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THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE OUTSIDE OF THE UNITED STATES

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You are reminded that you have accessed the attached Offering Circular on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver or forward this document, electronically or otherwise, to any other person.

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Subject to Completion
Preliminary Offering Circular dated 10 January 2017

OFFERING CIRCULAR

STRICTLY CONFIDENTIAL



GOHL Capital Limited

(a company incorporated in the Isle of Man)

US\$ per cent. Guaranteed Notes due

unconditionally and irrevocably guaranteed by

Genting Overseas Holdings Limited

(a company incorporated in the Isle of Man)

Issue Price: per cent.

GOHL Capital Limited (the "Issuer") is offering (the "Offering") US\$ per cent. Guaranteed Notes due (the "Notes"), which will be irrevocably and unconditionally guaranteed (the "Guarantee") by Genting Overseas Holdings Limited ("GOHL" or the "Guarantor"). The Notes will bear interest at the rate of per cent. per year. Interest on the Notes is payable semi-annually in arrear on and of each year (each, an "Interest Payment Date") commencing on 2017.

The Notes will mature on at their principal amount. The Notes are subject to redemption at their principal amount, together with accrued interest to (but excluding) the date fixed for redemption, (i) at the option of the Issuer, 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 Notes (the "Conditions"). See "Conditions of the Notes — Redemption and Purchase."

The Notes will be direct, unconditional and unsecured obligations of the Issuer and will rank pari passu with all of the Issuer's other outstanding unsecured and unsubordinated obligations and will be effectively subordinated to its secured obligations. The Guarantee will rank pari passu with all of the Guarantor's other outstanding unsecured and unsubordinated obligations and will be effectively subordinated to its secured obligations and the obligations of its subsidiaries. The Issuer is a direct wholly-owned subsidiary of the Guarantor and the Guarantor is a direct wholly-owned subsidiary of Genting Berhad. On or before the date of issuance of the Notes, the Issuer will open an Interest Reserve Account and, for so long as any Note is outstanding, ensure that the amount standing to the credit of such account is at all times not less than an amount equal to the amount of interest due on all Notes outstanding at that time on the next succeeding Interest Payment Date. Genting Berhad will enter into a keepwell deed (the "Keepwell Deed") with the Issuer, the Guarantor and The Bank of New York Mellon, London Branch (the "Trustee") as trustee of the Notes, as more fully described under "Description of Keepwell Deed." **The Keepwell Deed does not constitute a guarantee by Genting Berhad of the obligations of the Issuer under the Notes or the Guarantor under the Guarantee.**

The Notes are expected to be rated Baal by Moody's Investors Service, Inc. ("Moody's") and A- by Fitch Ratings Ltd. ("Fitch"). A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. In addition, Genting Berhad, which will enter into the Keepwell Deed, has a corporate credit rating of Baal by Moody's, A- by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies ("S&P") and A- by Fitch and the Guarantor has a corporate credit rating of Baal by Moody's and A- by Fitch. Such ratings do not constitute a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Investing in the Notes involves certain risks. See "Risk Factors" beginning on page 34 to read about factors investors should consider before buying the Notes.

Application will be made to The Stock Exchange of Hong Kong Limited, or the Hong Kong Stock Exchange, for the listing of, and permission to deal in, the Notes by way of debt issues to professional investors only as described in this Offering Circular. The trading of the Notes on the Hong Kong Stock Exchange is expected to commence on or about , 2017. This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer and the Guarantor. The Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this Offering Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

This Offering Circular is for distribution to professional investors as defined in Part 1 of Schedule 1 to the Hong Kong Securities and Futures Ordinance (including those prescribed under section 397 of that Ordinance) only. The Notes and the Guarantee have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any other jurisdiction and may not be offered or sold within the United States, except pursuant to an exemption from, or in transactions not subject to, the registration requirements of the Securities Act. Accordingly, the Notes and the Guarantee are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act ("Regulation S"). For a description of these and certain further restrictions on offers, sales and transfers of the Notes and distribution of this Offering Circular, see "Subscription and Sale".

The Notes will be represented by beneficial interests in a global certificate (the "Global Certificate") in registered form, which will be registered in the name of a nominee for, and shall be deposited on or about 2017 (the "Issue Date") with a common depository for, Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking S.A. ("Clearstream, Luxembourg"). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg. Except as described herein, certificates for Notes will not be issued in exchange for interests in the Global Certificate.

Global Coordinator

Citigroup

Joint Bookrunners and Joint Lead Managers

Citigroup

J.P. Morgan

Joint Lead Managers

DBS Bank Ltd.

SMBC Nikko

The date of this Offering Circular is 2017.

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NOTICE TO INVESTORS

Investors should rely only on the information contained in this Offering Circular in making an investment decision with respect to the Notes and no reliance should be placed on any other materials. None of the Issuer, the Guarantor, Genting Berhad, Genting Berhad's subsidiaries, Citigroup Global Markets Ltd., J.P. Morgan Securities plc, DBS Bank Ltd. and SMBC Nikko Capital Markets Limited (collectively, the "Joint Lead Managers"), the Trustee, the Principal Paying Agent, Registrar and Transfer Agent named herein ("Agent") or any of their respective affiliates has authorised anyone to provide prospective investors with any additional or different information. This Offering Circular may only be used where it is legal to offer and sell the Notes. The information in this Offering Circular is only accurate as at the date of this Offering Circular or other dates as indicated herein. Prospective investors should be aware that since the date of this Offering Circular there may have been changes in the Genting Group's (defined below) or the Issuer's or the Guarantor's business, financial condition, results of operations or otherwise that could affect the accuracy or completeness of the information set out in this Offering Circular.

This Offering Circular is being provided on a confidential basis in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling prospective investors to consider the purchase of the Notes. None of the Issuer, the Guarantor, Genting Berhad, the Joint Lead Managers, the Trustee, any Agent or any of their respective affiliates is authorising the use of this Offering Circular for any other purpose. The information contained in this Offering Circular has been provided by Genting Berhad, the Issuer, the Guarantor and other sources identified in this Offering Circular. Certain information in this Offering Circular has been obtained by the Issuer and the Guarantor from publicly available sources deemed by them to be reliable. No representation or warranty, express or implied, is made by the Joint Lead Managers, the Trustee, any Agent or their respective affiliates as to the accuracy or completeness of such information, and nothing contained in this Offering Circular is, or shall be relied upon as, a promise or representation by the Joint Lead Managers, Trustee, any Agent or any of their respective affiliates. Any reproduction or distribution of this Offering Circular, in whole or in part, and any disclosure of its contents or use of any information herein is prohibited, except to the extent such information is otherwise publicly available.

The distribution of this Offering Circular and the offer and sale of the Notes offered hereby are restricted by law in certain jurisdictions. Prospective investors should inform themselves about and comply with all applicable laws and regulations in force in any jurisdiction in connection with the distribution of this Offering Circular and the offer and sale of the Notes. None of the Issuer, the Guarantor, Genting Berhad, the Joint Lead Managers, the Trustee, any Agent or any of their respective affiliates, directors, officers, employees, agents or advisers is making any representation or undertaking to any investor regarding the legality of an investment in the Notes.

In making an investment decision, prospective investors should rely on their own examination of the Genting Group, the Issuer, the Guarantor and the terms of the Offering, including the merits and risks involved. Prospective investors should not construe the contents of this Offering Circular as legal, business, financial or tax advice. Prospective investors should consult their own attorney, business adviser, tax adviser or other professional adviser.

None of the Issuer, the Guarantor, Genting Berhad, the Joint Lead Managers, the Trustee, any Agent or their respective affiliates is offering to sell the Notes and the Guarantee in any jurisdiction where the offer or sale is not permitted. This Offering Circular does not constitute an offer of, or an invitation to purchase, any of the Notes or the Guarantee in any jurisdiction in which such offer or invitation would be unlawful. No action has been taken in any jurisdiction that would permit a public offering to occur in any jurisdiction.

The Issuer and the Guarantor reserve the right to withdraw this Offering of the Notes and the Guarantee at any time and the Issuer, the Guarantor and the Joint Lead Managers reserve the right to reject any commitment to subscribe for the Notes, in whole or in part. The Issuer and the Guarantor also reserve the right to allot to investors less than the full amount of Notes sought by them. The Joint Lead Managers and certain related entities may acquire for their own account a portion of the Notes.

In connection with the issue and distribution of the Notes, Citigroup Global Markets Ltd. or any person acting for it in its role as stabilising manager may, subject to applicable laws and regulations, over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period of time. However, neither Citigroup Global Markets Ltd. nor any person acting on its behalf is under any obligation to do so. Furthermore, such stabilisation, if commenced, may be discontinued at any time and must be brought to an end after a limited period.

Any reference in this Offering Circular to any law, regulation or notification is a reference to such law, regulation or notification as the same may have been, or may from time to time be, amended, supplemented or replaced.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Genting Berhad's audited consolidated financial statements as at and for the years ended 31 December 2013, 2014 and 2015 have been prepared in accordance with Financial Reporting Standards ("FRS"), the Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and the provisions of the Malaysian Companies Act 1965 ("Companies Act").

Genting Berhad's unaudited consolidated financial information as at and for the nine months ended 30 September 2015 and 2016 have been prepared based on FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Guarantor's audited consolidated financial statements as at and for the years ended 31 December 2013, 2014 and 2015 have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the provisions of the Isle of Man Companies Acts, 1931 to 2004.

The Guarantor's unaudited consolidated financial information as at and for the nine months ended 30 September 2015 and 2016 have been prepared based on MFRS 134: Interim Financial Reporting.

FRS differ in certain material respects from IFRS. For a description of significant accounting differences between FRS and IFRS that are relevant to the financial statements included in this Offering Circular, see "Summary of Certain Significant Differences Between FRS and IFRS".

Figures and percentages are rounded to one or two decimal places, where appropriate. Any discrepancies in the tables included in this Offering Circular between the amounts listed and the totals are due to rounding.

The information on Genting Berhad's website, or the websites of any of Genting Berhad's subsidiaries, or any website directly or indirectly linked to such websites, is not incorporated by reference into this Offering Circular and should not be relied upon.

NON-GAAP FINANCIAL MEASURES

In this Offering Circular, there are references to the “Adjusted EBITDA” and related ratios. Adjusted EBITDA is defined as earnings before depreciation, amortisation, interest income, finance cost, share of results in joint ventures, share of results in associates, taxation and also excludes the effects of non-recurring items from the operating segments, such as fair value gains or losses, gain or loss on disposal of financial assets, gain or loss on deemed dilution of shareholdings in 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. See “Summary Consolidated Financial Information”. Unless otherwise indicated, the Adjusted EBITDA figures in this Offering Circular are calculated on a consolidated basis. Adjusted EBITDA and the related ratios are supplemental measures of performance and liquidity that is not required by, or presented in accordance with, FRS, MFRS or IFRS. Further, Adjusted EBITDA and the related ratios are not measurements of financial performance or liquidity under FRS, MFRS or IFRS and should not be considered as alternative to net income or any other performance measures derived in accordance with FRS, MFRS or IFRS or as an alternative to cash flow from operations or as a measure of liquidity.

Genting Berhad and the Guarantor believe that Adjusted EBITDA serves as a useful indicator of operating performance and that Adjusted EBITDA is a measure commonly used by analysts, investors and peers in their industry. Accordingly, this information is disclosed to permit a more complete analysis of operating performance. Adjusted EBITDA, as calculated, may not be comparable to similarly titled measures reported by other companies. For a reconciliation of Adjusted EBITDA to profit before taxation, please see “Summary Consolidated Financial Information”.

CURRENCY OF PRESENTATION AND CERTAIN DEFINITIONS

Solely for the convenience of the reader, this Offering Circular contains translations of certain Ringgit Malaysia and Singapore dollar amounts into US dollars and *vice versa* at the exchange rate of RM4.1455 to US\$1.00, which was the middle rate of exchange of the Ringgit Malaysia against the US dollar as published by Bank Negara Malaysia, the Central Bank of Malaysia, as at noon on 30 September 2016 and at the exchange rate of S\$1.3628 to US\$1.00, which was the published rate of exchange of the Singapore dollar against the US dollar as certified for customs purposes by the Federal Reserve Bank of New York on 30 September 2016, respectively. No representation is made that the Ringgit Malaysia, Singapore dollar or US dollar amounts referred to herein could have been or could be converted into US dollars, Singapore dollars or Ringgit Malaysia, as the case may be, at any particular rate or at all. See “Exchange Rates” for further information regarding the rate of exchange between US dollars and Ringgit Malaysia and US dollars and Singapore dollars.

In this Offering Circular, unless otherwise indicated, all references to:

- the “Issuer” refer to GOHL Capital Limited (Company No. 014156V);
- “Genting Berhad” refer to Genting Berhad (Company No. 7916-A);
- the “Genting Group” refer to Genting Berhad and its consolidated entities;
- “GOHL” or the “Guarantor” refer to Genting Overseas Holdings Limited (Company No. 023737C);
- “Ringgit Malaysia”, “MYR”, “RM” and “sen” are to the currency of Malaysia;
- “Singapore dollars” and “S\$” are to the currency of Singapore;
- “US dollars”, “US\$”, “USD” and “cents” are to the currency of the United States of America;
- “UK” refers to the United Kingdom; and
- “US” refers to the United States of America.

For certain defined terms used in this Offering Circular, see “Glossary”.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains, and any amendment or supplement to this Offering Circular may contain, “forward-looking” statements that relate to future events, which are, by their nature, subject to significant risks and uncertainties. All statements, other than statements of historical fact contained in this Offering Circular, including, without limitation, those regarding the Issuer’s, the Guarantor’s or Genting Group’s future financial position and results of operations, strategy, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words “believe”, “expect”, “plan”, “aim”, “intend”, “will”, “may”, “project”, “estimate”, “forecast”, “anticipate”, “predict”, “seek”, “should” or similar words or expressions, are forward-looking statements.

The future events referred to in these forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the control of the Genting Group, which may cause the actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the Genting Group’s present and future business strategies and the environment in which it will operate in the future and are not a guarantee of future performance. Important factors that could cause the actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- termination of any agreements with suppliers or customers;
- non-renewal, termination, suspension or revocation of regulatory licences or permits;
- competition from other companies in the industries in which the Genting Group operates, in particular, the leisure, hospitality and gaming industry;
- risks associated with changes in customers’ preferences, discretionary customer spending patterns, willingness or ability of customers to travel, and the relative prices of alternative offerings in the industries in which the Genting Group operates;
- acquisitions or divestments of entities or assets;
- risks associated with new developments, construction and ventures, including the Resorts World Las Vegas (“RWLV”) development, such as cost overruns;
- compliance costs and potential liability for remedial actions under existing or future environmental obligations;
- changes in currency exchange rates;
- changes in interest rates;
- acts of international or domestic terrorism;
- changes in general economic, business and political conditions in Malaysia, Singapore, the UK, the US, the Bahamas and other countries in which the Genting Group operates;
- changes in the laws, regulations, taxation, accounting standards or practices, or government policies that apply to the Genting Group;
- labour unrest or other similar situations;
- the Genting Group’s ability to obtain and retain skilled personnel;

- the availability of insurance coverage at commercially acceptable premiums;
- accidents, public disorder, natural disasters, severe weather or outbreaks (or fear of outbreaks) of infectious diseases;
- the Genting Group management's success at managing the above-described risk factors; and
- other factors not yet known to the Genting Group.

This list of important factors is not exhaustive. Additional factors that could cause the actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risk Factors." Prospective investors should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social and legal environment in which the Genting Group operates. Such forward-looking statements speak only as at the date on which they are made. Accordingly, none of the Issuer, the Guarantor, Genting Berhad, the Joint Lead Managers or any of their respective affiliates undertakes any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. None of the Issuer, the Guarantor, Genting Berhad, the Joint Lead Managers or any of their respective affiliates makes any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Accordingly, prospective investors should not place undue reliance on any forward-looking statements.

SUMMARY

This summary highlights selected information contained elsewhere in this Offering Circular. It is not complete and does not contain all the information that may be important to prospective investors in deciding whether to invest in the Notes. This summary is qualified by, and must be read in conjunction with, the more detailed information and financial statements appearing elsewhere in this Offering Circular.

Statements contained in this summary that are not historical facts may be forward-looking statements. Such statements are based on certain assumptions and are subject to certain risks, uncertainties and assumptions which could cause actual results to differ materially from those projected. See “Forward-looking Statements”. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Issuer, the Guarantor, Genting Berhad or the Joint Lead Managers or any of their respective affiliates or that these results will be achieved or are likely to be achieved. Terms used in this summary and not otherwise defined herein shall have the meanings given to them elsewhere in this Offering Circular, including in the section entitled “Glossary”.

Prospective investors should read the entire Offering Circular, including the section entitled “Risk Factors”, as well as the consolidated financial statements and related notes thereto as included elsewhere in this Offering Circular, before making an investment decision.

Overview

Listed on the Main Market of Bursa Securities since 1971, Genting Berhad is one of the largest listed companies in Malaysia based on its market capitalisation of RM29.5 billion (US\$7.1 billion) as at 30 September 2016. Genting Berhad is an investment holding and management company. The Genting Group had revenue of RM17,111.7 million, RM18,216.5 million, RM18,100.4 million (US\$4,366.3 million) and RM13,612.8 million (US\$3,283.8 million) for the years ended 31 December 2013, 2014 and 2015 and the nine months ended 30 September 2016, respectively. During the same periods, Adjusted EBITDA from operations was RM6,116.4 million, RM6,627.5 million, RM6,289.0 million (US\$1,517.1 million) and RM4,033.1 million (US\$972.9 million), respectively.

The Genting Group’s predominant business is in leisure & hospitality, which accounted for 83% and 85% of the Genting Group’s revenues after intersegment eliminations, and 81% and 95% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively. The leisure & hospitality segment includes the gaming, hotel, entertainment and amusement, tours and travel related services, development and operation of integrated resorts and other support services, and is conducted through:

- Genting Singapore PLC (“GENS”), which is 52.9% owned by Genting Berhad through the Guarantor, owns and operates Resorts World Sentosa (“RWS”), the first and one of only two integrated resorts in Singapore. RWS, which opened in January 2010, is located on 49 hectares on Singapore’s resort island of Sentosa. It is a leading family destination featuring six uniquely themed hotels with approximately 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 Meetings, Incentives, Conventions and Events (“MICE”) venues and a variety of dining, retail and entertainment options.

GENS has been listed on the Main Board of the Singapore Exchange Securities Trading Limited since December 2005 and is ranked among Singapore’s largest public-listed companies. As at 30 September 2016, GENS had a market capitalisation of S\$9.0 billion (US\$6.6 billion).

- Genting Malaysia Berhad (“GENM”), which is 49.3% owned by Genting Berhad, has been listed on Bursa Securities’ Main Market since 1989 and had a market capitalisation of RM27.0 billion (US\$6.5 billion) as at 30 September 2016. GENM owns and operates:
 - Resorts World Genting (“RWG”), a premier leisure and entertainment resort in Malaysia with the only land-based licenced casino in Malaysia. RWG has over 10,000 rooms spread across five hotels, theme parks as well as dining and retail outlets and convention facilities;
 - Resorts World Casino New York City (“RWNYC”) in the US, an approximately 5,500 video gaming machine facility located at the Aqueduct Racetrack in New York. The first phase opened in October 2011 with the full roll-out taking place in December 2011;
 - 43 casinos in the UK, including four of the most prestigious brands in London (Crockfords, the Colony Club, Maxims Casino Club and The Palm Beach) and Resorts World Birmingham, which opened for business in October 2015;
 - Resorts World Bimini (“RWB”), a 750-acre beachfront resort in the Bahamas, offering a casino, luxurious accomodations, 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.
- Resorts World Las Vegas, LLC, which is 100% owned by Genting Berhad, is currently developing RWLV, an Asian-themed hotel and casino on South Las Vegas Boulevard, in Las Vegas in the US.

In addition to leisure & hospitality, the Genting Group is involved in the following businesses:

- Plantations (which accounted for 6% and 6% of the Genting Group’s revenues after intersegment eliminations, and 5% and 7% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively), which principally comprises cultivation of oil palms and milling of fresh fruit bunches into crude palm oil;
- Power (which accounted for 7% and 6% of the Genting Group’s revenues after intersegment eliminations, and 1% and 3% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively), which owns interests in power plants in India, Indonesia and China;
- Property (which accounted for 1.5% and 1% of the Genting Group’s revenues after intersegment eliminations, and 1% and 1% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively), which develops and markets landed properties in Malaysia;
- Oil & gas (which accounted for 1.5% and 1% of the Genting Group’s revenues after intersegment eliminations, and 3% and 3% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively), which conducts oil and gas exploration and development and production activities in Indonesia and China; and
- Investments & Other Activities (which accounted for 1% and 1% of the Genting Group’s revenues after intersegment eliminations, and 9% and -9% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively), which includes investments in life sciences and the biotech sector.

Competitive Strengths

Highest-rated casino gaming group globally with a very strong balance sheet and robust and diversified cash flow

Genting Berhad is currently rated Baa1 by Moody's Investor Service, Inc. ("Moody's"), A- by Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies ("S&P") and A- by Fitch Inc. ("Fitch") with stable outlook from all 3 rating agencies, and the Guarantor, GOHL, is currently rated Baa1 by Moody's and A- by Fitch with stable outlook by both. These are currently the highest international credit ratings among all the casino gaming groups in the world. Genting Berhad's investment grade credit ratings were unaffected by the global financial crisis in 2008 or by the Genting Group's global expansion and successive capital investments.

GENS is an indirect subsidiary of Genting Berhad and is similarly rated at A- by Fitch and higher at A3 by Moody's with stable outlook by both.

