to the Singapore CGU mainly arose from the acquisition of Resorts World at Sentosa Pte. Ltd. which has developed the first integrated resort in Singapore. The impairment test for goodwill relating to the Singapore CGU was assessed using the VIU method. Cash flow projections used in this calculation were based on financial budgets approved by management. The cash flow projection covers a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below. The growth rate did not exceed the long-term average growth rate for the leisure and hospitality industry in which the CGU operates.

Key assumptions used in the VIU calculation for 2018 include a growth rate and discount rate of 2.00% and 7.31% (2017: 2.00% and 6.24%) respectively.

Based on the impairment assessment, no impairment is required for goodwill attributed to the Singapore CGU. A reasonably possible change in a key assumption on which management has based its determination of the CGU's recoverable amount would not cause its carrying amount to exceed its recoverable amount.

Goodwill – Indonesia

(i) Acquisition of AsianIndo Holdings Pte Ltd ("AIH")

Goodwill arose due to the Group's acquisition in AsianIndo Holdings Pte Ltd. The impairment test for goodwill was based on FVLCTS model, benchmarking to the most recent transacted prices of plantation lands in Indonesia.

(ii) Acquisition of PT Varita Majutama ("PTVM")

Goodwill arose from the acquisition of 95% equity interest in PTVM which was completed on 18 July 2014. In the previous financial year, PTVM participated in the Indonesian Government's tax amnesty programme which resulted an increase in the net assets by RM4.2 million and a corresponding decrease in goodwill of the same amount. The impairment of goodwill was assessed collectively with exploration costs (see Note 21) as the acquisition of PTVM was in relation to the Group's oil and gas activities.

(b) Licences with definite useful lives

Included in licences as at 31 December 2018 is an amount of RM26.9 million (31 December 2017: RM26.9 million, 1 January 2017: RM30.4 million) related to casino licences of Bimini operations. The Group carried out the impairment assessment of the casino licences together with the Bimini Assets as disclosed in Note 16(b).

All the above impairment assessments are based on past performance, management's expectations for the future and external sources where applicable.

21. RIGHTS OF USE OF OIL AND GAS ASSETS

2018 **Group**	**Exploration costs**	**Rights and concessions**	**Production wells, related equipment and facilities**	**Development costs - work-in-progress**	**Total**
Cost:					
At 1 January 2018	**2,936.9**	**745.4**	**270.7**	**-**	**3,953.0**
Additions	**2.6**	**-**	**61.2**	**21.0**	**84.8**
Reclassification	**(1,853.0)**	**-**	**-**	**1,853.0**	**-**
Adjustments (*see note (i) below*)	**(109.7)**	**-**	**-**	**(45.2)**	**(154.9)**
Foreign exchange differences	**75.1**	**19.1**	**6.9**	**(0.2)**	**100.9**
At 31 December 2018	**1,051.9**	**764.5**	**338.8**	**1,828.6**	**3,983.8**
Depletion, depreciation and amortisation:					
At 1 January 2018	**-**	**(191.4)**	**(153.5)**	**-**	**(344.9)**
Charge for the financial year	**-**	**(45.3)**	**(37.6)**	**-**	**(82.9)**
Foreign exchange differences	**-**	**(6.6)**	**(5.2)**	**-**	**(11.8)**
At 31 December 2018	**-**	**(243.3)**	**(196.3)**	**-**	**(439.6)**
Net book value:					
As at 31 December 2018	**1,051.9**	**521.2**	**142.5**	**1,828.6**	**3,544.2**
2017 **Group**					
Cost:					
At 1 January 2017	3,196.9	817.8	339.5	-	4,354.2
Additions	30.2	-	0.7	-	30.9
Written off	(7.4)	-	-	-	(7.4)
Adjustments (*see note (ii) below*)	-	-	(39.4)	-	(39.4)
Foreign exchange differences	(282.8)	(72.4)	(30.1)	-	(385.3)
At 31 December 2017	2,936.9	745.4	270.7	-	3,953.0
Depletion, depreciation and amortisation:					
At 1 January 2017	-	(156.6)	(127.9)	-	(284.5)
Charge for the financial year	-	(51.3)	(38.9)	-	(90.2)
Foreign exchange differences	-	16.5	13.3	-	29.8
At 31 December 2017	-	(191.4)	(153.5)	-	(344.9)
Net book value:					
As at 31 December 2017	2,936.9	554.0	117.2	-	3,608.1
As at 1 January 2017	3,196.9	661.2	211.6	-	4,069.7

Notes:

(i) Adjustments in the current financial year were due to changes in accrued capital expenditure upon finalisation of integrated drilling services.

(ii) Adjustments in the previous financial year were due to changes in estimates for asset retirement obligations and accrued capital expenditure finalised.

RIGHTS OF USE OF OIL AND GAS ASSETS (Cont'd)

Exploration and development costs comprise of drilling and field operation support costs for Kasuri block in Indonesia. These costs remain capitalised as the Group is committed to continue exploring these interests.

Rights of use of oil and gas assets with a carrying amount of approximately RM582.1 million (31 December 2017: RM591.7 million, 1 January 2017: RM785.5 million) have been pledged as collateral as at 31 December 2018 for the USD borrowing in the Group's oil and gas business.

In April 2018, Genting Oil Kasuri Pte Ltd ("GOKPL"), an indirect subsidiary of the Company, has received approval from the Ministry of Energy and Mineral Resources of the Republic of Indonesia for a first phase Plan of Development for the Asap, Merah and Kido fields. These fields are within the concession area for the Kasuri Block in West Papua, Indonesia, awarded to GOKPL pursuant to a production sharing contract signed in May 2008 between GOKPL and BP MIGAS, (the "Kasuri PSC") the Indonesian oil and gas regulator (which had since been succeeded by SKK MIGAS). The concession period for GOKPL for the Kasuri PSC ends in 2038.

Rights of use of oil and gas assets for Kasuri block of RM2,962.1 million (31 December 2017: RM3,016.4 million, 1 January 2017: RM3,889.3 million) has been allocated into two Cash Generating Units ("CGU") – Asap, Merah and Kido fields ("AMK CGU"), grouped under development costs and other fields ("Others CGU"), grouped under exploration costs. The recoverable amount of AMK CGU was assessed based on the VIU method. VIU has been calculated using discounted cash flow projections over the concession period based on the proposed structures as outlined in the approved Plan of Development. Key assumptions used for the cash flow projections include a projected gas price, escalated at 2.0% (2017: 2.0%) per annum, a discount rate of 9.5% (2017: 8.5%) and gas production profile based on independent oil and gas reserve experts. Based on the impairment assessment, no impairment is required for AMK CGU.

The calculation of VIU from the discounted cash flow projections is sensitive to the assumptions set out above. If the gas price is reduced by 9.6% (2017: 14.1%) or the discount rate is increased to 10.6% (2017: 10.1%), the VIU will approximate the carrying amount for AMK CGU.

Others CGU together with the goodwill which arose from the acquisition of a 95% equity interest in PTVM were assessed collectively in accordance with MFRS 6 "Exploration for and Evaluation of Mineral Resources". Based on the assessment, there is no impairment indicator as at 31 December 2018 (2017: Nil) as the Group continues to carry out its exploration and evaluation works in this CGU.

22. SUBSIDIARIES

	Company		
	31.12.2018	31.12.2017	1.1.2017
Investment in subsidiaries:			
Quoted shares in Malaysia – at cost	**803.2**	803.2	803.2
Unquoted shares – at cost	**14,684.9**	14,137.7	13,897.2
	15,488.1	14,940.9	14,700.4
Less: Accumulated impairment losses	**(1,487.1)**	(654.5)	(343.0)
	14,001.0	14,286.4	14,357.4
Market value of quoted shares	**12,536.7**	19,946.3	17,151.8
Amounts due from subsidiaries are unsecured and comprise:			
Current:			
Interest free	**136.5**	183.0	275.4
Less: Accumulated impairment losses	**(103.0)**	(116.6)	-
	33.5	66.4	275.4
Non-current:			
Interest free	**369.5**	68.7	68.7
Less: Accumulated impairment losses	**(13.6)**	-	-
	355.9	68.7	68.7
	389.4	135.1	344.1
Amounts due to subsidiaries are unsecured and comprise:			
Current:			
Interest bearing	**1,596.2**	-	99.1
Interest free	**70.6**	62.5	56.4
	1,666.8	62.5	155.5
Non-current:			
Interest bearing	**1,997.0**	3,592.8	3,592.5
	3,663.8	3,655.3	3,748.0

The subsidiaries are listed in Note 49.

(a) The market values of quoted shares are traded in an active market and are within Level 1 of the fair value hierarchy.

(b) Included in the interest bearing amounts due to subsidiaries are loans obtained by the Company from the following subsidiaries:

(i) RM1.45 billion loan from GB Services Berhad, a wholly owned subsidiary of the Company on 12 November 2009. The loan bears an effective interest rate of 5.3% (2017: 5.3%) per annum. The entire principal amount of the loan shall be repaid by 8 November 2019 provided always that the entire principal amount or any portion thereof, and any accrued and unpaid interest thereon shall be immediately due and payable upon the earlier of (i) 8 November 2019; or (ii) request(s) from GB Services Berhad for early prepayment of the loan or any portions thereof; or (iii) the acceleration of the loan. This loan including its accrued interest has been reclassified to current liability as at 31 December 2018.

SUBSIDIARIES (Cont'd)

(ii) RM0.5 billion loan from Genting Capital Berhad, a wholly owned subsidiary of the Company on 8 June 2012. The loan bears an effective interest rate of 4.42% (2017: 4.42%) per annum. The entire principal amount of the loan shall be repaid by 8 June 2022 provided always that the entire principal amount or any portion thereof, and any accrued and unpaid interest thereon shall be immediately due and payable upon the earlier of (i) 8 June 2022; or (ii) request(s) from Genting Capital Berhad for early prepayment of the loan or any portions thereof; or (iii) the acceleration of the loan.

(iii) RM1.5 billion loan from Genting Capital Berhad, a wholly owned subsidiary of the Company on 8 June 2012. The loan bears an effective interest rate of 4.86% (2017: 4.86%) per annum. The entire principal amount of the loan shall be repaid by 8 June 2027 provided always that the entire principal amount or any portion thereof, and any accrued and unpaid interest thereon shall be immediately due and payable upon the earlier of (i) 8 June 2027; or (ii) request(s) from Genting Capital Berhad for early prepayment of the loan or any portions thereof; or (iii) the acceleration of the loan.

The subsidiary has given an undertaking not to demand repayment of the total RM2.0 billion loan from Genting Capital Berhad in the next 12 months from end of reporting date.

(iv) The total outstanding loan of RM99.1 million from Suasana Duta Sdn Bhd, a wholly owned subsidiary of the Company, has been fully repaid in the previous financial year ended 31 December 2017.

Fair value of the interest bearing amounts due to subsidiaries as at 31 December 2018 was RM3,620.5 million (2017: RM3,616.6 million). The fair values have been estimated from the prospective market participants that hold similar borrowings and are within Level 2 of the fair value hierarchy. Other amounts due from/to subsidiaries have no fixed repayment terms and the carrying amounts approximate their fair values.

(c) As at 31 December 2018, the Company's percentage shareholding in Genting Malaysia was 49.5% (2017: 49.3%).

Genting Malaysia's financial results are consolidated with those of the Company as its subsidiary notwithstanding the Company's shareholding of less than 50% in Genting Malaysia. The Company is the single largest shareholder of Genting Malaysia with all other shareholders having dispersed shareholding, and has consistently and regularly held a majority of the voting rights exercised at Genting Malaysia's general meetings, and no other shareholder directly or indirectly controls a higher share of voting rights than the Company. In addition, the Company has control over Genting Malaysia by virtue of the ability to manage the financial and operating policies of Genting Malaysia's principal asset, Resorts World Genting, pursuant to an agreement between one of the Company's wholly owned subsidiaries and Genting Malaysia.

(d) During the current financial year, the Company subscribed to 80,000 Convertible, Non-Cumulative Irredeemable Preference Shares issued by its wholly owned subsidiary, Peak Avenue Limited, which amounted to RM311.2 million.

(e) During the current financial year, the Company subscribed to 58,242,000 Convertible, Non-Cumulative Irredeemable Preference Shares issued by its wholly owned subsidiary, Genting Genomics Limited, which amounted to RM236.0 million.

SUBSIDIARIES (Cont'd)

(f) Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The financial information is based on amounts before inter-company eliminations.

31 December 2018

Summarised financial information	**Genting Singapore**	**Genting Malaysia**	**Genting Plantations**
Statements of Financial Position:			
Current assets	**13,787.4**	**9,338.9**	**2,136.0**
Non-current assets	**15,968.0**	**22,379.0**	**5,698.3**
Current liabilities	**(2,628.2)**	**(3,383.4)**	**(883.3)**
Non-current liabilities	**(3,421.5)**	**(10,381.2)**	**(2,638.5)**
Net assets	**23,705.7**	**17,953.3**	**4,312.5**
Accumulated non-controlling interests of the Group at the end of the reporting year	**11,453.7**	**9,047.1**	**2,159.9**
Income Statements:			
Revenue for the financial year	**7,597.5**	**9,927.6**	**1,902.9**
Profit/(Loss) for the financial year	**2,260.2**	**(86.3)**	**147.0**
Total comprehensive income/(loss) for the financial year	**2,259.9**	**(44.4)**	**(73.7)**
Profit/(Loss) for the financial year attributable to non-controlling interests of the Group	**1,068.1**	**(77.3)**	**61.8**
Statements of Cash Flows:			
Cash inflows from operating activities	**3,492.5**	**2,610.5**	**256.0**
Cash outflows from investing activities	**(320.9)**	**(1,821.2)**	**(116.9)**
Cash (outflows)/inflows from financing activities	**(2,021.6)**	**1,199.1**	**(402.3)**
Net increase/(decrease) in cash and cash equivalents	**1,150.0**	**1,988.4**	**(263.2)**
Dividend paid to non-controlling interests of the Group	**606.8**	**543.8**	**100.4**

SUBSIDIARIES (Cont'd)

(f) Summarised financial information on subsidiaries with material non-controlling interests (cont'd)

31 December 2017

Summarised financial information	**Genting Singapore**	**Genting Malaysia**	**Genting Plantations**
Statements of Financial Position:			
Current assets	12,555.3	7,059.1	2,761.0
Non-current assets	16,589.9	22,909.3	5,712.3
Current liabilities	(2,627.8)	(3,253.1)	(990.4)
Non-current liabilities	(3,941.2)	(7,585.0)	(2,909.9)
Net assets	22,576.2	19,130.3	4,573.0
Accumulated non-controlling interests of the Group at the end of the reporting year	10,904.6	9,717.5	2,300.9
Income Statements:			
Revenue for the financial year	7,450.1	9,330.3	1,808.8
Profit for the financial year	2,134.7	1,072.6	341.9
Total comprehensive income for the financial year	2,094.7	342.1	168.6
Profit for the financial year attributable to non-controlling interests of the Group	883.1	436.7	168.3
Statements of Cash Flows:			
Cash inflows from operating activities	3,810.1	2,154.8	596.0
Cash inflows/(outflows) from investing activities	1,386.0	(2,280.6)	(813.8)
Cash (outflows)/inflows from financing activities	(8,417.9)	1,441.9	207.5
Net (decrease)/increase in cash and cash equivalents	(3,221.8)	1,316.1	(10.3)
Dividend paid to non-controlling interests of the Group	516.2	502.7	97.5

SUBSIDIARIES (Cont'd)

(f) Summarised financial information on subsidiaries with material non-controlling interests (cont'd)

1 January 2017

Summarised financial information	**Genting Singapore**	**Genting Malaysia**	**Genting Plantations**
Statements of Financial Position:			
Current assets	18,079.5	6,129.2	2,522.1
Non-current assets	17,349.7	21,765.2	4,956.8
Current liabilities	(1,958.1)	(4,032.9)	(443.5)
Non-current liabilities	(3,972.6)	(4,129.2)	(2,488.4)
Net assets	29,498.5	19,732.3	4,547.0
Accumulated non-controlling interests of the Group at the end of the reporting year	10,748.6	10,145.3	2,268.5

23. JOINT VENTURES

	Group		
	31.12.2018	31.12.2017	1.1.2017
Unquoted:			
Shares in foreign corporations	**1,370.0**	1,056.8	1,091.9
Shares in a Malaysian company	**-**	1.1	1.1
Group's share of post acquisition reserves	**297.8**	157.4	193.3
Less: Accumulated impairment losses	**-**	(1.5)	(1.5)
	1,667.8	1,213.8	1,284.8
Amounts due from joint ventures comprise:			
- non-current (see Note 28)	**136.8**	287.1	297.9
- current	**149.9**	4.2	3.8
	286.7	291.3	301.7
Amounts due to joint ventures comprise:			
- current	**(53.5)**	(112.4)	(128.0)

JOINT VENTURES (Cont'd)

The joint ventures are listed in Note 49.

The amounts due from joint ventures represent an unsecured and interest free loan to a joint venture which is repayable in tranches from 2019 to 2022 and the balance of purchase price receivable from the sale of land to Genting Simon Sdn Bhd ("Genting Simon") by Genting Property Sdn Bhd, a wholly owned subsidiary of Genting Plantations. The amounts due from joint ventures included in current assets are expected to be receivable within the next twelve months. Amounts due to joint ventures are unsecured, interest free and repayable in demand.

During the current financial year, Elevance Renewable Sciences Inc. ("Elevance") was reclassified from financial assets at FVTPL to a joint venture upon the completion of its debt restructuring exercise ("date of completion") (see Note 27). The Group has completed the PPA in accordance with MFRS 128 "Investments in Associates and Joint Ventures" and consequently, goodwill of RM148.6 million has been recognised in the investment in joint ventures. Fair value of the net assets at date of completion was RM377.1 million which mainly comprised intangible assets amounting to RM270.2 million.

Further to the debt restructuring exercise, the Group subscribed to additional shares or a 7.46% stake in Elevance for a cash consideration amounting to RM35.8 million. The Group's interest was reduced to 47.77% following issuance of shares by Elevance to other investors. The loss from dilution of interest of RM1.8 million was recognised in the income statement.

The following table summarises, in aggregate, the financial information of all individually immaterial joint ventures that are accounted for using the equity method:

	All Joint Ventures	
	2018	2017
Carrying amount	**1,667.8**	1,213.8
Share of profit from continuing operations	**141.3**	38.8
Share of other comprehensive income/(loss)	**0.9**	(9.1)
Share of total comprehensive income	**142.2**	29.7

There are no contingent liabilities relating to the Group's interest in joint ventures at the reporting date (31 December 2017 and 1 January 2017: Nil).

24. ASSOCIATES

	Group		
	31.12.2018	31.12.2017	1.1.2017
Unquoted – at cost:			
Shares in foreign corporations	**508.1**	592.2	659.5
Shares in Malaysian companies	**1.9**	2.1	2.1
Group's share of post acquisition reserves	**217.1**	209.6	361.7
Less: Accumulated impairment losses	**(16.3)**	(83.7)	-
	710.8	720.2	1,023.3
Amounts due from associates comprise:			
- current	**4.4**	1.1	7.0

The associates are listed in Note 49.

The amounts due from/to associates represent outstanding amounts arising from trade transactions and advances and payments made on behalf of associates, are unsecured, interest free and repayable on demand.

In the previous financial year, the Group had impaired its investment in Lanco Kondapalli Power Limited ("Lanco Kondapalli") due to the adverse performance of its power plant for a prolonged period. In November 2017, Lanco Kondapalli carried out a debt restructuring exercise to convert its debt into equity shares. Upon completion of this debt restructuring exercise, the Group's shareholding in Lanco Kondapalli was reduced from 31.9% to 15.3%. Subsequent to the debt restructuring, Lanco Kondapalli ceased to be an associate and was reclassified as AFS.

In the previous financial year, the Group had also impaired a life sciences associated company which was in the process of being wound up. The associate was subsequently derecognised in 2018 as it was wound up.

The following table summarises, in aggregate, the financial information of all individually immaterial associates that are accounted for using the equity method:

	All Associates	
	2018	2017
Carrying amount	**710.8**	720.2
Share of loss from continuing operations	**(6.9)**	(85.9)
Share of other comprehensive income/(loss)	**13.3**	(47.3)
Share of total comprehensive income/(loss)	**6.4**	(133.2)

There are no contingent liabilities relating to the Group's interest in associates at the reporting date (31 December 2017 and 1 January 2017: Nil).

25. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		
	31.12.2018	31.12.2017*	1.1.2017
Equity investments in foreign corporations			
- Quoted	-	271.3	430.6
- Unquoted	-	1,151.4	1,351.6
Equity investments in Malaysian corporations			
- Quoted	-	115.8	100.5
- Unquoted	-	2.1	2.1
Debt securities in foreign corporations			
- Quoted	-	548.0	341.6
- Unquoted	-	116.9	260.3
Income funds in Malaysian corporation			
- Unquoted	-	620.0	1,250.0
	-	2,825.5	3,736.7
Analysed as follows:			
Current	-	868.1	1,619.7
Non-current	-	1,957.4	2,117.0
	-	2,825.5	3,736.7

* Following the adoption of MFRS 9, these investments were classified as financial assets at FVOCI, financial assets at FVTPL and other receivables in 2018 (see Notes 26, 27 and 28).

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group		
	31.12.2018	31.12.2017*	1.1.2017
Equity investments in foreign corporations			
- Quoted	**400.1**	-	-
- Unquoted	**429.5**	-	-
Equity investments in Malaysian corporations			
- Quoted	**66.3**	-	-
- Unquoted	**1.6**	-	-
	897.5	-	-
Analysed as follows:			
Current	**383.2**	-	-
Non-current	**514.3**	-	-
	897.5	-	-

* These investments were classified as AFS in 2017 (see Note 25).

Following the adoption of MFRS 9 on 1 January 2018, the Group has made an irrevocable election to classify RM1,039.2 million of the Group's equity investments previously classified as AFS to financial assets at FVOCI. The Group considers this classification to be more relevant as these instruments are strategic investments of the Group which are not held for trading purposes.

Other equity investments are classified as financial assets at FVTPL. Certain available-for-sale investments in debt instruments and income funds that do not meet the criteria for classification either as FVOCI or at amortised cost have been classified as financial assets at FVTPL. Accordingly, RM1,785.9 million has been classified as financial assets at FVTPL and their related fair value losses of RM4.6 million were transferred from fair value reserves to retained earnings on 1 January 2018.

Included in equity investment in Malaysian corporations of the Group is a 50% equity investment of RM1 held in trust for a third party which the Group has no beneficial interest.

The fair values of quoted equity investments are determined by reference to the bid price on the relevant stock exchanges.

The fair values of certain unquoted equity investments are determined based on the valuation techniques supported by observable market data or past transaction prices of similar shares issued by the foreign corporations and applying an appropriate risk-free interest rate, adjusted for non-performing risk and key assumptions to industry experience.

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The carrying amounts of financial assets at FVTPL are classified as follows:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Equity investments in foreign corporations			
- Quoted	**6.2**	7.4	10.8
Debt securities in foreign corporations			
- Quoted	**557.9**	-	-
- Unquoted	**121.7**	-	-
Income funds in Malaysian corporation		-	-
- Unquoted	**751.6**	-	-
	1,437.4	7.4	10.8
Analysed as follows:			
Current	**757.8**	7.4	10.8
Non-current	**679.6**	-	-
	1,437.4	7.4	10.8

The fair values of the quoted equity investments and quoted debt securities are determined based on the quoted market bid prices available on the relevant stock exchanges. The fair values of the unquoted debt securities are determined based on the price traded over the counter. The income funds are redeemable at the holder's discretion and the fair values are based on the fair values of the underlying net assets.

Following the adoption of MFRS 9 on 1 January 2018, the Group classified RM1,785.9 million of the Group's certain investments in equity, debt instruments and income funds as financial assets at FVTPL.

On 31 May 2018, Elevance carried out a debt restructuring exercise to convert its debt into equity shares. Upon completion of this debt restructuring exercise, the Group obtained joint control over Elevance with an equity interest of 41.5% and therefore reclassified the investment of RM289.4 million as a joint venture (see Note 23).

28. OTHER NON-CURRENT ASSETS

	Group		
	31.12.2018	31.12.2017	1.1.2017
Contract assets (see Note 43)	**3,655.0**	3,624.1	3,814.5
Trade receivables	**-**	0.6	22.5
Promissory notes – unquoted (see note (i) below)	**-**	1,584.1	1,395.3
Other receivables (see note (ii) below)	**433.0**	378.6	329.0
Amounts due from joint ventures (see Note 23)	**136.8**	287.1	297.9
Deposits	**-**	-	183.9
Prepayments	**45.4**	47.0	56.1
Long term lease prepayments	**54.6**	58.9	65.0
Finance lease receivable (see note (iii) below)	**7.8**	39.4	-
	4,332.6	6,019.8	6,164.2

There were no non-current trade and other receivables that were past due but not impaired in the previous financial years. These receivables are not secured by any collateral.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

Notes:

(i)

	Group		
	31.12.2018	31.12.2017	1.1.2017
Non-current:			
Principal	**1,394.6**	1,305.6	1,280.3
Interest receivable	**439.7**	278.5	115.0
	1,834.3	1,584.1	1,395.3
Less: Impairment losses	**(1,834.3)**	-	-
	-	1,584.1	1,395.3
Current:			
Interest receivable (see Note 32)	**-**	-	7.6
	-	1,584.1	1,402.9

The Genting Malaysia Group subscribed to the Notes issued by the Tribe to finance the pre-development expenses of a destination resort casino in Taunton, Massachusetts, US. The Notes carry fixed interest rates of 12% and 18% per annum (2017: 12% and 18% per annum). These Notes were classified as other non-current assets in the previous financial year as the Genting Malaysia Group had expected the Notes to be recovered beyond 12 months from the end of the reporting date.

The recoverability of the Notes is dependent on the outcome of the pending legal case and/or review by the relevant government authority as well as any other options which allow the Tribe to have land in trust for a destination resort casino development. This has affected the ability of the Tribe to proceed with the development, which cash flows are expected to facilitate the repayment of the Notes when the casino commences operations. The development of the project is currently stalled pending further court developments and/or actions by relevant governmental authorities.

OTHER NON-CURRENT ASSETS (Cont'd)

Notes (cont'd):

(i) In September 2018, the US Federal Government issued a decision concluding that the Tribe did not satisfy the conditions under the Indian Reorganisation Act that allow the Tribe to have the land in trust for an integrated gaming resort development. The Group is currently deliberating the appropriate course of action by working closely with the Tribe to review all options available for the Group's investment in the Notes as well as its recoverability. This includes a legislation being introduced in the US Congress which, if passed, will entail the US Federal Government to reaffirm the land in trust for the benefit of the Tribe.

In view of the uncertainty of recovery of the Notes following the decision by US Federal Government above, the Group has recorded an impairment loss of RM1,834.3 million in relation to the Group's total investment (including accrued interest) during the current financial year. This impairment loss can be reversed when the Notes are assessed to be recoverable.

In the previous financial year, the Group had carried out impairment assessment on the recovery of the Notes based on the probable outcome of the pending legal case and decision by the relevant government authority as well as any other options allowing the Tribe to have land in trust for a destination resort casino development. Based on the review of the projected operational cash flows of the casino, the Notes were expected to be fully recovered and as such, no impairment was provided for the Notes.

(ii) Included in other receivables of the Group is an investment of RM150.0 million (2017: RM150.0 million) in unquoted preference shares in a Malaysian corporation. The preference shares carry a cumulative, non-compounding fixed dividend of 4% (2017: 4%) per annum and are subordinated to loan facilities undertaken by the issuer. The preference shares are redeemable in two equal tranches on the 8th and 9th anniversary of the issue date which can be extended by the issuer. However, the issuer may elect the following options prior to the 8th anniversary of the issue date:

(a) to extend the tenure of the preference shares by 1, 2 or 3 years from their original tenure stated above, where the preferential dividend rate applicable during the said extended tenure shall be at the rate of 1% above the fixed preferential dividend rate; or

(b) subject to the issuer being solvent at the time of the redemption of the preference shares, the issuer may at any time after the date of issuance of the preference shares and before the maturity date redeem any or all of the preference shares at the subscription price.

(iii) Genting Malaysia's finance lease receivable arose from a lease arrangement with Genting Highlands Premium Outlets Sdn Bhd, a wholly owned subsidiary of Genting Simon. The lease arrangement is accounted for as a finance lease in accordance with MFRS 117 "Leases". Genting Simon is a joint venture of the Genting Plantations Berhad Group. Genting Plantations Berhad ("Genting Plantations"), which is 51.4% owned by the Company.