The main attributes underpinning the Genting Group's strong credit ratings are as follows:

- Prudent financial management and robust balance sheet — the Genting Group is able to sustain a strong balance sheet and favorable cash position owing to prudent capital management and disciplined financial management. As of 30 September 2016, the Genting Group's total debt / Adjusted EBITDA for the twelve months ended 30 September 2016 was 3.2x with RM22.3 billion (US\$5.4 billion) of cash and cash equivalents. This gives the Genting Group a competitive advantage in terms of quick mobilization when opportunities for investments arise and assists it to maintain robust growth. The Genting Group's conservative leverage and robust liquidity profile also provide downturn protection as they cover near term funding needs and short term debt payments;
- Business centric and disciplined cash management policy — the Genting Group does not, as a policy, manage its cash holdings as a profit center by investing in yield enhancing treasury/financial instruments;
- Robust and diversified operating cash flows — the Genting Group has been able to generate strong cash flows over the years driven by its leading position in core markets, global clientele and operational efficiency. Adjusted EBITDA and net cash flow from operating activities were RM4.0 billion (US\$1.0 billion) and RM4.4 billion (US\$1.1 billion) for the nine months ended 30 September 2016, respectively. The Genting Group has a diversified cash flow stemming from operations in leisure and hospitality, plantations, energy, property, and investments and others, which helps to mitigate downside risk. Additionally, the Genting Group's gaming business is further diversified by a balanced mix of mass market and VIP segments which provides operational stability; and
- Prudent dividend payouts and share buy-backs — these have enabled the Genting Group to substantially reinvest operating cash flows into existing and new businesses. GENS has a history of paying stable, recurring annual dividends, having paid S\$0.01 per share from 2012 to 2015, and S\$0.015 per share in 2016 for its 2015 financial year. In 2016, GENS also declared an interim dividend of S\$0.015 per share for the nine months ended 30 September 2016.

Diversified business model of large scale integrated resorts with a global presence

The Genting Group's leisure and hospitality business has a globally diversified business model of integrated resorts which combines casino hotels with other value-add attractions such as theme parks, marine aquariums, dining, retail and meeting and convention facilities. These integrated resorts are marketed as family holiday destinations which offer comprehensive experience to the consumers targeting all round entertainment, including gaming.

The Genting Group is among the largest gaming groups in Asia and globally based on Adjusted EBITDA. The Genting Group's core business involves high barriers to entry in all its markets, driven by regulatory compliance, significant capital expenditure to achieve scale, and expertise and experience to operate integrated resorts.

- **Resorts World Sentosa** — RWS is a high quality integrated resort and along with Marina Bay Sands, are the only two licensed operators in Singapore. RWS has a 30-year gaming license with exclusivity in the Singapore market for the first 10 years ending in 2017. The casino licence required by RWS to operate casino and gaming activities (first issued by the Casino Regulatory Authority of Singapore ("CRA") on 6 February 2010) is renewable every 3 years and has been renewed for another three years commencing 6 February 2016. RWS has the first and only Universal Studios theme park in Southeast Asia, which features 24 attractions and shows in seven themed zones. The resort also includes a Marine Life Park which comprises an aquarium, waterpark, and dolphin island. RWS was voted as the Best Integrated Resort at the TTG Travel Awards for six consecutive years (2011-2016);
- **Resorts World Genting** — RWG is a premier integrated family resort in Malaysia which features the only licensed land based casino in Malaysia. The casino license, which was originally issued to Genting Berhad in 1971, was subsequently issued to GENM (formerly Resorts World Bhd) in 1989, following a restructuring involving the initial public offering and listing of GENM on Bursa Securities, which resulted in Genting Berhad becoming an investment and management company. 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. RWG is currently undergoing a RM10.4 billion 10-year master redevelopment program known as the Genting Integrated Tourism Plan ("GITP"), which includes a new Twentieth Century Fox World theme park, a new retail and lifestyle mall, known as Sky Avenue, a new high-speed cable car system, new hotels and added infrastructure like utilities and roads. RWG has a loyal clientele of local Malaysian visitors for whom it provides a gaming and family getaway destination complemented by all year round cool weather in the highlands;
- **Genting UK Plc** ("GENUK") — GENUK is the second largest casino operator in the UK based on the number of licenses, with 43 casinos including prestigious brands like Crockfords, the Colony Club, Maxims Casino Clubs and The Palm Beach and the UK's first integrated destination resort, Resorts World Birmingham. GENUK's subsidiary, Genting Alderney Limited also operates an online gaming site;
- **Resorts World Casino New York City** — RWNYC is the first and only video gaming machine facility operating in the five boroughs of New York City. In 2010, Genting Malaysia's indirect wholly owned subsidiary Genting New York LLC was awarded a 30-year licence to develop and operate a video gaming machine facility at the Aqueduct Racetrack in Queens, New York. It is strategically located within the city and is in close proximity to an extensive public transportation system, including direct access to the citywide subway system. RWNYC is currently the largest grossing video gaming machine facility by gaming revenue in the Northeast US; and
- **Resorts World Bimini** — RWB is a 78:22 partnership between GENM and RAV Bahamas Ltd on the islands of Bimini. The resort is located approximately 50 miles off the coast of Florida on a 750-acre Caribbean beachfront, with the largest marina in the Bahamas. RWB commenced its operations in June 2013 featuring a 10,000 square foot casino and luxurious accommodations, restaurants and bars.

Successful financing track record

The Genting Group has a strong history of successful fundraising in both the domestic and international capital and project financing markets, having raised more than US\$8.5 billion over the last 15 years, including:

- US\$300 million 10-year corporate bonds issued by Prime Holdings (Labuan) Limited in 2004 and guaranteed by Genting Berhad which was successfully repaid at maturity in 2014;
- S\$425 million and S\$450 million 5-year convertible bonds issued in 2007 by GENS;
- S\$4 billion non-recourse project financing for RWS in 2008, which was named as “Asia-Pacific Leisure Deal of the Year” by Project Finance International, and “Asia-Pacific Project Financing Deal of the Year 2008” by Euroweek;
- RM1.6 billion 10-year medium term notes issued by GB Services Berhad and guaranteed by Genting Berhad in 2009;
- RM500 million 10-year and RM1.5 billion 15-year medium term notes issued by Genting Capital Berhad and guaranteed by Genting Berhad in 2012;
- S\$2.3 billion of perpetual subordinated capital securities (S\$1.8 billion institutional tranche and S\$500 million retail tranche) issued by GENS in 2012, of which the institutional tranche was named as “Best Singapore Deal 2012” by Finance Asia Achievement Awards;
- US\$350 million of non-recourse senior secured credit facilities for RWNYS in 2013;
- US\$730 million non-recourse project financing for Genting Energy Limited’s (“Genting Energy”) independent power producer project in Indonesia in 2013, which was named as “Asia Pacific Power Deal of the Year 2013” by Project Finance International, “Asia Pacific Deal of the Year 2013” and “Asia Pacific Power Deal of the Year 2013” by Euromoney, and “Infrastructure & Project Finance Deal of the Year Asia Pacific 2014” by The Banker;
- RM1.1 billion 5-year and RM1.3 billion 10-year medium term notes issued by GENM Capital Berhad and guaranteed by GENM in 2014; and
- RM1.0 billion 10-year Sukuk Murabahah issued by Benih Restu Berhad and guaranteed by GENP in 2015.

The Genting Group believes that its ability to access the domestic and international capital markets, coupled with its strong relationships with financial institutions and banks, provides it with the financial flexibility to move quickly and capitalize on potential growth and expansion opportunities that may arise.

Proven track record in developing and operating integrated resorts in highly regulated markets, underpinned by an experienced senior management team

The Genting Group has a track record of over 25 years relating to sourcing, bidding, developing and operating integrated resorts in various parts of the world, including in highly rated and regulated jurisdictions such as Malaysia, Singapore, the UK and the US. To date, the Genting Group has completed all projects successfully, without any cancellation or suspension, and has market leading properties in each market that the Genting Group operates in, due to its commitment to achieving operational efficiencies and property improvements.

This proven track record is driven by the Genting Group's strong and experienced senior management team led by Tan Sri Lim Kok Thay ("TSLKT"), the Chairman and Chief Executive, who joined the Genting Group in 1976. TSLKT and the senior management team collectively have many decades of experience in the leisure, hospitality, and gaming business, having navigated through the recent credit crisis and successfully expanded the Genting Group's leisure and hospitality business into several new markets in the last 10 years, most notably the development of the following properties:

- RWS, Singapore which first opened in 2010, following a construction time of 34 months;
- RWNYS, US which first opened in 2011;
- RWB, Bahamas which opened in April 2015; and
- Resorts World Birmingham, UK which opened in October 2015.

Premier branding with global clientele database

The Genting Group has prominent and established integrated resorts and gaming brand names under "RESORTS WORLD" and "GENTING", with good brand recognition, particularly in the Asian market. The Genting Rewards loyalty program, which is implemented across all the Genting Group properties as well as those under its affiliate, Genting Hong Kong Limited ("GENHK"), also has a valuable customer database comprising millions of customers from over 120 nationalities. To the extent permitted by the relevant laws, the Genting Group cross markets its products and services via Genting Rewards Alliance to implement new business opportunities effectively. The Genting Group believes that the underlying strength of its branding coupled with continued marketing initiatives to the Genting Group's and GENHK's existing clients will help drive traffic to the Genting Group's new integrated resort developments like RWLV.

Business Strategy

Maintain a prudent financial policy

The Genting Group plans to continue its prudent financial policy of maintaining a conservative capital structure which provides financial and operational stability through economic cycles. The Genting Group aims to optimize debt and equity mix by using internal cash flows and external debt financing to fund planned expansion, working capital expenditures, and refinancing existing debt. The financing plan is aimed at achieving favorable funding cost, a balanced debt maturity profile, and managing exposure to foreign exchange risk.

Continue to grow the existing core business undertaken by well capitalized and self-sufficient subsidiaries

The Genting Group's core business of leisure and hospitality is spread across 5 countries which generated RM15.0 billion (US\$3.6 billion) of revenue and RM5.1 billion (US\$1.2 billion) of Adjusted EBITDA in 2015. The Genting Group will continue to focus on its unique business model and grow its existing core business of integrated resorts by focusing on family and leisure customers, expanding its cross-marketing initiatives, enhancing product offerings and quality of experience that includes comprehensive "one-stop" entertainment offerings across gaming, hotel, theme parks, entertainment shows, dining and retail. In-line with its strategy, RWG is currently undergoing a RM10.4 billion redevelopment program under the GTP.

The listed subsidiaries in the Genting Group (GENS, GENM and GENP) are generally well-capitalized and self-sufficient, operating their businesses and effecting their growth plans with minimal group intervention and support from Genting Berhad. This reduces the risk of Genting Berhad having to commit additional capital to its listed subsidiaries on top of its own corporate funding needs.

Strategic investment to expand in attractive new gateway locations

The Genting Group continues to seek growth opportunities internationally in attractive gateway locations by leveraging on its competitive advantages and strong brand value. The Genting Group has a history of taking a prudent financial approach to investments by optimizing market opportunities and external debt and minimising risk. Conservative leverage and stable cash flows provide a platform to fund new ventures without straining the Genting Group's balance sheet. In recent years, the Genting Group has successfully expanded in top tier countries like Singapore and the US.

The Genting Group expects to commence construction of RWLV this year with completion of the resort targeted by end of 2019. The proposed integrated resort is an Asian-themed development which will include a world class casino, entertainment options, conference and meeting space, a hotel, dining, retail and a spa. The Genting Group believes that RWLV will be well positioned to tap outbound Asian tourists as well as the sizeable US domestic and international traffic that currently visits South Las Vegas Boulevard (commonly known as the "Strip") in Las Vegas. The Genting Group's access to its clientele base of Asian customers will provide it a competitive advantage to cross market RWLV to them. Genting Berhad has been approved for registration as a Publicly Traded Corporation by the Nevada Gaming Commission in May 2016. The Genting Group's US expansion will complement its presence in Asia and the UK.

Recent news suggests advancement of the process to pass the Integrated Resort Promotion Bill in Japan. This bill may represent a growth opportunity for GENS as GENS could position itself as a candidate for the bidding process.

Continue to maintain adequate internal control processes

The Genting Group operates in highly regulated markets and maintains adequate internal control processes by continued implementation of a robust risk management framework. This is designed to promote professionalism, integrity, and corruption-free business dealings with customers, regulators, vendors, and partners. Compliance teams are in place in each licensed casino operating company. The local teams work closely with the regulators to ensure compliance with all applicable laws and regulations such as anti-money laundering and responsible gaming.

Continue to partner with leading global brands to improve brand positioning

The Genting Group will continue to partner with leading global brands to target middle class and affluent customers and drive new and repeat visitation. RWS has a Universal Studios theme park which is the first and only such theme park in Southeast Asia. The resort also has the only Hard Rock Hotel in Singapore and several signature shows and events with international award winning stars. RWS also collaborated with the Michelin Guides and Robert Parker Wine Advocate to produce the inaugural Michelin Guide Singapore. Similarly, RWG is developing a Twentieth Century Fox World theme park, the first of its kind in the world. Furthermore, GENP and its subsidiaries ("GENP Group") have also partnered with US based Simon Property Group to develop premium outlets in Malaysia with the first being the Johor Premium Outlets®, which commenced operations in 2011 and targeting to open another Premium Outlet Centre® at RWG by first quarter of 2017. Through these alliances, the Genting Group aims to deliver enhanced visitor experiences as well as a tactical approach to reach out to its target markets, thereby driving incremental revenue.

Recent Developments

Disposal of shares in Genting Hong Kong Limited

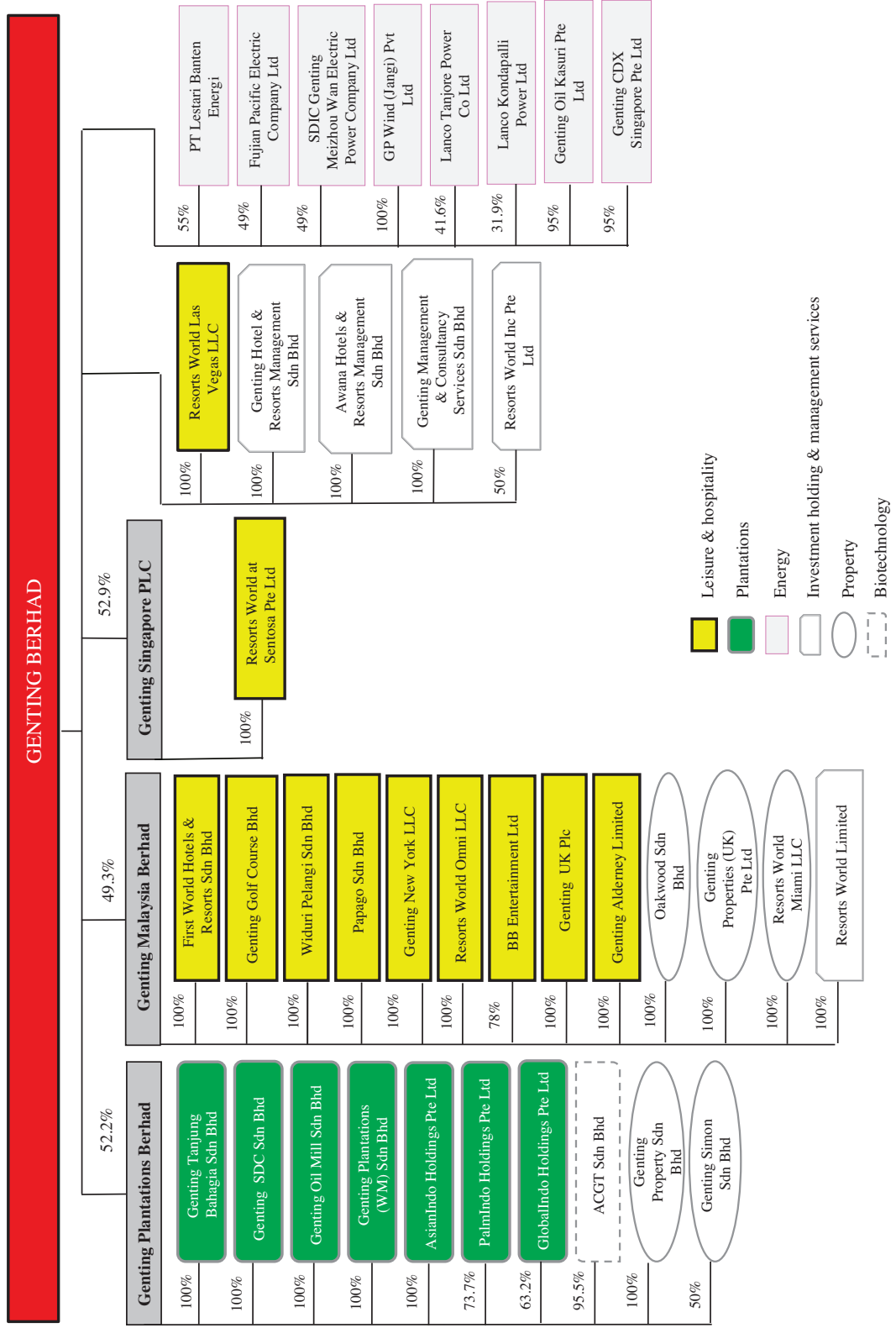
On 30 September 2016, Resorts World Limited (“RWL”), an indirect wholly-owned subsidiary of GENM, entered into a share sale agreement with Golden Hope Limited (“GHL”) to dispose of the entire 1,431,059,180 ordinary shares of GENHK held by it, representing 16.87% of the total issued and paid-up share capital of GENHK as at 14 September 2016, for a total cash consideration of approximately US\$415.0 million. On the same date, GOHL entered into a share sale agreement with GHL to dispose of the entire 20,096,000 ordinary shares of GENHK held by GOHL, representing 0.24% of GENHK’s issued share capital as at 14 September 2016, for a total cash consideration of approximately US\$5.8 million. GHL acts as trustee of Golden Hope Unit Trust, which is ultimately owned by a discretionary trust in which TSLKT, Mr. Lim Keong Hui and certain other family members of TSLKT are beneficiaries. TSLKT is the Chairman and Chief Executive of Genting Berhad and Mr. Lim Keong Hui is an Executive Director of Genting Berhad. Both transactions were completed on 21 October 2016.

Disposal of interests in Resorts World Jeju

On 11 November 2016, Algona Pte. Ltd., a direct wholly-owned subsidiary of GENS, entered into a conditional sale and purchase agreement with Landing International Development Limited to dispose of its 100% interest in Callisto Business Limited for a cash consideration of approximately US\$420 million. Callisto Business Limited’s wholly-owned subsidiary, Happy Bay Pte. Ltd., owns 50% of Landing Jeju Development Co., Ltd. which is developing Resorts World Jeju, an integrated resort in Jeju, Korea. Genting International Resorts Management Limited, an indirect wholly-owned subsidiary of GENS, also entered into a conditional sale and purchase agreement with Landing International Development Limited’s direct wholly-owned subsidiary, Landing Singapore Limited, to dispose of Genting International Resorts Management Limited’s 50% shareholding in Autumnglow Pte. Ltd. (which is a 50:50 joint venture between Genting International Resorts Management Limited and Landing Singapore Limited to provide hotel management and operation services to the Landing Jeju Development Co., Ltd.) for S\$1.00. The disposals were completed on 3 January 2017.

Group Structure

The following chart sets forth Genting Berhad and its principal subsidiaries, joint ventures and associates as at 3 January 2017:



History

The Genting Group was founded by the late Tan Sri (Dr.) Lim Goh Tong more than 45 years ago with the incorporation of Genting Highlands Hotel (Sendirian) Berhad under the Companies Act in 1968, and organised 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 in 1970 and assumed its present name of Genting Berhad in 1978. The shares of Genting Berhad were listed on the Main Market of Bursa Securities in 1971. Today, the Genting Group is a leading developer, owner and operator of integrated gaming resorts, with premier facilities in Asia, UK and the US.

Corporate Information

The Genting Group's website is at www.genting.com. Information on the website or websites referred to in the website is not incorporated by reference into this Offering Circular and should not be relied on for the purposes of the Offering.

The Guarantor and the Issuer maintain their registered office at First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF.

THE OFFERING

The following summary of the Offering contains basic information about the Notes, the Guarantee and the Keepwell Deed. It is not intended to be complete and it is subject to important limitations and exceptions. Terms used in this summary and not otherwise defined herein shall have the meanings given to them in “Conditions of the Notes” and “Description of the Keepwell Deed”. For a more complete understanding of the Notes and the Keepwell Deed, please refer to “Conditions of the Notes” and “Description of the Keepwell Deed” in this Offering Circular.

Issuer.	GOHL Capital Limited, a company incorporated in the Isle of Man.
Guarantor.	Genting Overseas Holdings Limited, a company incorporated in the Isle of Man.
Keepwell provider	Genting Berhad, a company incorporated in Malaysia.
Guarantee	The Guarantor will unconditionally and irrevocably guarantee (the “Guarantee”) the due and punctual payment of the principal and interest and all other amounts payable by the Issuer in respect of the Notes.
Notes.	US\$ aggregate principal amount per cent. Guaranteed Notes due .
Issue Price.	per cent.
Maturity Date	
Interest	The Notes will bear interest at the rate of per annum, payable semi-annually in arrear.
Interest Payment Dates.	and of each year, commencing on 2017.
Interest Reserve Account	On or before the date of issuance of the Notes, the Issuer will open an Interest Reserve Account and, for so long as any Note is outstanding, ensure that the amount standing to the credit of such account is at all times not less than an amount equal to the amount of interest due on all Notes outstanding at that time on the next succeeding Interest Payment Date (the “IR Amount”). So long as any Note is outstanding, no withdrawal or transfer from the Interest Reserve Account may be made by the Issuer, except for the payment of interest or amounts due on the Notes on the Maturity Date or on any Early Redemption Date, and save to the extent that the amount standing to the credit of the Interest Reserve Account exceeds the IR Amount. The Interest Reserve Account will not be pledged to secure the Issuer’s or the Guarantor’s obligations under the Notes or the Guarantee, respectively.

Status of the Notes and Guarantee	The Notes are direct, unconditional and (subject to Condition 5 of the Conditions of the Notes) unsecured obligations of the Issuer and rank and will rank <i>pari passu</i> , without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future. The obligations of the Guarantor under the Guarantee constitute direct, unconditional and (subject to Condition 5 of the Conditions of the Notes) unsecured obligations of the Guarantor and rank and will rank <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Guarantor.
Redemption at the Option of the Issuer	The Issuer may redeem all or, subject as provided in Condition 8.4 of the Conditions of the Notes, some only of the Notes, at any time and from time to time, in whole or in part, at a redemption price equal to the greater of (i) 100 per cent. of the principal amount of the Notes to be redeemed and (ii) the sum of the present values of the remaining scheduled payments of principal and interest (exclusive of interest accrued to the redemption date) discounted to the date fixed for redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 50 basis points, plus, in each case, accrued interest thereon to but excluding the date fixed for redemption, as further described in Condition 8.3 of the Conditions of the Notes.
Payment without Withholding . . .	All payments in respect of the Notes by or on behalf of the Issuer or the Guarantor shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“Taxes”) imposed or levied by or on behalf of any of the Relevant Jurisdictions, unless the withholding or deduction of the Taxes is required by law. In that event, subject to certain exceptions, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by the holders of the Notes after the withholding or deduction shall equal to the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or deduction, as further described in Condition 9 of the Conditions of the Notes.
Redemption for Taxation Reasons	The Issuer may at its option, redeem all of the Notes, but not some only, at any time at their principal amounts together with interest accrued to but excluding the date of redemption, in the event that as a result of certain changes in tax laws, the Issuer or the Guarantor would be required to pay additional amounts as provided or referred to in Condition 9 of the Conditions of the Notes as further described in Condition 8.2 of the Conditions of the Notes.