	Group		
	31.12.2018	31.12.2017	1.1.2017
Lease receivables:			
Receivable within 1 to 5 years	**8.5**	42.3	-
Less: Unearned interest income	**(0.7)**	(2.9)	-
	7.8	39.4	-
Present value of minimum lease payments receivable:			
Receivable within 1 to 5 years	**7.8**	39.4	-

29. DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax relates to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Deferred tax assets						
- subject to income tax (see (i) below)	**394.9**	172.7	237.9	**30.3**	24.6	20.9
Deferred tax liabilities						
- subject to income tax	**(2,345.9)**	(2,205.3)	(2,063.3)	-	-	-
- subject to Real Property Gain Tax ("RPGT")	**(17.7)**	(9.5)	(9.5)	-	-	-
Total deferred tax liabilities (see (ii) below)	**(2,363.6)**	(2,214.8)	(2,072.8)	**-**	-	-
	(1,968.7)	(2,042.1)	(1,834.9)	**30.3**	24.6	20.9

	Group		Company	
	2018	2017	**2018**	2017
At 1 January, as previously reported	**(2,004.1)**	(1,832.3)	**24.6**	20.9
Effect of transition of FRSs to MFRSs and adjustments (see Note 44)	**(38.0)**	(2.6)	**-**	-
At 1 January, as restated	**(2,042.1)**	(1,834.9)	**24.6**	20.9
(Charged)/credited to income statements (see Note 13)				
- property, plant and equipment and investment properties	**(160.6)**	(75.3)	**0.2**	0.2
- intangible assets	**1.1**	9.6	**-**	-
- provisions	**182.1**	36.7	**5.5**	3.5
- impairment loss	**4.0**	33.6	**-**	-
- unutilised tax losses	**54.2**	(91.5)	**-**	-
- rights of use of oil and gas assets	**5.1**	(19.6)	**-**	-
- contract assets	**(35.8)**	(34.3)	**-**	-
- others	**8.1**	42.0	**-**	-
	58.2	(98.8)	**5.7**	3.7
Foreign exchange differences	**11.2**	46.2	**-**	-
Reclassified to liabilities held for sale (see Note 34)	**4.0**	3.9	**-**	-
Acquisition of subsidiaries	**-**	(158.5)	**-**	-
At 31 December	**(1,968.7)**	(2,042.1)	**30.3**	24.6

DEFERRED TAXATION (Cont'd)

		Group			Company		
		31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Subject to income tax/RPGT:							
(i)	Deferred tax assets (before offsetting)						
	- property, plant and equipment	**46.9**	29.9	30.3	**0.1**	-	-
	- land held for property development	**6.2**	4.9	4.1	**-**	-	-
	- provisions	**405.5**	213.2	157.0	**30.2**	24.7	21.2
	- tax losses	**267.1**	181.4	262.9	**-**	-	-
	- others	**50.5**	42.3	114.8	**-**	-	-
		776.2	471.7	569.1	**30.3**	24.7	21.2
	- offsetting	**(381.3)**	(299.0)	(331.2)	**-**	(0.1)	(0.3)
	Deferred tax assets (after offsetting)	**394.9**	172.7	237.9	**30.3**	24.6	20.9
(ii)	Deferred tax liabilities (before offsetting)						
	- property, plant and equipment and investment properties	**(2,332.5)**	(2,129.1)	(1,913.1)	**-**	(0.1)	(0.3)
	- land held for property development	**(5.2)**	(5.2)	(5.2)	**-**	-	-
	- intangible assets	**(73.4)**	(79.7)	(98.4)	**-**	-	-
	- rights of use of oil and gas assets	**(88.3)**	(91.3)	(79.7)	**-**	-	-
	- contract assets	**(186.6)**	(145.7)	(218.3)	**-**	-	-
	- others	**(58.9)**	(62.8)	(89.3)	**-**	-	-
		(2,744.9)	(2,513.8)	(2,404.0)	**-**	(0.1)	(0.3)
	- offsetting	**381.3**	299.0	331.2	**-**	0.1	0.3
	Deferred tax liabilities (after offsetting)	**(2,363.6)**	(2,214.8)	(2,072.8)	**-**	-	-

The amounts of unutilised tax losses and deductible temporary differences for which no deferred tax asset is recognised in the statement of financial position are as follows:

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Unutilised tax losses						
- Expiring more than one year and not more than seven years	**156.0**	154.7	137.6	**-**	-	-
- Expiring more than five year and not more than seven years (see note (a) below)	**228.6**	-	-	**-**	-	-
- No expiry period (see note (b) below)	**360.9**	578.8	560.4	**-**	-	-
	745.5	733.5	698.0	-	-	-
Property, plant and equipment (no expiry date)	**227.6**	291.4	244.9	**-**	-	-
Provision (no expiry date)	**12.5**	1.8	1.8	**-**	-	-
	985.6	1,026.7	944.7	**-**	-	-

DEFERRED TAXATION (Cont'd)

Deferred tax assets have not been recognised on the unutilised tax losses as the realisation of the tax benefits accruing to these tax losses is uncertain.

(a) Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, the Group's unutilised tax losses with no expiry period amounting to RM228.6 million as at 31 December 2018 will be imposed with a time limit of utilisation. Any accumulated unutilised tax losses brought forward from year of assessment 2018 can be carried forward for another 7 consecutive years of assessment (i.e. from year of assessments 2019 to 2025). These unutilised tax losses were classified as 'no expiry period' in previous financial years.

(b) Included in the amount of unutilised tax losses with no expiry period are unutilised tax losses of certain subsidiaries of the Group amounting to RM333.1 million (2017: RM318.7 million). These subsidiaries are accredited with tax exemption for 10 years and the tax losses arising therefrom are not subject to the expiry limit.

As at 31 December 2018, the deferred tax assets of the Group mainly relate to tax losses of certain subsidiaries in Indonesia and in US. The tax losses in Indonesia have an expiry of 5 years while the tax losses in the US will expire in Year 2037. The Group has concluded that it is probable that the tax losses can be utilised against future taxable profits of the Indonesian and US subsidiaries.

With regards to MFRS 112 "Income Taxes", the Group will continue to recognise in profit or loss the tax credits arising from the Group's unutilised Investment Tax Allowance of RM1,020.8 million (2017: RM1,024.5 million) and unutilised customised incentive granted under the East Coast Economic Region of RM823.6 million (2017: RM1,613.9 million) as and when they are utilised.

30. INVENTORIES

	Group		
	31.12.2018	31.12.2017	1.1.2017
Stores and spares	**304.6**	251.2	260.8
Completed properties	**87.0**	95.2	91.4
Food, beverages and other hotel supplies	**91.9**	89.1	113.9
Produce stocks and finished goods	**163.3**	124.9	71.8
Raw materials and consumables	**38.5**	19.4	45.1
	685.3	579.8	583.0

31. PRODUCE GROWING ON BEARER PLANTS

	Group	
	2018	2017
At 1 January, as previously reported	**6.1**	-
Effects of transition from FRSs to MFRSs (see Note 44)	**-**	9.2
At 1 January, as restated	**6.1**	9.2
Transferred to produce stocks	**(6.1)**	(9.2)
Changes in fair value	**3.8**	6.0
Foreign exchange differences	**-**	0.1
At 31 December	**3.8**	6.1

The fair value measurement of the produce growing on bearer plants is determined by using the market approach, which takes into consideration the market prices of FFB, adjusted for estimated oil content of unharvested FFB, less harvesting, transport and other costs to sell and is categorised within Level 3 of the fair value hierarchy. A reasonable change in the key assumptions would not result in a material impact to the financial statements.

32. TRADE AND OTHER RECEIVABLES

	Group		
	31.12.2018	31.12.2017	1.1.2017
Trade receivables	**1,480.6**	1,223.3	1,566.2
Contract assets (see Note 43)	**506.9**	470.8	416.6
Promissory notes – unquoted (see Note 28)	**-**	-	7.6
Other receivables (see note (i) below)	**624.6**	569.7	660.9
Less: Impairment losses on receivables	**(772.3)**	(550.8)	(704.1)
	1,839.8	1,713.0	1,947.2
Deposits	**62.6**	81.3	108.4
Prepayments	**302.7**	329.5	289.3
	2,205.1	2,123.8	2,344.9

	Company		
	31.12.2018	31.12.2017	1.1.2017
Other receivables	**0.4**	0.8	1.3
Deposits	**1.3**	1.2	1.1
Prepayments	**9.3**	8.5	8.4
	11.0	10.5	10.8

Notes:

(i) Included in other receivables and other non-current assets of the Group are advances for plasma schemes of RM169.8 million (2017: RM165.2 million) which are recoverable by the Group's subsidiaries in Indonesia. In accordance with the policy of the Government of the Republic of Indonesia ("Government"), nucleus companies involved in plantation developments are required to provide support to develop and cultivate palm oil lands for local communities as part of their social obligation which is known as "Plasma" schemes.

In line with this requirement, the Group's subsidiaries in Indonesia participate in several plasma cooperative programs for the development and cultivation of oil palm lands for the local communities. The Group's subsidiaries manage the plasma plantation activities and purchase the plantation produce arising therefrom at prices determined by the Government. Advances made by the Groups' subsidiaries to the plasma schemes in the form of plantation development costs are recoverable either through bank loans obtained by the plasma cooperatives or direct repayments from the cooperatives when these plasma areas come to maturity. Impairment losses are made when the estimated recoverable amounts are less than the outstanding advances. The non-current amounts due from plasma farmers of RM26.5 million are disclosed as Other Receivables in Note 28 to the financial statements.

The carrying amounts of the Group's and the Company's trade and other receivables approximate their fair values.

TRADE AND OTHER RECEIVABLES (Cont'd)

As at 31 December 2017, the ageing analysis of these trade and other receivables which were past due but not impaired is as follows:

	Group	
	31.12.2017	1.1.2017
Receivables past due:		
Past due 0 to 3 months	67.6	195.7
Past due 3 to 6 months	1.9	135.7
Past due 6 to 12 months	34.0	108.6
Past due over 12 months	3.4	9.8
	106.9	449.8

No impairment has been made on these amounts as the Group is closely monitoring these receivables and is confident of their eventual recovery.

The Group's trade and other receivables that are individually determined to be impaired at the reporting date relate to customers that are in significant financial difficulties and have defaulted on payments. The amount of the provision was RM772.3 million (31 December 2017: RM550.8 million, 1 January 2017: RM704.1 million) as at 31 December 2018. These receivables are not secured by any collateral.

The movements on the provision for impairment losses on trade and other receivables are as follows:

	Group		Company	
	2018	2017*	**2018**	2017*
As at 1 January, as previously reported	**550.8**	704.1	**-**	-
Effects of adoption of MFRS 9 (see Note 44)	**9.6**	-	**-**	-
As at 1 January, as restated	**560.4**	704.1	**-**	-
Charge for the financial year	**169.4**	167.2	**-**	-
Write back/(write-off) against receivables	**28.3**	(292.7)	**-**	-
Foreign exchange differences	**14.2**	(27.8)	**-**	-
At 31 December	**772.3**	550.8	**-**	-

* Loss allowance disclosed in comparative period is based on FRS 139 incurred loss model.

Of the above impairment losses, RM752.2 million (31 December 2017: RM526.9 million, 1 January 2017: RM612.0 million) related to trade receivables.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

Other than as disclosed above, the remaining trade and other receivables balances of the Group and the Company are neither past due nor impaired in previous financial year.

33. CASH AND CASH EQUIVALENTS

	Group		
	31.12.2018	31.12.2017	1.1.2017
Deposits with licensed banks	**20,812.0**	20,009.6	16,911.8
Cash and bank balances	**4,958.2**	5,789.4	4,622.6
	25,770.2	25,799.0	21,534.4
Less: Restricted cash	**(1,059.3)**	(1,325.1)	(565.1)
Bank balances and deposits	**24,710.9**	24,473.9	20,969.3
Add: Money market instruments	**6,277.0**	5,018.0	4,349.2
Cash and cash equivalents	**30,987.9**	29,491.9	25,318.5

	Company		
	31.12.2018	31.12.2017	1.1.2017
Deposits with licensed banks	**1,095.8**	889.8	569.4
Cash and bank balances	**2.4**	1.7	1.9
	1,098.2	891.5	571.3
Less: Restricted cash	**(0.5)**	(0.1)	(0.1)
Bank balances and deposits	**1,097.7**	891.4	571.2
Add: Money market instruments	**1,405.6**	1,568.8	859.2
Cash and cash equivalents	**2,503.3**	2,460.2	1,430.4

The deposits of the Group and the Company as at 31 December 2018 have an average maturity period of one month to four months (2017: one month to two months). Cash and bank balances of the Group and the Company are held at call.

Investment in money market instruments comprises negotiable certificates of deposit and bankers' acceptances. The money market instruments of the Group and the Company as at 31 December 2018 have maturity periods ranging between overnight and six months (2017: overnight and three months).

Included in deposits with licensed banks for the Group is an amount of RM22.8 million (2017: RM31.3 million) deposited by an indirect subsidiary involved in property development activities into various Housing Development Accounts in accordance with Section 7(A) of the Housing Developers (Control and Licensing) Act, 1966. This amount is available for use by the said subsidiary for the payment of property development expenditure.

Restricted cash relates to the money market instruments pledged with licensed banks that was secured against certain bank borrowings and funds under the control of the Group placed with licensed banks and third parties which will be utilised for certain qualified expenses. The funds are transferred from these accounts to the Group and third parties upon obtaining certain approval. These deposits have weighted average interest rates ranging from 0.3% to 7.7% (2017: 0.02% to 6.4%) per annum.

34. ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE

As at 31 December 2018, the following assets or liabilities were classified as held for sale:

(i) Planned disposal of aircraft - Genting Singapore

The assets and liabilities relating to the disposal are as follows:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Assets classified as held for sale			
Property, plant and equipment (see Note 16)	**-**	35.8	-

Genting Singapore's assets classified as held for sale of RM35.8 million as at 31 December 2017 represented aircraft owned by a wholly owned subsidiary of Genting Singapore. The sale was completed in 2018.

(ii) Planned disposal of business and property, plant and equipment - Genting Malaysia

	Group		
	31.12.2018	31.12.2017	1.1.2017
Assets classified as held for sale			
Maxims Casino (see note below)			
Property, plant and equipment (see Note 16)	**33.7**	34.7	-
Trade and other receivables	**0.3**	1.4	-
Inventories	**0.4**	0.3	-
	34.4	36.4	-
Property, plant and equipment related to the Bimini operations (see Note 16)	**-**	3.5	-
	34.4	39.9	-
Liabilities classified as held for sale			
Maxims Casino (see note below)			
Trade and other payables	**(5.5)**	(42.6)	-
Deferred tax liabilities (see Note 29)	**(4.0)**	(3.9)	-
Taxation	**(4.1)**	(12.7)	-
	(13.6)	(59.2)	-

Note:
The assets and liabilities classified as held for sale relate to the business of Maxims Casino in the UK, owned and operated by Coastbright Limited, an indirect wholly owned subsidiary of Genting Malaysia.

ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE (Cont'd)

(iii) Planned disposal of land held for property development – Genting Plantations

	Group		
	31.12.2018	31.12.2017	1.1.2017
Land held for property development	-	-	6.0

The assets classified as held for sale comprised land and infrastructure costs measuring approximately 20 acres pursuant to a sale and purchase agreement signed with a third party. The sale and purchase agreement was subsequently terminated in 2017 and accordingly the cost had been reclassified to land held for property development.

(iv) Planned disposal of interest in associates – Genting Singapore

As at 1 January 2017, the disposal group classified as held for sale for Genting Singapore Group represented the following:

- Algona Pte. Ltd., a direct wholly owned subsidiary of Genting Singapore, entered into a conditional sale and purchase agreement with Landing International Development Limited ("LIDL") to dispose its 100% interest in Callisto Business Limited ("Callisto"). Callisto's disposal includes its wholly owned subsidiary, Happy Bay Pte. Ltd ("Happy Bay"), which in turn owns 50% of Landing Jeju Development Co., Ltd ("Callisto Group") that is developing an integrated resort in Jeju, Korea.

- Genting International Resorts Management Limited ("GIRML"), an indirect wholly owned subsidiary of Genting Singapore, entered into a conditional sale and purchase agreement with LIDL's direct wholly owned subsidiary, Landing Singapore Limited to dispose GIRML's 50% interest in Autumnglow Pte. Ltd. ("Autumnglow").

The assets and liabilities relating to Callisto Group and Autumnglow are included in "Investments and Others" and "Leisure and Hospitality" segments as follows:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Assets classified as held for sale			
Associate	-	-	799.8
Trade and other receivables	-	-	795.1
	-	-	1,594.9
Liability classified as held for sale			
Deferred tax liabilities	-	-	(11.1)

The Group completed the disposals of Callisto Group and Autumnglow on 3 January 2017 for a total consideration of RM1,871.3 million and recorded a gain of disposal of RM302.2 million.

35. SHARE CAPITAL

	Number of shares		Share Capital	
	2018	2017	**2018**	2017
	(million)			
Authorised:				
At beginning of the financial year	-	8,000.0	-	800.0
Effects of transition to no authorised share capital regime on 31 January 2017 under the Companies Act 2016 (the "Act")	-	(8,000.0)	-	(800.0)
At end of the financial year	-	-	-	-
Issued and fully paid:				
Ordinary shares				
At beginning of the financial year	**3,851.8**	3,750.0	**2,818.7**	375.0
Issuance pursuant to exercise of warrants	**25.1**	101.8	**237.5**	962.5
Effects of transition to no par value regime on 31 January 2017 under the Act	-	-	-	1,481.2
At end of the financial year	**3,876.9**	3,851.8	**3,056.2**	2,818.7

The ordinary shares issued from the exercise of warrants shall rank pari passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new shares arising from the exercise of warrants.

The Act which came into effect on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, any amounts standing to the credit of the share premium account of RM1,481.2 million in the prior financial year became part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Act. There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

36. TREASURY SHARES

At the Annual General Meeting of the Company held on 6 June 2018, the shareholders of the Company approved the renewal of the authority for the Company to purchase its own shares of up to 4% of the issued and paid-up share capital of the Company.

No treasury share was purchased during the current and previous financial year. The purchased shares are held as treasury shares in accordance with the requirements of Section 127(4) of the Companies Act 2016. There is no cancellation, resale or reissuance of treasury shares during the financial year. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

As at 31 December 2018, of the total 3,876,896,099 (31 December 2017: 3,851,782,223, 1 January 2017: 3,750,021,124) issued and fully paid ordinary shares, 26,320,000 (31 December 2017 and 1 January 2017: 26,320,000) are held as treasury shares by the Company. As at 31 December 2018, the number of outstanding ordinary shares in issue after the offset is therefore 3,850,576,099 (31 December 2017: 3,825,462,223, 1 January 2017: 3,723,701,124) ordinary shares.

The details of the treasury shares are as follows:

	Total shares purchased in units '000	**Total consideration paid RM million**	**Highest price RM**	**Lowest price RM**	**Average price * RM**
At 1 January 2017, 31 December 2017 and 31 December 2018	**26,320.0**	**221.2**	**10.80**	**3.40**	**8.40**

* Average price includes stamp duty, brokerage and clearing fees.

37. RESERVES

	Group		
	31.12.2018	31.12.2017	1.1.2017
Share premium	**-**	-	1,481.2
Warrants reserve	**-**	946.3	1,098.7
Fair value reserve	**(328.9)**	276.9	384.3
Cash flow hedge reserve	**25.1**	(52.1)	(85.3)
Foreign exchange and other reserves	**(1,314.8)**	(1,587.1)	17.9
Retained earnings	**33,057.3**	31,606.4	30,957.3
	31,438.7	31,190.4	33,854.1

	Company		
	31.12.2018	31.12.2017	1.1.2017
Share premium	**-**	-	1,481.2
Warrants reserve	**-**	946.3	1,098.7
Retained earnings	**10,411.3**	9,761.5	9,958.7
	10,411.3	10,707.8	12,538.6

RESERVES (Cont'd)

The warrants reserve represents monies received from the issuance of warrants by the Company pursuant to the Restricted Issue of Warrants. The warrants were listed on the Main Market of Bursa Malaysia Securities Berhad on 23 December 2013. Each warrant carries the right to subscribe for 1 new ordinary share in the Company at any time on or after the issue date up to the expiry date of 18 December 2018 at the exercise price of RM7.96 for each new share. Any warrant not exercised by the expiry of the exercise period will lapse and cease to be valid for all purposes. The warrants are constituted by a Deed Poll dated 12 November 2013. On 18 December 2018, the remaining 606,790,591 warrants have since expired and delisted from Bursa Securities on 19 December 2018 and the corresponding warrants reserve of RM908.7 million has been transferred to retained earnings.

The movements in the warrants reserve and number of warrants during the financial year are summarised below:

	Group/Company			
	No. of Warrants		Warrants Reserve RM'million	
	2018	2017	**2018**	2017
At 1 January	**631,904,467**	733,665,566	**946.3**	1,098.7
Exercise of warrants	**(25,113,876)**	(101,761,099)	**(37.6)**	(152.4)
Unexercised and expired	**(606,790,591)**	-	**(908.7)**	-
At 31 December	**-**	631,904,467	**-**	946.3

38. BORROWINGS

	Group		
	31.12.2018	31.12.2017	1.1.2017
Current			
Secured:			
Term loans	**1,363.1**	1,559.1	1,036.1
Finance lease liabilities	**10.9**	5.5	9.7
Unsecured:			
Medium term notes	**1,755.4**	91.1	58.6
Sukuk Murabahah	**3.4**	3.4	3.4
Bonds	**1.0**	0.9	-
Guaranteed Notes	**116.3**	93.4	-
Term loans	**810.9**	475.7	1,191.1
	4,061.0	2,229.1	2,298.9
Non-current			
Secured:			
Term loans	**7,327.2**	8,406.4	8,310.3
Finance lease liabilities	**39.7**	4.0	1.0
Unsecured:			
Medium term notes	**9,589.9**	8,591.7	5,993.3
Sukuk Murabahah	**998.0**	997.7	997.4
Bonds	**748.8**	713.7	-
Guaranteed Notes	**6,290.4**	6,134.7	-
Term loans	**169.5**	102.0	443.0
	25,163.5	24,950.2	15,745.0
	29,224.5	27,179.3	18,043.9

The borrowings (excluding finance lease liabilities) bear an effective annual interest rate of 3.1% to 9.3% (31 December 2017: 1.9% to 10.5%, 1 January 2017: 1.8% to 4.8%) per annum.

BORROWINGS (Cont'd)

(a) The maturity profile and exposure of borrowings of the Group is as follows:

	Floating Interest Rate	Fixed Interest Rate	Total
As at 31 December 2018:			
Less than one year	**2,161.8**	**1,899.2**	**4,061.0**
More than one year and less than two years	**2,697.2**	**1,149.2**	**3,846.4**
More than two years and less than five years	**2,932.4**	**3,930.3**	**6,862.7**
More than five years	**1,703.2**	**12,751.2**	**14,454.4**
	9,494.6	**19,729.9**	**29,224.5**
As at 31 December 2017:			
Less than one year	1,877.8	351.3	2,229.1
More than one year and less than two years	1,431.6	1,608.9	3,040.5
More than two years and less than five years	4,856.1	3,598.0	8,454.1
More than five years	2,040.9	11,414.7	13,455.6
	10,206.4	16,972.9	27,179.3
As at 1 January 2017:			
Less than one year	2,226.6	72.3	2,298.9
More than one year and less than two years	1,063.2	1.0	1,064.2
More than two years and less than five years	4,782.4	2,697.6	7,480.0
More than five years	2,907.8	4,293.0	7,200.8
	10,980.0	7,063.9	18,043.9

(b) Finance lease liabilities

The minimum lease payments of the finance lease liabilities at the reporting date are as follows:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Not more than one year	**15.6**	6.8	11.0
More than one year and not more than five years	**44.7**	4.5	1.0
Later than five years	**4.6**	-	-
	64.9	11.3	12.0
Future finance charges	**(14.3)**	(1.8)	(1.3)
Present value	**50.6**	9.5	10.7

Finance lease liabilities are effectively secured as the rights to the leased assets will revert to the lessor in the event of default. The finance lease liabilities have an effective interest rate of 2.3% to 32.4% (31 December 2017: 2.3% to 21.3%, 1 January 2017: 2.3% to 21.3%) per annum.

(c) Fair values of the borrowings as at 31 December 2018 was RM28,991.0 million (31 December 2017: RM27,185.6 million, 1 January 2017: RM17,998.3 million). Fair values of the borrowings have been estimated from the perspective of market participants that hold similar borrowings at the reporting date and are within Level 2 of the fair value hierarchy.

BORROWINGS (Cont'd)

(d) On 9 November 2009, the Company through its wholly owned subsidiary, GB Services Berhad ("GBS"), had successfully issued RM1.45 billion nominal amount of 10-year Medium Term Notes ("MTNs") pursuant to a RM1.6 billion nominal value MTNs programme. The issue was priced at 5.30% per annum, payable semi-annually and guaranteed by the Company. On 10 May 2010, GBS subsequently issued the remaining RM0.15 billion nominal amount of MTNs. The proceeds from issuance of the MTNs were on-lent to the Company and/or its subsidiaries for capital expenditure, investment, refinancing, working capital requirements and/or other general corporate purposes of the Group. The entire nominal amount of the MTNs shall be repaid by 8 November 2019 (the "Maturity Date") provided that the entire principal amount or any portion thereof, and accrued and unpaid interest thereon shall be immediately due and payable upon the earlier of (i) the Maturity Date; (ii) request(s) from GBS for early repayment; or (iii) acceleration of the loan. In the event of default, the Trustee of the MTNs may at its sole discretion, and shall if so directed by the MTNs holders by Extraordinary Resolution, declare by notice in writing to GBS that an event of default has occurred and notwithstanding the Maturity Date, the nominal value of all outstanding MTNs and unpaid interest thereon shall become immediately due and payable. The outstanding MTNs including accrued interest have been classified as current liabilities as at 31 December 2018.

(e) On 8 June 2012, the Company through its direct wholly owned subsidiary, Genting Capital Berhad, issued RM0.5 billion nominal amount of 10-year MTNs and RM1.5 billion nominal amount of 15-year MTNs pursuant to a RM2.0 billion nominal value MTNs programme. The issue was at coupon rates of 4.42% per annum and 4.86% per annum, respectively, payable semi-annually and guaranteed by the Company. The proceeds from the issuance of the MTNs were on-lent to the Company and/or its subsidiaries for operating activities, capital expenditure, investment, refinancing, working capital requirements, general funding requirements and/or other general corporate purpose of the Group.

(f) On 5 June 2015, Benih Restu Berhad, an indirect wholly owned subsidiary of Genting Plantations, issued RM1.0 billion Sukuk Murabahah under the Sukuk Murabahah programme of up to RM1.5 billion in nominal value based on the Shariah principle of Murabahah. The Sukuk Murabahah has a tenure of 10 years, at a profit rate of 4.62% per annum payable semi-annually and guaranteed by Genting Plantations.

(g) On 24 August 2015, GENM Capital Berhad ("GENM Capital"), a direct wholly owned subsidiary of Genting Malaysia, issued RM1.1 billion nominal amount of 5-year MTNs at a coupon rate of 4.5% per annum and RM1.3 billion nominal amount of 10-year MTNs at a coupon rate of 4.9% per annum under its MTN Programme which is guaranteed by Genting Malaysia.

On 31 March 2017, GENM Capital further issued RM1.25 billion nominal amount of 5-year MTN at coupon rate of 4.78% per annum, RM1.1 billion nominal amount of 10-year MTN at coupon rate of 4.98% per annum and RM0.25 billion nominal amount of 15-year MTN at coupon rate of 5.20% per annum under its MTN Programme which is guaranteed by Genting Malaysia.

On 11 July 2018, GENM Capital further issued RM1.4 billion 5-year MTN at coupon rate of 4.98% per annum, RM0.75 billion 10-year MTN at coupon rate of 5.30% per annum and RM0.45 billion 15-year MTN at coupon rate of 5.58% per annum under its MTN Programme, which is guaranteed by Genting Malaysia.

The coupon is payable semi-annually. The net proceeds from the MTN programme shall be utilised for operating expenses, capital expenditure, and/or working capital requirements of Genting Malaysia including to finance the development, and/or re-development of the properties of Genting Malaysia located in Genting Highlands, Pahang, Malaysia.

BORROWINGS (Cont'd)

(h) On 24 January 2017, Genting Overseas Holdings Limited ("GOHL") through its direct wholly owned subsidiary, GOHL Capital Limited ("GOHL Capital"), issued USD1.0 billion 4.25% guaranteed notes due 2027 (the "Guaranteed Notes"). The Guaranteed Notes are fully and unconditionally guaranteed by GOHL and have the benefit of a keepwell deed entered into with the Company. Interest on the Guaranteed Notes is payable semi-annually.

On 17 October 2017, GOHL Capital further issued USD500.0 million 4.25% guaranteed notes due 2027 (the "Further Guaranteed Notes"), which will constitute a further issuance of, and be consolidated and form a single series with, the Guaranteed Notes that were originally issued by GOHL Capital on 24 January 2017.

The Guaranteed Notes and the Further Guaranteed Notes are listed on The Stock Exchange of Hong Kong Limited.

The proceeds from the issuance of the Guaranteed Notes and Further Guaranteed Notes were on-lent to GOHL for the general corporate purposes of the Genting Group, including but not limited to, operating expenses, capital expenditure, investment, refinancing, working capital requirements, general funding requirements and/or making investments (by share purchase, loan or otherwise) in other members of the Genting Group, which may include investments for the development of the Resorts World Las Vegas project.

The Guaranteed Notes and Further Guaranteed Notes shall be repaid on 24 January 2027. The Guaranteed Notes and Further Guaranteed Notes are subject to redemption, together with accrued interest, (i) at the option of GOHL Capital, in whole or in part, at any time upon payment of the applicable premium, and (ii) in whole but not in part, in the event of certain changes affecting taxes of certain jurisdictions as described in the conditions of the Guaranteed Notes and Further Guaranteed Notes.

(i) On 24 October 2017, Genting Singapore issued an unsecured and unsubordinated Japanese Yen-denominated bonds with a principal amount of Japanese Yen ("JPY") 20.0 billion (approximately RM728.8 million) in Japan, acting through its Japan branch. The bonds have a coupon rate of 0.669% per annum and are due for repayment five years from the issue date.

Details of assets pledged as securities for the borrowings are disclosed in Notes 16, 18, 19, 20, 33 and 42.

39. PROVISIONS

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Provision for retirement gratuities (see (a) below)	**400.0**	367.1	313.2	**118.4**	103.0	88.3
Asset retirement obligations (see (b) below)	**143.7**	138.1	158.1	**-**	-	-
Other provisions	**75.1**	51.0	56.9	**-**	-	-
	618.8	556.2	528.2	**118.4**	103.0	88.3
Less: Provision for retirement gratuities shown as current liabilities (see (a) below)	**(66.9)**	(44.2)	(32.1)	**(8.8)**	-	-
	551.9	512.0	496.1	**109.6**	103.0	88.3

		Group		Company	
		2018	2017	**2018**	2017
(a)	**Provision for Retirement Gratuities**				
	Beginning of the financial year	**367.1**	313.2	**103.0**	88.3
	Charge for the financial year	**36.1**	64.1	**15.5**	16.1
	Write-back of provision	**-**	(0.3)	**-**	-
	Payments during the financial year	**(3.1)**	(9.4)	**(0.1)**	(1.4)
	Disposal of a subsidiary	**-**	(0.4)	**-**	-
	Foreign exchange differences	**(0.1)**	(0.1)	**-**	-
	End of the financial year	**400.0**	367.1	**118.4**	103.0
	Analysed as follows:				
	Current (see Note 41)	**66.9**	44.2	**8.8**	-
	Non-current	**333.1**	322.9	**109.6**	103.0
		400.0	367.1	**118.4**	103.0

(b) **Asset Retirement Obligations**

	Group	
	2018	2017
Beginning of the financial year	**138.1**	158.1
Reversal	**-**	(33.7)
Unwinding of discount	**8.8**	8.8
Foreign exchange differences	**(3.2)**	4.9
End of the financial year	**143.7**	138.1

Asset retirement obligations consist primarily of estimated cost of dismantlement, removal, site reclamation and similar activities associated with oil and gas assets.

The interest rate and inflation rate used to determine the obligations as at 31 December 2018 was 3.6% (31 December 2017: 3.6%, 1 January 2017: 4.3%) per annum and 2.7% (31 December 2017: 2.7%, 1 January 2017: 3.0%) per annum respectively. Changes in the expected future costs are reflected in both the provision and the asset.

40. OTHER NON-CURRENT LIABILITIES

	Group		
	31.12.2018	31.12.2017	1.1.2017
Contract liabilities (see Note 43)	**15.3**	17.9	21.4
Government grant (see note (a) below)	**78.0**	43.0	8.5
Amount due to a shareholder of a subsidiary (see note (b) below)	**343.1**	295.2	292.7
Accruals and other payables	**5.1**	7.2	15.7
	441.5	363.3	338.3

Notes:

(a) This mainly relates to government grant totalling RM13.6 million and RM64.4 million respectively (31 December 2017: RM8.5 million and RM34.5 million respectively, 1 January 2017: RM8.5 million and Nil respectively) in relation to the construction of a biorefinery plant in Malaysia and construction of certain properties in the US. The government grant is to be recognised in income statement over the useful lives of the assets when the assets are commissioned and completed.

(b) Amount due to a shareholder of a subsidiary is denominated in USD, unsecured and interest free. The shareholder has given an undertaking not to demand repayment of the amount in the next 12 months from end of reporting date.

41. TRADE AND OTHER PAYABLES

	Group		
	31.12.2018	31.12.2017	1.1.2017
Trade payables	**793.3**	732.8	724.1
Accruals	**2,453.6**	2,588.6	2,703.1
Retirement gratuities (see Note 39(a))	**66.9**	44.2	32.1
Deposits	**25.3**	23.1	23.6
Provision for onerous leases	**2.5**	3.3	93.7
Accrued capital expenditure	**702.8**	594.2	548.2
Contract liabilities (see Note 43)	**169.0**	181.0	131.9
Other payables	**1,038.0**	1,009.3	850.2
	5,251.4	5,176.5	5,106.9

	Company		
	31.12.2018	31.12.2017	1.1.2017
Accruals	**34.9**	44.0	35.8
Retirement gratuities (see Note 39(a))	**8.8**	-	-
Other payables	**0.6**	4.0	3.3
	44.3	48.0	39.1

The carrying amounts of the Group's and the Company's trade and other payables approximate their fair values.

Accruals included outstanding chip liabilities, payroll expenses, casino expenses, property development expenditure.

42. DERIVATIVE FINANCIAL INSTRUMENTS

	Note	31.12.2018 Notional/ Contract Value	31.12.2018 Fair Value Assets	31.12.2018 Fair Value Liabilities	31.12.2017 Notional/ Contract Value	31.12.2017 Fair Value Assets	31.12.2017 Fair Value Liabilities	1.1.2017 Notional/ Contract Value	1.1.2017 Fair Value Assets	1.1.2017 Fair Value Liabilities
Group										
Designated as hedges										
Interest Rate Swap	(a)									
- USD		**2,525.7**	**1.3**	**(111.2)**	2,258.7	-	(162.6)	2,619.7	0.4	(228.9)
- GBP		**450.4**	**-**	**(2.6)**	-	-	-	362.1	-	(4.0)
Cross Currency Swap	(b)									
- SGD		**164.3**	**-**	**(29.6)**	174.2	-	(31.9)	185.7	-	(60.6)
Commodity Future Contract	(c)									
- USD		**32.8**	**0.4**	**-**	31.0	2.0	-	-	-	-
Forward Foreign Currency Exchange Contracts	(d)									
- USD		**208.5**	**1.0**	**-**	92.1	1.4	-	92.7	3.1	(0.6)
Commodity Swap	(e)									
- USD		**N/A**	**46.2**	**-**	-	-	-	-	-	-
			48.9	**(143.4)**		3.4	(194.5)		3.5	(294.1)
Not designated as hedges										
Interest Rate Swap	(a)									
- USD		**-**	**-**	**-**	127.5	1.1	-	429.1	0.9	(11.5)
Forward Foreign Currency Exchange Contracts	(d)									
- USD		**62.8**	**-**	**0.3**	-	-	-	-	-	-
- SGD		-	-	-	-	-	-	12.2	1.9	-
Forward Foreign Currency Exchange Options	(d)									
- USD		**62.8**	**-**	**(0.5)**	-	-	-	-	-	-
Cross Currency Swap	(b)									
- USD		-	-	-	-	-	-	319.7	115.5	-
Warrants	(f)	-	-	-	N/A	3.7	-	-	-	-
			-	**(0.2)**		4.8	-		118.3	(11.5)
Total derivative financial instruments			**48.9**	**(143.6)**		8.2	(194.5)		121.8	(305.6)
Analysed as follows:										
Current			**23.0**	**(29.3)**		3.9	(46.1)		7.7	(73.4)
Non-current			**25.9**	**(114.3)**		4.3	(148.4)		114.1	(232.2)
			48.9	**(143.6)**		8.2	(194.5)		121.8	(305.6)
Company										
Not designated as hedges										
Non-current - Warrants	(g)	-	-	-	N/A	227.9	-	N/A	232.8	-
Current - Warrants	(g)	-	**170.9**	-	N/A	-	-	N/A	-	-

DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

The Group's derivative financial instruments relate to the following:

(a) Interest Rate Swaps ("IRS")

The Group had entered into IRS to hedge the Group's exposure to interest rate risk on its borrowings. This contract entitles the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The changes in fair value of these IRS contracts that are designated as hedges are included as hedging reserve in equity and continuously released to the income statement until the repayment of the bank borrowings or maturity of the IRS whichever is earlier. For the IRS contracts that are not designated as hedges, the changes in fair value are recognised as other income or other expense in the income statement.

(b) Cross Currency Swap

The Group had entered into a Cross Currency Swap contract to exchange interest payments and principal denominated in two different currencies to hedge against the exposure of its borrowings to interest rate risk and foreign exchange risk.

The changes in the fair value of these Cross Currency Swap contracts that are designated as hedges are included as hedging reserve in equity and continuously released to the income statement until the repayment of the bank borrowings or maturity of Cross Currency Swap contracts whichever is earlier. For the Cross Currency Swap contracts that are not designated as hedges, the changes in the fair value are recognised as other income or other expense in the income statement.

(c) Commodity Future Contract

The commodity future contracts were entered into with the objective of managing and hedging on the Group's downstream manufacturing operations to adverse price movements in the palm oil commodities.

The changes in the fair value of these commodity future contracts are accounted using the hedge accounting method. The changes in fair value of these contracts are included in hedging reserves in equity and are recognised in income statement when the underlying hedged items are recognised.

(d) Forward Foreign Currency Exchange and Forward Foreign Currency Options

The Group had entered into various forward foreign currency exchange contracts and forward foreign currency options contracts to manage the exposure to foreign currency exchange risk in relation to its operations in respective countries.

The changes in fair value of these forward foreign currency exchange contracts and option contracts that are designated as hedges are included as hedging reserves in equity and are recognised in the income statement as the underlying hedged items are recognised. For the forward foreign currency exchange contracts and option contracts that are not designated as hedges, the changes in the fair value of these forward contracts are recognised as other income or other expense in the income statement.

DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

(e) Commodity Swaps

The Group has entered into commodity swaps contract to hedge against the Group's exposure to volatility of crude oil prices.

The changes in the fair value of this contract are designated as hedges are included as cash flow hedge reserve in equity and continuously released to the income statement until the settlement or maturity of contract whichever is earlier.

(f) Warrants

In the previous financial year, the Group subscribed to USD16.8 million non-convertible senior notes with 560,000 warrants. The warrants are initially recognised at fair value and are subsequently carried at FVTPL. The fair value changes are recognised in profit or loss. During the financial year, the non-convertible senior notes and warrants had been accounted under the same contract in its entirety as "other receivables".

As at 31 December 2018, derivative financial instruments of approximately RM46.7 million (2017: RM1.1 million) have been pledged as security for the term loan facility of the Group's power plant and oil and gas businesses.

The fair values of the above instruments have been estimated using the published market prices or quotes from reputable financial institutions or valuation techniques supported by observable market data. The Group has no significant concentrations of credit risk as at 31 December 2018 and 2017.

Company

(g) The Company's derivative financial instrument relates to the warrants in Genting Plantations which are exercisable at any time on or after 20 December 2013 up to the date of expiry on 17 June 2019. The warrants are traded in active market with fair value changes recognised in the income statement. The fair value of warrants has been classified as current assets as at 31 December 2018.

43. CONTRACT ASSETS AND CONTRACT LIABILITIES

	Group		
	31.12.2018	31.12.2017	1.1.2017
Contract assets			
Service concession receivables (see note (a) below)	**4,126.8**	4,084.1	4,221.3
Accrued billing in respect of property development (see note (b) below)	**31.9**	8.5	8.3
Accrued income	**3.2**	2.3	1.5
	4,161.9	4,094.9	4,231.1
Analysed as follows:			
Current (see Note 32)	**506.9**	470.8	416.6
Non-current (see Note 28)	**3,655.0**	3,624.1	3,814.5
	4,161.9	4,094.9	4,231.1
Contract liabilities			
Customer deposits (see note (c) below)	**(167.1)**	(176.5)	(130.2)
Advance membership fees (see note (d) below)	**(17.2)**	(19.9)	(22.6)
Progress billing in respect of property development (see note (b) below)	**-**	(2.5)	(0.5)
	(184.3)	(198.9)	(153.3)
Analysed as follows:			
Current (see Note 41)	**(169.0)**	(181.0)	(131.9)
Non-current (see Note 40)	**(15.3)**	(17.9)	(21.4)
	(184.3)	(198.9)	(153.3)

Notes:

(a) Service concession receivable relates to the construction of the Group's power plant in Indonesia. The amount will be recovered throughout the concession period, commencing from the commercial operation date of the power plant on 28 March 2017.

The Group signed a Power Purchase Agreement with PLN on 10 July 2012. The Group's responsibilities under the Power Purchase Agreement comprises the design, engineering, financing, construction, testing, commissioning, ownership, operation, management and maintenance of Banten Power Plant.

CONTRACT ASSETS AND CONTRACT LIABILITIES (Cont'd)

In assessing the Power Purchase Agreement, the Group has determined that it is within the scope of IC Interpretation 12 "Service Concession Arrangements" based on the following elements:

- PLN controls significant residual interest in the Banten Power Plant at the end of the Power Purchase Agreement as the Group is required to transfer the Banten Power Plant to PLN 25 years after the commercial operation date; and

- PLN regulates the services provided, to whom the services must be provided and the price to be charged.

The Group has also determined that the concession arrangement should be accounted for under the financial assets model as the Group's power plant in Indonesia has a contractual right to receive a specified or determinable amount of cash from PLN for the construction services.

(b) Movement of contract assets and contract liabilities in relation to property development is analysed as follows:

	Group	
	2018	2017
At 1 January		
- contract assets	**8.5**	8.3
- contract liabilities	**(2.5)**	(0.5)
	6.0	7.8
Property development revenue recognised	**99.4**	69.3
Less: Progress billings issued	**(73.5)**	(71.1)
Balance at the end of the year	**31.9**	6.0
Analysed as follows:		
- contract assets	**31.9**	8.5
- contract liabilities	**-**	(2.5)
	31.9	6.0

The contract liabilities at the beginning of the financial year have been recognised as revenue during the financial year.

The amount of unfulfilled performance obligation of RM29.5 million as at the reporting date will be recognised in the financial statements in the next two to three years.

(c) Customer deposits represent advance payment by customers for future booking of hotel room, food and beverages, transportation and other services provided by the Group.

The Group applies the practical expedient in MFRS 15 "Revenue from Contracts with Customers" for not disclosing the aggregate amount of the revenue expected to be recognised in the future as the performance obligation is part of a contract that has an original expected duration of less than one year.

The aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations in respect of timeshare membership amounting to RM17.2 million. The Group expects to recognise these amounts as revenue over the next 15 years.

CONTRACT ASSETS AND CONTRACT LIABILITIES (Cont'd)

(d) Advance membership fees relates to fees received on sale of timeshare units offering a timeshare ownership scheme. These fees are recognised as income on a straight-line basis over the tenure of the membership offered of twenty five years.

Significant changes in contract balances during the year are as follows:

	Group	
	2018	2017
Contract assets/liabilities		
Balance at the beginning of year	**3,896.0**	4,077.8
Revenue/income recognised during the financial year	**622.1**	760.9
Progress billing issued	**(73.5)**	(71.1)
Increase/transfer to receivables	**(589.1)**	(472.2)
Foreign exchange differences	**122.1**	(399.4)
Balance at the end of the year	**3,977.6**	3,896.0

44. FIRST TIME ADOPTION OF MFRS FRAMEWORK AND RECLASSIFICATIONS AND ADJUSTMENTS OF COMPARATIVES

(A) Transition from Financial Reporting Standards ("FRS") to MFRS Framework

The financial statements of the Group and the Company for the year ended 31 December 2018 are the first set of financial statements prepared in accordance with MFRSs, including MFRS 1 "First-time adoption of MFRS". Aside from the short-term exemption on first-time application of MFRS 9 and certain transition elections as disclosed below, the Group and Company have consistently applied the same accounting policies in its opening MFRS statement of financial position at 1 January 2017, being the transition date, and throughout all periods presented, as if these policies had always been in effect. These policies comply with each MFRS effective as at 31 December 2018, including MFRS 15 "Revenue from Contracts with Customers". The financial statements for financial year ended 31 December 2017 was prepared based on FRS. Accordingly, the comparative figures for 2017 in these financial statements have been restated to give effect to these changes. The transition to MFRS Framework has no impact to the Company.

The effects of the Group's transition to MFRSs including adoption of MFRS 9, 15 and 141 are as follows:

MFRS 1 exemption options

(i) Exemption for business combinations

The Group has elected to apply MFRS 3 "Business Combinations" prospectively from the date FRS 3 "Business Combinations" was adopted, i.e. 1 January 2011. Business combinations that occurred prior to that date have not been restated. In addition, the Group has also applied MFRS 10 "Consolidated Financial Statements" on the same date as FRS 3.

(ii) Exemption for cumulative translation differences

The Group has elected to reset exchange reserve to zero. The foreign exchange reserve of RM5,992.9 million as at 1 January 2017 was reclassified to retained earnings.

(iii) Property, plant and equipment – previous revaluation as deemed cost exemption

Under FRS, valuation adjustments on certain property, plant and equipment were incorporated into the financial statements. The Group has elected to use the previous revaluation as deemed cost under MFRS. Accordingly, the carrying amounts of these property, plant and equipment as at 1 January 2017 have not been restated. The revaluation reserve of RM293.0 million as at 1 January 2017 was reclassified to retained earnings.

(iv) MFRS 9 "Financial Instruments"

The Group has elected the exemption in MFRS 1 which allows the Group not to restate comparative information in the year of initial application. The Group continues to apply FRS 139 "Financial Instruments: Recognition and Measurement" and FRS 7 "Financial Instruments: Disclosures" for the comparative information. Any adjustments to align the carrying amounts of financial assets and financial liabilities under the previous FRS 139 with MFRS 9 are recognised in retained earnings and other reserves as at 1 January 2018. The impact of the adoption of MFRS 9 is shown in Note 44(C).

FIRST TIME ADOPTION OF MFRS FRAMEWORK AND RECLASSIFICATIONS AND ADJUSTMENTS OF COMPARATIVES (Cont'd)

(A) Transition from Financial Reporting Standards ("FRS") to MFRS Framework (Cont'd)

(v) MFRS 15 "Revenue from Contracts with Customers"

The Group has elected the exemption in MFRS 1 which allows the Group not to restate any contracts that are completed as at the date of transition of 1 January 2017. The impact of the adoption of MFRS 15 is shown in Note 44(C).

(vi) Assets and liabilities of subsidiaries, joint ventures and associates

The assets and liabilities of subsidiaries, joint ventures and associates which have adopted the MFRS or IFRS earlier than the Group shall remain at the same carrying amounts as in the financial statements of these subsidiaries, joint ventures and associates, after adjusting for consolidation adjustments.

The optional exemptions elected by the Group that have an impact on the reported financial positions prepared in accordance with FRSs have been applied in the opening MFRS statement of financial position as at 1 January 2017 and throughout all periods presented in the financial statements.

Effects of adoption of MFRS 141 "Agriculture"

Prior to the adoption of MFRS 141 "Agriculture", produce growing on bearer plants was not recognised. Following the adoption of these MFRSs, produce growing on bearer plants are measured at fair value less costs to sell with fair value changes recognised in profit or loss as the produce grows. The produce growing on bearer plants of the Group comprises FFB prior to harvest. Management has deliberated on the oil content of such unharvested FFB which is unripe and concluded that since the oil content of unharvested FFB accrues exponentially up to 15 days prior to harvest, such unharvested FFB more than 15 days are excluded from the valuation as their fair values are considered negligible. The fair value of unharvested FFB is computed based on market approach which takes into consideration the market prices of FFB, adjusted for estimated oil content of unharvested FFB less harvesting, transport and other costs to sell. The financial effects of the adoption of MFRS 141 are disclosed under the transition from FRSs to MFRSs.

Adoption of MFRS 9 "Financial Instruments"

MFRS 9 replaces MFRS 139 and amends the previous requirements in three main areas: (i) classification and measurement of financial assets; (ii) impairment of financial assets, mainly by introducing a forward looking expected loss impairment model; and (iii) hedge accounting including removing some of the restrictions on applying hedge accounting in MFRS 139. The impact of MFRS 9 adoption are described below:

(i) Classification and measurement

Under MFRS 9, financial assets are classified according to their cash flow characteristics and the business model which they are managed. The Group has categorised its financial assets as financial assets measured at amortised cost, FVTPL and FVOCI.

FIRST TIME ADOPTION OF MFRS FRAMEWORK AND RECLASSIFICATIONS AND ADJUSTMENTS OF COMPARATIVES (Cont'd)

(A) Transition from Financial Reporting Standards ("FRS") to MFRS Framework (Cont'd)

Adoption of MFRS 9 "Financial Instruments" (cont'd)

(i) Classification and measurement (cont'd)

The Group has made an irrevocable election to classify RM1,039.2 million of the Group's equity investments previously classified as AFS at FVOCI on 1 January 2018. Fair value changes on equity investments at FVOCI are presented in OCI and are not subsequently transferred to profit or loss. Upon sale of equity investments at FVOCI, the cumulative gain or loss in OCI is reclassified to retained earnings.

Other available-for-sale investments in equity are classified as financial assets at FVTPL. Certain available-for-sale investments in debt instruments and income funds that do not meet the criteria for classification either as FVOCI or at amortised cost have been classified as FVTPL. Accordingly, RM1,785.9 million has been reclassified as financial assets at FVTPL and their related fair value losses of RM4.6 million were transferred from fair value reserves to retained earnings on 1 January 2018.

The other financial assets held by the Group include:

- equity investments currently measured at FVTPL will continue to be measured on the same basis under MFRS 9; and

- debt instruments currently classified as loans and receivables and measured at amortised cost meet the conditions to be classified at amortised cost under MFRS 9.

There is no impact on the Group for financial liabilities as the new requirements only affect the accounting for financial liabilities that are designated at FVTPL and the Group does not have such liabilities.

(ii) Impairment

MFRS 9 changes the recognition of impairment provision for financial assets by introducing an ECL model. Upon the adoption of MFRS 9, the Group has revised its impairment methodology which depends on whether there has been a significant increase in credit risk. The Group assesses possible increase in credit risk for financial assets measured at amortised cost, contract assets and lease receivables at the end of each reporting period. The impairment provision is estimated at an amount equal to a 12 months ECL at the current reporting date if there has not been a significant increase in credit risk. The assessment has resulted in a decrease of RM5.1 million in retained earnings and RM4.5 million in non-controlling interests with a corresponding adjustment to trade receivables as at 1 January 2018.

(iii) Hedge accounting

The new hedge accounting guidance in MFRS 9 aligns the hedge accounting treatment more closely with the Group's risk management practices. The Group has applied the new hedge accounting requirements prospectively. The adoption of the new accounting requirements did not have any material impact on the reporting period.

FIRST TIME ADOPTION OF MFRS FRAMEWORK AND RECLASSIFICATIONS AND ADJUSTMENTS OF COMPARATIVES (Cont'd)

(A) Transition from Financial Reporting Standards ("FRS") to MFRS Framework (Cont'd)

Adoption of MFRS 9 "Financial Instruments" (cont'd)

The Group has elected the exemption in MFRS 1 which allows the Group not to restate comparative information in the year of initial application of MFRS 9.

Adoption of MFRS 15 "Revenue from Contracts with Customers"

With the adoption of MFRS 15, revenue is recognised by reference to each distinct performance obligation in the contracts with customer. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group has applied this standard retrospectively and has elected the exemption in MFRS 1 not to restate contracts that were completed before 1 January 2017.

The Group has also elected the following practical expedients upon the adoption of MFRS 15:

(i) completed contracts that began and ended in the same comparative reporting period as well as completed contracts as at date of transition, are not restated; and

(ii) for all reporting periods presented before the first MFRS reporting period, the amount of transaction price allocated to the remaining performance obligation and an explanation of when the Group expects to recognise the amount as revenue are not disclosed.

The effects from adoption of MFRS 15 are:

(i) Property development costs and land held for property development will be measured at the lower of costs and net realisable value in accordance with MFRS 102 "Inventories". Arising therefrom, a write down of RM5.6 million had been provided for land held for property development.

(ii) The provision for foreseeable losses on the development of affordable housing previously recognised under FRSIC 17 "Development of Affordable Housing" amounted to RM9.1 million as at 31 December 2017 had been reversed and the comparatives are restated.

(iii) Effect of changes to the timing of revenue recognition for the timeshare membership fees. Accordingly, the Group has deferred the advance membership fee with the corresponding debit to the retained earnings.

The Group has also changed the presentation of certain amounts in trade and other receivables and trade and other payables as at 31 December 2017 and 1 January 2017 on adoption of MFRS 15. Contract assets were previously presented as "trade receivables" (service concession receivable), "accrued billing in respect of property development" and "other receivables". Contract liabilities were previously presented as "advance membership fees", "progress billing in respect of property development", "deferred income" and "other payables". The details of contract assets and contract liabilities are set out in Note 43.

FIRST TIME ADOPTION OF MFRS FRAMEWORK AND RECLASSIFICATIONS AND ADJUSTMENTS OF COMPARATIVES (Cont'd)

(B) Changes to Comparative – Reclassifications and Adjustments

(a) Income Statements

(i) During the current financial year, the Group and the Company have reclassified the foreign exchange gains/(losses) and fair value changes of financial instruments from other income and other expenses to other gains/(losses) to better reflect the nature and substance of the transactions. The comparatives were restated to conform with current year presentation. See Note 9 for further details on other gains/(losses).

(ii) The Group had reclassified rental income derived from investment properties and fees from management services provided to plasma cooperatives from other income to revenue to better reflect the nature and substance of the transactions.

(b) Statements of Financial Position

(i) PPA on the acquisition of Knowledge One Investment Pte Ltd

As reported in the previous financial year ended 31 December 2017, AsianIndo Holdings Pte Ltd ("AsianIndo"), a 100% indirect subsidiary of Genting Plantations, had on 10 October 2017 completed the acquisition of 100% equity interest in Knowledge One Investment Pte Ltd which in turn holds 85% equity interest in PT Kharisma Inti Usaha ("PKIU"). As allowed under "MFRS 3 Business Combinations", Genting Plantations Group had twelve months from the date of acquisition to complete the PPA.

During the current financial year, the Genting Plantations Group has concluded the PPA exercise within the stipulated time period and had adjusted the fair values of certain identifiable assets and liabilities of PKIU. This revision has been accounted for retrospectively.

The following summarises the adjustments made:

	Group		
	Preliminary Assessment	**Adjustment**	**Final Assessment**
Property, plant and equipment	**(626.7)**	**(32.6)**	**(659.3)**
Leasehold land use rights	**(163.3)**	**-**	**(163.3)**
Inventories	**(9.2)**	**0.6**	**(8.6)**
Trade and other receivables	**(46.3)**	**(0.1)**	**(46.4)**
Cash and bank balances	**(10.2)**	**-**	**(10.2)**
Trade and other payables	**153.4**	**0.2**	**153.6**
Borrowings	**188.8**	**-**	**188.8**
Deferred tax liabilities	**122.3**	**36.2**	**158.5**
Non-controlling interests	**(10.6)**	**(4.3)**	**(14.9)**
Total purchase consideration/ Fair value of identifiable net assets acquired	**(401.8)**	**-**	**(401.8)**
Less : Cash and bank balances acquired	**10.2**	**-**	**10.2**
Add : Assumption of liabilities	**(139.5)**	**-**	**(139.5)**
Net cash outflow on acquisition of subsidiaries	**(531.1)**	**-**	**(531.1)**

(ii) The Group had reclassified interest payable amounting to RM210.0 million and RM79.3 million as at 31 December 2017 and 1 January 2017 respectively from trade and other payables to short term borrowings to conform with the current year's presentation.