Negative Pledges	So long as any of the Notes remain outstanding, each of the Issuer and the Guarantor will not create or have outstanding any security interest, other than a Permitted Security Interest, over assets securing Relevant Indebtedness, as further described in Condition 5.1 of the Conditions of the Notes.
Use of Proceeds	The net proceeds of the issue of the Notes are expected to be approximately US\$, after deduction of fees and commissions incurred in connection with the Offering. The Issuer will lend the net proceeds, after deducting amounts required to be deposited to the Interest Reserve Account, to GOHL pursuant to an intercompany loan. GOHL intends to use the proceeds 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 RWLV project.
Keepwell Deed.	Genting Berhad will enter into the Keepwell Deed with the Issuer, the Guarantor and The Bank of New York Mellon, London Branch as the Trustee under the Trust Deed, pursuant to which Genting Berhad will agree, among other things, that for so long as the Notes are outstanding: (a) it shall directly or indirectly own not less than 100 per cent. of the outstanding shares of the Guarantor; (b) it shall procure the Guarantor to and the Guarantor also undertakes that it shall: (i) directly or indirectly own not less than 100 per cent. of the outstanding shares of the Issuer, including, without limitation, those having the right to vote for election of members of the board of directors of the Issuer; (ii) ensure that Genting Singapore PLC is, directly or indirectly, a Subsidiary of the Guarantor; (c) it shall procure that the Issuer's Consolidated Net Worth shall be positive; and (d) it shall ensure that the Guarantor's Consolidated Net Worth be at least US\$100,000,000. See "Description of Keepwell Deed" and "Risk Factors — Risks Relating to the Notes, the Notes Guarantee and the Keepwell Deed — The Keepwell Deed is not a guarantee of the payment obligations under the Notes and the Guarantee."

Further Issues	The Issuer may from time to time, without the consent of the Noteholders, create and issue further notes having terms and conditions the same as those of the Notes, or the same except for any one or more of the amount, the date of the first payment of interest, the issue date, and, to the extent necessary, certain temporary securities law transfer restrictions, which may be consolidated and form a single series with the outstanding Notes.
Events of Default.	For a description of certain events that will permit the Notes to become immediately due and payable at their principal amount, together with accrued interest, see Condition 11 of the Conditions of the Notes.
Trust Deed.	The Notes will be issued subject to and will have the benefit of the Trust Deed to be dated on or about the Issue Date between the Issuer, the Guarantor and the Trustee.
Governing Law	The Notes, the Trust Deed, the Keepwell Deed and all non-contractual matters arising from or connected with them will be governed by and construed in accordance with English Law.
Selling Restrictions	There are restrictions on the offer, sale and/or transfer of the Notes in certain jurisdictions. For a description of the restrictions on offers, sales and transfers of the Notes, see “Subscription and Sale.”
Denomination, Form and Registration	The Notes will be issued in registered form in the denomination of US\$200,000 each and in integral multiples of US\$1,000 in excess thereof. Upon issue, the Notes will be represented by the Global Certificate. On the Issue Date, the Global Certificate will be registered in the name of a nominee of a common depositary for Euroclear and Clearstream, Luxembourg.
Ratings	The Notes are expected to be rated “Baa1” by Moody’s and “A-” by Fitch. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Risk Factors.	See “Risk Factors” and the other information in this Offering Circular for a discussion of factors that should be carefully considered before deciding to invest in the Notes.
Listing.	Application will be made to Hong Kong Stock Exchange for the listing of the Notes and such listing is expected to become effective on or about 2017.

Trustee and Principal Paying
Agent

The Bank of New York Mellon, London Branch

Registrar and Transfer Agent

The Bank of New York Mellon (Luxembourg) S.A.

Identification Numbers for the
Notes

Common Code:
ISIN:

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

Genting Berhad

The following tables set out the summary of the audited consolidated financial information of Genting Berhad as at and for the years ended 31 December 2013, 2014 and 2015 and the summary of the unaudited consolidated financial information of Genting Berhad as at and for the nine months ended 30 September 2015 and 2016.

The information set forth below should be read in conjunction with Genting Berhad's consolidated financial statements and related notes thereto included elsewhere in this Offering Circular. The summary audited consolidated financial information as at and for the years ended 31 December 2013, 2014 and 2015 is derived from Genting Berhad's audited consolidated financial statements for those periods. The summary unaudited consolidated financial information as at and for the nine months ended 30 September 2015 and 2016 is derived from Genting Berhad's unaudited consolidated financial information for those periods. Genting Berhad's consolidated financial statements as at and for the years ended 31 December 2013, 2014 and 2015 were audited by PricewaterhouseCoopers, Malaysia, chartered accountants. See "Presentation of Financial and Other Information."

Consolidated Income Statements Data of Genting Berhad

	For the Year Ended 31 December			For the Nine Months Ended 30 September (Unaudited)		
	2013	2014	2015	2015	2016	2016 ⁽¹⁾
	(RM millions)			(RM millions)		(US\$ millions)
Continuing operations:						
Revenue	17,111.7	18,216.5	18,100.4	13,180.9	13,612.8	3,283.8
Cost of sales	(10,686.4)	(11,906.3)	(12,958.7)	(9,375.0)	(9,386.7)	(2,264.4)
Gross profit	6,425.3	6,310.2	5,141.7	3,805.9	4,226.1	1,019.4
Other income						
- net fair value gain on derivative financial instruments.	312.4	—	—	—	—	—
- others ⁽²⁾	701.3	1,262.7	2,038.6	1,734.2	1,074.8	259.2
Selling and distribution costs	(354.8)	(382.1)	(442.5)	(316.9)	(353.2)	(85.2)
Administration expenses	(1,646.5)	(1,385.7)	(1,026.9)	(649.0)	(1,048.1)	(252.8)
Reversal of previously recognised impairment losses	11.1	22.6	227.0	227.0	195.2	47.1
Impairment losses	(109.2)	(265.0)	(456.0)	(422.4)	(77.8)	(18.8)
Other expenses						
- net fair value loss on derivative financial instruments	—	(415.3)	(585.1)	(701.1)	(83.9)	(20.2)
- others ⁽³⁾	(602.4)	(497.4)	(986.6)	(573.4)	(605.8)	(146.1)
Finance cost	(460.0)	(437.0)	(558.9)	(397.5)	(511.2)	(123.3)
Share of results in joint ventures .	119.7	86.3	111.3	66.6	(14.0)	(3.4)
Share of results in associates	(52.7)	(37.0)	(16.6)	(54.1)	(51.0)	(12.3)
Profit before taxation	4,344.2	4,262.3	3,446.0	2,719.3	2,751.1	663.6
Taxation	(746.9)	(1,108.7)	(848.3)	(734.3)	(632.1)	(152.5)
Profit from continuing operations	3,597.3	3,153.6	2,597.7	1,985.0	2,119.0	511.1
Discontinued operations:						
Profit/(Loss) from discontinued operations, net of taxation	107.8	(7.5)	—	—	—	—
Profit	3,705.1	3,146.1	2,597.7	1,985.0	2,119.0	511.1
Profit attributable to:						
- Equity holders of Genting Berhad	1,810.1	1,496.1	1,388.0	1,049.1	1,002.8	241.9
- Holders of perpetual capital securities of a subsidiary	305.7	311.5	361.1	272.3	268.1	64.6
- Non-controlling interests	1,589.3	1,338.5	848.6	663.6	848.1	204.6
	3,705.1	3,146.1	2,597.7	1,985.0	2,119.0	511.1

Notes:

- (1) Calculated at a rate of RM4.1455 to US\$1.00, which was the published middle rate of exchange of the Ringgit Malaysia against the US dollar as published by Bank Negara Malaysia as at noon on 30 September 2016, only for illustrative purposes in this Offering Circular.

- (2) Other income — others mainly comprise foreign currency exchange gains, interest income, gain on disposal of available-for-sale financial assets and investment income.
- (3) Other expenses — others mainly comprise foreign currency exchange losses, loss on disposal of available-for-sale financial assets, deferred expenses written off and property, plant and equipment written off.

Consolidated Statements of Financial Position Data of Genting Berhad

	As at 31 December			As at 30 September (Unaudited)	
	2013	2014	2015	2016	2016 ⁽¹⁾
	(RM millions)			(RM millions)	(US\$ millions)
ASSETS					
Non-Current Assets					
Property, plant and equipment	24,570.2	25,887.6	31,139.4	31,262.2	7,541.2
Land held for property development	423.9	343.3	359.7	375.2	90.5
Investment properties	1,589.5	1,729.6	2,070.7	1,898.3	457.9
Plantation development	1,505.0	1,712.1	2,154.9	2,385.7	575.5
Leasehold land use rights	238.7	305.3	387.1	477.0	115.1
Intangible assets	5,330.0	5,461.7	6,666.6	6,337.4	1,528.7
Rights of use of oil and gas assets	1,481.4	3,171.3	4,458.2	4,313.4	1,040.5
Joint ventures	205.8	637.6	1,118.7	1,114.8	268.9
Associates	844.0	1,064.2	1,200.8	1,791.8	432.2
Available-for-sale financial assets	3,936.1	2,856.2	2,303.0	2,013.0	485.6
Derivative financial instruments	112.1	99.1	121.8	106.1	25.6
Other non-current assets	634.0	2,413.5	4,642.3	6,537.2	1,576.9
Deferred tax assets	270.7	303.5	393.3	333.0	80.4
	<u>41,141.4</u>	<u>45,985.0</u>	<u>57,016.5</u>	<u>58,945.1</u>	<u>14,219.0</u>
Current Assets					
Property development costs	56.1	60.0	90.8	59.2	14.3
Inventories	385.2	419.5	480.6	518.9	125.2
Trade and other receivables	3,972.5	4,083.8	3,751.5	1,872.8	451.7
Current tax assets	20.5	32.8	96.8	121.1	29.2
Amounts due from joint ventures	6.0	9.3	3.5	2.3	0.6
Amounts due from associates	—	3.1	8.7	13.4	3.2
Financial assets at fair value through profit or loss	3.8	7.2	8.1	8.3	2.0
Available-for-sale financial assets	5,456.3	5,680.8	1,566.6	1,561.4	376.6
Derivative financial instruments	9.4	2.5	93.1	20.6	5.0
Restricted cash	420.1	584.2	626.3	542.5	130.9
Cash and cash equivalents	<u>17,963.7</u>	<u>16,391.2</u>	<u>23,612.9</u>	<u>22,344.2</u>	<u>5,390.0</u>
	28,293.6	27,274.4	30,338.9	27,064.7	6,528.7
Assets classified as held for sale	<u>2,060.5</u>	<u>37.9</u>	<u>2,077.1</u>	<u>1,739.0</u>	<u>419.5</u>
	<u>30,354.1</u>	<u>27,312.3</u>	<u>32,416.0</u>	<u>28,803.7</u>	<u>6,948.2</u>
Total Assets	71,495.5	73,297.3	89,432.5	87,748.8	21,167.2

	As at 31 December			As at 30 September (Unaudited)	
	2013	2014	2015	2016	2016 ⁽¹⁾
	(RM millions)			(RM millions)	(US\$ millions)
EQUITY AND LIABILITIES					
Equity Attributable to Equity Holders of the Company					
Share capital	371.9	374.3	374.3	375.0	90.5
Treasury shares	(210.9)	(212.5)	(219.6)	(221.2)	(53.4)
Reserves	<u>25,153.0</u>	<u>26,672.4</u>	<u>32,463.1</u>	<u>32,387.3</u>	<u>7,812.6</u>
	25,314.0	26,834.2	32,617.8	32,541.1	7,849.7
Perpetual capital securities of a subsidiary . .	5,985.6	6,098.9	7,071.5	6,906.8	1,666.1
Non-controlling interests	<u>19,273.0</u>	<u>20,132.3</u>	<u>23,101.8</u>	<u>22,810.4</u>	<u>5,502.5</u>
Total Equity	<u>50,572.6</u>	<u>53,065.4</u>	<u>62,791.1</u>	<u>62,258.3</u>	<u>15,018.3</u>
Non-Current Liabilities					
Long term borrowings	10,824.1	10,714.9	17,017.4	15,466.1	3,730.8
Deferred tax liabilities	1,486.0	1,416.0	1,891.8	1,869.3	450.9
Derivative financial instruments	22.6	203.8	270.7	350.8	84.6
Provisions	265.1	409.5	458.4	449.2	108.4
Other non-current liabilities	<u>44.4</u>	<u>42.0</u>	<u>36.0</u>	<u>526.7</u>	<u>127.1</u>
	<u>12,642.2</u>	<u>12,786.2</u>	<u>19,674.3</u>	<u>18,662.1</u>	<u>4,501.8</u>
Current Liabilities					
Trade and other payables	4,098.8	4,346.1	5,009.4	4,731.4	1,141.3
Amounts due to joint ventures	57.9	29.0	109.8	114.5	27.6
Short term borrowings	2,561.3	1,837.7	1,487.3	1,642.5	396.2
Derivative financial instruments	35.5	658.2	69.5	70.1	16.9
Taxation	<u>507.1</u>	<u>574.0</u>	<u>291.1</u>	<u>269.9</u>	<u>65.1</u>
	7,260.6	7,445.0	6,967.1	6,828.4	1,647.1
Liabilities classified as held for sale	<u>1,020.1</u>	<u>0.7</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>8,280.7</u>	<u>7,445.7</u>	<u>6,967.1</u>	<u>6,828.4</u>	<u>1,647.1</u>
Total Liabilities	<u>20,922.9</u>	<u>20,231.9</u>	<u>26,641.4</u>	<u>25,490.5</u>	<u>6,148.9</u>
Total Equity and Liabilities	71,495.5	73,297.3	89,432.5	87,748.8	21,167.2

Consolidated Statements of Cash Flows Data of Genting Berhad

	For the Year Ended 31 December			For the Nine Months Ended 30 September (Unaudited)		
	2013	2014	2015	2015	2016	2016 ⁽¹⁾
	(RM millions)			(RM millions)		(US\$ millions)
Net cash flows from operating activities	4,667.6	4,399.3	4,743.5	3,574.5	4,436.0	1,070.1
Net cash flows used in investing activities	(6,025.0)	(4,176.5)	(2,946.5)	(1,962.9)	(3,671.4)	(885.6)
Net cash flows (used in)/from financing activities	(2,480.5)	(2,620.5)	2,542.5	2,551.1	(1,614.1)	(389.4)

Other Consolidated Financial Data of Genting Berhad

	For the Year Ended, and as at, 31 December			For the Nine Months Ended, and as at, 30 September (Unaudited)			For the Twelve Months Ended, and as at, 30 September (Unaudited)	
	2013	2014	2015	2015	2016	2016 ⁽¹⁾	2016	2016 ⁽¹⁾
	(RM millions, except ratios)			(RM millions, except ratios)		(US\$ millions, except ratios)	(RM millions, except ratios)	(US\$ millions, except ratios)
Adjusted EBITDA ⁽²⁾⁽⁷⁾	6,116.4	6,627.5	6,289.0	5,002.6	4,033.1	972.9	5,319.5	1,283.2
Adjusted EBITDA margin ⁽³⁾	36%	36%	35%	38%	30%	30%	—	—
Total debt/Adjusted EBITDA ⁽⁴⁾⁽⁷⁾	2.2	1.9	2.9	—	—	—	3.2	3.2
Adjusted EBITDA/Finance cost ⁽⁵⁾	13.3	15.2	11.3	12.6	7.9	7.9	—	—
Cash and cash equivalent/Total debt ⁽⁶⁾	1.3	1.3	1.3	1.3	1.3	1.3	—	—

Notes:

- (1) Calculated at a rate of RM4.1455 to US\$1.00, which was the published middle rate of exchange of the Ringgit Malaysia against the US dollar as published by Bank Negara Malaysia as at noon on 30 September 2016, only for illustrative purposes in this Offering Circular.

- (2) Adjusted EBITDA is defined as earnings before depreciation, amortisation, interest income, finance cost, share of results in joint ventures, share of results in associates, taxation and also excludes the effects of non-recurring items from the operating segments, such as fair value gains or losses, gain or loss on disposal of financial assets, gain or loss on deemed dilution of shareholdings in 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. Unless otherwise indicated, the Adjusted EBITDA figures in this Offering Circular are calculated on a consolidated basis. Set forth below is a reconciliation of Adjusted EBITDA to Genting Berhad's profit before taxation:

	For the Year Ended 31 December			For the Nine Months Ended 30 September (Unaudited)		
	2013	2014	2015	2015	2016	2016 ⁽¹⁾
	(RM millions)			(RM millions)		(US\$ millions)
Adjusted EBITDA	6,116.4	6,627.5	6,289.0	5,002.6	4,033.1	972.9
Net fair value gain/(loss) on derivative financial instruments . .	312.4	(415.3)	(585.1)	(701.1)	(83.9)	(20.2)
Net gain/(loss) on disposal of available-for-sale financial assets .	100.0	419.0	(11.0)	215.9	4.8	1.1
Gain on deemed dilution of shareholdings in associate	40.4	6.0	107.5	104.0	26.1	6.3
Project costs written off	—	(98.2)	—	—	—	—
Reversal of previously recognised impairment losses	11.1	22.6	227.0	227.0	195.2	47.1
Impairment losses	(109.2)	(265.0)	(456.0)	(422.4)	(77.8)	(18.8)
Depreciation and amortisation	(1,692.7)	(1,824.2)	(1,904.6)	(1,396.1)	(1,398.9)	(337.5)
Interest income	269.6	386.3	580.9	391.7	750.2	181.0
Finance cost	(460.0)	(437.0)	(558.9)	(397.5)	(511.2)	(123.3)
Share of results in joint ventures . . .	119.7	86.3	111.3	66.6	(14.0)	(3.4)
Share of results in associates	(52.7)	(37.0)	(16.6)	(54.1)	(51.0)	(12.3)
Others (<i>Note</i>)	(310.8)	(208.7)	(337.5)	(317.3)	(121.5)	(29.3)
Profit before taxation	<u>4,344.2</u>	<u>4,262.3</u>	<u>3,446.0</u>	<u>2,719.3</u>	<u>2,751.1</u>	<u>663.6</u>

Note: Others include pre-operating and development expenses, assets written off, gain or loss on disposal of assets and share-based payment expenses.

- (3) Adjusted EBITDA margin is calculated by dividing Genting Berhad's consolidated Adjusted EBITDA by Genting Berhad's consolidated revenue from continuing operations for the corresponding years/periods.
- (4) Total debt/Adjusted EBITDA ratio is calculated by dividing Genting Berhad's consolidated long term borrowings and short term borrowings by Genting Berhad's consolidated Adjusted EBITDA for the corresponding years/periods.
- (5) Adjusted EBITDA/Finance cost ratio is calculated by dividing Genting Berhad's consolidated Adjusted EBITDA by Genting Berhad's consolidated finance cost for the corresponding years/periods.
- (6) Cash and cash equivalents/Total debt is calculated by dividing Genting Berhad's consolidated cash and cash equivalents by Genting Berhad's consolidated long term borrowings and short term borrowings for the corresponding years/periods.
- (7) Adjusted EBITDA for the twelve months ended 30 September 2016 has been calculated by adding Genting Berhad's consolidated Adjusted EBITDA for the nine months ended 30 September 2016 to Genting Berhad's consolidated Adjusted EBITDA for the year ended 31 December 2015 and subtracting Genting Berhad's consolidated Adjusted EBITDA for the nine months ended 30 September 2015.

- (8) Adjusted EBITDA, Adjusted EBITDA margin and other ratios such as Total debt/Adjusted EBITDA, Adjusted EBITDA/Finance Cost and Cash and cash equivalent/Total debt (“Other Ratios”) are supplemental measures of Genting Berhad’s performance and liquidity that are not required by, or presented in accordance with, FRS or IFRS. Further, Adjusted EBITDA, Adjusted EBITDA margin and Other Ratios are not measurements of Genting Berhad’s financial performance or liquidity under FRS or IFRS and should not be considered as alternatives to net income or any other performance measures derived in accordance with FRS or IFRS or as alternatives to cash flow from operations or as measures of Genting Berhad’s liquidity. Genting Berhad believes that Adjusted EBITDA, Adjusted EBITDA margin and Other Ratios serve as useful indicators of its operating performance and that Adjusted EBITDA, Adjusted EBITDA margin and Other Ratios are measures commonly used by analysts, investors and peers in Genting Berhad’s industry. Accordingly, Genting Berhad has disclosed these information to permit a more complete analysis of Genting Berhad’s operating performance. Adjusted EBITDA, Adjusted EBITDA margin and Other Ratios, as calculated, may not be comparable to similarly titled measures reported by other companies.

Segment Analysis of Genting Berhad

The following tables set forth a breakdown of the consolidated revenue, adjusted EBITDA and assets of Genting Berhad by business segment.

Revenue

	For the Year Ended 31 December			For the Nine Months Ended 30 September (Unaudited)		
	2013	2014	2015	2015	2016	2016 ⁽¹⁾
	(RM millions)			(RM millions)		(US\$ millions)
Leisure & Hospitality						
- Malaysia	5,683.1	5,362.4	5,576.6	4,095.5	4,115.1	992.7
- Singapore.	7,158.3	7,387.0	6,807.7	5,124.4	4,976.5	1,200.5
- UK.	1,591.4	1,699.8	1,350.3	919.8	1,413.1	340.9
- US and Bahamas	941.8	999.9	1,288.2	937.3	1,023.7	246.9
Subtotal	15,374.6	15,449.1	15,022.8	11,077.0	11,528.4	2,781.0
Plantations						
- Malaysia	973.7	991.4	878.8	605.8	611.3	147.5
- Indonesia.	106.0	178.2	228.5	150.5	199.5	48.1
Subtotal	1,079.7	1,169.6	1,107.3	756.3	810.8	195.6
Power	252.1	770.8	1,225.6	779.2	849.1	204.8
Property	331.2	430.0	256.7	190.9	143.7	34.7
Oil & Gas	—	168.9	264.7	204.5	148.1	35.7
Investments & Others.	74.1	228.1	223.3	173.0	132.7	32.0
Revenue	17,111.7	18,216.5	18,100.4	13,180.9	13,612.8	3,283.8

Adjusted EBITDA

	For the Year Ended 31 December			For the Nine Months Ended 30 September (Unaudited)		
	2013	2014	2015	2015	2016	2016 ⁽¹⁾
	(RM millions)			(RM millions)		(US\$ millions)
Leisure & Hospitality						
- Malaysia	2,458.8	2,394.1	2,474.0	1,819.4	1,834.3	442.5
- Singapore.	2,945.8	3,013.0	2,610.0	2,043.3	1,673.6	403.7
- UK.	230.3	252.1	(124.2)	(148.4)	233.5	56.3
- US and Bahamas	185.8	24.7	112.8	89.5	99.2	23.9
Subtotal	5,820.7	5,683.9	5,072.6	3,803.8	3,840.6	926.4
Plantations						
- Malaysia	318.5	406.6	305.1	225.6	243.0	58.6
- Indonesia.	23.4	38.6	4.7	4.5	25.7	6.2
Subtotal	341.9	445.2	309.8	230.1	268.7	64.8
Power	35.7	24.0	60.2	27.2	126.5	30.5
Property	81.1	156.7	78.3	60.3	40.6	9.8
Oil & Gas	(57.9)	93.7	186.3	149.3	128.0	30.9
Investments & Others.	(105.1)	224.0	581.8	731.9	(371.3)	(89.5)
Adjusted EBITDA	<u>6,116.4</u>	<u>6,627.5</u>	<u>6,289.0</u>	<u>5,002.6</u>	<u>4,033.1</u>	<u>972.9</u>

Assets

	As at 31 December			As at 30 September (Unaudited)		
	2013	2014	2015	2015	2016	2016 ⁽¹⁾
	(RM millions)			(RM millions)		(US\$ millions)
Segment assets						
Leisure & Hospitality						
- Malaysia	4,372.0	4,961.1	7,160.2	6,570.5	8,445.5	2,037.3
- Singapore	20,289.9	18,961.9	20,146.9	20,500.7	18,279.9	4,409.6
- UK	3,903.1	4,259.2	5,496.3	5,432.9	4,822.4	1,163.3
- US and Bahamas	4,829.0	5,661.3	7,490.1	7,437.0	7,226.7	1,743.2
Subtotal	33,394.0	33,843.5	40,293.5	39,941.1	38,774.5	9,353.4
Plantations						
- Malaysia	1,353.4	1,427.3	1,530.5	1,448.8	1,550.5	374.0
- Indonesia	1,670.4	2,204.5	2,948.0	2,761.1	3,265.8	787.8
Subtotal	3,023.8	3,631.8	4,478.5	4,209.9	4,816.3	1,161.8
Power	833.6	1,913.4	3,793.0	3,346.8	4,153.6	1,002.0
Property	2,606.2	2,581.3	2,981.7	3,064.7	2,767.0	667.5
Oil & Gas	1,755.8	3,649.1	4,947.9	5,018.1	4,908.1	1,183.9
Investments & Others	10,283.8	10,400.7	5,811.9	6,632.5	5,421.1	1,307.7
	51,897.2	56,019.8	62,306.5	62,213.1	60,840.6	14,676.3
Interest bearing instruments	16,196.8	15,201.5	22,239.3	22,004.8	21,808.4	5,260.7
Joint ventures	205.8	637.6	1,118.7	769.2	1,114.8	268.9
Associates	844.0	1,064.2	1,200.8	1,327.8	1,791.8	432.2
Unallocated corporate assets	291.2	336.3	490.1	508.0	454.2	109.6
Assets classified as held for sale	2,060.5	37.9	2,077.1	2,136.2	1,739.0	419.5
Assets	71,495.5	73,297.3	89,432.5	88,959.1	87,748.8	21,167.2

Note:

- (1) Calculated at a rate of RM4.1455 to US\$1.00, which was the middle rate of exchange of the Ringgit Malaysia against the US dollar as published by Bank Negara Malaysia as at noon on 30 September 2016, only for illustrative purposes in this Offering Circular.

The Guarantor

The following tables set out the summary of the audited consolidated financial information of the Guarantor as at and for the years ended 31 December 2013, 2014 and 2015 and the summary of the unaudited consolidated financial information of the Guarantor as at and for the nine months ended 30 September 2015 and 2016.

The information set forth below should be read in conjunction with the Guarantor's consolidated financial statements and related notes thereto included elsewhere in this Offering Circular. The summary audited consolidated financial information as at and for the years ended 31 December 2013, 2014 and 2015 is derived from Guarantor's audited consolidated financial statements for those periods and the summary unaudited consolidated financial information as at and for the nine months ended 30 September 2015 and 2016 is derived from the Guarantor's unaudited consolidated financial information for those periods. The Guarantor's consolidated financial statements as at and for the years ended 31 December 2013, 2014 and 2015 were audited by PricewaterhouseCoopers LLC, Isle of Man, chartered accountants. See "Presentation of Financial and Other Information."

Consolidated Income Statements Data of the Guarantor

	For the Year Ended 31 December			For the Nine Months Ended 30 September (Unaudited)		
	2013	2014	2015	2015	2016	2016 ⁽¹⁾
	(S\$ millions)			(S\$ millions)		(US\$ millions)
Revenue	2,847.3	2,862.7	2,401.2	1,853.8	1,670.4	1,225.7
Cost of sales	(1,844.9)	(1,868.7)	(1,708.2)	(1,308.4)	(1,191.9)	(874.6)
Gross profit	1,002.4	994.0	693.0	545.4	478.5	351.1
Other income ⁽²⁾	116.5	288.9	197.7	196.3	65.7	48.2
Fair value gain/(loss) on derivative financial instruments.	104.9	(136.1)	(239.3)	(274.5)	—	—
Selling and distribution costs	(64.9)	(56.7)	(56.9)	(42.7)	(40.4)	(29.6)
Administration expenses						
- Prior years' property tax refund. .	—	—	102.7	102.7	0.6	0.4
- others	(273.8)	(235.8)	(195.3)	(147.0)	(126.7)	(93.0)
Other expenses ⁽³⁾	(35.4)	(17.2)	(163.9)	(85.5)	(65.8)	(48.3)
Finance cost	(72.9)	(61.5)	(54.5)	(40.0)	(35.7)	(26.2)
Share of results in joint ventures and associate	36.3	10.6	(3.8)	(3.2)	(1.8)	(1.3)
Profit before taxation	813.1	786.2	279.7	251.5	274.4	201.3
Taxation	(137.7)	(169.6)	(86.2)	(79.9)	(78.4)	(57.5)
Profit	675.4	616.6	193.5	171.6	196.0	143.8
Profit attributable to:						
- Equity holders of the Guarantor .	274.1	249.9	40.0	44.1	57.0	41.8
- Holders of perpetual capital securities of a subsidiary	117.9	117.9	117.9	88.2	88.5	64.9
- Non-controlling interests	283.4	248.8	35.6	39.3	50.5	37.1
	<u>675.4</u>	<u>616.6</u>	<u>193.5</u>	<u>171.6</u>	<u>196.0</u>	<u>143.8</u>

Notes:

- (1) Calculated at a rate of S\$1.3628 to US\$1.00, which was the published rate of exchange of the Singapore dollars against the US dollar as certified for customs purposes by the Federal Reserve Bank of New York on 30 September 2016, only for illustrative purposes in this Offering Circular.
- (2) Other income — others mainly comprise foreign currency exchange gains, interest income, dividend income and gain on disposal of available-for-sale financial assets.
- (3) Other expenses mainly comprise foreign currency exchange losses, impairment and loss on disposal of available-for-sale financial assets, impairment and write-off of property, plant and equipment.

Consolidated Statements of Financial Position Data of the Guarantor

	As at 31 December			As at 30 September (Unaudited)	
	2013	2014	2015	2016	2016 ⁽¹⁾
	(S\$ millions)			(S\$ millions)	(US\$ millions)
ASSETS					
Non-Current Assets					
Property, plant and equipment	6,094.6	5,809.1	5,487.4	5,304.0	3,892.0
Intangible assets	171.7	151.3	133.3	183.7	134.8
Joint ventures and associate	36.8	133.3	130.0	314.5	230.8
Available-for-sale financial assets	606.7	207.9	216.4	169.7	124.5
Other non-current assets	8.8	107.3	248.6	260.5	191.2
Deferred tax assets	0.1	0.1	1.7	2.1	1.5
	<u>6,918.7</u>	<u>6,409.0</u>	<u>6,217.4</u>	<u>6,234.5</u>	<u>4,574.8</u>
Current Assets					
Inventories	56.1	53.7	57.2	59.9	44.0
Trade and other receivables	1,133.2	1,100.6	646.4	240.0	176.0
Available-for-sale financial assets	1,265.2	1,313.7	—	—	—
Restricted cash	131.2	139.3	113.2	104.4	76.6
Cash and cash equivalents	<u>3,667.7</u>	<u>3,701.8</u>	<u>5,006.9</u>	<u>4,811.1</u>	<u>3,530.3</u>
	6,253.4	6,309.1	5,823.7	5,215.4	3,826.9
Assets classified as held for sale	—	—	31.9	36.6	26.9
	<u>6,253.4</u>	<u>6,309.1</u>	<u>5,855.6</u>	<u>5,252.0</u>	<u>3,853.8</u>
Total Assets	<u>13,172.1</u>	<u>12,718.1</u>	<u>12,073.0</u>	<u>11,486.5</u>	<u>8,428.6</u>
EQUITY AND LIABILITIES					
Equity Attributable to Equity Holders of the Company					
Share capital	2.5	2.9	2.9	2.9	2.1
Reserves	<u>3,443.8</u>	<u>3,864.2</u>	<u>3,900.1</u>	<u>3,886.5</u>	<u>2,851.8</u>
	3,446.3	3,867.1	3,903.0	3,889.4	2,853.9
Perpetual capital securities of a subsidiary . .	2,308.3	2,308.3	2,308.3	2,279.8	1,672.9
Non-controlling interests	3,480.4	3,448.3	3,428.4	3,405.2	2,498.7
Option reserves	<u>94.4</u>	<u>125.6</u>	<u>32.4</u>	<u>30.5</u>	<u>22.4</u>
Total Equity	<u>9,329.4</u>	<u>9,749.3</u>	<u>9,672.1</u>	<u>9,604.9</u>	<u>7,047.9</u>
Non-Current Liabilities					
Bank borrowings	1,702.4	1,184.5	1,460.4	975.8	716.0
Finance leases	0.5	0.1	3.4	1.1	0.8
Deferred tax liabilities	265.2	230.4	283.2	286.8	210.4
Provisions for retirement gratuities	1.4	1.3	0.9	0.8	0.6
Other long term liabilities	<u>10.6</u>	<u>10.7</u>	<u>6.0</u>	<u>4.6</u>	<u>3.4</u>
	1,980.1	1,427.0	1,753.9	1,269.1	931.2

	As at 31 December			As at 30 September (Unaudited)	
	2013	2014	2015	2016	2016 ⁽¹⁾
	(S\$ millions)			(S\$ millions)	(US\$ millions)
Current Liabilities					
Trade and other payables	758.3	595.5	412.2	353.6	259.5
Loan due to holding corporation	415.9	—	—	—	—
Bank borrowings	515.9	517.9	164.2	182.1	133.6
Finance leases	6.5	0.8	2.6	3.0	2.2
Derivative financial instruments	10.9	246.9	—	—	—
Taxation	155.1	180.7	68.0	73.8	54.2
	<u>1,862.6</u>	<u>1,541.8</u>	<u>647.0</u>	<u>612.5</u>	<u>449.5</u>
Total Liabilities	<u>3,842.7</u>	<u>2,968.8</u>	<u>2,400.9</u>	<u>1,881.6</u>	<u>1,380.7</u>
Total Equity and Liabilities	<u>13,172.1</u>	<u>12,718.1</u>	<u>12,073.0</u>	<u>11,486.5</u>	<u>8,428.6</u>

Consolidated Statements of Cash Flows Data of the Guarantor

	For the Year Ended 31 December			For the Nine Months Ended 30 September (Unaudited)		
	2013	2014	2015	2015	2016	2016 ⁽¹⁾
	(S\$ millions)			(S\$ millions)		(US\$ millions)
Net cash flows from operating activities	820.6	955.6	1,261.8	920.8	848.4	622.6
Net cash flows (used in)/from investing activities	(817.1)	87.4	455.8	301.5	(230.5)	(169.2)
Net cash flows used in financing activities	(815.8)	(1,032.9)	(457.8)	(432.7)	(760.5)	(558.1)

Other Financial Data of the Guarantor

	For the Year Ended, and as at, 31 December			For the Nine Months Ended, and as at, 30 September (Unaudited)			For the Twelve Months Ended, and as at, 30 September (Unaudited)	
	2013	2014	2015	2015	2016	2016 ⁽¹⁾	2016	2016
	(S\$ millions, except ratios)			(S\$ millions, except ratios)		(US\$ millions, except ratios)	(RM millions, except ratios)	(US\$ millions, except ratios)
Adjusted EBITDA ⁽²⁾⁽⁷⁾ . .	1,144.2	1,158.9	915.4	734.2	545.5	400.3	726.7	533.3
Adjusted EBITDA margin ⁽³⁾	40%	40%	38%	40%	33%	33%	—	—
Total dividends received from GENS	63.5	63.5	63.5	63.5	95.3	69.9	—	—
Total debt/Adjusted EBITDA ⁽⁴⁾⁽⁷⁾	2.3	1.5	1.8	—	—	—	1.6	1.6
Adjusted EBITDA/Finance cost ⁽⁵⁾	15.7	18.8	16.8	18.4	15.3	15.3	—	—
Cash and cash equivalent/Total debt ⁽⁶⁾	1.4	2.2	3.1	2.8	4.1	4.1	—	—

Notes:

- (1) Calculated at a rate of S\$1.3628 to US\$1.00, which was the published rate of exchange of the Singapore dollar against the US dollar as certified for customs purposes by the Federal Reserve Bank of New York on 30 September 2016, only for illustrative purposes in this Offering Circular.

- (2) Adjusted EBITDA is defined as earnings before depreciation, amortisation, interest income, finance cost, share of results in joint ventures, share of results in associates, taxation and also excludes the effects of non-recurring items from the operating segments, such as fair value gains or losses, gain or loss on disposal of financial assets, gain or loss on deemed dilution of shareholdings in 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. Unless otherwise indicated, the Adjusted EBITDA figures in this Offering Circular are calculated on a consolidated basis. Set forth below is a reconciliation of Adjusted EBITDA to the Guarantor's profit before taxation:

	For the Year Ended 31 December			For the Nine Months Ended 30 September (Unaudited)		
	2013	2014	2015	2015	2016	2016 ⁽¹⁾
	(S\$ millions)			(S\$ millions)		(US\$ millions)
Adjusted EBITDA	1,144.2	1,158.9	915.4	734.2	545.5	400.3
Net fair value gain/(loss) on derivative financial instruments . .	104.9	(136.1)	(239.3)	(274.5)	—	—
Net gain/(loss) on disposal of available-for-sale financial assets .	31.7	153.0	(87.2)	(7.4)	1.6	1.2
Share-based payment	(17.7)	(31.2)	(20.1)	(15.8)	(10.1)	(7.4)
Net gain on disposal of subsidiaries and associate	0.3	—	—	—	—	—
Net exchange gain/(loss) relating to investments	37.0	75.8	130.4	153.3	(48.6)	(35.6)
Impairment losses on available-for-sale financial assets .	—	—	(63.4)	(63.4)	(9.9)	(7.3)
Impairment losses on assets classified as held for sale	—	—	—	—	(2.8)	(2.1)
Impairment losses on property, plant and equipment.	—	—	(4.7)	(6.7)	(0.8)	(0.6)
Depreciation and amortisation	(422.3)	(419.4)	(344.2)	(258.9)	(223.7)	(164.2)
Interest income	39.0	50.5	61.7	44.1	63.7	46.7
Finance cost.	(72.9)	(61.5)	(54.5)	(40.0)	(35.7)	(26.2)
Share of results in joint ventures . . .	36.3	5.3	4.8	4.8	3.1	2.3
Share of results in associate	—	5.3	(8.6)	(8.0)	(4.9)	(3.6)
Others (<i>Note</i>)	(67.4)	(14.4)	(10.6)	(10.2)	(3.0)	(2.2)
Profit before taxation	<u>813.1</u>	<u>786.2</u>	<u>279.7</u>	<u>251.5</u>	<u>274.4</u>	<u>201.3</u>

Note: Others include write-off/disposal of property, plant and equipment and intangible assets, pre-operating and development expenses and other non-recurring adjustments.

- (3) Adjusted EBITDA margin is calculated by dividing the Guarantor's consolidated Adjusted EBITDA by the Guarantor's consolidated revenue for the corresponding years/periods.
- (4) Total debt/Adjusted EBITDA ratio is calculated by dividing the Guarantor's consolidated long term borrowings and short term borrowings by the Guarantor's consolidated Adjusted EBITDA for the corresponding years/periods.
- (5) Adjusted EBITDA/Finance cost ratio is calculated by dividing the Guarantor's consolidated Adjusted EBITDA by the Guarantor's consolidated finance cost for the corresponding years/periods.
- (6) Cash and cash equivalents/Total debt is calculated by dividing the Guarantor's consolidated cash and cash equivalents by the Guarantor's consolidated long term borrowings and short term borrowings for the corresponding years/periods.

- (7) Adjusted EBITDA for the twelve months ended 30 September 2016 has been calculated by adding the Guarantor's consolidated Adjusted EBITDA for the nine months ended 30 September 2016 to the Guarantor's consolidated Adjusted EBITDA for the year ended 31 December 2015 and subtracting the Guarantor's consolidated Adjusted EBITDA for the nine months ended 30 September 2015.
- (8) Adjusted EBITDA, Adjusted EBITDA margin and other ratios such as Total debt/Adjusted EBITDA, Adjusted EBITDA/Finance Cost and Cash and cash equivalent/Total debt ("Other Ratios") are supplemental measures of the Guarantor's performance and liquidity that are not required by, or presented in accordance with MFRS or IFRS. Further, Adjusted EBITDA, Adjusted EBITDA margin and Other Ratios are not measurement of the Guarantor's financial performance or liquidity under MFRS or IFRS and should not be considered as alternatives to net income or any other performance measures derived in accordance with MFRS or IFRS or as alternatives to cash flow from operations or as measures of the Guarantor's liquidity. The Guarantor believes that Adjusted EBITDA, Adjusted EBITDA margin and Other Ratios serve as useful indicators of its operating performance and that Adjusted EBITDA, Adjusted EBITDA margin and Other Ratios are measures commonly used by analysts, investors and peers in the Guarantor's industry. Accordingly, the Guarantor has disclosed these information to permit a more complete analysis of the Guarantor's operating performance. Adjusted EBITDA, Adjusted EBITDA margin and Other Ratios as calculated, may not be comparable to similarly titled measures reported by other companies.

DESCRIPTION OF THE KEEPWELL DEED

The following contains a summary of certain key provisions of the Keepwell Deed. Such statements do not purport to be complete and are qualified in their entirety by reference to the Keepwell Deed. Defined terms used in this section shall have the meanings given to them in the Keepwell Deed.

Genting Berhad will enter into a Keepwell Deed with the Issuer, the Guarantor and The Bank of New York Mellon, London Branch, as the Trustee under the Trust Deed, pursuant to which Genting Berhad will agree that for so long as the Notes are outstanding:

- (a) it shall directly or indirectly own not less than 100 per cent. of the outstanding shares of the Guarantor including, without limitation, those having the right to vote for election of members of the board of directors of the Guarantor;
- (b) it shall procure the Guarantor to and the Guarantor also undertakes that it shall:
 - (i) directly or indirectly own not less than 100 per cent. of the outstanding shares of the Issuer, including, without limitation, those having the right to vote for election of members of the board of directors of the Issuer; and
 - (ii) ensure that GENS is, directly or indirectly, a Subsidiary of the Guarantor;
- (c) it shall procure that the Issuer's Consolidated Net Worth shall be positive;
- (d) it shall ensure that the Guarantor's Consolidated Net Worth be at least US\$100,000,000; and
- (e) it shall not amend the constitutional documents of the Guarantor in a manner that is, directly or indirectly, materially adverse to the Noteholders.

"Subsidiary" with respect to any person ("Person"), means a body corporate:

- (x) in which more than 50 per cent. of the issued share capital or other ownership interest having the power to vote for the election of directors are owned, directly or indirectly, by such Person; or
- (y) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of such Person.

Under FRS as currently in effect, an entity's financial statements are consolidated with those of another person if such other person "controls" the entity by having all of the following elements:

- power over the entity (i.e. the other person has existing rights that give it the current ability to direct the relevant activities of the entity);
- exposure, or rights, to variable returns from its involvement with the entity; and
- the ability to use such person's power over the entity to affect the amount of such person's returns.

The Issuer and the Guarantor will undertake that either the Issuer or the Guarantor will notify the Trustee as soon as reasonably practicable after it becomes aware that the Issuer's Consolidated Net Worth is not positive, and the Guarantor will notify the Trustee as soon as reasonably practicable after it becomes aware that its Consolidated Net Worth is not at least US\$100,000,000.

The Keepwell Deed is not a guarantee by Genting Berhad for the payment of any obligation, indebtedness or liability of the Issuer or the Guarantor under the laws of any jurisdiction, including but not limited to Malaysia.

The parties to the Keepwell Deed will acknowledge that the compliance by Genting Berhad of its obligations under the Keepwell Deed may be subject to governmental or regulatory approvals, consents, permits, licences, registrations, authorisations and filings as may be required by applicable laws (“Regulatory Approvals”) and Genting Berhad will be required to use all reasonable endeavours to obtain such Regulatory Approvals and if Genting Berhad fails to obtain such Regulatory Approvals after using all reasonable endeavours, Genting Berhad will not be deemed to have breached or violated its relevant obligations under the Keepwell Deed. See “Risk Factors — Risks Relating to the Notes, the Guarantee and the Keepwell Deed — The Keepwell Deed is not a guarantee of the payment obligations under the Notes and the Guarantee.”