FIRST TIME ADOPTION OF MFRS FRAMEWORK AND RECLASSIFICATIONS AND ADJUSTMENTS OF COMPARATIVES (Cont'd)

(C) Summary of the effects of the Group's transition from FRSs to MFRSs (including adoption of MFRS 9 and MFRS 15) and reclassifications and adjustments of comparatives

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	Reclassifi-cations and adjustments	As restated under MFRSs
Income Statements					
Group					
Financial year ended 31 December 2017					
Revenue	20,019.6	-	1.6	4.5	20,025.7
Cost of sales	(12,741.8)	(3.2)	(0.7)	(0.8)	(12,746.5)
Other income	1,770.1	-	-	(83.6)	1,686.5
Other expenses	(1,080.5)	-	-	586.8	(493.7)
Other gains/(losses)	-	-	-	(506.9)	(506.9)
Profit before taxation	4,312.2	(3.2)	0.9	-	4,309.9
Taxation	(1,069.4)	0.8	0.2	-	(1,068.4)
Profit for the financial year	3,242.8	(2.4)	1.1	-	3,241.5
Profit attributable to:					
Equity holders of the Company	1,445.3	(1.1)	0.5	-	1,444.7
Non-controlling interests	1,541.0	(1.3)	0.6	-	1,540.3
Earnings per share (sen):					
- Basic	38.28	(0.02)	0.01	-	38.27
- Diluted	37.62	(0.03)	0.01	-	37.60
Company					
Financial year ended 31 December 2017					
Other income	72.0	-	-	(2.4)	69.6
Other expenses	(126.6)	-	-	126.6	-
Impairment losses	(311.5)	-	-	(116.6)	(428.1)
Other gains/(losses)	-	-	-	(7.6)	(7.6)

FIRST TIME ADOPTION OF MFRS FRAMEWORK AND RECLASSIFICATIONS AND ADJUSTMENTS OF COMPARATIVES (Cont'd)

(C) Summary of the effects of the Group's transition from FRSs to MFRSs (including adoption of MFRS 9 and MFRS 15) and reclassifications and adjustments of comparatives (Cont'd)

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	As restated under MFRSs
Statements of Comprehensive Income				
Group				
Financial year ended 31 December 2017				
Profit for the financial year	3,242.8	(2.4)	1.1	3,241.5
Total comprehensive income for the financial year	707.5	(2.5)	1.1	706.1
Total comprehensive income attributable to:				
Equity holders of the Company	(233.4)	(1.2)	0.5	(234.1)
Non-controlling interests	826.3	(1.3)	0.6	825.6

FIRST TIME ADOPTION OF MFRS FRAMEWORK AND RECLASSIFICATIONS AND ADJUSTMENTS OF COMPARATIVES (Cont'd)

(C) Summary of the effects of the Group's transition from FRSs to MFRSs (including adoption of MFRS 9 and MFRS 15) and reclassifications and adjustments of comparatives (Cont'd)

Statement of Financial Position

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	Reclassifi-cations and adjustments	31 December 2017 as restated under MFRSs	Effects of adoption of MFRS 9	1 January 2018
Group							
As at 31 December 2017 / 1 January 2018							
Non-current assets							
Property, plant and equipment	36,228.8	-	-	32.6	36,261.4	-	36,261.4
Land held for property development	384.3	-	(5.5)	-	378.8	-	378.8
Available-for-sale financial assets	1,957.4	-	-	-	1,957.4	(1,957.4)	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	791.0	791.0
Financial assets at fair value through profit or loss	-	-	-	-	-	1,165.9	1,165.9
Deferred tax assets	201.3	-	(0.9)	(27.7)	172.7	-	172.7
Other non-current assets	6,019.8	-	-	-	6,019.8	0.5	6,020.3
Current assets							
Inventories	580.4	-	-	(0.6)	579.8	-	579.8
Produce growing on bearer plants	-	6.1	-	-	6.1	-	6.1
Trade and other receivables	2,123.7	-	-	0.1	2,123.8	(9.6)	2,114.2
Available-for-sale financial assets	868.1	-	-	-	868.1	(868.1)	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	248.1	248.1
Financial assets at fair value through profit or loss	7.4	-	-	-	7.4	620.0	627.4

FIRST TIME ADOPTION OF MFRS FRAMEWORK AND RECLASSIFICATIONS AND ADJUSTMENTS OF COMPARATIVES (Cont'd)

(C) Summary of the effects of the Group's transition from FRSs to MFRSs (including adoption of MFRS 9 and MFRS 15) and reclassifications and adjustments of comparatives (Cont'd)

Statement of Financial Position (Cont'd)

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	Reclassifi-cations and adjustments	31 December 2017 as restated under MFRSs	Effects of adoption of MFRS 9	1 January 2018
Group							
As at 31 December 2017 / 1 January 2018							
Non-current liabilities							
Deferred tax liabilities	2,205.4	0.9	-	8.5	2,214.8	-	2,214.8
Other non-current liabilities	352.9	-	10.4	-	363.3	-	363.3
Current liabilities							
Trade and other payables	5,394.2	-	(7.9)	(209.8)	5,176.5	-	5,176.5
Short term borrowings	2,019.1	-	-	210.0	2,229.1	-	2,229.1
Equity							
Revaluation reserve	292.7	(292.7)	-	-	-	-	-
Fair value reserve	276.9	-	-	-	276.9	4.6	281.5
Foreign exchange and other reserves	4,405.8	(5,992.9)	-	-	(1,587.1)	-	(1,587.1)
Retained earnings	25,322.6	6,288.1	(4.3)	-	31,606.4	(9.7)	31,596.7
Non-controlling interests	23,319.2	2.7	(4.6)	(4.3)	23,313.0	(4.5)	23,308.5

FIRST TIME ADOPTION OF MFRS FRAMEWORK AND RECLASSIFICATIONS AND ADJUSTMENTS OF COMPARATIVES (Cont'd)

(C) Summary of the effects of the Group's transition from FRSs to MFRSs (including adoption of MFRS 9 and MFRS 15) and reclassifications and adjustments of comparatives (Cont'd)

Statement of Financial Position (cont'd)

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	Reclassifi-cations and adjustments	1 January 2017 as restated
Group					
As at 1 January 2017					
Non-current assets					
Land held for property development	378.9	-	(4.7)	-	374.2
Deferred tax assets	238.9	-	(1.0)	-	237.9
Current asset					
Produce growing on bearer plants	-	9.2	-	-	9.2
Non-current liabilities					
Deferred tax liabilities	2,071.2	1.6	-	-	2,072.8
Other non-current liabilities	326.3	-	12.0	-	338.3
Current liabilities					
Trade and other payables	5,194.0	-	(7.8)	(79.3)	5,106.9
Short term borrowings	2,219.6	-	-	79.3	2,298.9
Equity					
Revaluation reserve	293.0	(293.0)	-	-	-
Foreign exchange and other reserves	6,010.8	(5,992.9)	-	-	17.9
Retained earnings	24,672.5	6,289.6	(4.8)	-	30,957.3
Non-controlling interests	23,550.4	3.9	(5.1)	-	23,549.2

Statement of Cash Flows

Group					
Financial year ended 31 December 2017					
Cash flows from operating activities					
Profit before taxation	4,312.2	(3.2)	0.9	-	4,309.9
Fair value gain arising from produce growing on bearer plants	-	3.2	-	-	3.2
Other non-cash items	42.1	-	0.8	-	42.9
Working capital changes:					
- Payables	13.9	-	(1.7)	-	12.2

45. COMMITMENTS

(a) Capital Commitments

	Group		
	31.12.2018	31.12.2017	1.1.2017
Authorised capital expenditure not provided for in the financial statements:			
- contracted	**5,076.3**	4,476.7	3,912.8
- not contracted	**17,113.6**	17,320.2	21,302.3
	22,189.9	21,796.9	25,215.1
Analysed as follows:			
- Property, plant and equipment	**21,528.6**	21,538.2	23,815.3
- Power concession assets (intangible assets and other non-current assets)	**-**	-	798.4
- Investments*	**566.3**	49.4	396.5
- Rights of use of oil and gas assets	**59.9**	151.1	129.2
- Intangible assets	**19.8**	29.2	52.8
- Leasehold land use rights	**15.3**	29.0	22.9
	22,189.9	21,796.9	25,215.1

* Includes commitment to invest in joint ventures amounting to RM25.0 million (31 December 2017: RM25.6 million; 1 January 2017: RM20.5 million).

COMMITMENTS (Cont'd)

(b) Operating Lease Commitments

(i) The Group as lessee

The future minimum lease payments under non-cancellable operating leases are payable as follows:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Not later than one year	**119.2**	127.1	117.2
Later than one year but not later than five years	**162.4**	227.8	271.3
Later than five years	**318.7**	358.0	254.9
	600.3	712.9	643.4

The operating lease commitments mainly relate to leases of offices, land and buildings and equipments under non-cancellable operating lease agreement. The leases have varying terms, escalation clauses and renewal rights.

(ii) The Group as lessor

The future minimum lease receivables under non-cancellable operating lease are as follows:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Not later than one year	**50.8**	41.9	60.7
Later than one year but not later than five years	**50.8**	31.2	58.0
Later than five years	**0.4**	2.0	3.6
	102.0	75.1	122.3

The Group leases out retail spaces and offices to non-related parties under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. Generally, the lessees are required to pay contingent rents computed based on their turnover achieved during the lease period.

46. ONGOING LITIGATION AND CONTINGENT LIABILITY

On 26 November 2018, Genting Malaysia filed a complaint in United States District Court for the Central District of California against Fox Entertainment Group, LLC, Twentieth Century Fox Film Corporation, Twenty-First Century Fox, Inc., FoxNext, LLC (collectively, "Fox"), and The Walt Disney Company in connection with the planned Fox-branded theme park ("Theme Park") at Resorts World Genting.

Genting Malaysia alleged claims for breach of contract, breach of the implied covenant of good faith and fair dealing, inducing breach of contract, and intentional interference with contract arising from Fox's alleged improper termination of the parties' 1 June 2013 Memorandum of Agreement. In connection with those claims, Genting Malaysia is seeking to recover its investment in the Theme Park, as well as consequential and punitive damages in an amount to be proven at trial, with total damages estimated to exceed USD1 billion (equivalent of approximately RM4.2 billion).

On 22 January 2019, Fox filed answers to Genting Malaysia's lawsuit. At the same time, Fox filed a counter claim ("Counterclaims") against Genting Malaysia, in which it alleged that Genting Malaysia owes Fox approximately USD46.4 million (equivalent to approximately RM191.7 million) in termination fees, plus interest, as well as consequential damages, reasonable costs and other relief under applicable law. Genting Malaysia intends to oppose the Counterclaims and believes they are without merit.

Genting Malaysia Group are of the view that the obligation to pay is neither remote nor probable as the litigation is in its initial phase and the outcome of the claim cannot be predicted with certainty. Therefore, this claim is disclosed as a contingent liability in accordance with MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets".

Other than the above, there were no contingent liabilities or contingent assets as at 31 December 2018 (2017: Nil).

47. SIGNIFICANT SUBSEQUENT EVENTS

(a) On 26 December 2018, the Company announced that Resorts World Las Vegas, LLC ("RWLV") (“Defendant”), an indirect wholly owned subsidiary of the Company that is developing the Resorts World Las Vegas property located at the northeast intersection of S Las Vegas Blvd and Resorts World Drive in Las Vegas, Nevada, U.S., notified the Company on 24 December 2018 that a complaint dated 21 December 2018 was filed by Wynn Resorts Holdings, LLC (“Plaintiff”), a Nevada limited liability company, against RWLV alleging trade dress infringement, trademark dilution and copyright infringement over the design of RWLV's upcoming Resorts World Las Vegas hotel and casino resort property.

On 11 January 2019, the Company further announced that the Plaintiff has served on the Defendant an application for temporary restraining order and motion for preliminary injunction dated 27 December 2018 (collectively “Plaintiff’s Suit”).

On 29 January 2019, the Company further announced that in respect of the complaint dated 21 December 2018 and the Plaintiff’s Suit, the Plaintiff and Defendant have reached a settlement in respect of the Plaintiff’s Suit.

(b) On 30 January 2019, the Company announced that its 57.9% owned indirect subsidiary, LLPL Capital Pte Ltd (“LLPL Capital”), has on 29 January 2019 completed the book-building process and priced its offering of USD775,000,000 6.875% guaranteed secured senior notes due 2039 (“Senior Notes”). The Senior Notes have been offered (1) within the United States only to qualified institutional buyers in reliance on the exemption from registration requirements of the U.S. Securities Act 1933 (“Securities Act”) provided by Rule 144A under the Securities Act and (2) outside the United States in offshore transactions in compliance with Regulation S under the Securities Act. The Senior Notes are unconditionally and irrevocably guaranteed by PT Lestari Banten Energi, a 55.0% owned indirect subsidiary of the Company. On 7 February 2019, the Company further announced that the Senior Notes have been issued by LLPL Capital on 4 February 2019 and listed on Singapore Exchange Securities Trading Limited on 7 February 2019.

(c) On 24 January 2019, Genting Malaysia announced that the Kuala Lumpur High Court (“High Court”) had granted Genting Malaysia’s application for leave to commence judicial review of a decision by the Ministry of Finance (“MOF”) to amend the terms of the tax incentives previously granted to Genting Malaysia (“MOF Decision”) and a stay of the MOF Decision pending disposal of the judicial review application before the High Court.

Genting Malaysia’s application for tax incentives for the Genting Integrated Tourism Plan was approved by the MOF in December 2014, which amongst others, entitled Genting Malaysia to claim for income tax exemption equivalent to 100% of qualifying capital expenditure incurred for a period of 10 years (“2014 Tax Incentive Approval”). The MOF made a decision to amend the 2014 Tax Incentive Approval in December 2017. The amendment does not remove the tax incentives previously granted but will effectively prolong the utilisation period of the tax allowances significantly.

48. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

In the normal course of business, the Group and the Company undertake on agreed terms and prices, transactions with its related companies and other related parties.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions listed below were carried out on terms and conditions negotiated and agreed between the parties.

	Group		Company	
	2018	2017	**2018**	2017
(a) Transactions with subsidiaries				
(i) Licensing fees from the subsidiaries to the Company for the use of name and accompanying logo of "Genting", "Resorts World" and "Awana" owned by the Company.	**-**	-	**223.9**	206.8
(ii) Management fees from Genting Hotel & Resorts Management Sdn Bhd ("GHRM"), a wholly owned subsidiary of the Company, to the Company for the provision of the necessary resort management services to enable GHRM to perform its various obligations under the Resort Management Agreement with Genting Malaysia.	**-**	-	**476.0**	411.2
(iii) Finance cost charged by subsidiaries to the Company on the interest bearing portion of the amount due to subsidiaries.	**-**	-	**180.0**	180.2
(iv) Provision of information technology consultancy, development, implementation, support and maintenance service, other management services and rental of information technology equipment by subsidiaries to the Company.	**-**	-	**3.2**	2.7
(v) Rental charges for office space and related services by a subsidiary of Genting Malaysia to the Company.	**-**	-	**2.7**	2.7
(vi) Provision of management and/or support services by the Company to its subsidiaries.	**-**	-	**21.0**	18.4

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

		Group		Company	
		2018	2017	**2018**	2017
(b)	**Transactions with associates and joint ventures**				
(i)	Provision of the management and/or support services and licensing fee by the Group to Resorts World Inc Pte Ltd ("RWI"), a joint venture of the Group.	**0.7**	1.3	**0.6**	1.2
(ii)	Licensing fee for the use of the name "Genting" charged by wholly owned subsidiaries of the Company to Genting Simon and Genting Highlands Premium Outlets Sdn Bhd ("GHPO"), joint ventures of the Genting Plantations Group.	**1.4**	0.6	**-**	-
(iii)	Provision of services in connection with the clinical study by TauRx Pharmaceuticals Ltd Group, an associate of the Group, to a subsidiary of the Company.	**8.4**	16.7	**-**	-
(iv)	Provision of management services by Genting Awanpura Sdn Bhd, a wholly owned subsidiary of Genting Plantations, to Genting Simon and GHPO.	**1.1**	0.5	**-**	-
(v)	Provision of goods and/or services by DCP (Sentosa) Pte Ltd ("DCP (Sentosa)"), a joint venture of Genting Singapore to Genting Singapore Group.	**59.5**	57.4	**-**	-
(vi)	Provision of goods and/or services by Genting Singapore Group to DCP (Sentosa).	**3.3**	3.6	**-**	-
(vii)	Letting of a premise by Genting Malaysia to GHPO.	**-**	4.2	**-**	-
(viii)	Rental income received from GHPO under the long-term lease arrangement by Genting Malaysia Group.	**33.9**	-	**-**	-
(ix)	Provision of utilities, maintenance, security and construction management services by Genting Malaysia Group to GHPO.	**2.1**	4.5	**-**	-
(x)	Interest income earned by indirect subsidiaries from their associates.	**2.8**	13.7	**-**	-

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

		Group		Company	
		2018	2017	**2018**	2017
(xi)	Purchase of electronic table games by Genting Malaysia Group from RWI Group.	**3.3**	6.8	**-**	-
(xii)	Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the US and Bahamas charged by RWI Group to Genting Malaysia Group.	**69.6**	75.4	**-**	-
(xiii)	Licensing fee for the use of gaming software charged by RWI Group to Genting Malaysia Group.	**2.9**	2.3	**-**	-
(xiv)	Licensing fee for the use of Dynamic Reporting System charged by RWI Group to Genting Malaysia Group.	**2.1**	1.0	**-**	-
(c)	**Transactions with other related parties**				
(i)	Rental of premises and provision of connected services by Genting Malaysia to Warisan Timah Holdings Sdn Bhd ("Warisan Timah"). Datuk Lim Chee Wah, a brother of Tan Sri Lim Kok Thay ("TSLKT") and an uncle of Lim Keong Hui ("LKH"), has deemed interest in Warisan Timah.	**2.4**	2.2	**-**	-
(ii)	Letting of premises by Genting Development Sdn Bhd ("GDSB") to Genting Malaysia Group. The late Puan Sri Lim (nee Lee) Kim Hua, the mother of TSLKT and the grandmother of LKH, is a shareholder of GDSB. Among others, TSLKT and Mr Teo Eng Siong had been named as Executors and Trustees of the Estate of Puan Sri Lim (nee Lee) Kim Hua.	**0.3**	1.0	**-**	-
(iii)	Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by Genting Malaysia Group to Genting Hong Kong Limited ("Genting Hong Kong") Group, a company in which certain Directors of the Company have interests.	**0.5**	1.1	**-**	-

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

		Group		Company	
		2018	2017	**2018**	2017
(iv)	Sale of refined palm oil products to Inter-Continental Oils & Fats Pte Ltd, a wholly owned subsidiary of Musim Mas Holdings Pte Ltd, the holding company of Musim Mas International (South Asia) Pte Ltd, which in turn holds 28% equity interest in Genting MusimMas Refinery Sdn Bhd.	**704.9**	481.8	-	-
(v)	Sale of fresh fruit bunches by PT Agro Abadi Cemerlang ("PT AAC") to Sepanjang Group, which vide PalmIndo Holdings Pte Ltd and PT Bintang Harapan Desa, holds an effective 30% equity interest in PT AAC.	**5.8**	10.3	-	-
(vi)	Disposal of PT Permata Sawit Mandiri to PT Suryaborneo Mandiri, which is owned by a major shareholder in PalmIndo Holdings Pte Ltd, an indirect subsidiary of Genting Plantations.	-	14.1	-	-
(vii)	Purchase of holiday packages by Genting Malaysia Group from Genting Hong Kong Group.	**1.4**	0.9	-	-
(viii)	Provision of management and consultancy service on theme park and resort development and operations by International Resort Management Services Pte Ltd ("IRMS"), an entity connected with certain Directors of the Company and Genting Malaysia, to Genting Malaysia Group and an indirect wholly owned subsidiary of the Company.	**5.4**	11.2	-	-

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

		Group		Company	
		2018	2017	**2018**	2017
(ix)	Provision of water supply services by Bimini Bay Water Ltd., an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to Genting Malaysia Group.	**2.3**	3.2	-	-
(x)	Provision of maintenance services by entities connected with shareholder of BBEL to Genting Malaysia Group.	**6.8**	18.6	-	-
(xi)	Rental charges for office space by Genting Malaysia Group to Genting Hong Kong Group.	**6.8**	5.4	-	-
(xii)	Provision of construction services by an entity connected with shareholder of BBEL to Genting Malaysia Group.	**58.5**	7.7	-	-
(xiii)	Purchase of rooms by Genting Malaysia Group from an entity connected with shareholder of BBEL.	**-**	0.8	-	-
(xiv)	Provision of aviation related services by Genting Malaysia Group to Genting Hong Kong Group.	**5.4**	0.7	-	-
(xv)	Air ticketing services and provision of reservation and booking services rendered by Genting Hong Kong to Genting Singapore Group.	**8.0**	8.7	-	-
(xvi)	Provision of information technology, implementation, support and maintenance services, hotel accommodation, food and beverage and theme park charges by Genting Singapore Group to Genting Hong Kong Group.	**3.2**	5.8	-	-
(xvii)	Leasing of office space and related expenses by IRMS from Genting Singapore Group.	**0.7**	0.8	-	-
(xviii)	Provision of consultancy services by IRMS to Genting Singapore Group.	**0.1**	1.2	-	-

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

	Group		Company	
	2018	2017	**2018**	2017
(d) Directors and key management personnel				
The remuneration of Directors and other key management personnel is as follows:				
Fees, salaries and bonuses	**124.8**	142.6	**52.5**	59.6
Defined contribution plan	**17.4**	20.2	**9.1**	10.5
Other short term employee benefits	**0.4**	0.5	**-**	-
Share-based payments	**29.3**	21.8	**-**	-
Provision for retirement gratuities	**19.9**	26.4	**13.2**	13.4
Estimated money value of benefits-in-kind (not charged to the income statements)	**2.0**	2.0	**0.1**	0.1

The outstanding balances as at 31 December 2018, 31 December 2017 and 1 January 2017, arising from sale/purchase of services, and payments made on behalf/receipts from the subsidiaries, associates and joint ventures are disclosed in Notes 22, 23 and 24. The outstanding balances arising from other related sales/purchases are not material as at reporting date.

49. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
Direct Subsidiaries of the Company:					
	GB Services Berhad	**100.0**	100.0	Malaysia	Issuance of private debt securities
	Genting Bio Cellular Sdn Bhd	**100.0**	100.0	Malaysia	Investments
	Genting Capital Berhad	**100.0**	100.0	Malaysia	Issuance of private debt securities
	Genting Capital Limited	**100.0**	100.0	Labuan, Malaysia ("Labuan")	Offshore financing
	Genting Dementia Centre Sdn Bhd	**100.0**	-	Malaysia	Provision of project management services and other management services
+	Genting Energy Limited	**100.0**	100.0	Isle of Man ("IOM")	Investment holding
+	Genting Equities (Hong Kong) Limited	**100.0**	100.0	Hong Kong, SAR ("HK")	Investments
+	Genting Games Pte Ltd	**100.0**	100.0	Singapore	Investments
	Genting Genomics Limited	**100.0**	100.0	IOM	Investment holding
	Genting Hotel & Resorts Management Sdn Bhd	**100.0**	100.0	Malaysia	Provision of resort management services
+	Genting Intellectual Property Pte Ltd	**100.0**	100.0	Singapore	Investments
	Genting Intellectual Property Sdn Bhd	**100.0**	100.0	Malaysia	Licensing of intellectual property and provision of related services
	Genting (Labuan) Limited	**100.0**	100.0	Labuan	Rent-A-Captive Offshore insurance business
	Genting Malaysia Berhad **("Genting Malaysia")** (see Note 22)	**49.5**	49.3	Malaysia	Involved in an integrated resort business at Genting Highlands and its principal activities cover leisure and hospitality services, which comprise gaming, hotels, food and beverage, theme parks, retail and entertainment attractions

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
	Genting Management and Consultancy Services Sdn Bhd	**100.0**	100.0	Malaysia	Management services
+	Genting Management (Singapore) Pte Ltd	**100.0**	100.0	Singapore	Investments
	Genting Oil & Gas Sdn Bhd	**100.0**	100.0	Malaysia	Provision of advisory, technical and administrative services to oil and gas companies
+	Genting Overseas Holdings Limited	**100.0**	100.0	IOM	Investment holding
+	Genting Overseas Investments Limited	**100.0**	100.0	IOM	Investments
	Genting Plantations Berhad **("Genting Plantations")**	**51.4**	51.6	Malaysia	Plantation and provision of management services to its subsidiaries
	Genting Risk Solutions Sdn Bhd	**100.0**	100.0	Malaysia	Provision of risk and insurance management consultancy services
+	Genting Strategic Investments (Singapore) Pte Ltd	**100.0**	100.0	Singapore	Investments
	Genting TauRx Diagnostic Centre Sdn Bhd	**80.0**	80.0	Malaysia	Creation of a service and technology platform for early diagnosis and treatment of Alzheimer's disease and other neurodegenerative diseases
+	Logan Rock Limited	**100.0**	100.0	IOM	Investments
	Peak Avenue Limited	**100.0**	100.0	IOM	Investment holding
	Peak Hill Limited	**100.0**	100.0	IOM	Investment holding
	Phoenix Spectrum Sdn Bhd	**100.0**	100.0	Malaysia	Investments
	Prime Offshore (Labuan) Limited	**100.0**	100.0	Labuan	Offshore financing
	Setiacahaya Sdn Bhd [@]	**50.0**	50.0	Malaysia	Property investment
	Suasana Cergas Sdn Bhd	**100.0**	100.0	Malaysia	Financing
	Suasana Duta Sdn Bhd	**100.0**	100.0	Malaysia	Investment
	Suasana Muhibbah Sdn Bhd	**100.0**	-	Malaysia	Financing

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
+	Vista Knowledge Pte Ltd	**100.0**	100.0	Singapore	Investments
+	Resorts World Bhd (Hong Kong) Limited	**100.0**	100.0	HK	Dormant
+	Resorts World (Singapore) Pte Ltd	**100.0**	100.0	Singapore	Dormant
+	Genting Bhd (Hong Kong) Limited	**100.0**	100.0	HK	Pre-operating
	Genting Digital Sdn Bhd	**100.0**	100.0	Malaysia	Pre-operating
+	Genting Gaming Solutions Pte Ltd	**100.0**	100.0	Singapore	Pre-operating
+	Genting Global Pte Ltd	**100.0**	100.0	Singapore	Pre-operating
	Genting Group Sdn Bhd	**100.0**	100.0	Malaysia	Pre-operating
+	Genting Innovation Pte Ltd	**100.0**	100.0	Singapore	Pre-operating
	Genting Intellectual Ventures Limited	**100.0**	100.0	IOM	Pre-operating
	Genting Strategic Holdings Sdn Bhd	**100.0**	100.0	Malaysia	Pre-operating
	Genting Strategic Sdn Bhd	**100.0**	100.0	Malaysia	Pre-operating
+	Genting Strategic (Singapore) Pte Ltd	**100.0**	100.0	Singapore	Pre-operating
	Prime International Labuan Limited	**100.0**	100.0	Labuan	Pre-operating
+	Resorts World Limited	**100.0**	100.0	HK	Pre-operating
	Sri Highlands Express Sdn Bhd	**100.0**	100.0	Malaysia	Pre-operating
	Indirect Subsidiaries of the Company:				
	Awana Hotels & Resorts Management Sdn Bhd	**100.0**	100.0	Malaysia	Provision of hotels and resorts management services
*	DNA Electronics, Inc	**82.1**	82.1	United States of America ("US")	Research & development on technologies for genetic analysis and sequencing
*	DNAe Diagnostic Limited	**82.1**	82.1	United Kingdom ("UK")	Research & development on technologies for genetic analysis and sequencing