Absent the existence of an Event of Default (as defined in the Conditions) under the Trust Deed (in which case the Trustee may proceed to enforce the Keepwell Deed directly against Genting Berhad), the Trustee may not enforce the performance of the terms of the Keepwell Deed by Genting Berhad unless it has given written notice to the Issuer and/or the Guarantor requiring them to enforce their rights under the Keepwell Deed and the Issuer and/or the Guarantor (as the case may be) fails or refuses to take timely action to enforce such rights following such notice, following which, the Trustee may proceed against Genting Berhad to enforce the Issuer’s and/or the Guarantor’s rights under the Keepwell Deed. Notwithstanding the previous sentence, the Trustee may only enforce the provisions of the Keepwell Deed against Genting Berhad if at the time the proceedings for such enforcement are instituted by the Trustee, any principal or interest which has become due and payable on the Notes remains unpaid in whole or in part.

The Keepwell Deed will be governed by and construed in accordance with the laws of England and Wales. The courts of England and Wales will have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Keepwell Deed. Each of the Issuer, the Guarantor, Genting Berhad and the Trustee will submit to the jurisdiction of the English courts and each of the Issuer, the Guarantor and Genting Berhad will appoint an agent in England for service of process.

RISK FACTORS

Investing in the Notes involves risk. You should carefully consider the risks set forth below as well as the other information contained in this Offering Circular before investing in the Notes.

Risks Relating to the Genting Group

The Genting Group operates in Malaysia and internationally, and expects to continue to expand its international activities, making it increasingly susceptible to changes in the political, economic and social conditions both in and outside Malaysia.

The Genting Group derives its revenues mainly from Malaysia and Singapore, and also from other countries in Asia Pacific, the US and Bahamas, and the UK. The Genting Group's leisure and hospitality revenues from Malaysia, Singapore, the UK and the US and Bahamas accounted for 30%, 37%, 10% and 8% respectively, of the Genting Group's total revenue for the nine months ended 30 September 2016. 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, 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, increases in interest rates and changes in gaming taxes and duties.

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.

The Genting Group may not be able to successfully undertake or implement economically desirable expansion projects due to business, economic, regulatory, competitive and political uncertainties beyond its control.

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.

In addition, the Genting Group's ability to engage in new or pursue ongoing expansion projects will be subject to, among other things, business, economic, regulatory, labour, competitive and political uncertainties beyond its control. Further if undertaken, the success of new, or the pursuit of ongoing expansion, projects will be subject to a number of factors including, without limitation, potential competing projects that could be more desirable because of lower costs, better location or facilities, and its ability to obtain the requisite financing on accepted terms, permits, approvals, licences and rights of way. Therefore, no assurance can be given that new expansion or extension projects will be undertaken or, if undertaken, will be successful.

Investments made may also not be profitable or yield the desired returns. Actions taken by the respective Genting Group entities to integrate acquired or newly established companies or businesses into the existing operations may also not be effective or create profitable businesses or generate desired synergies. 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, which may thereby materially and adversely affect the Genting Group's business, prospects, financial condition and results of operations.

The Genting Group's business is subject to extensive regulation and changes in laws and regulations in countries where the Genting Group operates or has interests, could materially and adversely affect the Genting Group.

The Genting Group is subject to extensive regulation, in particular relating to gaming, leisure and hospitality, plantation activities, energy, 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 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 license 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 or any relevant Genting Group entity's inability to satisfy any existing or new laws and regulations or the license conditions in the future may result in the revocation of licenses, 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 condition 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 goods 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.

Any violation of the US Foreign Corrupt Practices Act or the UK Bribery Act or any other similar anti-corruption laws could have a negative impact on the Genting Group.

The Genting Group's underlying revenue is derived from operations in Malaysia, Singapore and certain other countries, which exposes the Genting Group to complex regulations inherent in each of the countries in which it transacts business. The Genting Group also has subsidiaries in the US and the UK and it is subject to compliance with the US Foreign Corrupt Practices Act of 1977 and other similar anti-corruption laws, including (but not limited to) the UK Bribery Act of 2010, which generally prohibit companies and their intermediaries from making improper payments to foreign government officials 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 condition and results of operations.

The Genting Group is dependent on its senior management team and skilled employees, as well as its ability to attract, hire and retain skilled professionals with requisite experience.

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 TSLKT, 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.

The Genting Group's insurance coverage may not be adequate to cover all losses that it may suffer. In addition, its insurance costs may increase and the Genting Group may not be able to obtain similar insurance coverage in the future.

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.

Fluctuations in foreign exchange rates may present risks to the Genting Group's financial condition and results of operations.

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, Sterling Pound, US dollars and Singapore dollars due to the various jurisdictions in which the Genting Group's subsidiaries and jointly controlled entities 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 and jointly controlled entities 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 and jointly controlled entities against the Ringgit Malaysia would have an impact on the Genting Group's consolidated financial statements.

Fluctuations in interest rates may present risks to the Genting Group's financial condition and results of operations.

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 September 2016, the total borrowings of the Genting Group were RM17,108.6 million, of which more than 50% 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.

The Genting Group is subject to fluctuations in market values of traded equities.

The Genting Group is subject to price risks from its investments in quoted securities classified as financial assets at fair value through its profit and loss statements and available-for-sale financial assets. 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.

The Genting Group is subject to impairment of intangible assets such as goodwill, which could negatively impact its future profits.

The Genting Group reviews 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 in accordance with the authoritative guidance. As at 30 September 2016, the Genting Group had RM6,337.4 million of intangible assets. Significant negative trends, reduced estimates of future cash flows, disruptions to the Genting Group's business, 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.

There is no assurance that the Genting Group will be able to obtain future financing on commercially acceptable terms or at all.

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.

The Genting Group may be subject to various litigation or arbitration proceedings associated with its 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.

The interests of the Guarantor's controlling shareholder may differ from those of the Noteholders.

As at 30 September 2016, Parkview Management Sdn Bhd ("Parkview"), through its subsidiaries, owned 39.7% of Genting Berhad's ordinary shares. These shares are held by Parkview as trustee of a discretionary trust, the beneficiaries of which are TSLKT, his son Mr. Lim Keong Hui and certain other family members. Accordingly, Parkview, as trustee of the discretionary trust, is the controlling shareholder of Genting Berhad (and consequently of the Guarantor) and, subject to the Main Market Listing Requirements of Bursa Securities and relevant laws, has the ability to indirectly exercise control over certain aspects of the Genting Group's business and affairs through the election of directors and vote on corporate actions requiring shareholder approval. However, the interests of Genting Berhad's (and consequently the Guarantor's) controlling shareholder may differ from or conflict with the interests of the Noteholders.

The Genting Group conducts certain projects through joint ventures and associated companies that it does not control.

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.

The Genting Group's financial statements are prepared in accordance with FRS, which differs from IFRS in certain material respects. Consistent with MASB's implementation timeline for Malaysian companies, the Genting Group will transition to a new IFRS compliant framework from 1 January 2018.

The Genting Group's financial statements are prepared in accordance with FRS, the MASB Approved Accounting Standards for Entities Other Than Private Entities, and the provisions of the Companies Act, which differ in certain material respects from IFRS. See "Summary of Significant Differences Between FRS and IFRS". This Offering Circular does not contain (i) a reconciliation of the financial statements included in this Offering Circular to IFRS or (ii) a quantification of the differences between FRS and IFRS with respect to such financial statements. If such a reconciliation or quantification had been performed, other material differences might have been identified and disclosed in the section of the Offering Circular entitled "Summary of Significant Differences Between FRS and IFRS". Accordingly, there is no assurance that the identified differences in the section of the Offering Circular entitled "Summary of Significant Differences Between FRS and IFRS" represent all material differences related to the Genting Group's financial statements presented in this Offering Circular.

In addition, consistent with MASB's implementation timeline for Malaysian companies, the Genting Group will be adopting the new IFRS-compliant framework, MFRS, from the financial year beginning on 1 January 2018. In adopting the new framework, the Genting Group will be applying MFRS 1 "First-time adoption of MFRS". The Genting Group is currently assessing the financial impact of adopting MFRS.

Failure to comply with gaming regulation or to maintain the appropriate licences could have a material adverse effect on the financial condition and results of operations of the Genting Group.

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). This licence, which was originally issued to Genting Berhad in 1971 was subsequently issued to GENM (*formerly Resorts World Bhd*) in 1989. 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 3 years and has been renewed for another three years commencing 6 February 2016. Resorts World at Sentosa Pte. Ltd. ("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. RWS 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 is in total compliance or will be able to comply with 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.

The Genting Group's leisure and hospitality business is particularly sensitive to reductions in discretionary consumer spending resulting from downturns in the economy or other factors.

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 consumer spending.

Changes in discretionary consumer spending or consumer 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.

The general global economic slowdown that started in 2008 has resulted in a decline in the number of visitors to certain casinos as well as the disposable income that these visitors spend at some of the Genting Group's premises in some years. Economic uncertainty could therefore potentially 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 impose downward pressure on pricing and in turn materially and adversely affect the Genting Group's business, financial condition and results of operations.

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 division operates may be adversely affected due to factors such as terrorist attacks, security alerts, military conflicts, epidemics or other factors. Terrorist attacks and the potential for their recurrence 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, its 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.

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) and RWLV, an Asian-themed hotel and casino to be developed on South Las Vegas Boulevard, in Las Vegas (Nevada, US). See “Description of Genting Group — Projects — Genting Integrated Tourism Plan” and “Description of Genting Group — Resorts World Las Vegas LLC.”

Risks and uncertainties frequently 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:

- raise sufficient financing on commercially reasonable terms;
- 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 complete or faces delays in any of these tasks, it may be unable to operate these new projects in the manner contemplated and generate revenue from such projects in the amounts and by the times it is anticipated. Such failure could cause a material adverse effect on the Genting Group’s business, prospects, financial condition and results of operations.

Volatile gaming revenues may adversely impact the Genting Group's financial condition and results of operations.

The main source of revenue for the Genting Group's leisure and hospitality business is its casino operations. Revenues from all gaming activities are generally predictable on the basis of the "win ratio" that the respective Genting Group's entity 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 returned to customers in the form of gaming winnings.

Although 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, which could adversely impact the Genting Group's financial condition and results of operations.

The gaming industry is sensitive to public acceptance of gambling as an acceptable leisure activity. There can be no assurance that public attitudes toward gambling will not shift. Depending on socio-demographical changes over time, public perceptions may change in such a way that may lead to a shift in attitude towards gambling. In the event that the public experiences an unfavourable shift in attitude towards gambling, a decline in the public acceptance of gambling in the markets in which the Genting Group operates may lead to unfavourable regulation or reduced casino patronage, and could materially and adversely impact the Genting Group's financial condition and results of operations.

Failure to remain competitive may materially and adversely affect the Genting Group's financial condition and results of operations.

The hotel, resort and gaming industries are highly competitive. The Genting Group competes with similar businesses in the countries and regions where it operates and beyond, as well as from other non-traditional sources of gambling such as internet betting and other technology-based gaming operators and cruise ships that offer gaming services. The opening of new casinos in the Genting Group's markets or the increase of hotel room capacity by other companies in major destination locations would further increase competition. For example, the GENUK casinos, RWNYS and RWS face strong competition from existing casino operators within the UK, the US and Singapore, respectively, and from abroad, as well as from other non-traditional sources of gambling. In response to such competition, the Genting Group has made, and plans to continue to upgrade its resorts' gaming facilities, infrastructure and services in order to remain competitive.

In addition, changes in restrictive gaming regulations in various countries could result in the addition of new gaming establishments and resorts located closer to certain of the Genting Group's customers than its own casinos and resorts. In the Asia Pacific region, a number of countries such as Vietnam and Cambodia have legalised casino gaming and other countries may in the future legalise casino gaming, such as Japan, Korea, Taiwan, or Thailand.

Finally, some of the Genting Group's gaming operations are located in countries which have generally granted a limited number of gaming licences or concessions. For example, RWS currently holds one of the only two casino licences granted by the government of Singapore to develop and operate a casino in Singapore. Under the current regulation, the RWS license enjoys a 10-year exclusivity period ending in 2017. Similarly, RWG holds the only casino license granted by the government of Malaysia to operate a land based casino. If the relevant authorities in these countries were to grant additional licences or concessions and thereby allow additional competitors to enter the Genting Group's existing markets, competition would increase in these markets. There can be no assurance that the Genting

Group will be able to successfully secure new gaming licences in 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 financial condition and results of operations.

Failure to offer themes, products and services that appeal to both existing and potential customers would have a material adverse effect on the financial condition and results of operations of the Genting Group.

The relevant Genting Group entities may not anticipate or react promptly or adequately to any significant changes in customer preferences, such as the emergence of popular gaming options provided by its competitors, or resort 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 and adversely affect the Genting Group's business, financial condition and results of operations.

Various subsidiaries of the Genting Group operate in the same industries and may in certain instances compete against each other for customers and business.

GENM and its subsidiaries ("GENM Group") own and operate RWG in Malaysia, GENUK casinos in the UK and RWB in the Bahamas, and it also operates RWNYS in the US. GENS' subsidiary, RWSPL, owns and operates RWS in Singapore. Resorts World Las Vegas, LLC which is wholly-owned by Genting Berhad, is constructing RWLV in Las Vegas, US. To the extent there is an overlap within the markets in which the Genting Group operates, the subsidiaries within the Genting Group may compete against each other for customers and business.

The Genting Group competes with ventures held by or under the control of TSLKT, which may result in conflicts of interest with the Genting Group.

TSLKT is the Chairman and Chief Executive of Genting Berhad and GENM, and also the Executive Chairman of GENS.

TSLKT is also a director of GHL, Joondalup Limited and Goldsfine Investments Ltd and a shareholder and share option holder in GENHK. GHL acts as trustee of Golden Hope Unit Trust, which is ultimately owned by a discretionary trust in which TSLKT, Mr. Lim Keong Hui and certain other family members of TSLKT are beneficiaries. GHL as trustee of the Golden Hope Unit Trust holds directly 64.33% equity interest in GENHK. Joondalup Limited, a company wholly-owned by GHL as trustee of the Golden Hope Unit Trust, holds directly 6.44% equity interest in GENHK. Goldsfine Investments Ltd holds 0.43% equity interest in GENHK. TSLKT and his spouse each owns 50% equity interest in Goldsfine Investments Ltd. GENHK is principally engaged in the business of cruise and cruise-related operations and leisure, entertainment and hospitality activities. Travellers International Hotel Group, Inc, an associate of GENHK is 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 88.4% of the Common Shares of Empire Resorts Inc., a holding company for various subsidiaries engaged in the hospitality and gaming industries.

The Genting Group therefore competes with ventures held by or under the control of TSLKT, which may result in conflicts of interest with the Genting Group. As such, TSLKT may be put into a conflict of interest situation should he be in possession of confidential information as the confidential information may concern new gaming business opportunities which he may be called upon to evaluate for Genting Berhad, GENM, GENS, Empire Resorts Inc., GENHK or GHL.

Although TSLKT will exercise his appropriate business judgment in such evaluation and may refer the confidential information to the respective companies in which he is a director in the discharge of his

duties to each of these companies, in the event such confidential information is referred to GENHK, Empire Resorts Inc., or GHL and not to Genting Berhad, 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.

The Genting Group's casino business is subject to the risk of fraudulent and money laundering activities.

The gaming business may be exposed to higher levels of attempted fraud and cheating by customers to increase their winnings in view of the large sums of cash transacted, and possibly in collusion with casinos' employees. Internal acts of cheating could also be conducted by employees through collusion with dealers, surveillance staff, floor managers or other gaming area staff. Despite the Genting Group's monitoring of gaming operations and other security measures in place, in the event the Genting Group is not able to detect such fraud or schemes at the casinos that it owns or operates in a timely manner or at all, the Genting Group may suffer losses and its revenue, financial condition and results of operations 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 could materially and adversely affect the Genting Group's financial condition and results of operations.

Money laundering is another risk faced by the gaming industry. Whilst strict procedures and controls can be put in place to address such risk, such as obtaining suitable documents to identify the Genting Group's customers and monitoring transactions, it is possible that third parties may attempt to carry out money laundering transactions that the Genting Group may not be able to detect or prevent. 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.

The Genting Group faces technological risks to its operations from 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 security systems and contingency plans such as restricting access to server rooms to authorised personnel only, routing of network traffic through alternative telecommunications network exchanges, monitoring of server and network activities, data back-ups and the installation of network security systems, software certificates and passwords, no assurance can be given that such measures will be able to withstand all virus attacks, industrial espionage or computer fraud perpetrated by third parties, and any such events may materially and adversely affect the Genting Group's business, financial condition and results of operations.

In addition, the Genting Group is subject to continued rapid development of its information technology ("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.

Third parties may challenge the Genting Group's intellectual property rights and the Genting Group could incur substantial costs in defending any related claims.

The Genting Group's intellectual property is an important part of its success. The popularity of the Genting Group's products and services is largely dependent on the goodwill associated with the

“GENTING” and “RESORTS WORLD” brand names and logos. The Genting Group relies on a combination of trademarks, service marks and domain name registrations, common law copyright protection and contractual restrictions to establish and protect its brand names and logos and maintain its proprietary rights for its business operations. There can be no assurance that the steps taken by the Genting Group in this regard will adequately protect its intellectual property rights.

Whilst the Genting Group is not aware of any instances in which any of its systems, processes or trademarks have infringed any intellectual property rights of third parties, no assurance can be given that third parties will not make a claim or initiate litigation against the Genting Group for any alleged infringement of their intellectual property rights. In addition, the Genting Group has licensing arrangements with third parties for the use of third party intellectual property rights. For instance, the operation of Universal Studios Singapore® at RWS is dependent on extensive intellectual property licences from third parties. While Genting Berhad believes that all material licences are in place, there is a risk that the Genting Group or the relevant licensor may breach one or more of the licences or that the Genting Group will fail to comply with the terms of these licences. No assurance can be given that a third party will not commence proceedings for infringement of intellectual property rights in connection with these licences. Any claims or litigation, regardless of their merit, could result in a diversion of the Genting Group’s resources and such claims and litigation, if settled or whose outcome is adverse to the Genting Group, may materially and adversely affect the Genting Group’s business, financial condition and results of operations.

Failure to maintain the integrity of internal customer information could result in damaged reputation and/or subject the Genting Group to fines, payment of damages, lawsuits or restrictions on the Genting Group’s use or transfer of data.

Relevant entities in the Genting Group collect information relating to guests for various business purposes, including marketing and promotional purposes. The collection and use of personal data are governed by privacy laws and regulations enacted in the jurisdictions where the Genting Group operates. Privacy regulations continue to evolve and may be inconsistent from one jurisdiction to another. Compliance with applicable privacy regulations may increase the Genting Group’s operating costs and/or adversely impact its ability to market its products, properties and services. Further, non-compliance with applicable privacy regulations by the Genting Group or third parties engaged by the Genting Group under certain circumstances or a breach of security on systems storing its data may result in reputational damage and/or subject the Genting Group to fines, payment of damages, lawsuits or restrictions on its use or transfer of data.

The Genting Group faces risks relating to the health and safety of its 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.

The Genting Group relies on junket operators to bring high-end customers to its resorts.

Junket operators, who promote gaming and draw high-end customers to casinos, are responsible for a portion of the Genting Group’s gaming revenue. With the increasing number of gaming facilities in Asia, the competition for relationships with junket operators has increased. There can be no assurance that the Genting Group will be able to initiate or grow relationships with junket operators. If it is unable to develop relationships with junket operators, its ability to increase its gaming revenue will be hampered and it may have to seek alternative ways to develop relationships with high-end customers.

In addition, the quality of junket operators is important to the reputation of the Genting Group. If a junket operator or their conduct falls below the expected standards, the Genting Group may suffer reputational harm, as well as worsening relationships with, and possibly sanctions from, the relevant gaming regulators.

The Genting Group is also subject to risks inherent in other industries in which it operates, including plantations, power and oil and gas.

The Genting Group is also subject to risks inherent in other industries in which it operates. These include but are not limited to:

- the availability of palm oil substitute products and changes in consumer preferences and sustainability standards,
- fluctuations in the price of end products, such as crude palm oil, palm kernel, natural gas and crude oil, as well as raw materials such as coal and agrochemicals,
- the availability of fuel sources such as gas and coal to generate power,
- unusual or unexpected geological formations,
- occupational and health hazards, technical failures or explosions,
- failure or performance below expected levels of output or efficiency of power generation or other equipment,
- the cyclical nature of certain of the industries in which it operates,
- the outbreak of pests and crop diseases, and other adverse weather and environmental conditions,
- the labour intensive nature of the industries in which it operates and dependency on foreign workers,
- changes in technology,
- changes in business and credit conditions, and
- dependency on single customer and supplier.

Risks Relating to the Notes, the Guarantee and the Keepwell Deed

The Notes and the Guarantee are unsecured obligations and will be effectively subordinated to any secured indebtedness of the Issuer or the Guarantor and will be structurally subordinated to any liabilities (including any indebtedness) of the Guarantor's subsidiaries.

The Notes and the Guarantee will not be secured by any of the Issuer's assets or any of the Guarantor's assets. As a result, the Notes and the Guarantee will be effectively subordinated to any secured indebtedness incurred by the Issuer or the Guarantor with respect to the assets that secure such indebtedness (if any). If the Issuer or the Guarantor were unable to repay any of their respective secured indebtedness, resulting in an event of default, or acceleration of the secured debt, the holders of such debt could proceed against the assets securing that debt and use the proceeds to pay down the secured indebtedness. Only after such secured indebtedness has been paid in full, will any proceeds from the sale of any assets securing such indebtedness be available to pay the obligations of the Notes. The same is true in the event of, among other things, bankruptcy, insolvency, liquidation, dissolution or reorganisation of the Issuer or the Guarantor. If any of these events occurs, the Issuer's and the Guarantor's assets may not be sufficient to fulfil their respective obligations under the Notes and the Guarantee to pay amounts due on any of the Notes.

Furthermore, the Notes and the Guarantee will be structurally subordinated to all indebtedness and other obligations of the subsidiaries of the Guarantor. The Notes and the Guarantee are exclusively the obligations of the Issuer and the Guarantor. The Guarantor's subsidiaries are separate legal entities that have no obligation to pay any amounts due under the Notes or the Guarantee nor any obligation to make any funds available to do so. Except to the extent the Guarantor is a creditor with recognised claims against its subsidiaries, all of the creditors of that subsidiary, including trade creditors, will generally be entitled to be paid in full from the assets of such subsidiary before any of those assets are made available for distribution to the Guarantor, in the event of, among other things, bankruptcy, liquidation, rehabilitation or other winding-up proceedings of a subsidiary of the Guarantor.

The Keepwell Deed is not a guarantee of the payment obligations under the Notes or the Guarantee.