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
*	DNAe Group Holdings Limited	**82.1**	82.1	UK	Research & development on technologies for genetic analysis and sequencing
*	DNAe Oncology Limited	**82.1**	82.1	UK	Research & development on technologies for genetic analysis and sequencing for oncology applications
	Dragasac Limited	**100.0**	100.0	IOM	Investments
	Edith Grove Limited	**100.0**	100.0	IOM	Investment holding
#	Fujian Electric (Hong Kong) LDC	**100.0**	100.0	Cayman Islands ("Cayman")	Investment holding
#	Genting Assets, INC	**100.0**	100.0	US	Investment holding
+	Genting CDX Singapore Pte Ltd	**95.0**	95.0	Singapore	Oil & gas development and production
+	Genting Energy Property Pte Ltd	**95.0**	95.0	Singapore	Investment holding
	Genting Industrial Holdings Limited	**97.7**	97.7	IOM	Investment holding
	Genting Laboratory Services Sdn Bhd	**100.0**	100.0	Malaysia	To undertake the collection, analysis and testing of specimens, samples and/or data for research and evaluation activities
+	Genting Lanco Power (India) Private Limited	**74.0**	74.0	India	Provision of operation and maintenance services for power plant
+	Genting MultiModal Imaging Pte Ltd	**100.0**	100.0	Singapore	Investment holding, licensing of intellectual property and provision of related services
+	Genting MZW Pte Ltd	**100.0**	100.0	Singapore	Investment holding
+	Genting Oil & Gas Limited	**95.0**	95.0	IOM	Investment holding
+	Genting Oil Kasuri Pte Ltd	**95.0**	95.0	Singapore	Oil and gas exploration and development
	Genting Power China Limited	**100.0**	100.0	Bermuda	Investment holding
+	Genting Power Holdings Limited	**100.0**	100.0	IOM	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
+	Genting Power (India) Limited	**100.0**	100.0	Mauritius	Investment holding
	Genting Power Indonesia Limited	**100.0**	100.0	IOM	Investment holding
+	Genting Sanyen Enterprise Management Services (Beijing) Co Ltd	**100.0**	100.0	China	Provision of management services
	Genting Sanyen (Malaysia) Sdn Bhd	**97.7**	97.7	Malaysia	Investment holding and provision of management services
	Genting Sanyen Power (Labuan) Limited	**100.0**	100.0	Labuan	Investment holding
+	Genting Singapore Limited ("**Genting Singapore**")	**52.7**	52.8	IOM^^	Investment holding
	GOHL Capital Limited	**100.0**	100.0	IOM	Financing
+	GP Renewables Pte Ltd	**100.0**	100.0	Singapore	Investment holding
+	GP Wind (Jangi) Private Limited	**100.0**	100.0	India	Generation and supply of electric power
+	Green Synergy Holdings Pte Ltd	**100.0**	100.0	Singapore	Investment holding
	Lacustrine Limited	**100.0**	100.0	IOM	Investments
+	Lestari Listrik Pte Ltd	**57.9**	57.9	Singapore	Investment holding and provision of investment management services
+	LLPL Capital Pte Ltd	**57.9**	-	Singapore	Investment holding
+	LLPL Management Pte Ltd	**57.9**	-	Singapore	Investment holding
#	Meizhou Wan Power Production Holding Company, Ltd	**100.0**	100.0	Cayman	Investment holding
	Newquest Limited	**100.0**	100.0	IOM	Investments
+	Newquest Resources Pte Ltd	**100.0**	100.0	Singapore	Investment holding
	Newquest Ventures Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
+	Oriental Explorer Pte Ltd	**95.0**	95.0	Singapore	Leasing of land rig
+	PT Lestari Banten Energi	**55.0**	55.0	Indonesia	Generation and supply of electric power
+	PT Lestari Properti Investama	**95.0**	95.0	Indonesia	Property investment
+	PT Varita Majutama	**95.0**	95.0	Indonesia	Oil palm plantation

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
+	Resorts World Las Vegas LLC	**100.0**	100.0	US	Development of Resorts World Las Vegas
#	RW EB-5 RC, LLC	**100.0**	100.0	US	Investment holding
#	RWLV EB-5, LLC	**100.0**	100.0	US	Investment holding
#	RWLV Hotels EB-5, LLC	**100.0**	100.0	US	Investment holding
#	RWLV Hotels, LLC	**100.0**	100.0	US	Investment holding
#	RWLV, LLC	**100.0**	100.0	US	Investment holding
+	Swallow Creek Limited	**95.0**	95.0	IOM	Investment holding
+	WEB Energy Ltd	**100.0**	100.0	Mauritius	Investment holding
	Dasar Pinggir (M) Sdn Bhd	**97.7**	97.7	Malaysia	Dormant
	Genting Bio-Oil Sdn Bhd	**97.7**	97.7	Malaysia	Dormant
	Genting Energy Sdn Bhd	**97.7**	97.7	Malaysia	Dormant
	Genting International Paper Limited	**100.0**	100.0	IOM	Dormant
	Genting Overseas Management Limited	**100.0**	100.0	IOM	Dormant
+	Genting Power (M) Limited	**100.0**	100.0	IOM	Dormant
+	Genting Property Limited	**100.0**	100.0	IOM	Dormant
+	Green Synergy Limited	**100.0**	100.0	HK	Dormant
+	Lestari Energi Pte Ltd	**100.0**	100.0	Singapore	Dormant
	North Crest Limited	**100.0**	100.0	IOM	Dormant
	Oxalis Limited	**100.0**	100.0	IOM	Dormant
	Roundhay Limited	**95.0**	95.0	IOM	Dormant
#	DNAe Thermal Limited	**82.1**	82.1	UK	Pre-operating
#	Genting Leisure LLC	**100.0**	100.0	US	Pre-operating
	Genting Petroleum Ventures Limited	**95.0**	95.0	IOM	Pre-operating
	Genting Power International Limited	**100.0**	100.0	IOM	Pre-operating
	Genting Power Philippines Limited	**100.0**	100.0	IOM	Pre-operating
	Genting Sanyen Indonesia Limited	**95.0**	95.0	IOM	Pre-operating

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
#	NanoMR, LLC	**82.1**	82.1	US	Pre-operating
#	PT Lestari Banten Listrik	**55.0**	55.0	Indonesia	Pre-operating
#	Resorts World Las Vegas Hotels, LLC	**100.0**	100.0	US	Pre-operating
#	RW EB-5 Regional Center, LLC	**100.0**	100.0	US	Pre-operating
#	RW Las Vegas EB-5, LLC	**100.0**	100.0	US	Pre-operating
#	RW Las Vegas Hotels EB-5, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV EB-5 Fund 1, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV EB-5 Fund 2, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV EB-5 Fund 3, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV EB-5 Fund 4, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV EB-5 Fund 5, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV EB-5 Fund 6, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV EB-5 Fund 7, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV EB-5 Fund 8, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV EB-5 Fund 9, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV Hotels EB-5 Fund 1, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV Hotels EB-5 Fund 2, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV Hotels EB-5 Fund 3, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV Hotels EB-5 Fund 4, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV Hotels EB-5 Fund 5, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV Hotels EB-5 Fund 6, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV Hotels EB-5 Fund 7, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV Hotels EB-5 Fund 8, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV Hotels EB-5 Fund 9, LLC	**100.0**	100.0	US	Pre-operating
#	RWLV Hotels EB-5 Fund 10, LLC	**100.0**	100.0	US	Pre-operating
#	GP (Raigad) Pte Ltd (In Member's Voluntary Liquidation)	**100.0**	100.0	Singapore	In liquidation ~
	GT Crest Holdings Limited	**-**	100.0	UK	Dissolved

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
Subsidiaries of Genting Malaysia:					
*	ABC Biscayne LLC	**49.5**	49.3	US	Letting of property and provision of management services
	Aliran Tunas Sdn Bhd	**49.5**	49.3	Malaysia	Provision of water services at Genting Highlands
+	Ascend International Holdings Limited	**49.5**	49.3	HK	Provision of IT related services and marketing services; and investment holding
	Ascend Solutions Sdn Bhd	**49.5**	49.3	Malaysia	Provision of IT and consultancy services
	Awana Vacation Resorts Development Berhad	**49.5**	49.3	Malaysia	Proprietary time share ownership scheme
#	Bayfront 2011 Development, LLC	**49.5**	49.3	US	Property development
+	BB Entertainment Ltd	**38.6**	38.5	Commonwealth of The Bahamas ("Bahamas")	Owner and operator of casino and hotel
#	BB Investment Holdings Ltd	**49.5**	49.3	Bahamas	Investment holding
#	Bimini SuperFast Charter Limited	**49.5**	49.3	IOM	Investment holding
#	Bimini SuperFast Limited	**49.5**	49.3	IOM	Owner of sea vessels
#	Bimini SuperFast Operations LLC	**49.5**	49.3	US	Provision of support services
	Bromet Limited	**49.5**	49.3	IOM	Investment holding
#	Chelsea Court Limited	**49.5**	49.3	IOM	Investment holding
+	Coastbright Limited	**49.5**	49.3	UK	Casino operator
#	Digital Tree (USA) Inc	**49.5**	49.3	US	Investment holding
	Eastern Wonder Sdn Bhd	**49.5**	49.3	Malaysia	Support services
	E-Genting Holdings Sdn Bhd	**49.5**	49.3	Malaysia	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
	First World Hotels & Resorts Sdn Bhd	**49.5**	49.3	Malaysia	Hotel business
+	Freeany Enterprises Limited	**49.5**	49.3	UK	Administrative services
	Genasa Sdn Bhd	**49.5**	49.3	Malaysia	Property development, sale and letting of apartment units
	GENM Capital Berhad	**49.5**	49.3	Malaysia	Issuance of private debt securities
	Genmas Sdn Bhd	**49.5**	49.3	Malaysia	Sale and letting of land
	Gensa Sdn Bhd	**49.5**	49.3	Malaysia	Sale and letting of land and property
	Genting Administrative Services Sdn Bhd	**49.5**	49.3	Malaysia	Investment holding
*	Genting Americas Holdings Limited	**49.5**	49.3	UK	Investment holding
+	Genting Americas Inc	**49.5**	49.3	US	Investment holding
+	Genting Casinos Egypt Limited	**49.5**	49.3	UK	Casino operator
+	Genting Casinos UK Limited	**49.5**	49.3	UK	Casino and online gaming operator
	Genting Centre of Excellence Sdn Bhd	**49.5**	49.3	Malaysia	Provision of training services
	Genting CSR Sdn Bhd	**49.5**	49.3	Malaysia	Investment holding
	Genting East Coast USA Limited	**49.5**	49.3	IOM	Investment holding
	Genting Entertainment Sdn Bhd	**49.5**	49.3	Malaysia	Show agent
#	Genting Florida LLC	**49.5**	49.3	US	Investment holding
	Genting Golf Course Bhd	**49.5**	49.3	Malaysia	Condotel and hotel business, golf resort and property development
	Genting Highlands Berhad	**49.5**	49.3	Malaysia	Land and property development
	Genting Highlands Tours and Promotion Sdn Bhd	**49.5**	49.3	Malaysia	Letting of land and premises

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
	Genting Information Knowledge Enterprise Sdn Bhd	**49.5**	49.3	Malaysia	Research in software development, provision of IT and consultancy services
+	Genting International Investment Properties (UK) Limited	**49.5**	49.3	UK	Property investment company
+	Genting International Investment (UK) Limited	**49.5**	49.3	UK	Investment holding
#	Genting International (UK) Limited	**49.5**	49.3	UK	Investment holding
#	Genting Malta Limited	**49.5**	-	Malta	Provision of gambling related consultancy services to its holding company
#	Genting Massachusetts LLC	**49.5**	49.3	US	Investment holding
#	Genting Nevada Inc	**49.5**	49.3	US	Investment holding
+	Genting New York LLC	**49.5**	49.3	US	Operator of a video lottery facility
#	Genting North America Holdings LLC	**49.5**	49.3	US	Investment holding
	Genting Project Services Sdn Bhd	**49.5**	49.3	Malaysia	Provision of project management and construction management services
+	Genting Properties (UK) Pte Ltd	**49.5**	49.3	Singapore	Property investment
	Genting Skyway Sdn Bhd	**49.5**	49.3	Malaysia	Provision of cable car services and related support services
+	Genting Solihull Limited	**49.5**	49.3	UK	Property investment and development, investment holding and hotel and leisure facilities operator
	Genting Studios Sdn Bhd (formerly known as Genting Leisure Sdn Bhd)	**49.5**	49.3	Malaysia	Investment holding; and creative, arts and entertainment activities
+	Genting UK Plc	**49.5**	49.3	UK	Investment holding
	Genting (USA) Limited	**49.5**	49.3	IOM	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
	Genting Utilities & Services Sdn Bhd	**49.5**	49.3	Malaysia	Provision of electricity supply services at Genting Highlands and investment holding
	Genting World Sdn Bhd	**49.5**	49.3	Malaysia	Leisure and entertainment business
	Genting WorldCard Services Sdn Bhd	**49.5**	49.3	Malaysia	Provision of loyalty programme services
	Genting Worldwide (Labuan) Limited	**49.5**	49.3	Labuan	Offshore financing
	Genting Worldwide Limited	**49.5**	49.3	IOM	Investment holding
+	Genting Worldwide Services Limited	**49.5**	49.3	UK	Investment holding
	Genting Worldwide (UK) Limited	**49.5**	49.3	IOM	Investment holding
	Gentinggi Sdn Bhd	**49.5**	49.3	Malaysia	Investment holding
	GHR Risk Management (Labuan) Limited	**49.5**	49.3	Labuan	Offshore captive insurance
+	Golden Site Pte Ltd	**49.5**	49.3	Singapore	International sales and marketing services
#	Hill Crest LLC	**49.5**	49.3	US	Investment holding
	Kijal Facilities Services Sdn Bhd	**49.5**	49.3	Malaysia	Letting of its apartment unit
	Kijal Resort Sdn Bhd	**49.5**	49.3	Malaysia	Property development and property management
	Lafleur Limited	**49.5**	49.3	IOM	Investment holding
	Leisure & Cafe Concept Sdn Bhd	**49.5**	49.3	Malaysia	Karaoke business
	Lingkaran Cergas Sdn Bhd	**49.5**	49.3	Malaysia	Providing liquefied petroleum gas services at Genting Highlands
#	MLG Investments Limited	**49.5**	49.3	UK	Investment holding
	Nature Base Sdn Bhd	**49.5**	49.3	Malaysia	Providing collection and disposal of garbage services at Genting Highlands
	Nedby Limited	**49.5**	49.3	IOM	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
	Netyield Sdn Bhd	**49.5**	49.3	Malaysia	Provision of sewerage services at Genting Highlands
	Oakwood Sdn Bhd	**49.5**	49.3	Malaysia	Property investment and management
	Orient Star International Limited	**49.5**	49.3	Bermuda	Ownership and operation of aircraft
	Orient Wonder International Limited	**49.5**	49.3	Bermuda	Ownership and operation of aircraft
	Papago Sdn Bhd	**49.5**	49.3	Malaysia	Resort and hotel business
+	Park Lane Mews Hotel London Limited	**49.5**	49.3	UK	Hotel operator
	Possible Wealth Sdn Bhd	**49.5**	49.3	Malaysia	International sales and marketing services; and investment holding
	Resorts Facilities Services Sdn Bhd	**49.5**	49.3	Malaysia	Provision of support services to the leisure and hospitality industry
	Resorts Tavern Sdn Bhd	**49.5**	49.3	Malaysia	Land and property development
*	Resorts World Aviation LLC	**49.5**	49.3	US	Owner and lessor of aeroplanes
	Resorts World Capital Limited	**49.5**	49.3	IOM	Investment holding
	Resorts World Limited	**49.5**	49.3	IOM	Investment holding and investment trading
*	Resorts World Miami LLC	**49.5**	49.3	US	Property investment
*	Resorts World Omni LLC	**49.5**	49.3	US	Hotel business, property management and property investment
	Resorts World Properties Sdn Bhd	**49.5**	49.3	Malaysia	Investment holding
	Resorts World Tours Sdn Bhd	**49.5**	49.3	Malaysia	Provision of tour and travel related services
*	Resorts World Travel Services Private Limited	**49.5**	49.3	India	Travel agency

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
*	RWBB Management Ltd	**49.5**	49.3	Bahamas	Provision of casino management services
*	RWBB Resorts Management Ltd	**49.5**	49.3	Bahamas	Provision of resort management services
	Seraya Mayang Sdn Bhd	**49.5**	49.3	Malaysia	Investment holding
	Setiaseri Sdn Bhd	**49.5**	49.3	Malaysia	Letting of its apartment units
	Sierra Springs Sdn Bhd	**49.5**	49.3	Malaysia	Investment holding
#	Stanley Casinos Holdings Limited	**49.5**	49.3	UK	Investment holding
#	Stanley Overseas Holdings Limited	**49.5**	49.3	UK	Investment holding
#	Two Digital Trees LLC	**49.5**	49.3	US	Investment holding
+	Vestplus (Hong Kong) Limited	**49.5**	49.3	HK	Payment and collection agent
	Vestplus Sdn Bhd	**49.5**	49.3	Malaysia	Sale and letting of apartment units; and payment and collection agent
	Widuri Pelangi Sdn Bhd	**49.5**	49.3	Malaysia	Golf resort and hotel business
	WorldCard Services Sdn Bhd	**49.5**	49.3	Malaysia	Provision of loyalty programme services
+	Xi'an Ascend Software Technology Co., Ltd	**49.5**	49.3	China	Research and development and provision of IT related services
#	Advanced Technologies Ltd	**49.5**	49.3	Dominica	Dormant
#	Big Apple Regional Center, LLC	**49.5**	49.3	US	Dormant
#	Capital Casinos Group Limited	**49.5**	49.3	UK	Dormant
#	Capital Corporation (Holdings) Limited	**49.5**	49.3	UK	Dormant
#	Capital Corporation Limited	**49.5**	49.3	UK	Dormant
#	Crockfords Investments Limited	**49.5**	49.3	Guernsey	Dormant
#	Digital Tree LLC	**49.5**	49.3	US	Dormant
	Genas Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
	Genawan Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
	Gentas Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
	Gentasa Sdn Bhd	**49.5**	49.3	Malaysia	Dormant

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
#	Genting Alderney Limited	**49.5**	49.3	Alderney, Channel Islands	Dormant
	Genting ePay Services Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
	Genting Ibico Holdings Limited	**49.5**	49.3	IOM	Dormant
#	Genting Las Vegas LLC	**49.5**	49.3	US	Dormant
	Gentinggi Quarry Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
#	Genting Spain PLC	**49.5**	-	Malta	Dormant
+	Golden Site Limited	**49.5**	49.3	HK	Dormant
	Ikhlas Tiasa Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
	Jomara Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
	Merriwa Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
#	Ocean Front Acquisition, LLC	**49.5**	49.3	US	Dormant
#	Palomino World (UK) Limited	**49.5**	49.3	UK	Dormant
	Space Fair Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
#	Stanley Leisure Group (Malta) Limited	**49.5**	49.3	Malta	Dormant
#	Stanley Leisure (Ireland) Unlimited Company	**49.5**	49.3	Ireland	Dormant
	Sweet Bonus Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
	Twinkle Glow Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
	Twinmatics Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
	Vintage Action Sdn Bhd	**49.5**	49.3	Malaysia	Dormant
+	Waters Solihull Limited	**49.5**	49.3	UK	Dormant
#	Westcliff Casino Limited	**49.5**	49.3	UK	Dormant
#	Genting Management Services LLC	**49.5**	49.3	US	Pre-operating
#	GTA Holding, Inc	**49.5**	49.3	US and continued into British Columbia	Pre-operating
	Genting Irama Sdn Bhd	**49.5**	49.3	Malaysia	Pending striking-off

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
#	Cotedale Limited (In Member's Voluntary Liquidation)	**49.5**	49.3	UK	In liquidation
#	Crockfords Club Limited (In Member's Voluntary Liquidation)	**49.5**	49.3	UK	In liquidation
#	Cromwell Sporting Enterprises Limited (In Member's Voluntary Liquidation)	**49.5**	49.3	UK	In liquidation
#	Gameover Limited (In Member's Voluntary Liquidation)	**49.5**	49.3	UK	In liquidation
#	Harbour House Casino Limited (In Member's Voluntary Liquidation)	**49.5**	49.3	UK	In liquidation
#	The Colony Club Limited (In Member's Voluntary Liquidation)	**49.5**	49.3	UK	In liquidation
#	Tower Casino Group Limited (In Member's Voluntary Liquidation)	**49.5**	49.3	UK	In liquidation
#	Westcliff (CG) Limited (In Member's Voluntary Liquidation)	**49.5**	49.3	UK	In liquidation
	Annabel's Casino Limited	**-**	49.3	UK	Dissolved
	Apollo Genting London Limited	**-**	24.8	UK	Dissolved
	Baychain Limited	**-**	49.3	UK	Dissolved
	Cascades Clubs Limited	**-**	49.3	UK	Dissolved
	Castle Casino Limited	**-**	49.3	UK	Dissolved
	CC Derby Limited	**-**	49.3	UK	Dissolved
	Drawlink Limited	**-**	49.3	UK	Dissolved
	Palm Beach Club Limited	**-**	49.3	UK	Dissolved
	RWB Aviation Ltd	**-**	49.3	Bermuda	Dissolved
	Stanley Online Limited	**-**	49.3	UK	Dissolved
	Suzhou Ascend Technology Co., Limited	**-**	49.3	China	Dissolved
	Tameview Properties Limited	**-**	49.3	UK	Dissolved
	The Midland Wheel Club Limited	**-**	49.3	UK	Dissolved
	Tower Clubs Management Limited	**-**	49.3	UK	Dissolved
	Triangle Casino (Bristol) Limited	**-**	49.3	UK	Dissolved

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
	Subsidiaries of Genting Plantations:				
#	ACGT Intellectual Limited	**49.1**	49.2	British Virgin Islands ("BVI")	Genomics research and development
	ACGT Sdn Bhd	**49.1**	49.2	Malaysia	Genomics research and development and providing plant screening services
+	Asian Palm Oil Pte Ltd	**51.4**	51.6	Singapore	Investment holding
+	AsianIndo Agri Pte Ltd	**51.4**	51.6	Singapore	Investment holding
+	AsianIndo Holdings Pte Ltd	**51.4**	51.6	Singapore	Investment holding
+	AsianIndo Palm Oil Pte Ltd	**51.4**	51.6	Singapore	Investment holding
	Asiaticom Sdn Bhd	**51.4**	51.6	Malaysia	Oil palm plantation
#	Azzon Limited	**51.4**	51.6	IOM	Investment holding
	Benih Restu Berhad	**51.4**	51.6	Malaysia	Issuance of debt securities under Sukuk programme
+	Borneo Palma Mulia Pte Ltd	**37.9**	38.0	Singapore	Investment holding
+	Cahaya Agro Abadi Pte Ltd	**37.9**	38.0	Singapore	Investment holding
#	Degan Limited	**49.1**	49.2	IOM	Investment holding
	Esprit Icon Sdn Bhd	**51.4**	51.6	Malaysia	Property development and property investment
#	GBD Holdings Limited	**51.4**	51.6	Cayman	Investment holding
	GENP Services Sdn Bhd	**51.4**	51.6	Malaysia	Provision of management services
	Genting AgTech Sdn Bhd	**51.4**	51.6	Malaysia	Research and development and production of superior oil palm planting materials
	Genting Awanpura Sdn Bhd	**51.4**	51.6	Malaysia	Provision of technical and management services
	Genting Biodiesel Sdn Bhd	**51.4**	51.6	Malaysia	Manufacture and sale of biodiesel
	Genting Biorefinery Sdn Bhd	**38.6**	38.7	Malaysia	Manufacture and sale of downstream palm oil derivatives
#	Genting Bioscience Limited	**51.4**	51.6	IOM	Investment holding
	Genting Biotech Sdn Bhd	**51.4**	51.6	Malaysia	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
	Genting Indahpura Development Sdn Bhd	**51.4**	51.6	Malaysia	Property development
	Genting Land Sdn Bhd	**51.4**	51.6	Malaysia	Property investment
	Genting MusimMas Refinery Sdn Bhd	**37.0**	37.1	Malaysia	Refining and selling of palm oil products
	Genting Oil Mill Sdn Bhd	**51.4**	51.6	Malaysia	Processing of fresh fruit bunches
	Genting Plantations (WM) Sdn Bhd	**51.4**	51.6	Malaysia	Oil palm plantation
	Genting Property Sdn Bhd	**51.4**	51.6	Malaysia	Property development
	Genting SDC Sdn Bhd	**51.4**	51.6	Malaysia	Oil palm plantation and processing of fresh fruit bunches
	Genting Tanjung Bahagia Sdn Bhd	**51.4**	51.6	Malaysia	Oil palm plantation
+	Global Agri Investment Pte Ltd	**32.5**	32.6	Singapore	Investment holding
	Global Bio-Diesel Sdn Bhd	**51.4**	51.6	Malaysia	Investment holding
+	GlobalIndo Holdings Pte Ltd	**32.5**	32.6	Singapore	Investment holding
#	GP Overseas Limited	**51.4**	51.6	IOM	Investment holding
	GProperty Construction Sdn Bhd	**51.4**	51.6	Malaysia	Provision of project management services
+	Kara Palm Oil Pte Ltd	**51.4**	51.6	Singapore	Investment holding
+	Ketapang Agri Holdings Pte Ltd	**37.9**	38.0	Singapore	Investment holding
+	Knowledge One Investment Pte Ltd	**51.4**	51.6	Singapore	Investment holding
	Landworthy Sdn Bhd	**43.2**	43.3	Malaysia	Oil palm plantation
	Mediglove Sdn Bhd	**51.4**	51.6	Malaysia	Investment holding
	Orbit Crescent Sdn Bhd	**51.4**	51.6	Malaysia	Investment holding
+	Palm Capital Investment Pte Ltd	**37.9**	38.0	Singapore	Investment holding
+	Palma Citra Investama Pte Ltd	**37.9**	38.0	Singapore	Investment holding
	Palma Ketara Sdn Bhd	**51.4**	51.6	Malaysia	Investment holding
+	PalmIndo Holdings Pte Ltd	**37.9**	38.0	Singapore	Investment holding
	PalmIndo Sdn Bhd	**51.4**	51.6	Malaysia	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
+	PT Agro Abadi Cemerlang	**36.0**	36.1	Indonesia	Oil palm plantation
+	PT Citra Sawit Cemerlang	**36.0**	36.1	Indonesia	Oil palm plantation
+	PT Dwie Warna Karya	**48.8**	49.0	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Genting Plantations Nusantara	**51.4**	51.6	Indonesia	Provision of management services
+	PT GlobalIndo Agung Lestari	**30.9**	31.0	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Kapuas Maju Jaya	**48.8**	49.0	Indonesia	Oil palm plantation
+	PT Kharisma Inti Usaha	**43.7**	43.8	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Palma Agro Lestari Jaya	**36.0**	36.1	Indonesia	Oil palm plantation
+	PT Sawit Mitra Abadi	**36.0**	36.1	Indonesia	Oil palm plantation
+	PT Sepanjang Intisurya Mulia	**36.0**	36.1	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Surya Agro Palma	**36.0**	36.1	Indonesia	Oil palm plantation
+	PT Susantri Permai	**48.8**	49.0	Indonesia	Oil palm plantation
+	PT United Agro Indonesia	**30.9**	31.0	Indonesia	Oil palm plantation
+	Sandai Maju Pte Ltd	**37.9**	38.0	Singapore	Investment holding
+	Sanggau Holdings Pte Ltd	**37.9**	38.0	Singapore	Investment holding
	Sawit Sukau Usahasama Sdn Bhd	**28.7**	28.8	Malaysia	Oil palm plantation
	Setiamas Sdn Bhd	**51.4**	51.6	Malaysia	Oil palm plantation and property development
	SPC Biodiesel Sdn Bhd	**51.4**	51.6	Malaysia	Manufacture and sale of biodiesel
+	Sri Nangatayap Pte Ltd	**37.9**	38.0	Singapore	Investment holding
	Sunyield Success Sdn Bhd	**51.4**	51.6	Malaysia	Investment holding
	Technimode Enterprises Sdn Bhd	**51.4**	51.6	Malaysia	Property investment

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
	Trushidup Plantations Sdn Bhd	**51.4**	51.6	Malaysia	Investment holding
+	Universal Agri Investment Pte Ltd	**32.5**	32.6	Singapore	Investment holding
	Wawasan Land Progress Sdn Bhd	**51.4**	51.6	Malaysia	Oil palm plantation
	Aura Empire Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Cengkeh Emas Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Dianti Plantations Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Genting Commodities Trading Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Genting Vegetable Oils Refinery Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Glugor Development Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
#	Grosmont Limited	**51.4**	51.6	IOM	Dormant
	Hijauan Cergas Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Kenyalang Borneo Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Kinavest Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Larisan Prima Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Profile Rhythm Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Unique Upstream Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Zillionpoint Project Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
	Zillionpoint Vision Sdn Bhd	**51.4**	51.6	Malaysia	Dormant
#	ACGT Global Pte Ltd	**51.4**	51.6	Singapore	Pre-operating
#	ACGT Singapore Pte Ltd	**51.4**	51.6	Singapore	Pre-operating
+	Full East Enterprise Limited	**51.4**	51.6	HK	Pre-operating
#	Genting AgTech Singapore Pte Ltd	**51.4**	51.6	Singapore	Pre-operating
#	GP Equities Pte Ltd	**51.4**	51.6	Singapore	Pre-operating
#	Ketapang Holdings Pte Ltd	**37.9**	38.0	Singapore	Pre-operating
#	Sri Kenyalang Pte Ltd	**51.4**	51.6	Singapore	Pre-operating

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
Subsidiaries of Genting Singapore:					
#	Acorn Co., Ltd	**52.7**	52.8	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investments and management of real estate and trust beneficiary interests
+	Adriana Limited	**52.7**	52.8	IOM	Sales coordinator for the leisure and hospitality related business
#	Algona Pte Ltd	**52.7**	52.8	Singapore	Investment holding
#	BayCity Co., Ltd	**52.7**	52.8	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investments and management of real estate and trust beneficiary interests
#	BlueBell Co., Ltd	**52.7**	52.8	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investments and management of real estate and trust beneficiary interests
+	Bradden Pte Ltd	**52.7**	52.8	Singapore	Investment holding
+	Calidone Limited	**52.7**	52.8	IOM	Investment holding and sales co-ordinator for the leisure and hospitality related business
#	Dynamic Sales Investments Limited	**52.7**	52.8	BVI	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
+	Genting Integrated Resorts Management Pte Ltd	**52.7**	52.8	Singapore	Provision of management and operations services for integrated resort
+	Genting Integrated Resorts Operations Management Pte Ltd	**52.7**	52.8	Singapore	Provision of resort management and consultancy services
+	Genting Integrated Resorts (Singapore) II Pte Ltd	**52.7**	52.8	Singapore	Provision of management and operations services for integrated resort
+	Genting Integrated Resorts (Singapore) III Pte Ltd	**52.7**	52.8	Singapore	Provision of management and operations services for integrated resort
+	Genting International Gaming & Resort Technologies Pte Ltd	**52.7**	52.8	Singapore	Providing information technology services relating to the gaming and resort industry
+	Genting International Japan Co., Ltd	**52.7**	52.8	Japan	Marketing and promotion of resort destinations
+	Genting International Management Limited	**52.7**	52.8	IOM	Investment holding and ownership of intellectual property rights
+	Genting International Resorts Management Limited	**52.7**	52.8	IOM	Investment holding
	Genting International Sdn Bhd	**52.7**	52.8	Malaysia	Provision of management services
+	Genting International Services (HK) Limited	**52.7**	52.8	HK	Sales co-ordinator for leisure & hospitality related business
+	Genting International Services Singapore Pte Ltd	**52.7**	52.8	Singapore	Provision of international sales and marketing services and corporate services
*	Genting International Services (Thailand) Limited	**48.0**	48.0	Thailand	Carrying on the activities of marketing, public relations and promoting the business relating to the leisure and hospitality sector, excluding direct sales to customers

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
#	Genting International (Singapore) Pte Ltd	**52.7**	52.8	Singapore	Tour promotion
#	Genting Japan Co., Ltd	**52.7**	-	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investment and management of real estate and trust beneficiary interests
#	Genting Osaka Co., Ltd	**52.7**	-	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investment and management of real estate and trust beneficiary interests
#	Genting Singapore Aviation	**52.7**	52.8	Cayman	Purchasing, owning and operating of aircrafts for passenger air transportation
#	Genting Tokyo Co., Ltd	**52.7**	-	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investment and management of real estate and trust beneficiary interests
#	Genting Yokohama Co., Ltd	**52.7**	-	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investment and management of real estate and trust beneficiary interests

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
#	Grand Knight International Limited	**52.7**	52.8	BVI	Investment holding
#	Greenfield Resources Capital Limited	**52.7**	52.8	BVI	Investment holding
+	GSHK Capital Limited	**52.7**	52.8	HK	Provision of marketing coordination and promotion services for resorts, hotels and other facilities owned by related companies
+	Landsdale Pte Ltd	**52.7**	52.8	Singapore	Investment holding
+	Legold Pte Ltd	**52.7**	52.8	Singapore	Investment holding
#	MoonLake Co., Ltd	**52.7**	52.8	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investments and management of real estate and trust beneficiary interests
*	North Spring Capital Blue LLC	**52.7**	52.8	Mongolia	Real estate activities and management consulting
*	North Spring Capital Mongolia LLC	**52.7**	52.8	Mongolia	Buying, leasing, selling, renting immovable properties, foreign trading activities and business consulting
#	Northspring Capital Ltd	**52.7**	52.8	BVI	Investment holding
#	Phoenix Express Limited	**52.7**	52.8	BVI	Investment holding and sales co-ordinator for the leisure and hospitality related business
+	PineGlory Pte Ltd	**52.7**	52.8	Singapore	Investment holding
#	Poppleton Limited	**52.7**	52.8	BVI	Investment holding
+	Prestelle Pte Ltd	**52.7**	52.8	Singapore	Investment holding
+	Prospero Global Holding Pte Ltd	**52.7**	52.8	Singapore	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
+	Resorts World at Sentosa Pte Ltd	**52.7**	52.8	Singapore	Construction, development & operation of an integrated resort
	Resorts World at Sentosa Sdn Bhd	**52.7**	52.8	Malaysia	Hotel, resort and leisure related activities
#	Resorts World Japan Co., Ltd	**52.7**	52.8	Japan	Investment holding; Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investments and management of real estate and trust beneficiary interests
#	Resorts World Osaka Co., Ltd	**52.7**	52.8	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investments and management of real estate and trust beneficiary interests
+	Resorts World Properties Pte Ltd	**52.7**	52.8	Singapore	Investment holding
+	Resorts World Properties II Pte Ltd	**52.7**	52.8	Singapore	Constructing and operating a fish farm
#	Resorts World Tokyo Co., Ltd	**52.7**	52.8	Japan	Investment holding; Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investments and management of real estate and trust beneficiary interests

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
#	Resorts World Yokohama Co., Ltd	**52.7**	-	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investments and management of real estate and trust beneficiary interests
+	Star Eagle Holdings Limited	**52.7**	52.8	BVI	Investment holding
#	StarLight Co., Ltd	**52.7**	52.8	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investments and management of real estate and trust beneficiary interests
#	SunLake Co., Ltd	**52.7**	52.8	Japan	Development and management of integrated resort and leisure destinations; Marketing and promotion of integrated resort and leisure destinations; Investments and management of real estate and trust beneficiary interests
+	Tamerton Pte Ltd	**52.7**	52.8	Singapore	Hotel developer and owner
#	Trevena Limited	**52.7**	52.8	BVI	Investment holding
	Bestlink Global International Limited	**-**	52.8	BVI	Struck-off
	Genting Integrated Resorts (Singapore) Pte Ltd	**-**	52.8	Singapore	Struck-off
	Genting International Management Services Pte Ltd	**-**	52.8	Singapore	Struck-off
	Northspring International Ltd	**-**	52.8	BVI	Struck-off
	Northspring Management Ltd	**-**	52.8	BVI	Struck-off

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
	Prospero Development Limited	**-**	52.8	BVI	Struck-off
	Genting Singapore Aviation III Ltd	**-**	52.8	Bermuda	Dissolved
	Genting International Corp.	**-**	52.8	US	Liquidated and Dissolved
	Joint Ventures				
	Joint ventures of the Company:				
*	Elevance Renewable Sciences, Inc	**47.8**^	16.6	US	Producer of high performance ingredients for use in personal care products, detergents, lubricants and other specialty chemicals and fuel markets from natural oils
	E-Genting Sdn Bhd	**50.0**	50.0	Malaysia	Research in software development, provision of information technology and consultancy services
+	FreeStyle Gaming Limited	**50.0**	50.0	HK	Provision of interactive and gaming software solutions including intranet solutions
+	FreeStyle Gaming Pte Ltd	**50.0**	50.0	Singapore	Provision of interactive gaming solutions including intranet gaming solutions
*	Fujian Pacific Electric Company Ltd	**49.0**	49.0	China	Generation and supply of electric power
#	Genting U.S. Interactive Gaming Inc	**50.0**	50.0	US	Investment holding
+	Resorts World Inc Pte Ltd	**50.0**	50.0	Singapore	Investment holding
#	RW Services Inc	**50.0**	50.0	US	Provision of technical and consulting services and programme management
+	RW Services Pte Ltd	**50.0**	50.0	Singapore	Provision of technical and consulting services and programme management and licensing of intellectual property and provision of related services

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
	RW Tech Labs Sdn Bhd	**50.0**	50.0	Malaysia	Provision of management services
#	RWI International Investments Limited	**50.0**	50.0	BVI	Investment holding company and provisions of software licensing rights
*	SDIC Genting Meizhou Wan Electric Power Company Limited	**49.0**	49.0	China	Generation and supply of electric power
#	Genting Nevada Interactive Gaming LLC	**50.0**	50.0	US	Pre-operating
	Joint ventures of Genting Plantations:				
	Genting Highlands Premium Outlets Sdn Bhd	**25.7**	25.8	Malaysia	Development, ownership and management of outlet shopping centres
	Genting Simon Sdn Bhd	**25.7**	25.8	Malaysia	Development, ownership and management of outlet shopping centres
#	Simon Genting Limited	**25.7**	25.8	IOM	Investment holding
	Joint ventures of Genting Singapore:				
+	DCP (Sentosa) Pte Ltd	**42.2**	42.2	Singapore	Construction, development and operation of a district cooling plant supplying chilled water for air-conditioning needs at Sentosa

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2018	2017		
Associates					
Associates of the Company:					
*	Applied Proteomics, Inc	**-##**	18.6	US	Under general assignment for the benefit of creditors
#	CorTechs Labs, Inc	**23.4**	23.7	US	Develop and market medical device software and web-based teleradiology applications and services
*	Lanco Tanjore Power Company Limited	**41.6**	41.6	India	Generation and supply of electric power
#	MultiModal Imaging Services Corporation	**22.8**	22.8	US	Analysis of multimodal imaging
*	Nova Satra Dx Pte Ltd	**33.4**	33.4	Singapore	Manufacture of medical research and clinical diagnostic instruments and supplies
*	TauRx Pharmaceuticals Ltd	**20.6**	20.6	Singapore	Development of novel treatments and diagnostics for Alzheimer's disease and other neurodegenerative diseases
Associates of Genting Plantations:					
*	Serian Palm Oil Mill Sdn Bhd	**18.0**	20.6	Malaysia	Processing of fresh fruit bunches
	Setiacahaya Sdn Bhd[@]	**25.7**	25.8	Malaysia	Property investment
*	Sri Gading Land Sdn Bhd	**25.2**	25.3	Malaysia	Property development
	Asiatic Ceramics Sdn Bhd (In Liquidation)	**25.2**	25.3	Malaysia	In liquidation

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

* The financial statements of these companies are audited by firms other than the auditors of the Company.

\+ The financial statements of these companies are audited by member firms of PricewaterhouseCoopers International Limited which are separate and independent legal entities from PricewaterhouseCoopers PLT, Malaysia.

\# These entities are either exempted or have no statutory audit requirement.

@ This entity is a subsidiary of the Company with an effective percentage of ownership of 75.8%. It is held by the Company as a direct subsidiary and Genting Plantations as an associate with the effective percentage of ownership of 50.0% and 25.8% respectively.

~ Dissolved on 23 January 2019.

No longer an associate company.

^^ Transferred its registration from the Isle of Man to Singapore on 1 June 2018.

^ Became a joint venture during 2018.

50. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 27 February 2019.

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)

STATEMENT ON DIRECTORS' RESPONSIBILITY PURSUANT TO PARAGRAPH 15.26(a) OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

As required under the Companies Act 2016 ("Act") in Malaysia, the Directors of Genting Berhad have made a statement expressing an opinion on the financial statements. The Board is of the opinion that the financial statements have been drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2018 and of the financial performance of the Group and of the Company for the financial year ended on that date in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and comply with the requirements of the Act.

In the process of preparing these financial statements, the Directors have reviewed the accounting policies and practices to ensure that they were consistently applied throughout the financial year. In cases where judgement and estimates were made, they were based on reasonableness and prudence.

Additionally, the Directors have relied on the systems of risk management and internal control to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.

This statement is made in accordance with a resolution of the Board dated 27 February 2019.

STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **WONG YEE FUN (MIA 12108)**, the Officer primarily responsible for the financial management of **GENTING BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 15 to 199 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed)
WONG YEE FUN at KUALA LUMPUR in the State)
of FEDERAL TERRITORY on 27 February 2019)

_____

Before me,

_____

TAN SEOK KETT
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GENTING BERHAD

(Incorporated in Malaysia)
(Company No. 7916-A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Genting Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2018, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2018 of the Group and of the Company, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 15 to 199.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of Group and the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	**How our audit addressed the key audit matters**
Impairment assessment of exploration and development costs in Indonesia As at 31 December 2018, the Group's carrying amount of exploration and development costs and goodwill arising from the Kasuri block operation in Indonesia amounted amounted to RM2,962.1 million and RM121.1 million, respectively. The exploration and development costs and the goodwill are allocated to two cash generating units ("CGU") – Asap, Merah and Kido ("AMK") fields and other fields ("Others").	We performed the following audit procedures for each of the CGU: (i) AMK • Agreed the cash flows used in the value in use ("VIU") calculation to the cash flow forecast for impairment assessment approved by the Board. • Compared the gas price and price escalation to available data and externally available benchmarks. • Checked the reasonableness of the discount rate with assistance from our valuation experts by benchmarking to the similar oil and gas companies and recalculating the discount rates independently. • Agreed the reserve volume to the reserve estimates prepared by independent oil and gas reserve experts.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	**How our audit addressed the key audit matters**
Impairment assessment of exploration and development costs in Indonesia (continued) We focused on this area due to the quantum of the carrying amount of the exploration and development costs and goodwill, which represented 5.2% of the Group's total non-current assets and the significant assumptions used by management in their impairment assessment on the recoverability of exploration and development costs specifically the gas price and price escalation, discount rate and gas reserves for the AMK CGU and significant judgement on existence of impairment indicators for the Others CGU. Refer to Notes 2(a), 20 and 21 to the financial statements.	We performed the following audit procedures for each of the CGU: (continued) (i) AMK (continued) • Assessed the competency and objectivity of the independent oil and gas reserve experts who computed the gas reserve estimates by considering their professional qualifications and experience. • Checked the sensitivity analysis performed by management on the discount rate and gas price assumption to determine whether reasonable changes on these key assumptions would result in the carrying amounts of the CGU to exceed its recoverable amount. (ii) Others • Checked that the right to explore does not expire in the near future. • Agreed management's assessment to the gas reserve estimates prepared by independent oil and gas reserve experts. • Assessed the competency and objectivity of the independent oil and gas reserve experts who computed the gas reserve estimates by considering their professional qualifications and experience. • Discussed with management the planned activities for this CGU and compared that to budgeted capital expenditures for this CGU. Based on the procedures performed above, we did not find any material exceptions to the assumptions made by the Directors.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
Material litigation involving FOX and The Walt Disney Company On 26 November 2018, the Group filed a complaint in the United States District Court for the Central District of California against Fox Entertainment Group, LLC, Twentieth Century Fox Film Corporation, Twenty-First Century Fox, Inc., FoxNext, LLC (collectively, "FOX") and The Walt Disney Company ("Disney") (hereinafter referred to as "Defendants") in connection with the planned Fox-branded theme park at Resorts World Genting. On 22 January 2019, FOX also filed counterclaims against the Group in which it alleged that the Group owes FOX approximately USD46.4 million (equivalent to approximately RM191.7 million) in termination fees plus interest, as well as consequential damages, reasonable costs and other relief under applicable law (the "Counterclaims"). We focused on this area as the uncertainty of the outcome of the litigations indicate potential impairment of the property, plant and equipment with carrying amount of RM2,590.9 million as at 31 December 2018 and potential liability arising from the Counterclaims by FOX.	We performed the following procedures to test management's assessment of the recoverability of the property, plant and equipment and Counterclaims by FOX: • Obtained and read the court papers filed by the Group and Counterclaims filed by FOX and discussed with management and external legal counsel on the litigation and the Counterclaims by FOX; • Assessed the reasonableness of the long term growth rate and number of visitors used by management in the approved cash flow projections by comparing to industry trends; • Checked the discount rate used by comparing the rate to comparable industry and market information; • Checked management's sensitivity analysis on the long term growth rate, number of visitors, growth in number of visitors and discount rate to determine whether any reasonable changes on these key assumptions would result in the carrying amount to exceed the recoverable amount; • Evaluated the competency and objectivity of external legal counsel, where applicable, as required under International Standards on Auditing; and • Checked the appropriateness of the disclosures on a reasonable possible change in the key assumptions and the corresponding effect on the recoverable amount and contingent liability in the financial statements. Based on the above procedures performed, we noted the result of management's assessment to be consistent with the outcome of our procedures.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
Material litigation involving FOX and The Walt Disney Company (continued) The Directors make judgements on the assessment of the recoverability of the property, plant and equipment and the Counterclaims by FOX given the related subjectivity and uncertainty of the outcome of the litigation. Based on management's assessment, there is no impairment loss on the property, plant and equipment and the obligation to pay the Counterclaims by FOX is neither remote nor probable. Refer to Notes 2(a), 16 and 46 to the financial statements.	
Impairment assessment of property, plant and equipment and casino licences related to the Group's leisure and hospitality segment in Bahamas The Group has property, plant and equipment and casino licences (definite life) related to its Bahamas operations with aggregate carrying values of RM1,403.1 million as at 31 December 2018. We focused on this area due to continued losses recorded since the commencement of the Bahamas operations in 2013 which is an impairment indicator. The impairment assessment performed by management based on value in use method involved significant estimates towards future results of the business, in particular, the key assumptions on growth rate and discount rates used in the future cash flow forecasts. Refer to Notes 16 and 20 to the financial statements.	With respect to the reliability of management's use of key assumptions in the cash flow projections to determine the value in use calculations, we performed the following procedures: • Assessed the growth rate used by management by comparing to current industry trends. • Checked the discount rates used by comparing the rate used to comparable industry and market information. • Independently performed sensitivity analysis on the growth rate and discount rates to corroborate that any reasonable changes on these key assumptions would not give rise to an impairment loss. Based on the above procedures performed, we noted the results of management's impairment assessment to be consistent with the outcome of our procedures.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	**How our audit addressed the key audit matters**
Impairment of investment in unquoted promissory notes issued by Mashpee Wampanoag Tribe As at 31 December 2018, the Group's investment in unquoted promissory notes issued by Mashpee Wampanoag Tribe ("Tribe") have been fully impaired and an impairment loss of RM1,834.3 million has been recognised during the financial year. We focused on this area because the recoverability of the promissory notes is dependent on the following: (a) outcome of the pending legal case and/or review by the relevant government authorities allowing the Tribe to have land in trust for a destination resort casino development; and (b) ability of the Tribe to repay the promissory notes from the cash flows of the destination resort casino when it is operational. Based on the assessment performed by management, the promissory notes have been assessed to be credit-impaired due to the uncertainty of recovery following the US Federal Government's decision in September 2018 concluding that the Tribe did not satisfy the conditions under the Indian Reorganisation Act that allow the Tribe to have the land in trust for an integrated gaming resort development. Refer to Notes 2(a) and 28 to the financial statements.	We performed the following procedures to check management's assessment of the recoverability of promissory notes: • Discussed with the Group's internal legal counsel responsible for US operations to understand the status and development of the pending legal case and review by the relevant government authorities on the Tribe's rights to retain land in trust for a destination resort casino development. • Evaluated the competency and objectivity of management's external legal expert. • Discussed with management and management's external legal expert on their views relating to the development of pending legal case and the US Federal Government's decision on Tribe's rights to retain land in trust and viability of options under review by the Tribe. • Evaluated the basis used by management in concluding that the promissory notes is credit-impaired and the assumptions used in the determining the recoverable amount. Based on the above procedures performed, we found management's assessment on the recoverability of the promissory notes to be consistent with the facts and circumstances available at year end.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
Impairment assessment of intangible assets (including goodwill) with indefinite useful lives relating to the Group's United Kingdom operations The aggregate carrying value of the Group's intangible assets with indefinite useful lives which included goodwill, casino licences and trademarks in relation to its United Kingdom ("UK") operations amounted to RM2,227.4 million as at 31 December 2018. We focused on this area due to the magnitude of the carrying value of these UK intangible assets (including goodwill) with indefinite useful lives as they comprised 39.2% of the total intangible assets of the Group. The impairment assessment performed by management involved significant degree of judgements and assumptions on growth rate and discount rate used. Arising from the impairment assessment, no impairment loss was recorded for intangible assets with indefinite lives in the current financial year. Refer to Notes 2(a) and 20 to the financial statements.	With respect to the appropriateness of the key assumptions used in the value in use calculations, we performed the following procedures: • Assessed management's basis for the value in use cash flows by reference to the approved 2019 budget. • Checked that the growth rate did not exceed the growth rates for the leisure and hospitality industry in which the CGUs operate and are consistent with the forecasts included in industry reports. • Checked the discount rate used by comparing the rate used to comparable industries and market information in UK. • Checked sensitivity analysis performed by management on the growth rate and discount rate to determine whether reasonable changes on these key assumptions would result in the carrying amounts of individual CGUs to exceed their recoverable amounts. In testing the recoverable amount based on fair value less cost to sell, we performed the following procedures: • Evaluated the objectivity and competency of the external valuer. • Evaluated the methodology and key assumptions used by an independent external valuer in the valuation based on our knowledge of the industry and checked the comparability of the input data used to current industry data. Based on the above procedures performed, we noted the results of management's impairment assessment to be consistent with the outcome of our procedures.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
Tax incentives granted for the Genting Integrated Tourism Plan In December 2017, the Ministry of Finance ("MOF") made a decision to amend the customised incentive under the East Coast Economic Region which entitled the Group to claim for income tax exemption equivalent to 100% of the qualifying capital expenditure incurred for a period of 10 years ("2014 Tax Incentive Approval"). The Group filed an application for judicial review of the decision by MOF in December 2018. On 24 January 2019, the High Court granted the Group's application for leave to commence judicial review of the decision by MOF and a stay of the decision by MOF pending disposal of the judicial review application before the High Court ("Stay Order"). For the financial year ended 31 December 2018, the Group has estimated the tax liability for year of assessment 2018 ("YA2018") of RM122 million in accordance with the basis of utilisation as per the 2014 Tax Incentive Approval based on the Stay Order granted by the High Court and legal view obtained from the external legal counsel in respect of the probability of outcome of the judicial review. We focused on this area due to judgement involved in estimating the tax liability for YA2018. Refer to Note 2(a) and 47(c) to the financial statements.	We performed the following procedures to evaluate management's estimation of the tax liability for YA2018: • Discussed with management and management's external legal counsel regarding the basis for the judicial review and the probability of outcome of the judicial review to support the position taken to arrive at the estimated tax liability for YA2018. • Obtained independent legal confirmation and assessed the objectivity and competency of management's expert. • Use of our tax experts to review management's basis for tax estimation and review the advice obtained from the independent legal counsel. Based on the above procedures performed, we did not find any material exceptions to the Directors' judgement in the assessment of the tax liability for YA2018.

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the financial statements of the Company.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, Statement of Risk Management and Internal Control, Corporate Governance Statement, Audit and Risk Management Committee Report, Management's Discussion and Analysis of Business Operations and Financial Performance, Sustainability Statement and other sections of the 2018 Annual Report, but does not include the financial statements of the Group and of the Company and our auditor's report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 49 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

PAULINE HO
02684/11/2019 J
Chartered Accountant

Kuala Lumpur
27 February 2019

APPENDIX II

UNAUDITED FINANCIAL STATEMENTS OF GENTING BERHAD FOR THE SIX MONTHS ENDED 30 JUNE 2019

SECOND QUARTERLY REPORT

Quarterly report on consolidated results for the second quarter ended 30 June 2019. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2019 RM'000	Preceding Year Corresponding Quarter 30/06/2018 RM'000	Current Year-To-Date 30/06/2019 RM'000	Preceding Year Corresponding Period 30/06/2018 RM'000
Revenue	**5,445,725**	4,823,315	**11,018,526**	10,074,071
Cost of sales	**(3,621,965)**	(3,025,775)	**(7,245,263)**	(6,216,950)
Gross profit	**1,823,760**	1,797,540	**3,773,263**	3,857,121
Other income	**271,295**	260,860	**635,222**	558,419
Impairment losses	**(3,197)**	(33,300)	**(21,031)**	(33,300)
Other expenses	**(518,522)**	(582,707)	**(1,317,615)**	(1,158,845)
Other gains/(losses)	**11,044**	(140,907)	**(55,080)**	(254,337)
Finance cost	**(267,526)**	(255,796)	**(561,232)**	(506,754)
Share of results in joint ventures and associates	**13,044**	71,726	**55,461**	95,572
Profit before taxation	**1,329,898**	1,117,416	**2,508,988**	2,557,876
Taxation	**(272,920)**	(293,892)	**(480,647)**	(616,911)
Profit for the period	**1,056,978**	823,524	**2,028,341**	1,940,965
Profit attributable to:				
Equity holders of the Company	**599,679**	383,515	**1,161,319**	986,219
Non-controlling interests	**457,299**	440,009	**867,022**	954,746
	1,056,978	823,524	**2,028,341**	1,940,965
Earnings per share (sen) for profit attributable to equity holders of the Company:				
- Basic	**15.57**	10.01	**30.16**	25.75
- Diluted	**15.54**	9.83	**30.09**	25.22

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2019 RM'000	Preceding Year Corresponding Quarter 30/06/2018 RM'000	Current Year-To-Date 30/06/2019 RM'000	Preceding Year Corresponding Period 30/06/2018 RM'000
Profit for the period	**1,056,978**	823,524	**2,028,341**	1,940,965
Other comprehensive income/(loss)				
Item that will not be reclassified subsequently to profit or loss:				
Changes in the fair value of equity investments at fair value through other comprehensive income	**2,061**	(38,035)	**57,234**	(20,163)
	2,061	(38,035)	**57,234**	(20,163)
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedges				
- Fair value gain/(loss)	**6,338**	(50,994)	**(76,698)**	(4,378)
- Reclassifications	**1,320**	6,020	**74,885**	2,203
Share of other comprehensive gain/(loss)of joint ventures and associates	**540**	23,797	**(8,183)**	9,011
Net foreign currency exchange differences	**675,922**	(44,412)	**6,328**	(1,188,632)
	684,120	(65,589)	**(3,668)**	(1,181,796)
Other comprehensive income/(loss) for the period, net of tax	**686,181**	(103,624)	**53,566**	(1,201,959)
Total comprehensive income for the period	**1,743,159**	719,900	**2,081,907**	739,006
Total comprehensive income attributable to:				
Equity holders of the Company	**1,049,807**	390,989	**1,149,394**	242,815
Non-controlling interests	**693,352**	328,911	**932,513**	496,191
	1,743,159	719,900	**2,081,907**	739,006

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	As At 30 June 2019 RM'000	Audited As At 31 Dec 2018 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	**39,304,247**	38,996,086
Land held for property development	**366,260**	370,700
Investment properties	**1,972,423**	1,995,185
Leasehold land use rights	**-**	664,644
Intangible assets	**5,774,937**	5,677,111
Rights of use of oil and gas assets	**3,432,719**	3,544,186
Rights of use of lease assets	**4,117,810**	-
Joint ventures	**1,667,110**	1,667,814
Associates	**700,198**	710,750
Financial assets at fair value through other comprehensive income	**818,754**	514,270
Financial assets at fair value through profit or loss	**910,895**	679,564
Derivative financial instruments	**-**	25,858
Deferred tax assets	**359,838**	394,899
Other non-current assets	**4,028,413**	4,332,593
	63,453,604	59,573,660
CURRENT ASSETS		
Property development costs	**54,259**	44,833
Inventories	**621,375**	685,329
Produce growing on bearer plants	**4,222**	3,833
Trade and other receivables	**2,510,569**	2,433,927
Amounts due from joint ventures and associates	**73,510**	154,313
Financial assets at fair value through other comprehensive income	**440,041**	383,152
Financial assets at fair value through profit or loss	**1,201,729**	757,810
Derivative financial instruments	**1,474**	23,043
Restricted cash	**572,515**	1,059,262
Cash and cash equivalents	**32,416,507**	30,987,855
	37,896,201	36,533,357
Assets classified as held for sale	**71,083**	34,434
	37,967,284	36,567,791
TOTAL ASSETS	**101,420,888**	96,141,451
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	**3,056,175**	3,056,175
Treasury shares	**(221,206)**	(221,206)
Reserves	**31,929,583**	31,438,761
	34,764,552	34,273,730
Non-controlling interests	**23,445,292**	23,114,496
TOTAL EQUITY	**58,209,844**	57,388,226
NON-CURRENT LIABILITIES		
Long term borrowings	**29,452,979**	25,163,533
Lease liabilities	**687,889**	-
Deferred tax liabilities	**2,278,719**	2,363,613
Derivative financial instruments	**11,760**	114,341
Other non-current liabilities	**900,767**	993,418
	33,332,114	28,634,905
CURRENT LIABILITIES		
Trade and other payables	**5,509,590**	5,251,453
Amounts due to joint ventures	**49,261**	53,466
Short term borrowings	**3,229,348**	4,060,960
Derivative financial instruments	**12,126**	29,253
Lease liabilities	**90,366**	-
Taxation	**757,204**	709,584
Dividend payable	**231,035**	-
	9,878,930	10,104,716
Liabilities classified as held for sale	**-**	13,604
	9,878,930	10,118,320
TOTAL LIABILITIES	**43,211,044**	38,753,225
TOTAL EQUITY AND LIABILITIES	**101,420,888**	96,141,451
NET ASSETS PER SHARE (RM)	**9.03**	8.90