Genting Berhad will enter into the Keepwell Deed in relation to the Notes. Neither the Keepwell Deed nor any action required to be taken by Genting Berhad thereunder can be deemed as a guarantee by Genting Berhad for the payment obligation of the Issuer or the Guarantor under the Notes or the Guarantee. Accordingly, Genting Berhad will only be obliged to comply, and to cause the Issuer and the Guarantor to comply, with the undertakings given in the Keepwell Deed, rather than assume the payment obligation as in the case of a guarantee. Furthermore, the manner of Genting Berhad performing its obligations under the Keepwell Deed may be subject to obtaining prior Regulatory Approvals, including from Bank Negara Malaysia.

For example, under current exchange control rules in Malaysia, if Genting Berhad (in performing its obligations under the Keepwell Deed) were to decide to support the net worth of either the Issuer or the Guarantor using foreign currency funds sourced from conversion of Ringgit Malaysia denominated funds, such conversion of Ringgit Malaysia would be subject to the approval of Bank Negara Malaysia.

Although Genting Berhad is required to use all reasonable endeavours to obtain any required consents, approvals, permits, licences, registrations, authorisations and/or filings in order to fulfil its obligations under the Keepwell Deed, there is no assurance that such consents, approvals, permits, licences or authorisations will be obtained in a timely manner or at all. In the event that Genting Berhad fails to obtain the requisite consents, approvals, permits, licences, registrations, authorisations and/or filings after using all reasonable endeavours, (i) Genting Berhad would not be deemed to have breached or violated its relevant obligations under the Keepwell Deed, and (ii) the Issuer and the Guarantor may not have sufficient funds to discharge their outstanding payment obligations to the holders of the Notes. See "Description of the Keepwell Deed."

Foreign judgments, in particular equitable remedies, with respect to the Keepwell Deed may not be enforced by Malaysian courts in all circumstances.

As the obligations of Genting Berhad under the Keepwell Deed are not payment obligations, any foreign judgments obtained against Genting Berhad will not fall under the definition of a judgment which is registrable under the provisions of the Reciprocal Enforcement of Judgments Act 1958 notwithstanding that the said foreign judgments may be obtained in the superior courts of reciprocating countries that are listed in the First Schedule of the Reciprocal Enforcement of Judgments Act 1958. A fresh suit would have to be instituted against Genting Berhad in Malaysia.

Genting Berhad's obligations under the Keepwell Deed may not be enforced by the courts of Malaysia in all circumstances in accordance with the terms of the Keepwell Deed. In particular, equitable remedies, such as specific performance, are discretionary and where such a remedy is sought, the courts of Malaysia are inclined to award damages if such an award is an adequate remedy.

If any interim relief, such as injunctions, is granted by the courts of England and Wales, the matter would have to be re-litigated on its merits by way of a fresh application for injunction in Malaysia. See "Description of the Keepwell Deed."

There is no existing market for the Notes and, therefore, the Notes may have limited liquidity.

The Notes constitute a new issue of securities for which there is no existing market. Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Notes by way of debt issues to professional investors only as described in this Offering Circular. However, no assurance can be given that such listing on the Hong Kong Stock Exchange will be obtained or be maintained, or that if listed, a liquid trading market will develop. Although the Joint Lead Managers have advised the Issuer and the Guarantor that they currently intend to make a market in the Notes, none of them is obligated to do so, and any market-making activity with respect to the Notes, if commenced, may be discontinued at any time without notice in their sole discretion.

There can be no assurance as to the liquidity of, or the development and continuation of an active trading market for, the Notes. If an active trading market for the Notes does not develop or is not maintained, the market price and liquidity of the Notes may be adversely affected. If an active trading market for the Notes were to develop, the Notes could trade at prices that may be higher or lower than the offering price depending on many factors, including:

- prevailing interest rates;
- the Genting Group's results of operations, financial condition and future prospects;
- political and economic developments in and affecting Malaysia and/or markets where the Genting Group conducts its operations and where its assets are located;
- the market conditions for similar securities; and
- the condition and stability of the international financial markets.

The ratings assigned to the Notes may be lowered or withdrawn in the future.

The Notes are expected to be rated "Baa1" by Moody's and "A-" by Fitch. A rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time. There can be no assurance that a rating will remain for any given period of time or that a rating will not be lowered, suspended or withdrawn by the relevant rating agencies if in its judgment, circumstances in the future so warrant. Neither the Issuer nor the Guarantor has an obligation to inform the holders of the Notes of any downgrade, suspension or withdrawal of the rating of the Notes. A reduction, suspension or withdrawal at any time of the rating assigned to the Notes may adversely affect the market price of the Notes and a holder's ability to dispose of the Notes.

The Issuer is a special purpose company that will be dependent on payments from the Guarantor on the Issuer's intercompany loan to the Guarantor or other contributions and loans from the Guarantor, to provide it with funds to meet its obligations under the Notes.

The Issuer was formed for the issuance of the Notes in this offering. The Issuer is a special purpose company that has no other business operations and upon completion of this offering of Notes, the Issuer's only material asset will be the rights under one or more intercompany loans to the Guarantor and will be dependent on these to provide it with funds to meet its obligations under the Notes. See "The Issuer."

The Guarantor is a holding company and will depend on payments from its subsidiary to provide it with funds to meet its obligations under the Notes.

The Guarantor is a holding company substantially all the assets of which consist of its equity in GENS. Therefore, the Guarantor will depend upon the receipt of dividends from GENS to make payments with respect to its obligations, including its obligations under the Guarantee. The ability of GENS to pay dividends to its shareholders (including the Guarantor) is subject to applicable law and restrictions contained in any debt instruments of GENS, including its perpetual capital securities.

Fluctuations in the exchange rate of the US dollar with respect to other currencies will affect the foreign currency equivalent of the value of the Notes and any payments on the Notes.

The Issuer will pay principal and interest on the Notes, and the Guarantor will make any payments under the Guarantee, in US dollars. Fluctuations in the exchange rates between the US dollar and other currencies will affect the foreign currency equivalent of the US dollar price of the Notes. Such fluctuations will also affect the amount that Noteholders will receive in foreign currency upon payment of interest or principal paid in US dollar on the Notes, and any proceeds paid in US dollar from any sale of the Notes in the secondary trading market.

CONDITIONS OF THE NOTES

The following is the text of the Conditions of the Notes which (subject to modification and except for the paragraphs in italics) will be endorsed on the Certificates issued in respect of the Notes:

The US\$ _____ per cent. Guaranteed Notes due _____ (the “Notes”, which expression shall in these Conditions, unless the context otherwise requires, include any further Notes issued pursuant to Condition 18 (*Further Issues*) and forming a single series with the Notes) of GOHL Capital Limited (the “Issuer”) are constituted by a trust deed dated _____ 2017 (the “Trust Deed”) made between the Issuer, Genting Overseas Holdings Limited (the “Guarantor”) as guarantor and The Bank of New York Mellon, London Branch (the “Trustee”, which expression shall include its successor(s) as trustee for the holders of the Notes (the “Noteholders”). The Notes have the benefit of a keepwell deed (the “Keepwell Deed”) dated _____ 2017 executed by the Issuer, the Guarantor, Genting Berhad (“Genting Berhad”) and the Trustee in favour of the Trustee.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. Copies of the Trust Deed and the agency agreement dated 2017 (the “Agency Agreement”) made between the Issuer, the Guarantor, The Bank of New York Mellon, London Branch as issuing and principal paying agent (the “Principal Paying Agent”, which expression shall include any successor principal paying agent), The Bank of New York Mellon (Luxembourg) S.A. as registrar (the “Registrar”, which expression shall include any successor registrar) and a transfer agent and the other transfer agents named therein (together with the Registrar, the “Transfer Agents”, which expression shall include any additional or successor transfer agents; the Principal Paying Agent, the Registrar, the Paying Agents and other Transfer Agents are together referred to as the “Agents”) and the Trustee are available for inspection during normal business hours by the Noteholders at the principal office for the time being of the Principal Paying Agent. A copy of the Keepwell Deed is available for inspection during normal business hours by the Noteholders at the principal office for the time being of the Principal Paying Agent. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions of the Agency Agreement and the Keepwell Deed applicable to them.

For a description of the Keepwell Deed, see “Description of the Keepwell Deed.”

The owners shown in the records of Euroclear Bank S.A./N.V., (“Euroclear”) and Clearstream Banking S.A. (“Clearstream, Luxembourg”) of book-entry interests in Notes are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Keepwell Deed and the Agency Agreement applicable to them.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Notes are issued in registered form in amounts of US\$200,000 and integral multiples of US\$1,000 in excess thereof (referred to as the “principal amount” of a Note). A note certificate (each a “Certificate”) will be issued to each Noteholder in respect of its registered holding of Notes. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Noteholders which the Issuer will procure to be kept by the Registrar and at the registered office of the Issuer.

The Notes are not issuable in bearer form.

1.2 Title

Title to the Notes passes only by registration in the register of Noteholders. The holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership or writing on it, or the previous theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions “Noteholder” and (in relation to a Note) “holder” means the person in whose name a Note is registered in the register of Noteholders.

For a description of the procedures for transferring title to book-entry interests in the Notes, see “Summary of Provisions relating to the Notes in Global Form.”

2. TRANSFERS OF NOTES AND ISSUE OF CERTIFICATES

2.1 Transfers

A Note may be transferred by depositing the Certificate issued in respect of that Note, with the form of transfer on the back duly completed and signed, at the specified office of the Registrar or the Transfer Agent.

For a description of certain restrictions on transfers of interests in the Notes, see the section entitled “Subscription and Sale” in the Offering Circular.

2.2 Delivery of new Certificates

Each new Certificate to be issued upon transfer of Notes will, within five business days of receipt by the Registrar or the Transfer Agent of the duly completed form of transfer endorsed on the relevant Certificate, be delivered at the specified office of the Transfer Agent or mailed by uninsured mail at the risk of the holder entitled to the Note to the address specified in the form of transfer. For the purposes of this Condition, “business day” shall mean a day on which banks are open for business in the city in which the specified office of the Registrar or Transfer Agent with whom a Certificate is deposited in connection with a transfer is located and in the jurisdiction of incorporation of the Issuer.

Except in the limited circumstances described herein (see “Summary of Provisions Relating to the Notes in Global Form”), owners of interests in the Notes will not be entitled to receive physical delivery of Certificates. Issues of Certificates upon transfer of Notes are subject to compliance by the transferor and transferee with the certification procedures described above and in the Agency Agreement.

Where some but not all of the Notes in respect of which a Certificate is issued are to be transferred, a new Certificate in respect of the Notes not so transferred will, within five business days of receipt by the Registrar or the Transfer Agent of the original Certificate, be mailed by uninsured mail at the risk of the holder of the Notes not so transferred to the address of such holder appearing on the register of Noteholders or as specified in the form of transfer.

2.3 Formalities free of charge

Registration of transfer of Notes will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent but upon payment (or the giving of such indemnity as the Issuer, the Registrar or the Transfer Agent may reasonably require) in respect of any stamp duty, tax or other governmental charges which may be imposed in relation to such transfer.

2.4 Closed Periods

No Noteholder may require the transfer of a Note to be registered during the period of 15 days ending on the due date for any payment of principal, premium (if any) or interest on that Note.

2.5 Regulations

All transfers of Notes and entries on the register of Noteholders will be made subject to the detailed regulations concerning transfer of Notes set out in the schedule to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests one.

3. STATUS OF THE NOTES

The Notes are direct, unconditional and (subject to the provisions of Condition 5.1(a) (*Negative Pledges*)) unsecured obligations of the Issuer and rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

4. GUARANTEE

4.1 Guarantee

The payment of the principal and interest in respect of the Notes and all other moneys payable by the Issuer under or pursuant to the Trust Deed has been unconditionally and irrevocably guaranteed by the Guarantor (the "Guarantee") in the Trust Deed.

4.2 Status of the Guarantee

The obligations of the Guarantor under the Guarantee constitute direct, unconditional and (subject to the provisions of Condition 5.1(b) (*Negative Pledges*)) unsecured obligations of the Guarantor and rank and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

5. NEGATIVE PLEDGES AND OTHER COVENANTS

5.1 Negative Pledges

So long as any of the Notes remains outstanding:

- (a) the Issuer will not, and the Issuer will procure that none of its Subsidiaries (other than any Listed Subsidiary) will, create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a "Security Interest"), other than a Permitted Security Interest, upon, or with respect to, any of the present or future business, undertaking, assets or revenues (including any uncalled capital) of, as the case may be, the Issuer and/or any of its Subsidiaries (other than any Listed Subsidiary) to secure any Relevant Indebtedness (as defined below) of the Issuer or such Subsidiary (as the case may be), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
 - (i) all amounts payable by it under the Notes and the Trust Deed are secured by the Security Interest equally and rateably with the Relevant Indebtedness to the satisfaction of the Trustee; or

- (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (A) as the Trustee in its absolute discretion deems not materially less beneficial to the interests of the Noteholders or (B) as is approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders; and
- (b) the Guarantor will not create or have outstanding any Security Interest, other than a Permitted Security Interest, upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness of the Guarantor, unless the Guarantor, in the case of the creation of the Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
 - (i) all amounts payable by it under the Guarantee are secured by the Security Interest equally and rateably with the Relevant Indebtedness to the satisfaction of the Trustee; or
 - (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (A) as the Trustee in its absolute discretion deems not materially less beneficial to the interests of the Noteholders or (B) as is approved by an Extraordinary Resolution of the Noteholders.

5.2 Interest Reserve Account

- (a) On or before the date of issuance of the Notes, the Issuer shall open the Interest Reserve Account and, for so long as any Note is outstanding, ensure that the amount standing to the credit of that Interest Reserve Account is at all times not less than an amount equal to the amount of interest due on all Notes outstanding at that time on the next succeeding Interest Payment Date (the “IR Amount”).
- (b) So long as any Note is outstanding, no withdrawal or transfer from the Interest Reserve Account may be made by the Issuer, except for the payment of interest or amounts due on the Notes on the Maturity Date or on any Early Redemption Date or to transfer to a replacement Interest Reserve Account, and save to the extent that the amount standing to the credit of the Interest Reserve Account exceeds the IR Amount.
- (c) The restriction on the withdrawal or transfer of sums standing to the credit of the Interest Reserve Account shall not affect the obligations of the Issuer to make any payments due on the Notes on the date such payment is required to be made under these Conditions.
- (d) In the event that the Issuer changes the Interest Reserve Account or the Account Bank, the Issuer shall promptly notify the Trustee.
- (e) Neither the Trustee nor the Agents are required to monitor the IR Amount or be liable with respect to any losses as a result of any withdrawals or transfers with respect to the Interest Reserve Account.

5.3 Interpretation

For the purposes of these Conditions:

- (a) “Account Bank” means _____ or any other replacement bank selected by the Issuer;

- (b) “Business Day” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, Singapore and The City of New York, and in the case of presentation of a Certificate, in the place in which the Certificate is presented;
- (c) “Early Redemption Date” means a date for the redemption of the Notes prior to the Maturity Date provided for in Condition 8.2 or 8.3;
- (d) “Independent Investment Banker” means any investment bank of recognised standing that is a primary US Government securities dealer in The City of New York, appointed by the Issuer;
- (e) “Interest Reserve Account” means a US dollar account opened and maintained by the Issuer with an Account Bank, and includes any replacement of the Interest Reserve Account in an Account Bank and any other account which is a successor to such account on any renumbering or re-designation of accounts;
- (f) “Listed Subsidiary” means any Subsidiary of the Issuer the shares of which are at the relevant time listed on any stock exchange, and any Subsidiary of such Listed Subsidiary;
- (g) “Permitted Security Interest” means the following:
 - (i) any Security Interest existing on or prior to the date of issue of the Notes;
 - (ii) any Security Interest on any property or asset securing Relevant Indebtedness incurred or assumed for the purpose of financing the purchase price thereof or the cost of construction, improvement or repair of all or any part thereof; *provided* that such Security Interest attaches to such property concurrently with or within 12 months after the acquisition thereof or completion of construction, improvement or repair thereof; and
 - (iii) any Security Interest arising out of the refinancing, extension, renewal or refunding of any Relevant Indebtedness secured by any Security Interest permitted by any of the foregoing clauses; provided that (a) the amount of any such Relevant Indebtedness is not increased, and (b) such Relevant Indebtedness is not secured by any additional property or assets.
- (h) “Relevant Indebtedness” means (i) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being or are capable of being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market, and (ii) any guarantee or indemnity in respect of any such indebtedness (which for the avoidance of doubt does not include bilateral loans, syndicated loans or club deals);
- (i) “Subsidiary” with respect to any person (“Person”), means a body corporate:
 - (i) in which more than 50 per cent. of the issued share capital or other ownership interest having the power to vote for the election of directors are owned, directly or indirectly, by such Person; or
 - (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of such Person; and

- (j) “Treasury Rate” means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the Maturity Date, as selected by an Independent Investment Banker; *provided* that if the period from the redemption date to the Maturity Date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

6. INTEREST

6.1 Interest Rate and Interest Payment Dates

The Notes bear interest from and including 2017 at the rate of per cent. per annum, payable semi-annually in arrear on and of each year (each an “Interest Payment Date”). The first payment (representing a full six months’ interest) shall be made on 2017.

6.2 Interest Accrual

Each Note will cease to bear interest from and including its due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event interest will continue to accrue as provided in the Trust Deed.

6.3 Calculation of Broken Interest

When interest is required to be calculated in respect of a period of less than a full six months, it shall be calculated by applying the rate of per cent. per annum to each US\$1,000 principal amount of Notes (the “Calculation Amount”) and on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed on the basis of a month of 30 days. The resultant figure shall be rounded to the nearest cent, half a cent being rounded upwards. The interest payable in respect of a Note shall be the product of such rounded figure and the amount by which the Calculation Amount is multiplied to reach the denomination of the relevant Note, without any further rounding.

7. PAYMENTS

7.1 Payments in respect of Notes

Payment of principal and interest will be made by transfer to the registered account of the Noteholder. Payments of principal and premium (if any) and payments of interest due otherwise than on an Interest Payment Date will only be made against surrender of the relevant Certificate at the specified office of the Principal Paying Agent. Interest on Notes due on an Interest Payment Date will be paid to the holder shown on the register of Noteholders at the close of business on the date (the “record date”) being the fifteenth day before the relevant Interest Payment Date.

For the purposes of this Condition, a Noteholder’s “registered account” means the US dollar account maintained by or on behalf of it with a bank that processes payments in US dollars, details of which appear on the register of Noteholders at the close of business, in the case of principal and premium (if any), on the second Business Day before the due date for payment and, in the case of interest, on the relevant record date, and a Noteholder’s registered address means its address appearing on the register of Noteholders at that time.

7.2 Payments subject to applicable laws

All payments in respect of the Notes are subject in all cases to (i) any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the US Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9 (*Taxation*)) any law implementing an intergovernmental approach thereto.

7.3 No commissions

No commissions or expenses shall be charged to the Noteholders in respect of any payments made in accordance with this Condition.

7.4 Payment on Business Days

Where payment is to be made by transfer to a registered account, payment instructions (for value the due date or, if that is not a Business Day, for value the first following day which is a Business Day) will be initiated no later than the Business Day preceding the due date for payment or, in the case of a payment of principal, if later, on the Business Day on which the relevant Certificate is surrendered at the specified office of an Agent.

Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Business Day, if the Noteholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

7.5 Partial Payments

If the amount of principal, premium (if any) or interest which is due on the Notes is not paid in full, the Registrar will annotate the register of Noteholders with a record of the amount of principal, premium (if any) or interest in fact paid.

7.6 Agents

The names of the initial Agents and their initial specified offices are set out at the end of these Conditions. The Issuer and the Guarantor reserve the right, subject to the prior written approval of the Trustee at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents provided that:

- (a) there will at all times be a Principal Paying Agent;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be an Agent (which may be the Principal Paying Agent) having a specified office in the place required by the rules and regulations of the relevant stock exchange or any other relevant authority; and
- (c) there will at all times be:
 - (i) a Registrar; and
 - (ii) a Transfer Agent.

Notice of any variation, termination, appointment and/or of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 14 (*Notices*).

8. REDEMPTION AND PURCHASE

8.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount on (the “Maturity Date”).

8.2 Redemption for Taxation Reasons

If the Issuer satisfies the Trustee immediately before the giving of the notice referred to below that:

- (a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 9 (Taxation)), or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after 2017, on the next Interest Payment Date either (i) the Issuer would be required to pay additional amounts as provided or referred to in Condition 9 (*Taxation*) or (ii) the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts; and
- (b) the requirement cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

the Issuer may at its option, having given not less than 30 nor more than 60 days’ notice to the Noteholders in accordance with Condition 14 (Notices) (which notice shall be irrevocable), redeem all the Notes, but not some only, at any time at their principal amount together with interest accrued to but excluding the date of redemption, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts, were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee (i) a certificate signed by two Directors of the Issuer or, as the case may be, two Directors of the Guarantor, stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of the change or amendment and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders.

8.3 Redemption at the Option of the Issuer

The Issuer may, having given:

- (a) not less than 30 nor more than 60 days’ notice to the Noteholders in accordance with Condition 14 (*Notices*); and
- (b) notice to the Registrar and the Trustee not less than 15 days before the giving of the notice referred to in (a),

(which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or, subject as provided in paragraph 8.4 below, some only, of the Notes (being US\$200,000 in principal amount or an integral multiple of US\$1,000 in excess thereof), at any time and from time to time, at a redemption price equal to the greater of (i) 100 per cent. of the principal amount of the Notes to be redeemed and (ii) the sum of the present values of the remaining scheduled

payments of principal and interest (exclusive of interest accrued to the redemption date) discounted to the date fixed for redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 50 basis points, plus, in each case, accrued interest thereon to but excluding the date fixed for redemption.

8.4 Provisions relating to Partial Redemption

In the case of a partial redemption of Notes, the Notes to be redeemed (“Redeemed Notes”) will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a note in global form, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 (*Notices*) not less than 15 days prior to the date fixed for redemption.

8.5 Purchases

The Issuer, the Guarantor, Genting Berhad or any of Genting Berhad’s other Subsidiaries may at any time purchase Notes in any manner and at any price.

8.6 Cancellations

All Notes which are (a) redeemed or (b) purchased by or on behalf of the Issuer, the Guarantor or Genting Berhad will forthwith be cancelled, and accordingly may not be reissued or resold.

8.7 Notices Final

Upon the expiry of any notice as is referred to in Condition 8.2 or 8.3, the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the terms of such paragraph.

9. TAXATION

9.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer or the Guarantor shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“Taxes”) imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer or, as the case may be, the Guarantor, will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note:

- (a) the holder of which is liable for Taxes in respect of such Note by reason of having some connection with the Relevant Jurisdiction other than a mere holding of the Notes; or
- (b) presented (or in respect of which the Certificate representing it is presented) for payment in the Relevant Jurisdiction; or

- (c) presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date (as defined below) except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Business Day (as defined in Condition 5.3 (*Interpretation*)).

9.2 Interpretation

In these Conditions:

- (a) “Relevant Date” means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Principal Paying Agent or the Trustee on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 14 (*Notices*); and
- (b) “Relevant Jurisdiction” means the Isle of Man or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer or the Guarantor, as the case may be, becomes subject in respect of payments made by it of principal and interest on the Notes.

9.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition or under any undertakings given in addition to, or in substitution for, this Condition pursuant to the Trust Deed.

10. PRESCRIPTION

Claims in respect of principal and interest will become prescribed unless made within 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date, as defined in Condition 9 (*Taxation*).

11. EVENTS OF DEFAULT

11.1 Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction) give notice to the Issuer and the Guarantor that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at their principal amount, together with accrued interest as provided in the Trust Deed, in any of the following events (“Events of Default”):

- (a) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of ten days; or

- (b) if the Issuer or the Guarantor fails to perform or observe any of its other obligations under these Conditions or the Trust Deed or if the Issuer, the Guarantor or Genting Berhad fails to perform or observe any of its obligations under the Keepwell Deed and (except in any case where, in the opinion of the Trustee, the failure is incapable of remedy, when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 60 days next following the service by the Trustee on the Issuer, the Guarantor or Genting Berhad (as the case may be) of notice requiring the same to be remedied; or
- (c) (i) the acceleration of any Indebtedness for Borrowed Money (as defined below) of the Issuer, the Guarantor, any Material Subsidiary or Genting Berhad, prior to its stated maturity, following an event of default thereunder, if such Indebtedness is not discharged, or such acceleration is not rescinded, waived or annulled, within 20 days after such acceleration; (ii) the Issuer, the Guarantor, any Material Subsidiary or Genting Berhad fails to make any payment in respect of any Indebtedness for Borrowed Money on the date of final maturity or, as the case may be, within any originally applicable grace period; (iii) any security given by the Issuer, the Guarantor, any Material Subsidiary or Genting Berhad for any Indebtedness for Borrowed Money becomes enforceable and any step is taken to enforce it and is not discharged or stayed within 20 days; or (iv) default is made by the Issuer, the Guarantor, any Material Subsidiary or Genting Berhad in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person if such obligation is not discharged or otherwise satisfied within 20 days following the service by the Trustee on the Issuer, the Guarantor or Genting Berhad (as the case may be) of notice requiring the same to be remedied; *provided* that no event described in this subparagraph (c) shall constitute an Event of Default unless the relevant principal amount of Indebtedness for Borrowed Money due and unpaid, either alone or when aggregated (without duplication) with other principal amounts of Indebtedness for Borrowed Money and/or other liabilities due and unpaid relative to all (if any) other events specified in (i) and (ii) above which have occurred and are continuing, amounts to at least US\$75,000,000 (or its equivalent in any other currency); or
- (d) if any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer, the Guarantor, any Material Subsidiary or Genting Berhad, save for the purposes of reorganisation, amalgamation, reconstruction, merger or consolidation (i) on terms previously approved by an Extraordinary Resolution of the Noteholders or (ii) whereby the undertaking and assets of any such Material Subsidiary are transferred to or otherwise vested in the Guarantor or Genting Berhad; or
- (e) if (i) the Issuer, the Guarantor, any Material Subsidiary or Genting Berhad ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation, amalgamation, reconstruction, merger or consolidation (A) on terms previously approved by an Extraordinary Resolution of the Noteholders or (B) whereby the undertaking and assets of such Material Subsidiary are transferred to or otherwise vested in the Guarantor or Genting Berhad, or (ii) the Issuer, the Guarantor, any Material Subsidiary or Genting Berhad is adjudicated by a court in an order or decree to be insolvent or bankrupt or unable to pay its debts and such order or decree remains unstayed and in effect for a period of 60 days or more, or stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts); or
- (f) if (i) proceedings are initiated against the Issuer, the Guarantor, any Material Subsidiary or Genting Berhad under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator, liquidator or other similar official, or an administrative or other receiver, manager, administrator, liquidator or other similar official is appointed, in relation to the Issuer, the Guarantor, any Material Subsidiary or Genting Berhad or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them or an encumbrancer takes

possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them, and (ii) in any such case (other than the appointment of an administrator) is not discharged within 60 days; or

- (g) if the Issuer, the Guarantor, any Material Subsidiary or Genting Berhad initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting pursuant to any judicial proceedings under any applicable liquidation, insolvency, composition, reorganisation or other similar laws is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (h) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable each of the Issuer and the Guarantor lawfully to enter into, exercise its rights and perform and comply with their respective obligations under the Notes and the Trust Deed, (ii) to enable each of the Issuer, the Guarantor and Genting Berhad lawfully to enter into the Keepwell Deed, (iii) to ensure that those obligations are legally binding and enforceable and (iv) to make the Notes, the Trust Deed and the Keepwell Deed admissible in evidence in the English courts, is not taken, fulfilled or done; or
- (i) it is or will become unlawful for the Issuer, the Guarantor or Genting Berhad to perform or comply with any one or more of its obligations under any of the Notes, the Trust Deed or, except as disclosed in the Offering Circular, the Keepwell Deed;
- (j) if the Guarantee ceases to be, or is claimed by the Issuer or the Guarantor not to be, in full force and effect;
- (k) the Keepwell Deed is not (or is claimed by the Issuer, the Guarantor or Genting Berhad to not be) enforceable, valid or in full force and effect, or the Keepwell Deed is modified, amended or terminated other than strictly in accordance with its terms or these Conditions; or
- (l) if the Issuer ceases to be a subsidiary wholly-owned and controlled, directly or indirectly, by the Guarantor; or
- (m) if any event occurs which, under the laws of the Relevant Jurisdiction, has or may have, an analogous effect to any of the events referred to in subparagraphs (d) to (g) above.

11.2 Interpretation

For the purposes of this Condition:

“Indebtedness for Borrowed Money” means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any borrowed money or any liability under or in respect of any acceptance or acceptance credit or any notes, bonds, debentures, debenture stock, loan stock or other securities; and

“Material Subsidiary” means any Subsidiary of the Guarantor:

(a) whose:

- (i) revenue (other than revenue attributable to transactions with the Guarantor or another Subsidiary of the Guarantor) or (in the case of a Subsidiary which has Subsidiaries) consolidated revenue (other than revenue attributable to transactions with the Guarantor or another Subsidiary of the Guarantor) is at least ten per cent. of the consolidated revenue of the Guarantor,
- (ii) net assets or (in the case of a Subsidiary which has Subsidiaries) consolidated net assets is at least ten per cent. of the consolidated net assets of the Guarantor,

all as calculated without duplication in accordance with applicable generally accepted accounting principles by reference to the consolidated financial statements of the Guarantor and its Subsidiaries most recently available before the time when the determination is being made; or

- (b) to which is transferred all or substantially all of the business, undertaking and assets of another Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon (i) in the case of a transfer by a Material Subsidiary, the transferor Material Subsidiary shall immediately cease to be Material Subsidiary and (ii) the transferee Subsidiary shall immediately become a Material Subsidiary, provided that on or after the date on which the relevant financial statements for the financial period current at the date of such transfer are published, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Material Subsidiary shall be determined pursuant to the provisions of sub-paragraph (a) above.

“Offering Circular” means the offering circular dated 2017 in connection with the offering of the Notes.

12. ENFORCEMENT

12.1 Enforcement by the Trustee

The Trustee may at any time, at its sole discretion and without notice, take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) against or in relation to the Issuer and/or the Guarantor as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Keepwell Deed or otherwise, but it shall not be bound to take any such proceedings or other steps or action unless (a) it has been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding, and (b) it has been indemnified and/or secured and/or pre-funded to its satisfaction.

12.2 Limitation on Trustee actions

The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

12.3 Enforcement by the Noteholders

No Noteholder shall be entitled to (i) take any steps or action against the Issuer or the Guarantor to enforce the performance of any of the provisions of the Trust Deed or the Notes, (ii) take any steps or action against the Issuer, the Guarantor or Genting Berhad to enforce the performance of any of the provisions of the Keepwell Deed or (iii) take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer, the Guarantor, in each case unless the Trustee, having become bound so to take any such action, steps or proceedings, fails so to do within a reasonable period and the failure shall be continuing.

13. REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Registrar upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

14. NOTICES

All notices to the Noteholders will be valid if mailed to them by first class mail or (if posted to an address overseas) by airmail to the holders (or the first of any joint named holders) at their respective addresses in the register of Noteholders maintained by the Registrar. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the fourth day after being so mailed or on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

15. SUBSTITUTION

The Trustee may (but is not obliged to), without the consent of the Noteholders, agree with the Issuer and the Guarantor to the substitution of the Guarantor or any of its other Subsidiaries or any other Subsidiary of Genting Berhad or the Issuer, in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes and the Trust Deed subject to:

- (a) except in the case of the substitution of the Guarantor, the Notes being unconditionally and irrevocably guaranteed by the Guarantor;
- (b) the Trustee being satisfied that the substitution is not materially prejudicial to the interests of the Noteholders; and
- (c) certain other conditions set out in the Trust Deed being complied with.

16. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

16.1 Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions or any of the provisions of the Trust Deed or the Keepwell Deed. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing in the aggregate more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons present whatever the principal amount of the Notes held or represented by him or them, except that, at any meeting the business of which includes any matter defined in the Trust Deed as a Basic Terms Modification, including the modification of certain of the provisions of these Conditions, certain of the provisions of the Trust Deed (including the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes), and the cancellation or modification of the Keepwell Deed (subject to Condition 16.2 (*Modification, Waiver, Authorisation and Determination*)), the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing in the aggregate not less than two-thirds in the principal amount of the Notes for the time being outstanding, or at any adjourned such meeting not less than one-third in the principal amount of the Notes for the time being outstanding. The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than 75 per cent. of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all Noteholders, whether or not they are present at any meeting and whether or not they voted on the resolution.

16.2 Modification, Waiver, Authorisation and Determination

The Trustee may (but is not obliged to) agree in its sole discretion, without the consent of the Noteholders (i) to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed, the Agency Agreement or the Keepwell Deed, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such (provided that, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders), or (ii) to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Trustee, proven. Any such modification, waiver or authorisation shall be binding on the holders of the Notes.

16.3 Trustee to have Regard to Interests of Noteholders as a Class

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise

connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Guarantor, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent already provided for in Condition 9 (*Taxation*) and/or any undertaking given in addition to, or in substitution for, Condition 9 (*Taxation*) pursuant to the Trust Deed.

16.4 Notification to the Noteholders

Any modification, abrogation, waiver, authorisation, determination or substitution shall be binding on the Noteholders and, unless the Trustee agrees otherwise, any modification or substitution shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 14 (*Notices*).

17. INDEMNIFICATION AND PROTECTION OF THE TRUSTEE AND ITS CONTRACTING WITH THE ISSUER AND THE GUARANTOR

17.1 Indemnification and protection of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer, the Guarantor and the Noteholders, including (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances. The Trust Deed provides that, when determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security given to it by the Noteholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security.

17.2 Trustee Contracting with the Issuer, the Guarantor and Genting Berhad

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (i) to enter into business transactions with the Issuer and/or the Guarantor and/or Genting Berhad and/or any of the Guarantor's or Genting Berhad's other Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or the Guarantor and/or Genting Berhad and/or any of the Guarantor's or Genting Berhad's other Subsidiaries, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

17.3 Trustee's ability to seek directions and rely on advice

The Trustee may rely without liability to Noteholders on any report, confirmation or certificate from or any opinion or advice of any legal advisers, accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation, certificate, opinion or advice and, in such event, such report, confirmation, certificate, opinion or advice shall be binding on the Issuer, the Guarantor and the Noteholders.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement or these Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision or giving any such direction, to seek directions from the Noteholders by way of Extraordinary Resolution, and the Trustee shall not be responsible for any loss or liability incurred by the Issuer, the Guarantor the Noteholders or any other person as a result of any delay in it exercising such discretion or power, taking such action, making such decision or giving such direction as a result of seeking such direction from the Noteholders or in the event that no direction is given to the Trustee by the Noteholders. None of the Trustee or any Agent shall be liable to any Noteholder, the Issuer, the Guarantor or any other person for any action taken by the Trustee or such Agent in accordance with the instructions, direction or request of the Noteholders. The Trustee shall be entitled to rely on any direction, request or resolution of Noteholders given by Noteholders holding the requisite principal amount of Notes outstanding or passed at a meeting of Noteholders convened and held in accordance with the Trust Deed.

17.4 No obligation on Trustee to monitor

Neither the Trustee nor any Agent shall be responsible for the performance by the Issuer, the Guarantor and any other person appointed by the Issuer or the Guarantor in relation to the Notes of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer or the Guarantor to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed.

The Trustee shall have no obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions or whether an Event of Default, a Potential Event of Default, a Change of Control or any other event under these Conditions has occurred, and shall not be liable to the Noteholders or any other person for not doing so.

Each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer, the Guarantor and the Trustee shall not at any time have any responsibility for the same and each Noteholder shall not rely on the Trustee in respect thereof.

18. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders create and issue further notes having terms and conditions the same as those of the Notes, or the same except for any one or more of the amount, the date of the first payment of interest, the issue date, and, to the extent necessary, certain temporary securities law transfer restrictions, which may be consolidated and form a single series with the outstanding Notes. Any further notes or bonds which are to form a single series with the outstanding notes or bonds of any series (including the Notes) constituted by the Trust Deed or any supplemental deed shall be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of notes or bonds of other series in certain circumstances where the Trustee so decides.

19. GOVERNING LAW AND SUBMISSION TO JURISDICTION

19.1 Governing Law

The Trust Deed and the Notes and any non-contractual obligations arising out of or in connection with the Trust Deed and the Notes are governed by, and construed in accordance with, English law.

19.2 Submission to Jurisdiction

- (a) Subject to Condition 19.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Trust Deed or the Notes, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Notes (a “Dispute”) and, each of the Issuer, the Guarantor the Trustee and any Noteholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition, each of the Issuer and the Guarantor waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Trustee and the Noteholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction, and (ii) concurrent proceedings in any number of jurisdictions.

19.3 Appointment of Process Agent

Each of the Issuer and the Guarantor irrevocably appoints Cains Fiduciaries (UK) Limited currently at 6th Floor, 32 Cornhill, London EC3V 3SG, UK as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Cains Fiduciaries (UK) Limited being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute. Each of the Issuer and the Guarantor agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing in this Condition shall affect the right to serve process in any other manner permitted by law.

19.4 Other Documents

Each of the Issuer and the Guarantor has in the Agency Agreement and the Trust Deed submitted to the jurisdiction of the English courts and appointed an agent in England for service of process, in terms substantially similar to those set out above.

20. RIGHTS OF THIRD PARTIES

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note.

SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

The following is a summary of the provisions to be contained in the Trust Deed and in the Global Certificate, which will apply to, and in some cases modify the effect of, the Conditions while the Notes are represented by the Global Certificate. Terms defined in the conditions of the Notes (the “Conditions”) set out in this Offering Circular have the same meaning in the paragraphs below.

The Notes will be in registered form, without interest coupons attached.

The Notes, which are being offered and sold outside the United States in offshore transactions in reliance on Regulation S, will be represented by a Global Certificate. Beneficial interests in a Global Certificate may not be offered or sold within the United States and may not be held otherwise than through Euroclear or Clearstream, Luxembourg.

The Global Certificate will be registered in the name of a nominee for a common depositary for Euroclear or Clearstream, Luxembourg and may be delivered on or prior to the original issue date of the Notes. Persons holding beneficial interests in Global Certificates will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Certificates in fully registered form.

Payments

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer or the Guarantor to the holder of the Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear, or Clearstream, Luxembourg (as the case may be). Such persons shall have no claim directly against the Issuer or the Guarantor in respect of payments due for so long as the Notes are represented by the Global Certificate and such obligations of the Issuer and the Guarantor will be discharged by payment to the holder of the Global Certificate in respect of each amount so paid.

None of the Issuer, the Guarantor, the Trustee, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Global Certificates or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Notes will be made to or to the order of the persons shown on the register of the Noteholders on the relevant record date (as defined in Condition 7.1) immediately preceding the due date for payment in the manner provided in that Condition.

Exchange of the Global Certificate

The following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or any alternative clearing system. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Interests in a Global Certificate will be exchangeable (free of charge), in whole but not in part, for Certificates without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event.

For these purposes, “Exchange Event” means, in the case of Notes cleared through Euroclear and/or Clearstream, Luxembourg, that both Euroclear and Clearstream, Luxembourg have closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any case, no successor or alternative clearing system satisfactory to the Trustee is available.

The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg, or as the case may be, a nominee for the Common Depositary acting on their behalf (acting on the instructions of any holder of an interest in such Global Certificate), may give notice to the Registrar, requesting an exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar (the last date for such exchange, referred to as the “Note Exchange Date”).

General

For so long as any of the Notes is represented by a Global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear and/or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear and/or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated by the Issuer, the Guarantor, the Trustee and their agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purposes the registered holder of the Global Certificate shall be treated by the Issuer, the Guarantor, the Trustee and their agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the Global Certificate and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

No Noteholder shall be entitled to proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

Notices

For so long as the Notes are represented by the Global Certificate and such Global Certificate is held on behalf of Euroclear and Clearstream, Luxembourg, notices may be given to the Noteholders by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to their respective accountholders in substitution for publication as required by the Conditions provided that, for so long as the Notes are listed on the Hong Kong Stock Exchange or on any other stock exchange, notices will also be given in accordance with any applicable requirements of such stock exchange. Any notice shall be deemed to have been given on the date of delivery or publication which, in the case of communication through Euroclear and Clearstream, Luxembourg, shall mean the date on which the notice is delivered to Euroclear and Clearstream, Luxembourg.

Prescription

Claims against the Issuer (or as the case may be, the Guarantor) in respect of any amounts payable in respect of the Notes represented by the Global Certificate will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the due date.

Euroclear and Clearstream, Luxembourg

References in the Global Certificate and this summary to Euroclear and Clearstream, Luxembourg shall be deemed to include references to any other clearing system approved for the purposes of the Notes by the Trustee and the Registrar.

USE OF PROCEEDS

The net proceeds of the issue of the Notes is expected to be approximately US\$, after deduction of fees and commissions incurred in connection with the Offering. The Issuer intends to lend the net proceeds, after deducting amounts required to be deposited to the Interest Reserve Account, to GOHL pursuant to an intercompany loan. GOHL intends to use the proceeds 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 RWLV project.

EXCHANGE RATES

Malaysia

The following table shows the exchange rate of Ringgit Malaysia to US dollar based on the middle exchange rates as at noon on each day during the periods indicated. The Ringgit Malaysia middle exchange rate is calculated based on Bank Negara Malaysia's buying and selling rates. No representation is made that the Ringgit Malaysia or US dollar amounts referred to herein could have been or could be converted into US dollar or Ringgit Malaysia, as the case may be, at the rate indicated or any other particular rate, or at all.

	<u>At period end</u>	<u>Average⁽²⁾</u>	<u>High⁽²⁾</u>	<u>Low⁽²⁾</u>
	(RM per US\$1.00)			
Year⁽¹⁾				
2012	3.0583	3.0849	3.1980	2.9978
2013	3.2815	3.1706	3.3350	2.9645
2014	3.4950	3.2792	3.5040	3.1480
2015	4.2920	3.9411	4.4725	3.5100
2016	4.4860	4.1450	4.4860	3.8650
2017 (through 9 January)	4.4785	4.4785	4.4995	4.4725

Notes:

- (1) This data is sourced from the Interbank Foreign Exchange Market in Kuala Lumpur, published every day (except for Saturday, Sunday and public holidays) by Bank Negara Malaysia, available at: http://www.bnm.gov.my/index.php?ch=statistic&pg=stats_exchangerates.
- (2) For full years, the average shown is calculated based upon the exchange rate on the last day of each month during the year indicated. For periods shorter than a full year, the average shown is calculated based on the exchange rate at the close of the period indicated.

Singapore

The following table shows the exchange rate of Singapore dollars to US dollar based on the noon buying rate for cable transfers in Singapore dollar as certified for customs purposes by the Federal Reserve Bank of New York for the periods indicated. No representation is made that the Singapore dollar or US dollar amounts referred to herein could have been or could be converted into US dollar or Singapore dollars, as the case may be, at the rate indicated or any other particular rate, or at all.

	<u>At period end</u>	<u>Average⁽²⁾</u>	<u>High⁽²⁾</u>	<u>Low⁽²⁾</u>
	(S\$ per US\$1.00)			
Year⁽¹⁾				
2012	1.2214	1.2446	1.2929	1.2159
2013	1.2622	1.2534	1.2831	1.2227
2014	1.3244	1.2702	1.3412	1.2376
2015	1.4166	1.3783	1.4337	1.3171
2016	1.4465	1.3824	1.4522	1.3366
2017 (through 6 January)	1.4372	1.4372	1.4498	1.4292

Notes:

- (1) This data is sourced from the H.10, published every Tuesday with rates for the prior week by the Federal Reserve Bank of New York for customs purposes, available at: <https://www.federalreserve.gov/releases/H10/current/default.htm>
- (2) For full years, the average shown is calculated based upon the exchange rate on the last day of each month during the year indicated. For periods shorter than a full year, the average shown is calculated based on the exchange rate at the close of the period indicated.

CAPITALISATION

Genting Berhad

The table below sets forth Genting Berhad's consolidated capitalisation as at 30 September 2016 on an actual basis and as adjusted to account for the issue of the Notes and after deduction of fees and commissions in connection with the Offering. This table has been extracted from, and should be read in conjunction with, the financial information and related notes appearing elsewhere in this Offering Circular. The As Adjusted information below is for illustrative purposes only and, other than as disclosed above, does not take into account any other changes in Genting Berhad's consolidated capitalisation after 30 September 2016.