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	Attributable to equity holders of the Company								
	Share Capital RM'000	Fair Value Reserve RM'000	Cash Flow Hedge Reserve RM'000	Foreign Exchange & Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 31 December 2018, as previously reported	3,056,175	(328,873)	25,068	(1,314,750)	33,057,316	(221,206)	34,273,730	23,114,496	57,388,226
Effects of adoption of MFRS 16 (see Note (I) (a))	-	-	-	(54)	(1,607)	-	(1,661)	(1,629)	(3,290)
At 1 January 2019, as restated	3,056,175	(328,873)	25,068	(1,314,804)	33,055,709	(221,206)	34,272,069	23,112,867	57,384,936
Profit for the period	-	-	-	-	1,161,319	-	1,161,319	867,022	2,028,341
Other comprehensive income/(loss)	-	57,234	(22,304)	(41,069)	(5,786)	-	(11,925)	65,491	53,566
Total comprehensive income/(loss) for the period	-	57,234	(22,304)	(41,069)	1,155,533	-	1,149,394	932,513	2,081,907
Effects arising from changes in composition of the Group	-	-	-	-	(165,691)	-	(165,691)	193,171	27,480
Performance-based Employee Share Scheme by subsidiaries	-	-	-	-	9,355	-	9,355	(9,355)	-
Effects of share-based payment	-	-	-	-	-	-	-	37,403	37,403
Dividends to non-controlling interests	-	-	-	-	-	-	-	(821,307)	(821,307)
Appropriation:									
Special single-tier dividend for financial year ended 31 December 2018	-	-	-	-	(269,540)	-	(269,540)	-	(269,540)
Final single-tier dividend for financial year ended 31 December 2018	-	-	-	-	(231,035)	-	(231,035)	-	(231,035)
Balance at 30 June 2019	3,056,175	(271,639)	2,764	(1,355,873)	33,554,331	(221,206)	34,764,552	23,445,292	58,209,844

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018

	Attributable to equity holders of the Company									
	Share Capital RM'000	Warrants Reserve RM'000	Fair Value Reserve RM'000	Cash Flow Hedge Reserve RM'000	Foreign Exchange & Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 1 January 2018	2,818,659	946,294	281,548	(52,112)	(1,587,141)	31,596,788	(221,206)	33,782,830	23,308,482	57,091,312
Profit for the period	-	-	-	-	-	986,219	-	986,219	954,746	1,940,965
Other comprehensive loss	-	-	(20,163)	(28,633)	(694,563)	(45)	-	(743,404)	(458,555)	(1,201,959)
Total comprehensive (loss)/income for the period	-	-	(20,163)	(28,633)	(694,563)	986,174	-	242,815	496,191	739,006
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	(17,440)	-	-	17,440	-	-	-	-
Effects arising from changes in composition of the Group	-	-	-	-	-	(12,490)	-	(12,490)	(95,186)	(107,676)
Performance-based Employee Share Scheme by subsidiaries	-	-	-	-	-	3,451	-	3,451	(3,451)	-
Effects of share-based payment	-	-	-	-	-	-	-	-	39,395	39,395
Issue of shares upon exercise of warrants	59,055	(9,351)	-	-	-	-	-	49,704	-	49,704
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(790,523)	(790,523)
Appropriation:										
Special single-tier dividend for financial year ended 31 December 2017	-	-	-	-	-	(268,205)	-	(268,205)	-	(268,205)
Final single-tier dividend for financial year ended 31 December 2017	-	-	-	-	-	(229,902)	-	(229,902)	-	(229,902)
Balance at 30 June 2018	2,877,714	936,943	243,945	(80,745)	(2,281,704)	32,093,256	(221,206)	33,568,203	22,954,908	56,523,111

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	Current Year-To-Date RM'000	Preceding Year Corresponding Period RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**2,508,988**	2,557,876
Adjustments for:		
Depreciation and amortisation	**1,275,213**	1,049,533
Finance cost	**561,232**	506,754
Impairment and write off of receivables	**174,099**	18,218
Provision for termination related costs	**138,016**	-
Loss on discontinued cash flow hedge	**74,008**	-
Impairment losses	**21,031**	33,300
Assets written off	**5,277**	29,493
Interest income	**(381,605)**	(431,484)
Gain on disposal of a subsidiary	**(138,663)**	-
Share of results in joint ventures and associates	**(55,461)**	(95,572)
Net exchange gain – unrealised	**(29,092)**	(21,665)
Net fair value (gain)/loss on financial assets at fair value through profit or loss	**(21,936)**	206,048
Investment income	**(21,824)**	(13,935)
Net fair value gain on derivative financial instruments	**(255)**	(1,710)
Gain on disposal of assets and liabilities classified as held for sale	**-**	(349)
Other non-cash items	**69,990**	36,712
	1,670,030	1,315,343
Operating profit before changes in working capital	**4,179,018**	3,873,219
Net change in current assets	**(166,629)**	(221,112)
Net change in current liabilities	**(156,705)**	(281,470)
	(323,334)	(502,582)
Cash generated from operations	**3,855,684**	3,370,637
Tax paid (net of tax refund)	**(505,007)**	(352,397)
Onerous lease paid	**-**	(2,196)
Retirement gratuities paid	**(10,617)**	(1,929)
Other operating activities	**(2,272)**	(473)
	(517,896)	(356,995)
NET CASH FROM OPERATING ACTIVITIES	**3,337,788**	3,013,642
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(3,603,678)**	(1,705,566)
Increase in investments, intangible assets and other long term financial assets	**(1,027,406)**	(531,402)
Interest received	**398,469**	271,765
Proceeds from disposal of a subsidiary (see note below)	**177,795**	-
Repayment of amount due from a joint venture	**145,023**	-
Proceeds from disposal of property, plant and equipment	**27,573**	74,949
Proceeds from disposal of investments	**-**	143,612
Proceeds from disposal of assets and liabilities classified as held for sale	**-**	35,348
Other investing activities	**121,689**	26,002
NET CASH USED IN INVESTING ACTIVITIES	**(3,760,535)**	(1,685,292)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings and payment of transaction costs	**(6,071,012)**	(862,687)
Dividends paid to non-controlling interests	**(821,307)**	(790,523)
Finance cost paid	**(600,898)**	(573,357)
Dividends paid	**(269,540)**	(268,205)
Settlement of derivative financial instruments	**(146,101)**	-
Repayment of lease liabilities	**(50,386)**	-
Buy-back of shares by a subsidiary	**(40,089)**	(98,456)
Proceeds from bank borrowings and issuance of Notes by subsidiaries	**9,485,235**	113,574
Restricted cash	**384,655**	365,430
Proceeds from issue of shares upon exercise of warrants	**-**	49,704
Other financing activities	**(47,938)**	51,214
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	**1,822,619**	(2,013,306)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**1,399,872**	(684,956)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	**30,987,855**	29,491,877
EFFECTS OF CURRENCY TRANSLATION	**28,780**	(496,049)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**32,416,507**	28,310,872
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	**26,900,480**	22,763,215
Money market instruments	**5,516,027**	5,547,657
	32,416,507	28,310,872

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

DISPOSAL OF A SUBSIDIARY

Fair value of the net assets disposed and net cash inflow on disposal of a subsidiary by Genting Malaysia Berhad ("GENM"), which is 49.5% owned by the Company, as disclosed in Part I(j) of this interim financial report, are analysed as follows:

Group	**As at date of disposal RM'000**
Property, plant and equipment	**33,890**
Deferred tax assets	**471**
Intangible assets	**2,673**
Inventories	**442**
Trade and other receivables	**710**
Cash and cash equivalents	**2,494**
Trade and other payables	**(2,664)**
Net assets disposed	**38,016**
Reclassification of currency translation reserve	**3,610**
	41,626
Gain on disposal	**138,663**
Cash proceeds from disposal	**180,289**
Less: Cash and cash equivalents in subsidiary disposed of	**(2,494)**
Net cash inflow on disposal	**177,795**

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

(I) Compliance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting

(a) Accounting Policies, Presentation and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 "Interim Financial Reporting" and paragraph 9.22 of Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements. The financial information for the current quarter and six months ended 30 June 2019 have been reviewed by the Company's auditor in accordance with the International Standards on Review Engagements ("ISRE") 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2018. The accounting policies, presentation and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2018 except for the adoption of new MFRSs, amendments to published standards and IC Interpretations for the Group for the financial year beginning 1 January 2019:

- MFRS 16 "Leases"
- Amendments to MFRS 9 "Prepayment Features with Negative Compensation"
- Amendments to MFRS 119 "Plan Amendment, Curtailment or Settlement"
- Amendments to MFRS 128 "Long-term Interests in Associates and Joint Ventures"
- Annual Improvements to MFRSs 2015 - 2017 Cycle
- IC Interpretation 23 "Uncertainty over Income Tax Treatments"

The adoption of these new MFRSs, amendments to published standards and IC interpretations did not have any material impact on the interim financial report of the Group except for the following:

MFRS 16 "Leases"

MFRS 16 eliminates the classification of leases by the lessee as either finance leases or operating leases. MFRS 16 introduces a single accounting model, requiring the lessee to recognise the "right-of-use" of the underlying asset and the lease liability reflecting future lease payments liabilities in the statement of financial position. The rights of use of lease asset is depreciated in accordance with the principle in MFRS 116 "Property, Plant and Equipment" and the lease liability is accreted over time with interest expense recognised in the income statement. For lessors, MFRS 16 retains most of the requirements in MFRS 117. Lessors continue to classify all leases as either operating leases or finance leases and account for them differently.

The Group has adopted MFRS 16 retrospectively from 1 January 2019 using the simplified transition approach and has not restated comparatives for the 2018 reporting period, as permitted under the standard. The reclassifications and adjustments arising from the new leasing rules are therefore recognised in the opening balance of statement of financial position as at 1 January 2019.

As permitted by the exemptions under the standard, the Group has not applied the principles of MFRS 16 to short term leases (a lease with lease term of 12 months or less from date of commencement) and leases for which the underlying asset is of low value.

The impact of adoption of MFRS 16 on operating leases and finance leases are as follows:

(i) Leases previously classified as operating leases

On adoption of MFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as "operating leases" under the principles of MFRS 117. These liabilities are measured at the present value of the remaining lease payments and discounted using the lessee's incremental borrowing rate as of 1 January 2019.

On a lease-by-lease basis, the Group measures the associated rights of use of lease asset on a retrospective basis either at its carrying amount as if the new rules had always been applied or at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised as at 31 December 2018.

In applying MFRS 16 for the first time, the Group has applied the following practical expedients:

(a) The use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
(b) Reliance on previous assessments on whether leases are onerous;
(c) The accounting for operating leases with a remaining lease term of less than 12 months as at the date of initial application as short term leases;
(d) The exclusion of initial direct costs for the measurement of the rights of use of lease asset at the date of initial application; and
(e) The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Group relied on its assessment by applying MFRS 117 and IC Interpretation 4 "Determining whether an Arrangement contains a Lease".

(ii) Leases previously classified as finance leases

For leases previously classified as finance leases, the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the rights of use of lease assets and lease liabilities on the date of initial application. The measurement principles of MFRS 16 are then applied after that date. Consequently, reclassifications from property, plant and equipment and finance lease liabilities which have been included in borrowings have been made to rights of use of lease assets and lease liabilities respectively on the date of initial application.

The table below shows the impact of changes to the condensed consolidated statement of financial position of the Group resulting from the adoption of MFRS 16 as at 1 January 2019:

	As at 31 Dec 2018	Effects of adoption of MFRS 16	As at 1 Jan 2019
	RM'000	RM'000	RM'000
Group			
Non-current assets			
Property, plant and equipment	38,996,086	(2,683,721)	36,312,365
Leasehold land use rights	664,644	(664,644)	-
Rights of use of lease assets	-	4,094,828	4,094,828
Other non-current assets	4,332,593	(11,351)	4,321,242
Current asset			
Trade and other receivables	2,433,927	(18,218)	2,415,709
Non-current liabilities			
Long term borrowings	25,163,533	(39,724)	25,123,809
Lease liabilities	-	712,728	712,728
Other non-current liabilities	993,418	(16,965)	976,453
Current liabilities			
Trade and other payables	5,251,453	(6,667)	5,244,786
Short term borrowings	4,060,960	(10,858)	4,050,102
Lease liabilities	-	81,670	81,670
Equity			
Foreign exchange & other reserves	(1,314,750)	(54)	(1,314,804)
Retained earnings	33,057,316	(1,607)	33,055,709
Non-controlling interests	23,114,496	(1,629)	23,112,867
Net assets per share (RM)	8.90	-	8.90

The impact on the Group's financial performance upon adoption of MFRS 16 in the current financial period is as follows:

(i) Consolidated Income Statement
Expenses which had included operating lease rental within adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") are now replaced by interest expense on lease liabilities (included within "finance cost") and amortisation of rights of use of lease assets (included within "depreciation and amortisation"); and

(ii) Consolidated Statement of Cash Flows
Operating lease rental outflow previously recorded within "net cash flow from operating activities" are now classified as "net cash flow from financing activities" for repayment of lease liabilities.

(b) **Seasonal or Cyclical Factors**

On an overall basis, the business operations of the Group's Leisure & Hospitality Division and Plantation Division are subject to seasonal fluctuations. The results of the Leisure & Hospitality Division are affected by major festive seasons and holidays. Fresh fruit bunches ("FFB") production is seasonal in nature. Production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions. More detailed commentary is set out in Notes 1 and 2 in Part II of this interim financial report.

(c) **Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

The unusual item included in the interim financial report for the six months ended 30 June 2019 is in respect of GENM Group's provision of related costs as a result of the termination of contracts related to the outdoor theme park at Resorts World Genting ("RWG") of RM138.0 million.

Other than the above, there were no other unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the six months ended 30 June 2019.

(d) **Material Changes in Estimates**

There have been no significant changes made in estimates of amounts reported in prior financial years.

(e) **Changes in Debt and Equity Securities**

(i) On 4 February 2019, LLPL Capital Pte Ltd, a 57.9% owned indirect subsidiary of the Company, issued USD775,000,000 6.875% guaranteed secured senior notes due 2039 ("Senior Notes"). The Senior Notes were listed on Singapore Exchange Securities Trading Limited on 7 February 2019. The Senior Notes are unconditionally and irrevocably guaranteed by PT Lestari Banten Energi, a 55.0% owned indirect subsidiary of the Company.

(ii) On 17 April 2019, the Company through its indirect wholly owned subsidiaries, Resorts World Las Vegas LLC ("RWLV") and RWLV Capital Inc., issued USD1,000,000,000 aggregate principal amount of 4.625% Senior Notes due 2029 ("Notes"). The Notes were listed on Singapore Exchange Securities Trading Limited on 17 April 2019. The Notes have the benefit of various funding agreements provided by Genting Overseas Holdings Limited, a direct wholly owned subsidiary of the Company. The Notes also have the benefit of a keepwell deed provided by the Company.

Concurrent with the issuance of the Notes, RWLV has on 16 April 2019 also entered into and closed on the USD1.6 billion senior secured credit facilities, comprising a USD400 million term loan facility, which was fully drawn in connection with the closing, and a USD1,200 million revolving credit facility.

(iii) On 25 April 2019, Resorts World at Sentosa Pte. Ltd., an indirect wholly owned subsidiary of Genting Singapore Limited ("GENS"), which is 52.7% owned by the Company, has made a voluntary full prepayment of the outstanding SGD680 million under its SGD2.27 billion syndicated senior secured credit facilities and cancelled the said facilities. Restricted cash which had been pledged as security for loan repayments and interest was fully released.

Other than the above, there were no other material issuance, cancellation, share buy-back, resale and repayment of debt securities or equity securities for the six months ended 30 June 2019.

(f) **Dividends Paid**

Dividends paid during the six months ended 30 June 2019 are as follows:

	RM'million
Special single-tier dividend paid on 8 April 2019 for the financial year ended 31 December 2018	
- 7.0 sen per ordinary share	269.5

(g) **Segment Information**

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker whereby the Group's business is considered from both geographic and industry perspective. The performance of the operating segments is based on a measure of adjusted EBITDA. Items not forming part of the adjusted EBITDA include net fair value gain or loss on financial assets, gain or loss on disposal of assets, assets written off, gain or loss on changes in shareholding in joint ventures and associates, project costs written off, impairment losses, reversal of previously recognised impairment losses and pre-opening and development expenses.

(g) **Segment Information (Cont'd)**

Segment analysis for the six months ended 30 June 2019 is set out below:

RM'million	← Leisure & Hospitality →					← Plantation →			Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	United Kingdom and Egypt	United States of America and Bahamas	Total	Oil Palm Plantation	Downstream Manufacturing	Total					
Revenue													
Total revenue	4,010.6	3,869.0	839.4	745.1	9,464.1	596.4	742.4	1,338.8	487.8	104.1	156.4	65.8	11,617.0
Inter/intra segment	(348.4)	(0.2)	-	-	(348.6)	(243.1)	-	(243.1)	-	(3.2)	(2.5)	(1.1)	(598.5)
External	3,662.2	3,868.8	839.4	745.1	9,115.5	353.3	742.4	1,095.7	487.8	100.9	153.9	64.7	11,018.5
Adjusted EBITDA	1,377.5	1,950.7	86.1	168.6	3,582.9	167.8	34.6	202.4	210.3	35.8	103.4	(87.2)	4,047.6
Main foreign currency	RM	SGD	GBP	USD		RM/^IDR	RM		^IDR	RM/USD	^RMB		
Exchange ratio of 1 unit/ 100 units^ of foreign currency to RM		3.0321	5.3341	4.1221		0.0290			0.0290	4.1221	60.7434		

A reconciliation of adjusted EBITDA to profit before tax is as follows:

	RM'million
Adjusted EBITDA	4,047.6
Net fair value gain on derivative financial instruments	0.3
Net fair value gain on financial assets at fair value through profit or loss ("FVTPL")	21.9
Gain on disposal of a subsidiary	138.7
Impairment losses	(21.0)
Depreciation and amortisation	(1,275.2)
Interest income	381.6
Finance cost	(561.2)
Share of results in joint ventures and associates	55.5
Others *	(279.2)
Profit before taxation	**2,509.0**

* Others include pre-opening and development expenses, assets written off and gain or loss on disposal of assets.

(g) **Segment Information (Cont'd)**

RM'million	Leisure & Hospitality					Plantation			Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	United Kingdom and Egypt	United States of America and Bahamas	Total	Oil Palm Plantation	Downstream Manufacturing	Total					
Segment Assets	11,958.2	15,161.6	4,949.4	12,072.1	44,141.3	5,616.9	511.3	6,128.2	4,733.0	2,780.9	3,901.3	5,645.0	67,329.7
Segment Liabilities	2,633.1	1,289.2	1,023.8	999.8	5,945.9	232.4	51.0	283.4	357.6	240.9	369.0	296.0	7,492.8
Main foreign currency	RM	SGD	GBP	USD		RM/^IDR	RM		^IDR	RM/USD	^RMB/^IDR		
Exchange ratio of 1 unit/ 100 units^ of foreign currency to RM		3.0615	5.2881	4.1435		0.0293			0.0293	4.1435	60.2126 / 0.0293		

	RM'million
A reconciliation of segment assets to total assets is as follows:	
Segment assets	67,329.7
Interest bearing instruments	31,091.8
Joint ventures	1,667.1
Associates	700.2
Unallocated corporate assets	632.1
Total assets	**101,420.9**
A reconciliation of segment liabilities to total liabilities is as follows:	
Segment liabilities	7,492.8
Interest bearing instruments	32,682.3
Unallocated corporate liabilities	3,035.9
Total liabilities	**43,211.0**

(g) **Segment Information (Cont'd)**

Notes

1. Total revenue from the Leisure & Hospitality segment of RM9,115.5 million for the six months ended 30 June 2019 comprised gaming revenue and non-gaming revenue of RM6,644.4 million and RM2,471.1 million respectively. In respect of the Leisure & Hospitality non-gaming revenue:
   i) Hotel room revenue is recognised when services are rendered to the customers over their stay at the hotel.
   ii) Revenue from sales of food and beverage is recognised when the services are rendered to the customers.
   iii) Attractions revenue is recognised when tickets are used. Revenue from annual passes is amortised over the period of their validity.

2. Plantation revenue from sales of palm produce and its derivatives is recognised upon the delivery of goods at the point when control of the goods has been passed to the customers.

3. Revenue from sale of oil is recognised at a point in time upon delivery to customer at the delivery point and there is no unfulfilled obligation that could affect the customer's acceptance of the oils. Revenue from sale of electricity is recognised over time upon delivery to customer.

4. Revenue from property development projects is recognised upon the finalisation of sale and purchase agreements and is measured as the projects' activities progress over time by reference to the property development costs incurred to date as a percentage of the total estimated development costs of the respective projects. Revenue from sales of completed properties is recognised upon delivery of properties at the point when control of the properties has been passed to the buyers.

(h) **Property, Plant and Equipment**

During the six months ended 30 June 2019, acquisitions and disposals of property, plant and equipment by the Group were RM4,136.2 million and RM41.1 million respectively.

(i) **Material Events Subsequent to the End of the Financial Period**

i) On 25 July 2019, GENM and Fox Entertainment Group, LLC, Twentieth Century Fox Film Corporation, FoxNext, LLC (collectively referred to as "Fox"), Twenty First Century Fox, Inc. and The Walt Disney Company (collectively the "Parties") entered into a settlement agreement fully resolving their disputes against each other and agreeing to dismiss all claims and counterclaims between the Parties in the pending legal action in the United States District Court for the Central District of California. As part of the settlement terms, the Parties have entered into a Restated Memorandum of Agreement dated 25 July 2019 granting GENM a license to use certain Fox intellectual properties.

ii) On 6 August 2019, GENM announced that its wholly owned subsidiary, Genting (USA) Limited ("GenUSA") had on 5 August 2019 (United States Pacific Standard Time), entered into a binding term sheet ("Term Sheet") with Kien Huat Realty III Limited ("KH") to:

   a) acquire 13,200,000 shares of common stock of Empire Resorts, Inc. ("Empire") held by KH (which currently represents approximately 46% of the Common Stock held by KH and which also represents approximately 35% of the outstanding voting power of Empire on a fully diluted basis after conversion of all preferred stock currently outstanding into Common Stock ("Proposed Acquisition")) at a cash consideration of USD9.74 per share of Common Stock, totalling approximately USD128.6 million (or RM538.8 million);

   b) jointly submit a preliminary non-binding proposal to Empire to acquire by merger, the outstanding shares of capital stock held by shareholders of Empire unaffiliated with KH at a cash consideration of USD9.74 per share of Common Stock ("Proposed Merger"); and

c) concurrently with or immediately following entry into the merger agreement with Empire, form a joint venture between GenUSA and KH, into which it is expected that KH and GenUSA will contribute their shares of Common Stock on the terms and subject to the conditions set forth in the Term Sheet ("Proposed JV").

On 20 August 2019, GENM further announced that, Hercules Topco LLC ("JVCo") (a joint venture company formed in the State of Delaware on 16 August 2019 under the Proposed JV) in which GenUSA holds 49% equity interest, entered into an Agreement and Plan of Merger with Hercules Merger Subsidiary Inc. (a wholly owned subsidiary of JVCo incorporated in the State of Delaware on 16 August 2019 for the purpose of the Proposed Merger) and Empire on 18 August 2019 (United States Eastern date/time) to effect the Proposed Merger.

Other than the above, there were no other material events subsequent to the end of the six months ended 30 June 2019 that have not been reflected in this interim financial report.

(j) **Changes in the Composition of the Group**

On 21 March 2019, Genting UK Plc, an indirect wholly owned subsidiary of GENM, entered into a Share Purchase Agreement with Sonco UK BidCo Limited to dispose of its entire equity interest in Coastbright Limited ("Coastbright"), an operator of Maxims casino in Kensington, London, for a total net cash consideration of GBP33.7 million (equivalent to approximately RM180.3 million). The Group realised a gain of approximately GBP26.6 million (equivalent to approximately RM138.7 million) from the disposal. The disposal was completed on 21 March 2019 whereby Coastbright ceased to be an indirect wholly owned subsidiary of GENM.

Other than the above, there were no other material changes in the composition of the Group for the six months ended 30 June 2019.

(k) **Changes in Contingent Liabilities or Contingent Assets**

As disclosed in the audited financial statements for the financial year ended 31 December 2018, a counter claim of approximately USD46.4 million (equivalent to approximately RM191.7 million) was made against GENM by Fox. GENM is of the view that the obligation to pay is neither remote nor probable as the litigation is in its initial phase and the outcome of the claim cannot be predicted with certainty. Therefore, this claim was disclosed as a contingent liability in accordance with MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets" as at 31 December 2018.

On 25 July 2019, the Parties have entered into a settlement agreement fully resolving their disputes against each other and agreeing to dismiss all claims and counterclaims between the Parties in the pending legal action in the United States District Court for the Central District of California. As such, there is no longer a contingent liability arising from the dismissal of this counter claim as at 30 June 2019.

Other than the above, there were no material changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2018.

(l) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 30 June 2019 are as follows:

	RM'million
Contracted	11,604.7
Not contracted	19,831.0
	31,435.7
Analysed as follows:	
- Property, plant and equipment	31,097.2
- Investments	258.7
- Rights of use of oil and gas assets	47.1
- Intangible assets	19.7
- Rights of use of lease assets	13.0
	31,435.7

(m) **Significant Related Party Transactions**

Significant related party transactions which were entered into on agreed terms and prices for the six months ended 30 June 2019 are set out below. The relationship of the related parties are as disclosed in the annual audited financial statements for the financial year ended 31 December 2018 and the approved shareholders' mandates for recurrent related party transactions.

		Current Year Quarter RM'million	Current Year to date RM'million
Group			
i)	Licensing fee for the use of the name "Genting" charged by wholly owned subsidiaries of the Company to Genting Simon Sdn Bhd ("GSSB") and Genting Highlands Premium Outlets Sdn Bhd ("GHPO").	0.3	0.6
ii)	Interest income earned from associates.	-	0.1
iii)	Provision of management services by Genting Awanpura Sdn Bhd, a wholly owned subsidiary of Genting Plantations Berhad ("GENP"), which is 55.4% owned by the Company, to GSSB and GHPO.	0.3	0.6
iv)	Sale of refined palm oil products by Genting MusimMas Refinery Sdn Bhd to Inter-Continental Oils & Fats Pte Ltd.	145.1	319.0
v)	Sales of fresh fruit bunches by PT Agro Abadi Cemerlang to Sepanjang Group.	1.0	1.0
vi)	Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the United States of America and the Bahamas charged by Resorts World Inc Pte Ltd ("RWI") Group to GENM Group.	19.1	37.4
vii)	Income from rental of premises by GENM Group to Warisan Timah Holdings Sdn Bhd.	0.7	1.3
viii)	Provision of water supply services by an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to GENM Group.	0.5	0.8

(m) **Significant Related Party Transactions (Cont'd)**

		Current Year Quarter RM'million	Current Year to date RM'million
	Group		
ix)	Income from rental of office space by GENM Group to Genting Hong Kong Limited ("GENHK") Group.	1.8	3.5
x)	Provision of maintenance and construction services by an entity connected with shareholder of BBEL to GENM Group.	21.5	38.7
xi)	Licensing fee for the use of gaming software and system charged by RWI Group to GENM Group.	1.4	2.7
xii)	Income from rental of office space by GENM Group to RWI Group.	0.2	0.3
xiii)	Provision of aviation related services by GENM Group to GENHK Group.	0.4	0.4
xiv)	Provision of utilities, maintenance and security services by GENM Group to GHPO.	0.5	1.1
xv)	Purchase of holiday packages by GENM Group from GENHK Group.	0.2	1.1
xvi)	Provision of support services by GENHK Group to GENM Group.	3.6	3.6
xvii)	Sale of goods and services by GENS Group to GENHK Group.	0.9	1.7
xviii)	Purchase of goods and services by GENS Group from GENHK Group.	0.3	0.5
xix)	Sale of goods and services by GENS Group to DCP (Sentosa) Pte Ltd.	1.3	1.9
xx)	Purchase of goods and services by GENS Group from DCP (Sentosa) Pte Ltd.	17.3	33.1
xxi)	Sale of goods and services by GENS Group to International Resorts Management Services Pte Ltd.	0.2	0.4

(n) **Fair Value of Financial Instruments**

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at 30 June 2019, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

RM'million	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets at FVTPL	589.8	1,165.9	356.9	2,112.6
Financial assets at fair value through other comprehensive income	521.2	-	737.6	1,258.8
Derivative financial instruments	-	1.5	-	1.5
	1,111.0	**1,167.4**	**1,094.5**	**3,372.9**
Financial liability				
Derivative financial instruments	**-**	**23.9**	**-**	**23.9**

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2018.

The following table presents the changes in financial instruments classified within Level 3:

	RM'million
As at 1 January 2019	552.8
Foreign exchange differences	(2.6)
Additions	308.1
Fair value changes – recognised in income statement	(11.2)
Investment income and interest income	3.2
Reclassification from receivables	244.2
As at 30 June 2019	**1,094.5**

There have been no transfers between the levels of the fair value hierarchy during the six months ended 30 June 2019.

(II) Compliance with Appendix 9B of Bursa Securities Listing Requirements

1. Performance Analysis

Financial review for the current quarter and financial year to date compared with the corresponding periods last year.

	Individual Period (2nd quarter)				Cumulative Period			
	Current Year Quarter 30/06/2019 RM'million	Preceding Year Corresponding Quarter 30/06/2018 RM'million	Changes +/- RM'million	+/- %	Current Year to date 30/06/2019 RM'million	Preceding Year Corresponding Period 30/06/2018 RM'million	Changes +/- RM'million	+/- %
Revenue								
Leisure & Hospitality								
- Malaysia	**1,754.5**	1,590.1	164.4	+10	**3,662.2**	3,187.9	474.3	+15
- Singapore	**1,935.9**	1,656.8	279.1	+17	**3,868.8**	3,666.0	202.8	+6
- UK and Egypt	**420.1**	436.0	-15.9	-4	**839.4**	848.4	-9.0	-1
- US and Bahamas	**378.1**	344.8	33.3	+10	**745.1**	691.1	54.0	+8
	4,488.6	4,027.7	460.9	+11	**9,115.5**	8,393.4	722.1	+9
Plantation								
- Oil Palm Plantation	**253.6**	290.9	-37.3	-13	**596.4**	626.7	-30.3	-5
- Downstream Manufacturing	**343.9**	194.6	149.3	+77	**742.4**	476.5	265.9	+56
	597.5	485.5	112.0	+23	**1,338.8**	1,103.2	235.6	+21
- Intra segment	**(102.8)**	(105.6)	2.8	+3	**(243.1)**	(216.3)	-26.8	-12
	494.7	379.9	114.8	+30	**1,095.7**	886.9	208.8	+24
Power	**291.1**	251.5	39.6	+16	**487.8**	469.1	18.7	+4
Property	**53.2**	47.0	6.2	+13	**100.9**	95.6	5.3	+6
Oil & Gas	**79.5**	80.9	-1.4	-2	**153.9**	166.5	-12.6	-8
Investments & Others	**38.6**	36.3	2.3	+6	**64.7**	62.6	2.1	+3
	5,445.7	4,823.3	622.4	+13	**11,018.5**	10,074.1	944.4	+9
Profit before tax								
Leisure & Hospitality								
- Malaysia	**675.1**	688.9	-13.8	-2	**1,377.5**	1,371.9	5.6	-
- Singapore	**929.2**	803.9	125.3	+16	**1,950.7**	1,886.3	64.4	+3
- UK and Egypt	**45.1**	29.6	15.5	+52	**86.1**	60.1	26.0	+43
- US and Bahamas	**102.6**	77.6	25.0	+32	**168.6**	142.4	26.2	+18
	1,752.0	1,600.0	152.0	+10	**3,582.9**	3,460.7	122.2	+4
Plantation								
- Oil Palm Plantation	**63.1**	95.5	-32.4	-34	**167.8**	248.2	-80.4	-32
- Downstream Manufacturing	**12.6**	4.6	8.0	>100	**34.6**	5.0	29.6	>100
	75.7	100.1	-24.4	-24	**202.4**	253.2	-50.8	-20
Power	**135.2**	114.1	21.1	+18	**210.3**	203.9	6.4	+3
Property	**17.5**	17.1	0.4	+2	**35.8**	36.2	-0.4	-1
Oil & Gas	**48.3**	56.8	-8.5	-15	**103.4**	117.7	-14.3	-12
Investments & Others	**(36.6)**	15.5	-52.1	>-100	**(87.2)**	(143.3)	56.1	+39
Adjusted EBITDA	**1,992.1**	1,903.6	88.5	+5	**4,047.6**	3,928.4	119.2	+3
Net fair value gain on derivative financial instruments	**-**	2.8	-2.8	-100	**0.3**	1.7	-1.4	-82
Net fair value gain/(loss) on financial assets at FVTPL	**3.6**	(206.5)	210.1	>100	**21.9**	(206.1)	228.0	>100
Gain on disposal of a subsidiary	**-**	-	-	-	**138.7**	-	138.7	NM
Impairment losses	**(3.2)**	(33.3)	30.1	+90	**(21.0)**	(33.3)	12.3	+37
Depreciation and amortisation	**(649.9)**	(523.3)	-126.6	-24	**(1,275.2)**	(1,049.5)	-225.7	-22
Interest income	**206.9**	221.2	-14.3	-6	**381.6**	431.5	-49.9	-12
Finance cost	**(267.5)**	(255.8)	-11.7	-5	**(561.2)**	(506.8)	-54.4	-11
Share of results in joint ventures and associates	**13.1**	71.7	-58.6	-82	**55.5**	95.6	-40.1	-42
Others	**34.8**	(62.9)	97.7	>100	**(279.2)**	(103.6)	-175.6	>-100
	1,329.9	1,117.5	212.4	+19	**2,509.0**	2,557.9	-48.9	-2

NM = Not meaningful

Quarter ended 30 June 2019 compared with quarter ended 30 June 2018

The Group's revenue of RM5,445.7 million for the current quarter increased by 13% over that of the previous year's corresponding quarter's revenue of RM4,823.3 million.

Revenue of Resorts World Sentosa ("RWS") increased in the current quarter with contribution mainly from the gaming segment. VIP rolling business segment recorded high win percentage whilst the underlying mass gaming business experienced significant declines during the current quarter. The decline would have been further impacted if not for considerable increased spending to tap the regional markets. The primary attractions at RWS recorded an average daily visitation of over 20,000 whilst its hotels continued to register a respectable occupancy rate of 85%. Adjusted EBITDA was also higher in the current quarter, driven by the higher revenue from gaming segment and accordingly, impairment on gaming receivables increased compared with the previous year's corresponding quarter.

Increased revenue from RWG was mainly attributed to an improved hold percentage in the mid to premium players segments. However, the overall business volume from gaming segment declined in the current quarter due mainly to reduction in incentives offered to the players as part of RWG's cost rationalisation initiatives. The opening of new attractions under the Genting Integrated Tourism Plan has been well received and contributed to a significant increase in non-gaming revenue. Despite the higher revenue, adjusted EBITDA has decreased marginally.

Whilst revenue from the casino businesses in United Kingdom ("UK") and Egypt decreased due mainly to lower contribution from interactive business, adjusted EBITDA was higher due mainly to the impact of adoption of MFRS 16 as mentioned in Part I(a) of this interim report.

Higher revenue from the leisure and hospitality businesses in United States of America ("US") and Bahamas was due mainly to the stronger US Dollar exchange rate to the Malaysian Ringgit. Higher volume of business was also recorded from Resorts World Casino New York City ("RWNYC") operations. Adjusted EBITDA improved due to lower operating loss from Bimini operations which resulted from improved operational efficiencies.

Total revenue from Plantation Division increased in the current quarter due mainly to Downstream Manufacturing, arising from higher demand for its refinery and biodiesel products. Adjusted EBITDA likewise increased for Downstream Manufacturing attributable to higher sales, capacity utilisation and improved margins. Revenue and adjusted EBITDA from the plantation segment however declined on the back of lower palm products prices which outweighed the higher FFB production.

Revenue and adjusted EBITDA from the Power Division increased compared with previous year's corresponding quarter due mainly to higher generation from the Indonesian Banten coal-fired power plant ("Banten Plant").

The Oil & Gas Division generated lower revenue and adjusted EBITDA in the current quarter due mainly to lower average oil prices.

The adjusted loss before interest, tax, depreciation and amortisation ("LBITDA") from "Investments & Others" included net foreign exchange gains on net foreign currency denominated financial assets which was lower in the current quarter.

Profit before tax for the current quarter was RM1,329.9 million, an increase of 19% compared with RM1,117.5 million in the previous year's corresponding quarter. The profit before tax for the previous year's corresponding quarter had been impacted by a net fair value loss of RM206.5 million on the Group's financial assets at FVTPL.

Six months ended 30 June 2019 compared with six months ended 30 June 2018

Group revenue for the current six months increased by 9%, from RM10,074.1 million in the previous year's six months to RM11,018.5 million.

RWS delivered a stable financial performance in the current six months, with increase in both revenue and adjusted EBITDA. Increased revenue was contributed mainly by the gaming segment.

The higher revenue from RWG was mainly attributable to an exceptionally high hold percentage from the mid to premium players segments. However, the overall business volume from gaming segment declined in the current six months due to a reduction of incentives offered to the players. The non-gaming segment has also contributed to an increase in revenue. Adjusted EBITDA increased marginally attributable to the higher revenue and lower payroll and related expenses as the number of employees was reduced. This was partially offset by higher casino duty.

Marginally lower revenue was recorded by the casino businesses in UK and Egypt. Improvement in adjusted EBITDA was due mainly to the impact of adoption of MFRS 16 as mentioned in Part I(a) of this interim report, partially offset by lower debts recovery in the current six months.

Higher revenue from the leisure and hospitality businesses in US and Bahamas was due mainly to the stronger US Dollar exchange rate to the Malaysian Ringgit. Higher volume of business was also recorded from RWNYC operations. Adjusted EBITDA likewise increased due mainly to lower operating loss from Bimini operations as a result of improved operational efficiencies and higher revenue from Hilton Miami Downtown Hotel.

Increase in total revenue from Plantation Division was mainly attributable to Downstream Manufacturing with higher demand for its refinery and biodiesel products. However, the plantation segment's revenue was lower in the current year's six months due to lower palm products selling prices which outstripped the impact of higher FFB production. Consequently, adjusted EBITDA for the Plantation Division declined compared with that of the previous year's six months.

Increased revenue and adjusted EBITDA from the Power Division was attributable to higher generation by the Banten Plant and the Jangi wind farm.

Revenue and adjusted EBITDA from the Oil & Gas Division were impacted by lower average oil prices.

The lower adjusted LBITDA recorded from "Investments & Others" was due mainly to lower net foreign exchange losses on net foreign currency denominated financial assets for the current six months.

The profit before tax for the current year's six months declined by 2%, from RM2,557.9 million recorded in the previous year's six months to RM2,509.0 million. Higher depreciation and amortisation charges were recorded in the current year's six months, attributable mainly to the GENS Group as it has drawn up plans to retire certain assets in connection with the expansion and transformation of its integrated resort. The profit before tax for the current year's six months had also been impacted by the provision for termination related costs of RM138.0 million by GENM as mentioned in Part I(c) of this interim report as well as a loss on a discontinued cash flow hedge. These were partially offset by the gain on disposal of Coastbright, an indirect wholly owned subsidiary of GENM.

2. **Material Changes in Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

Financial review for the current quarter compared with the immediate preceding quarter.

	Current Year Quarter 30/06/2019 RM'million	Immediate Preceding Quarter 31/03/2019 RM'million	Changes +/- RM'million	+/- %
Revenue				
Leisure & Hospitality				
- Malaysia	**1,754.5**	1,907.7	-153.2	-8
- Singapore	**1,935.9**	1,932.9	3.0	-
- UK and Egypt	**420.1**	419.3	0.8	-
- US and Bahamas	**378.1**	367.0	11.1	+3
	4,488.6	4,626.9	-138.3	-3
Plantation				
- Oil Palm Plantation	**253.6**	342.8	-89.2	-26
- Downstream Manufacturing	**343.9**	398.5	-54.6	-14
	597.5	741.3	-143.8	-19
- Intra segment	**(102.8)**	(140.3)	37.5	+27
	494.7	601.0	-106.3	-18
Power	**291.1**	196.7	94.4	+48
Property	**53.2**	47.7	5.5	+12
Oil & Gas	**79.5**	74.4	5.1	+7
Investments & Others	**38.6**	26.1	12.5	+48
	5,445.7	5,572.8	-127.1	-2
Profit before tax				
Leisure & Hospitality				
- Malaysia	**675.1**	702.4	-27.3	-4
- Singapore	**929.2**	1,021.5	-92.3	-9
- UK and Egypt	**45.1**	41.0	4.1	+10
- US and Bahamas	**102.6**	66.0	36.6	+55
	1,752.0	1,830.9	-78.9	-4
Plantation				
- Oil Palm Plantation	**63.1**	104.7	-41.6	-40
- Downstream Manufacturing	**12.6**	22.0	-9.4	-43
	75.7	126.7	-51.0	-40
Power	**135.2**	75.1	60.1	+80
Property	**17.5**	18.3	-0.8	-4
Oil & Gas	**48.3**	55.1	-6.8	-12
Investments & Others	**(36.6)**	(50.6)	14.0	+28
Adjusted EBITDA	**1,992.1**	2,055.5	-63.4	-3
Net fair value gain on derivative financial instruments	**-**	0.3	-0.3	-100
Net fair value gain on financial assets at FVTPL	**3.6**	18.3	-14.7	-80
Gain on disposal of a subsidiary	**-**	138.7	-138.7	-100
Impairment losses	**(3.2)**	(17.8)	14.6	+82
Depreciation and amortisation	**(649.9)**	(625.3)	-24.6	-4
Interest income	**206.9**	174.7	32.2	+18
Finance cost	**(267.5)**	(293.7)	26.2	+9
Share of results in joint ventures and associates	**13.1**	42.4	-29.3	-69
Others	**34.8**	(314.0)	348.8	>100
	1,329.9	1,179.1	150.8	+13

Material changes in profit before taxation for the current quarter compared with the immediate preceding quarter

The Group's profit before tax for the current quarter was RM1,329.9 million compared with RM1,179.1 million in the immediate preceding quarter, an increase of 13%.

Adjusted EBITDA of RWS decreased in the current quarter due to lower revenue and higher net impairment on trade receivables.

Higher adjusted EBITDA was recorded from the leisure and hospitality businesses in US and Bahamas due mainly to higher revenue. The preceding quarter's adjusted EBITDA had also been impacted by the recognition of expenses of RM27.1 million which had been previously under accrued for RWNYC.

Lower adjusted EBITDA was recorded from the Plantation Division due mainly to lower palm products selling prices.

Adjusted EBITDA from the Power Division improved in the current quarter as the preceding quarter had been impacted by lower generation from the Banten Plant as a consequence of the outage of the plant during the preceding quarter.

The preceding quarter's profit before tax had been impacted by the provision for termination related costs of RM198.3 million by GENM compared with a reversal of RM60.2 million made in the current quarter following the finalisation of claims from certain contractors as well as a loss on a discontinued cash flow hedge. This was partially offset by the gain on disposal of Coastbright, an indirect wholly owned subsidiary of GENM.

* *The comments on performance in Notes 1 and 2 above are based on the results of the respective subsidiaries and associates of the Company. Some of the subsidiaries are separately listed on the Malaysian and Singapore stock exchanges. Please refer to the respective listed subsidiaries' announcements of their interim results for a detailed review of their respective performance.*

Listed subsidiaries	*Announcement date*
Genting Singapore Limited	*2 August 2019*
Genting Plantations Berhad	*28 August 2019*
Genting Malaysia Berhad	*29 August 2019*

3. **Prospects**

The performance of the Group for the remaining period of the current financial year may be impacted as follows:

(a) In Malaysia, the GENM Group is continuing work on the development of the outdoor theme park following the resolution of the legal dispute surrounding the park. Details on the opening date of the outdoor theme park will be made available in due course. Meanwhile, the GENM Group will continue focusing its efforts on rationalising its operating cost structure and improving overall operational efficiencies at RWG. Additionally, the GENM Group will place emphasis on building its service delivery and product offerings to enhance the quality of guest experience. To this end, the GENM Group will leverage the new assets to grow key business segments while emphasising yielding capabilities and database marketing efforts to drive revenue growth;

(b) The seemingly strong growth in gaming revenue was largely driven by a favourable win percentage. The underlying revenue drivers have been impacted by various factors that will continue to affect RWS's business through the rest of this year. RWS maintains its cautious stance on the premium segment as the regional economic environment faces uncertainty and will impact consumer confidence. Nevertheless, RWS will continue to innovate its offerings to enhance and diversify its appeal to various target markets around the region.

Looking ahead, GENS is embarking on the implementation phase of RWS's SGD4.5 billion mega expansion plans which will again elevate its position as the region's premier Integrated Resort ("IR") destination. Beginning with the complete revamp of the existing theatre into a first-of-its-kind Adventure Dining Playhouse scheduled for re-opening in 2021, RWS is on track to execute the development plans to progressively unveil an exciting series of marquee attractions with new and enhanced visitor experiences. This transformation will also include two new luxury hotels of 1,100 keys and state-of-the-art Meetings, Incentives, Conferences and Exhibitions ("MICE") facilities.

In relation to the GENS Group's plan for the Japan IR opportunity, it has fully met the application guidelines and qualifying criteria of the Osaka Request-for-Concept ("RFC") and received the confirmation notice that its RFC registration was officially approved by the local government. Having operated a highly successful IR that encompasses the full spectrum of a true IR in Singapore, GENS is well-positioned to submit a world-class concept which will enhance Japan's appeal as a global MICE and leisure destination;

(c) In the UK, the GENM Group will continue reviewing its operations to identify streamlining opportunities to improve operational efficiencies. Additionally, the GENM Group remains steadfast in delivering sustainable performance by managing business volatility in the premium players segment as well as strengthening its position in the mass market segment. The GENM Group will also continue to put in place measures to encourage higher levels of visitation and volume of business at Resorts World Birmingham;

(d) In the US, RWNYC maintained its position as market leader in terms of gaming revenue in the Northeast US region. Nevertheless, the GENM Group remains focused on executing various initiatives to drive visitation and frequency of play at the property. Meanwhile, the first phase of the GENM Group's expansion at RWNYC is expected to open by the end of this year while the development of the remaining facilities is progressing well. Once completed, the expansion will position the GENM Group to capitalise on growing opportunities in the New York State amid an increasingly competitive landscape. In Miami, the GENM Group will continue to leverage the Hilton Miami Downtown hotel to drive visitation and revenue at the property. In the Bahamas, the GENM Group will place emphasis on improving the connectivity and infrastructure at Resorts World Bimini. The GENM Group will also focus on enhancing the attractions at the resort by leveraging partnerships with renowned brands to grow visitation and encourage higher spend;

(e) The GENP Group's prospects for the rest of the year will track the performance of its mainstay Plantation segment, which is in turn dependant principally on the movements in palm products prices and the GENP Group's FFB production. Palm products prices are influenced by factors such as the demand and supply dynamics of palm oil and other substitute oils and fats, weather patterns, currency exchange fluctuations, global economic conditions as well as relevant government policies such as biodiesel mandates and import/export tax regimes.

The GENP Group expects its FFB production growth to extend into the second half of 2019, supported by its Indonesia operations with additional mature areas and a better age profile as well as the recovery in output from its Malaysian operations. However, the overall performance of its Plantation segment will be adversely impacted should the prevailing low palm products prices persist for the rest of the year.

Despite registering higher property sales in first half of 2019, the outlook for the property market generally remains soft and therefore the Property segment will align its offerings to the broader market demand. Meanwhile, the Premium Outlets are expected to perform well in the second half of 2019 with the introduction of new tenants such as Bottega Veneta, Prada, Longchamp and Burberry along with the contribution from the third phase of Johor Premium Outlets.

The Downstream Manufacturing segment continues to focus on expanding its export markets. Meanwhile, the local demand for biodiesel is expected to improve following the implementation of the mandatory B7 and B10 mandates but may be moderated by domestic competition;

(f) The operational availability and efficiency of the Banten power plant in Indonesia are expected to be stable and continue to contribute positive cash flows to the Group's performance. In Gujarat, India, contribution from the Jangi wind farm has improved due to better wind speed but is expected to slow down arising from the seasonal factors where the peak wind season falls between May and August;

(g) Production from the Chengdaoxi oil field in China is expected to be stable at about 8,000 barrels of oil per day, but this will be impacted by the fluctuating oil prices with the continuous tension from the trade war between the US and China. This will impact on the contribution from Genting CDX Singapore Pte Ltd. With the approval from the Ministry of Energy and Mineral Resources of Indonesia on the Plan of Development for the Kasuri block, Genting Oil Kasuri Pte Ltd ("GOKPL") will enter into the development phase of the project, with the front end engineering design work which commenced recently. Utilising 1.7 trillion cubic feet of discovered gas in place, GOKPL plans to supply 170 million cubic feet per day of natural gas for 20 years to a petrochemical plant in West Papua, which is in the plan and will be built by a third party; and

(h) Construction of RWLV continues to progress well. As of 10 August 2019, RWLV has completed concrete work for both the West and East Towers, topping off at the 69th level. Structural steel construction has been completed for the low-rise casino podium. Total development and land costs incurred as of 30 June 2019 were approximately USD1.5 billion. RWLV, an iconic must-see luxury destination resort, is designed to appeal to a wide array of domestic and international tourists as well as business and leisure guests. The first phase is estimated to cost approximately USD4.1 billion.

4. **Variance of Actual Profit from Forecast Profit**

The Group did not issue any profit forecast or profit guarantee for the year.

5. **Taxation**

The breakdown of tax charges for the current quarter and six months ended 30 June 2019 is set out below:

	Current Year Quarter 30/06/2019 RM'million	Preceding Year Corresponding Quarter 30/06/2018 RM'million	Current Year to date 30/06/2019 RM'million	Preceding Year Corresponding Period 30/06/2018 RM'million
Current taxation				
Malaysian income tax charge	**79.4**	90.4	**171.6**	188.4
Foreign income tax charge	**199.2**	146.9	**406.7**	337.1
	278.6	237.3	**578.3**	525.5
Deferred tax (credit)/charge	**(7.3)**	55.1	**(78.6)**	89.8
	271.3	292.4	**499.7**	615.3
Prior period taxation				
Income tax under/(over) provided	**1.6**	1.5	**(19.1)**	1.6
Total tax charge	**272.9**	293.9	**480.6**	616.9

The effective tax rate of the Group for the current quarter and six months ended 30 June 2019 is lower than the Malaysian statutory income tax rate due mainly to income subject to lower tax rates in certain jurisdictions, income not subject to tax and tax incentives, partially offset by expenses not deductible for tax purposes.

6. **Profit Before Taxation**

Profit before taxation has been determined after inclusion of the following charges and credits:

	Current Year Quarter 30/06/2019 RM'million	Preceding Year Corresponding Quarter 30/06/2018 RM'million	Current Year to date 30/06/2019 RM'million	Preceding Year Corresponding Period 30/06/2018 RM'million
Charges:				
Finance cost	**267.5**	255.8	**561.2**	506.8
Depreciation and amortisation	**649.9**	523.3	**1,275.2**	1,049.5
Impairment and write off of receivables	**142.0**	2.0	**174.1**	18.2
Impairment losses	**3.2**	33.3	**21.0**	33.3
Loss on discontinued cash flow hedge	**-**	-	**74.0**	-
(Reversal of provision)/Provision for termination related costs	**(60.2)**	-	**138.0**	-
Inventories written off	**0.4**	0.1	**0.5**	0.2
Net (gain)/loss on disposal of property, plant and equipment	**(0.7)**	(4.4)	**3.0**	(8.2)
Net foreign exchange (gain)/loss	**(7.4)**	(78.4)	**3.3**	36.5
Credits:				
Interest income	**206.9**	221.2	**381.6**	431.5
Investment income	**12.1**	7.5	**21.8**	13.9
Gain on disposal of a subsidiary	**-**	-	**138.7**	-
Net fair value gain/(loss) on financial assets at FVTPL	**3.6**	(206.5)	**21.9**	(206.1)
Net surplus arising from Government acquisition	**3.2**	-	**3.2**	14.4
Net fair value gain on derivative financial instruments	**-**	2.8	**0.3**	1.7

7. **Status of Corporate Proposals Announced**

Other than the announcements by GENM on 6 August 2019 and 20 August 2019 as disclosed in Note (i)ii) in Part I of this interim financial report, there were no other corporate proposals announced but not completed as at 22 August 2019.

8. **Group Borrowings and Debt Securities**

The details of the Group's borrowings and debt securities as at 30 June 2019 are as set out below:

	As at 30/06/2019				As at 31/12/2018
	Secured/ Unsecured	**Foreign Currency 'million**		**RM Equivalent 'million**	**RM Equivalent 'million**
Short term borrowings	Secured	RM		**1.0**	1.0
	Secured	USD	126.4	**523.9**	591.0
	Secured	SGD	-	**-**	636.2
	Secured	GBP	14.9	**78.6**	133.8
	Secured	INR	275.0	**16.4**	12.0
	Unsecured	RM		**1,862.9**	1,888.1
	Unsecured	USD	148.0	**613.1**	665.2
	Unsecured	GBP	25.0	**132.4**	132.7
	Unsecured	JPY	24.7	**1.0**	1.0
				3,229.3	4,061.0
Long term borrowings	Secured	RM		**87.5**	87.6
	Secured	USD	1,684.3	**6,978.8**	4,679.1
	Secured	SGD	-	**-**	1,936.1
	Secured	GBP	69.2	**366.1**	500.2
	Secured	INR	2,593.2	**154.9**	163.9
	Unsecured	RM		**10,589.0**	10,587.9
	Unsecured	USD	2,535.7	**10,506.7**	6,459.9
	Unsecured	JPY	19,901.8	**770.0**	748.8
				29,453.0	25,163.5
Total borrowings	Secured	RM		**88.5**	88.6
	Secured	USD	1,810.7	**7,502.7**	5,270.1
	Secured	SGD	-	**-**	2,572.3
	Secured	GBP	84.1	**444.7**	634.0
	Secured	INR	2,868.2	**171.3**	175.9
	Unsecured	RM		**12,451.9**	12,476.0
	Unsecured	USD	2,683.7	**11,119.8**	7,125.1
	Unsecured	GBP	25.0	**132.4**	132.7
	Unsecured	JPY	19,926.5	**771.0**	749.8
				32,682.3	29,224.5

9. **Outstanding Derivatives**

As at 30 June 2019, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

Types of Derivative	Contract/ Notional Value RM'million	Fair Value Assets/ (Liabilities) RM'million
Interest Rate Swaps		
USD	369.3	
- Less than 1 year		(2.1)
- 1 year to 3 years		(6.8)
GBP	449.5	
- Less than 1 year		(2.3)
- 1 year to 3 years		(3.3)
- More than 3 years		(0.5)
Forward Foreign Currency Exchange		
USD	129.8	
- Less than 1 year		0.4
Commodity Future Contracts		
RM	45.4	
- Less than 1 year		1.1
Commodity Swap		
USD	-	
- Less than 1 year		(7.7)
- 1 year to 3 years		(1.2)

There is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2018:

(a) the credit risk, market risk and liquidity risk associated with these financial derivatives;

(b) the cash requirements of the financial derivatives; and

(c) the policy in place for mitigating or controlling the risks associated with these financial derivatives.

10. **Fair Value Changes of Financial Liabilities**

As at 30 June 2019, the Group does not have any financial liabilities measured at fair value through profit or loss.

11. **Changes in Material Litigation**

Following the settlement of the litigation filed by GENM against Fox and The Walt Disney Company in connection with the planned Fox-branded theme park at RWG, as disclosed in Note (i)i) in Part I of this interim financial report, there are no other pending material litigation as at 22 August 2019.

12. **Dividend Proposed or Declared**

(a) i) An interim single-tier dividend of 6.5 sen per ordinary share in respect of the financial year ending 31 December 2019 has been declared by the Directors.

ii) The interim single-tier dividend declared and paid for the previous year's corresponding period was 8.5 sen per ordinary share.

iii) The date of payment of the interim single-tier dividend shall be determined by the Directors and announced at a later date.

(b) The total single-tier dividend payable to-date for the financial year ending 31 December 2019 is 6.5 sen per ordinary share.

13. **Earnings Per Share ("EPS")**

(a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter and six months ended 30 June 2019 is as follows:

	Current Year Quarter RM'million	**Current Year to date RM'million**
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic EPS)	599.6	1,161.3
Net impact on earnings on potential exercise of Performance Share Scheme awarded to executives of the Company's subsidiaries	(1.4)	(2.6)
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Diluted EPS)	598.2	1,158.7

(b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter and six months ended 30 June 2019 is as follows:

	Current Year Quarter No. of shares 'million	**Current Year to date No. of shares 'million**
Weighted average number of ordinary shares in issue (used as denominator for the computation of Basic and Diluted EPS)	3,850.6	3,850.6

14. **Disclosure of Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the financial year ended 31 December 2018 did not contain any qualification.

15. **Approval of Interim Financial Statements**

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 29 August 2019.

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