	As at 30 September 2016			
	Actual (unaudited)	Actual (unaudited) ⁽¹⁾	As Adjusted (unaudited)	As Adjusted (unaudited) ⁽¹⁾
	(RM million)	(US\$ million)	(RM million)	(US\$ million)
Cash and cash equivalents	22,344.2	5,390.0		
Indebtedness:				
Short-term borrowings	1,642.5	396.2		
Long-term borrowings	15,466.1	3,730.8		
Notes offered hereby	—	—		
Total indebtedness	17,108.6	4,127.0		
Equity:				
Share capital	375.0	90.5		
Treasury shares	(221.2)	(53.4)		
Reserves	32,387.3	7,812.6		
Perpetual capital securities of a subsidiary	6,906.8	1,666.1		
Non-controlling interests	22,810.4	5,502.5		
Total equity	62,258.3	15,018.3		
Total capitalisation⁽²⁾	79,366.9	19,145.3		

Notes:

- (1) Calculated at a rate of RM4.1455 to US\$1.00, which was the middle rate of exchange of the Ringgit Malaysia against the US dollar as published by Bank Negara Malaysia as at noon on 30 September 2016, only for illustrative purposes in this Offering Circular.
- (2) Total capitalisation represents the sum of total indebtedness and total equity.

Except for the adjustments included in the table above and the developments described below, there has been no material change in Genting Berhad's total consolidated capitalisation since 30 September 2016:

- On 21 October 2016, RWL, an indirect wholly-owned subsidiary of GENM disposed of its entire shareholding in GENHK for a total cash consideration of approximately US\$415.0 million, and GOHL disposed of its entire shareholding in GENHK for a total cash consideration of approximately US\$5.8 million. See "Recent Developments — Disposal of Shares in Genting Hong Kong Limited".

- On 7 December 2016, GENS paid S\$180 million in interim dividend for the nine months ended 30 September 2016, of which S\$95.3 million was received by the Guarantor.
- On 3 January 2017, Algona Pte. Ltd., a direct wholly-owned subsidiary of GENS, completed the disposal of its 100% interest in Callisto Business Limited to Landing International Development Limited for a cash consideration of approximately US\$420 million. Callisto Business Limited's wholly-owned subsidiary, Happy Bay Pte. Ltd., owned 50% of Landing Jeju Development Co., Ltd. which is developing Resorts World Jeju in Jeju, Korea. On 3 January 2017, Genting International Resorts Management Limited, an indirect wholly-owned subsidiary of GENS, also completed the disposal to Landing International Development Limited's direct wholly-owned subsidiary, Landing Singapore Limited, of Genting International Resorts Management Limited's 50% shareholding in Autumnglow Pte. Ltd. for S\$1.00. See "Recent Developments — Disposal of Interests in Resorts World Jeju."

The Guarantor

The table below sets forth the Guarantor's consolidated capitalisation as at 30 September 2016 on an actual basis and as adjusted to account for the issue of the Notes and after deduction of fees and commissions in connection with the Offering. This table has been extracted from, and should be read in conjunction with, the financial information and related notes appearing elsewhere in this Offering Circular. The As Adjusted information below is for illustrative purposes only and, other than as disclosed above, does not take into account any other changes in the Guarantor's consolidated capitalisation after 30 September 2016.

	As at 30 September 2016			
	Actual (unaudited)	Actual (unaudited) ⁽¹⁾	As Adjusted (unaudited)	As Adjusted (unaudited) ⁽¹⁾
	(S\$ million)	(US\$ million)	(S\$ million)	(US\$ million)
Cash and cash equivalents	4,811.1	3,530.3		
Short-term borrowings:				
Bank Borrowings	182.1	133.6		
Finance Leases	3.0	2.2		
Long-term borrowings:				
Bank Borrowings	975.8	716.0		
Finance Leases	1.1	0.8		
Notes offered hereby	—	—		
Total indebtedness	1,162.0	852.6		
Equity:				
Share capital	2.9	2.1		
Reserves	3,886.5	2,851.8		
Perpetual capital securities of a subsidiary	2,279.8	1,672.9		
Non-controlling interests	3,405.2	2,498.7		
Option reserves	30.5	22.4		
Total equity	9,604.9	7,047.9		
Total capitalisation⁽²⁾	10,766.9	7,900.5		

Notes:

- (1) Calculated at a rate of S\$1.3628 to US\$1.00, which was the noon buying rate for Singapore Dollars as at 30 September 2016 as certified for customs purposes by the Federal Reserve Bank of New York, only for illustrative purposes in the Offering Circular.

(2) Total capitalisation represents the sum of total indebtedness and total equity.

Except for the adjustments included in the table above and the developments described below, there has been no material change in the Guarantor's total consolidated capitalisation since 30 September 2016:

- On 21 October 2016, GOHL disposed of its entire shareholding in GENHK for a total cash consideration of approximately US\$5.8 million. See “Recent Developments — Disposal of Shares in Genting Hong Kong Limited.”
- On 7 December 2016, GENS paid S\$180 million in interim dividend for the nine months ended 30 September 2016, of which S\$95.3 million was received by the Guarantor.
- On 3 January 2017, Algona Pte. Ltd., a direct wholly-owned subsidiary of GENS, completed the disposal of its 100% interest in Callisto Business Limited to Landing International Development Limited for a cash consideration of approximately US\$420 million. Callisto Business Limited's wholly-owned subsidiary, Happy Bay Pte. Ltd., owned 50% of Landing Jeju Development Co., Ltd. which is developing Resorts World Jeju in Jeju, Korea. On 3 January 2017, Genting International Resorts Management Limited, an indirect wholly-owned subsidiary of GENS, also completed the disposal to Landing International Development Limited's direct wholly-owned subsidiary, Landing Singapore Limited, of Genting International Resorts Management Limited's 50% shareholding in Autumnglow Pte. Ltd. for S\$1.00. See “Recent Developments — Disposal of Interests in Resorts World Jeju.”

DESCRIPTION OF THE GENTING GROUP

Overview

Listed on the Main Market of Bursa Securities since 1971, Genting Berhad is one of the largest listed companies in Malaysia based on its market capitalisation of RM29.5 billion (US\$7.1 billion) as at 30 September 2016. Genting Berhad is an investment holding and management company. The Genting Group had revenue of RM17,111.7 million, RM18,216.5 million, RM18,100.4 million (US\$4,366.3 million) and RM13,612.8 million (US\$3,283.8 million) for the years ended 31 December 2013, 2014 and 2015 and the nine months ended 30 September 2016, respectively. During the same periods, Adjusted EBITDA from operations was RM6,116.4 million, RM6,627.5 million, RM6,289.0 million (US\$1,517.1 million) and RM4,033.1 million (US\$972.9 million), respectively.

The Genting Group's predominant business is in leisure & hospitality, which accounted for 83% and 85% of the Genting Group's revenues after intersegment eliminations, and 81% and 95% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively. The leisure & hospitality segment includes the gaming, hotel, entertainment and amusement, tours and travel related services, development and operation of integrated resorts and other support services, and is conducted through:

- GENS, which is 52.9% owned by Genting Berhad through the Guarantor, owns and operates RWS, the first and one of only two integrated resorts in Singapore. RWS, which opened in January 2010, is located on 49 hectares on Singapore's resort island of Sentosa. It is a leading family destination featuring six uniquely themed hotels with approximately 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.

GENS has been listed on the Main Board of the Singapore Exchange Securities Trading Limited since December 2005 and is ranked among Singapore's largest public-listed companies. As at 30 September 2016, GENS had a market capitalisation of S\$9.0 billion (US\$6.6 billion).

- GENM, which is 49.3% owned by Genting Berhad, has been listed on Bursa Securities' Main Market since 1989 and had a market capitalisation of RM27.0 billion (US\$6.5 billion) as at 30 September 2016. GENM owns and operates:
 - Resorts World Genting, a premier leisure and entertainment resort in Malaysia with the only land-based licenced casino in Malaysia. RWG has over 10,000 rooms spread across five hotels, theme parks as well as dining and retail outlets and convention facilities;
 - Resorts World Casino New York City in the US, an approximately 5,500 video gaming machine facility located at the Aqueduct Racetrack in New York. The first phase opened in October 2011 with the full roll-out taking place in December 2011;
 - 43 casinos in the UK, including four of the most prestigious brands in London (Crockfords, the Colony Club, Maxims Casino Club and The Palm Beach) and Resorts World Birmingham, which opened for business in October 2015;
 - Resorts World Bimini, a 750-acre beachfront resort in the Bahamas, offering a casino, a luxurious accomodations, restaurants and bars and the largest marina in the Bahamas. The new 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.

- Resorts World Las Vegas, LLC, which is 100% owned by Genting Berhad, is currently developing Resorts World Las Vegas, an Asian-themed hotel and casino on South Las Vegas Boulevard, in Las Vegas in the US.

In addition to leisure & hospitality, the Genting Group is involved in the following businesses:

- Plantations (which accounted for 6% and 6% of the Genting Group's revenues after intersegment eliminations, and 5% and 7% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively), which principally comprises cultivation of oil palms and milling of fresh fruit bunches into crude palm oil;
- Power (which accounted for 7% and 6% of the Genting Group's revenues after intersegment eliminations, and 1% and 3% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively), which owns interests in power plants in India, Indonesia and China;
- Property (which accounted for 1.5% and 1% of the Genting Group's revenues after intersegment eliminations, and 1% and 1% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively), which develops and markets landed properties in Malaysia;
- Oil & gas (which accounted for 1.5% and 1% of the Genting Group's revenues after intersegment eliminations, and 3% and 3% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively), which conducts oil and gas exploration and development and production activities in Indonesia and China; and
- Investments & Other Activities (which accounted for 1% and 1% of the Genting Group's revenues after intersegment eliminations, and 9% and -9% of Adjusted EBITDA, for the year ended 31 December 2015 and the nine months ended 30 September 2016, respectively), which includes investments in life sciences and the biotech sector.

Competitive Strengths

Highest-rated casino gaming group globally with a very strong balance sheet and robust and diversified cash flow

Genting Berhad is currently rated Baa1 by Moody's, A- by S&P and A- by Fitch with stable outlook from all 3 rating agencies, and the Guarantor, GOHL, is currently rated Baa1 by Moody's and A- by Fitch with stable outlook by both. These are currently the highest international credit ratings among all the casino gaming groups in the world. Genting Berhad's investment grade credit ratings were unaffected by the global financial crisis in 2008 or by the Genting Group's global expansion and successive capital investments.

GENS is an indirect subsidiary of Genting Berhad and is similarly rated at A- by Fitch and higher at A3 by Moody's with stable outlook by both.

The main attributes underpinning the Genting Group's strong credit ratings are as follows:

- Prudent financial management and robust balance sheet — the Genting Group is able to sustain a strong balance sheet and favorable cash position owing to prudent capital management and disciplined financial management. As of 30 September 2016, the Genting Group's total debt / Adjusted EBITDA for the twelve months ended 30 September 2016 was 3.2x with RM22.3 billion (US\$5.4 billion) of cash and cash equivalents. This gives the Genting Group a competitive advantage in terms of quick mobilization when opportunities for investments arise and assists it to maintain robust growth. The Genting Group's conservative leverage and robust liquidity profile also provide downturn protection as they cover near term funding needs and short term debt payments;

- Business centric and disciplined cash management policy — the Genting Group does not, as a policy, manage its cash holdings as a profit center by investing in yield enhancing treasury/financial instruments;
- Robust and diversified operating cash flows — the Genting Group has been able to generate strong cash flows over the years driven by its leading position in core markets, global clientele and operational efficiency. Adjusted EBITDA and net cash flow from operating activities were RM4.0 billion (US\$1.0 billion) and RM4.4 billion (US\$1.1 billion) for the nine months ended 30 September 2016, respectively. The Genting Group has a diversified cash flow stemming from operations in leisure and hospitality, plantations, energy, property, and investments and others, which helps to mitigate downside risk. Additionally, the Genting Group's gaming business is further diversified by a balanced mix of mass market and VIP segments which provides operational stability; and
- Prudent dividend payouts and share buy-backs — these have enabled the Genting Group to substantially reinvest operating cash flows into existing and new businesses. GENS has a history of paying stable, recurring annual dividends, having paid S\$0.01 per share from 2012 to 2015, and S\$0.015 per share in 2016 for its 2015 financial year. In 2016, GENS also declared an interim dividend of S\$0.015 per share for the nine months ended 30 September 2016.

Diversified business model of large scale integrated resorts with a global presence

The Genting Group's leisure and hospitality business has a globally diversified business model of integrated resorts which combines casino hotels with other value-added attractions such as theme parks, marine aquariums, dining, retail and meeting and convention facilities. These integrated resorts are marketed as family holiday destinations which offer comprehensive experience to the consumers targeting all round entertainment, including gaming.

The Genting Group is among the largest gaming groups in Asia and globally based on Adjusted EBITDA. The Genting Group's core business involves high barriers to entry in all its markets driven by regulatory compliance, significant capital expenditure to achieve scale, and expertise and experience to operate integrated resorts.

- **Resorts World Sentosa** — RWS is a high quality integrated resort and along with Marina Bay Sands, are the only two licensed operators in Singapore. RWS has a 30-year gaming license with exclusivity in the Singapore market for the first 10 years ending in 2017. The casino licence required by RWS to operate casino and gaming activities (first issued by the CRA on 6 February 2010) is renewable every 3 years and has been renewed for another three years commencing 6 February 2016. RWS has the first and only Universal Studios theme park in Southeast Asia, which features 24 attractions and shows in seven themed zones. The resort also includes a Marine Life Park which comprises an aquarium, waterpark, and dolphin island. RWS was voted as the Best Integrated Resort at the TTG Travel Awards for six consecutive years (2011-2016);
- **Resorts World Genting** — RWG is a premier integrated family resort in Malaysia which features the only licensed land based casino in Malaysia. The casino license, which was originally issued to Genting Berhad in 1971, was subsequently issued to GENM (formerly Resorts World Bhd) in 1989, following a restructuring involving the initial public offering and listing of GENM on Bursa Securities, which resulted in Genting Berhad becoming an investment and management company. 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. RWG is currently undergoing a RM10.4 billion 10-year master redevelopment program known as the GTP, which includes a new Twentieth Century Fox World theme park, a new retail and lifestyle mall, Sky Avenue, a new high-speed cable car system, new hotels, and added infrastructure like utilities and roads. RWG has a loyal clientele of local Malaysian visitors for whom it provides a gaming and family getaway destination complemented by all year round cool weather in the highlands;

- **Genting UK Plc** — GENUK is the second largest casino operator in the UK based on the number of licenses, with 43 casinos including prestigious brands like Crockfords, the Colony Club, Maxims Casino Clubs and The Palm Beach and the UK's first integrated destination resort, Resorts World Birmingham. GENUK's subsidiary Genting Alderney Limited also operates an online gaming site;
- **Resorts World Casino New York City** — RWNYC is the first and only video gaming machine facility operating in the five boroughs of New York City. In 2010, Genting Malaysia's indirect wholly owned subsidiary Genting New York LLC was awarded a 30-year licence to develop and operate a video gaming machine facility at the Aqueduct Racetrack in Queens, New York. It is strategically located within the city and is in close proximity to an extensive public transportation system, including direct access to the citywide subway system. RWNYC is currently the largest grossing video gaming machine facility by gaming revenue in the Northeast US; and
- **Resorts World Bimini** — RWB is a 78:22 partnership between GENM and RAV Bahamas Ltd on the islands of Bimini. The resort is located approximately 50 miles off the coast of Florida on a 750-acre Caribbean beachfront, with the largest marina in the Bahamas. RWB commenced its operations in June 2013 featuring a 10,000 square foot casino and luxurious accommodations, restaurants and bars.

Successful financing track record

The Genting Group has a strong history of successful fundraising in both the domestic and international capital and project financing markets, having raised more than US\$8.5 billion over the last 15 years, including:

- US\$300 million 10-year corporate bonds issued by Prime Holdings (Labuan) Limited in 2004 and guaranteed by Genting Berhad which was successfully repaid at maturity in 2014;
- S\$425 million and S\$450 million 5-year convertible bonds issued in 2007 by GENS;
- S\$4 billion non-recourse project financing for RWS in 2008, which was named as "Asia-Pacific Leisure Deal of the Year" by Project Finance International, and "Asia-Pacific Project Financing Deal of the Year 2008" by Euroweek;
- RM1.6 billion 10-year medium term notes issued by GB Services Berhad and guaranteed by Genting Berhad in 2009;
- RM500 million 10-year and RM1.5 billion 15-year medium term notes issued by Genting Capital Berhad and guaranteed by Genting Berhad in 2012;
- S\$2.3 billion of perpetual subordinated capital securities (S\$1.8 billion institutional tranche and S\$500 million retail tranche) issued by GENS in 2012, of which the institutional tranche was named as "Best Singapore Deal 2012" by Finance Asia Achievement Awards;
- US\$350 million of non-recourse senior secured credit facilities for RWNYC in 2013;
- US\$730 million non-recourse project financing for Genting Energy's independent power producer project in Indonesia in 2013, which was named as "Asia Pacific Power Deal of the Year 2013" by Project Finance International, "Asia Pacific Deal of the Year 2013" and "Asia Pacific Power Deal of the Year 2013" by Euromoney, and "Infrastructure & Project Finance Deal of the Year Asia Pacific 2014" by The Banker;
- RM1.1 billion 5-year and RM1.3 billion 10-year medium term notes issued by GENM Capital Berhad and guaranteed by GENM in 2014; and

- RM1.0 billion 10-year Sukuk Murabahah issued by Benih Restu Berhad and guaranteed by GENP in 2015.

The Genting Group believes that its ability to access the domestic and international capital markets, coupled with its strong relationships with financial institutions and banks, provides it with the financial flexibility to move quickly and capitalize on potential growth and expansion opportunities that may arise.

Proven track record in developing and operating integrated resorts in highly regulated markets, underpinned by an experienced senior management team

The Genting Group has a track record of over 25 years' relating to sourcing, bidding, developing and operating integrated resorts in various parts of the world, including in highly rated and regulated jurisdictions such as Malaysia, Singapore, the UK and the US. To date, the Genting Group has completed all projects successfully, without any cancellation or suspension, and has market leading properties in each market that the Genting Group operates in, due to its commitment to achieving operational efficiencies and property improvements.

This proven track record is driven by the Genting Group's strong and experienced senior management team led by TSLKT, the Chairman and Chief Executive, who joined the Genting Group in 1976. TSLKT and the senior management team collectively have many decades of experience in the leisure, hospitality, and gaming business, having navigated through the recent credit crisis and successfully expanded the Genting Group's leisure and hospitality business into several new markets in the last 10 years, most notably the development of the following properties:

- RWS, Singapore which first opened in 2010, following a construction time of 34 months;
- RWNYC, US which first opened in 2011;
- RWB, Bahamas which opened in April 2015; and
- Resorts World Birmingham, UK which opened in October 2015.

Premier branding with global clientele database

The Genting Group has prominent and established integrated resorts and gaming brand names under "RESORTS WORLD" and "GENTING", with good brand recognition, particularly in the Asian market. The Genting Rewards loyalty program, which is implemented across all the Genting Group properties as well as those under its affiliate, GENHK, also has a valuable customer database comprising millions of customers from over 120 nationalities. To the extent permitted by the relevant laws, the Genting Group cross markets its products and services via Genting Rewards Alliance to implement new business opportunities effectively. The Genting Group believes that the underlying strength of its branding coupled with continued marketing initiatives to the Genting Group's and GENHK's existing clients will help drive traffic to the Genting Group's new integrated resort developments like RWLV.

Business Strategy

Maintain a prudent financial policy

The Genting Group plans to continue its prudent financial policy of maintaining a conservative capital structure which provides financial and operational stability through economic cycles. The Genting Group aims to optimize debt and equity mix by using internal cash flows and external debt financing to fund planned expansion, working capital expenditures, and refinancing existing debt. The financing plan is aimed at achieving favorable funding cost, a balanced debt maturity profile, and managing exposure to foreign exchange risk.

Continue to grow the existing core business undertaken by well capitalized and self-sufficient subsidiaries

The Genting Group's core business of leisure and hospitality is spread across 5 countries which generated RM15.0 billion (US\$3.6 billion) of revenue and RM5.1 billion (US\$1.2 billion) of Adjusted EBITDA in 2015. The Genting Group will continue to focus on its unique business model and grow its existing core business of integrated resorts by focusing on family and leisure customers, expanding its cross-marketing initiatives, enhancing product offerings and quality of experience that includes comprehensive "one-stop" entertainment offerings across gaming, hotel, theme parks, entertainment shows, dining and retail. In-line with its strategy, RWG is currently undergoing a major transformation under the GITP.

The listed subsidiaries in the Genting Group (GENS, GENM and GENP) are generally well-capitalized and self-sufficient, operating their businesses and effecting their growth plans with minimal group intervention and support from Genting Berhad. This reduces the risk of Genting Berhad having to commit additional capital to its listed subsidiaries on top of its own corporate funding needs.

Strategic investment to expand in attractive new gateway locations

The Genting Group continues to seek growth opportunities internationally in attractive gateway locations by leveraging on its competitive advantages and strong brand value. The Genting Group has a history of taking a prudent financial approach to investments by optimizing market opportunities and external debt and minimising risk. Conservative leverage and stable cash flows provide a platform to fund new ventures without straining the Genting Group's balance sheet. In recent years, the Genting Group has successfully expanded in top tier countries like Singapore and the US.

The Genting Group expects to commence construction of RWLV this year with completion of the resort targeted by end of 2019. The proposed integrated resort is an Asian-themed development which will include a world class casino, entertainment options, conference and meeting space, a hotel, dining, retail and a spa. The Genting Group believes that RWLV will be well positioned to tap outbound Asian tourists as well as the sizeable US domestic and international traffic that currently visits South Las Vegas Boulevard (commonly known as the "Strip") in Las Vegas. The Genting Group's access to its clientele base of Asian customers will provide it a competitive advantage to cross market RWLV to them. Genting Berhad has been approved for registration as a Publicly Traded Corporation by the Nevada Gaming Commission in May 2016. The Genting Group's US expansion will complement its presence in Asia and the UK.

Recent news suggests advancement of the process to pass the Integrated Resort Promotion Bill in Japan. This bill may represent a growth opportunity for GENS as GENS could position itself as a candidate for the bidding process.

Continue to maintain adequate internal control processes

The Genting Group operates in highly regulated markets and maintains adequate internal control processes by continued implementation of a robust risk management framework. This is designed to promote professionalism, integrity, and corruption-free business dealings with customers, regulators, vendors, and partners. Compliance teams are in place in each licensed casino operating company. The local teams work closely with the regulators to ensure compliance with all applicable laws and regulations such as anti-money laundering and responsible gaming.

Continue to partner with leading global brands to improve brand positioning

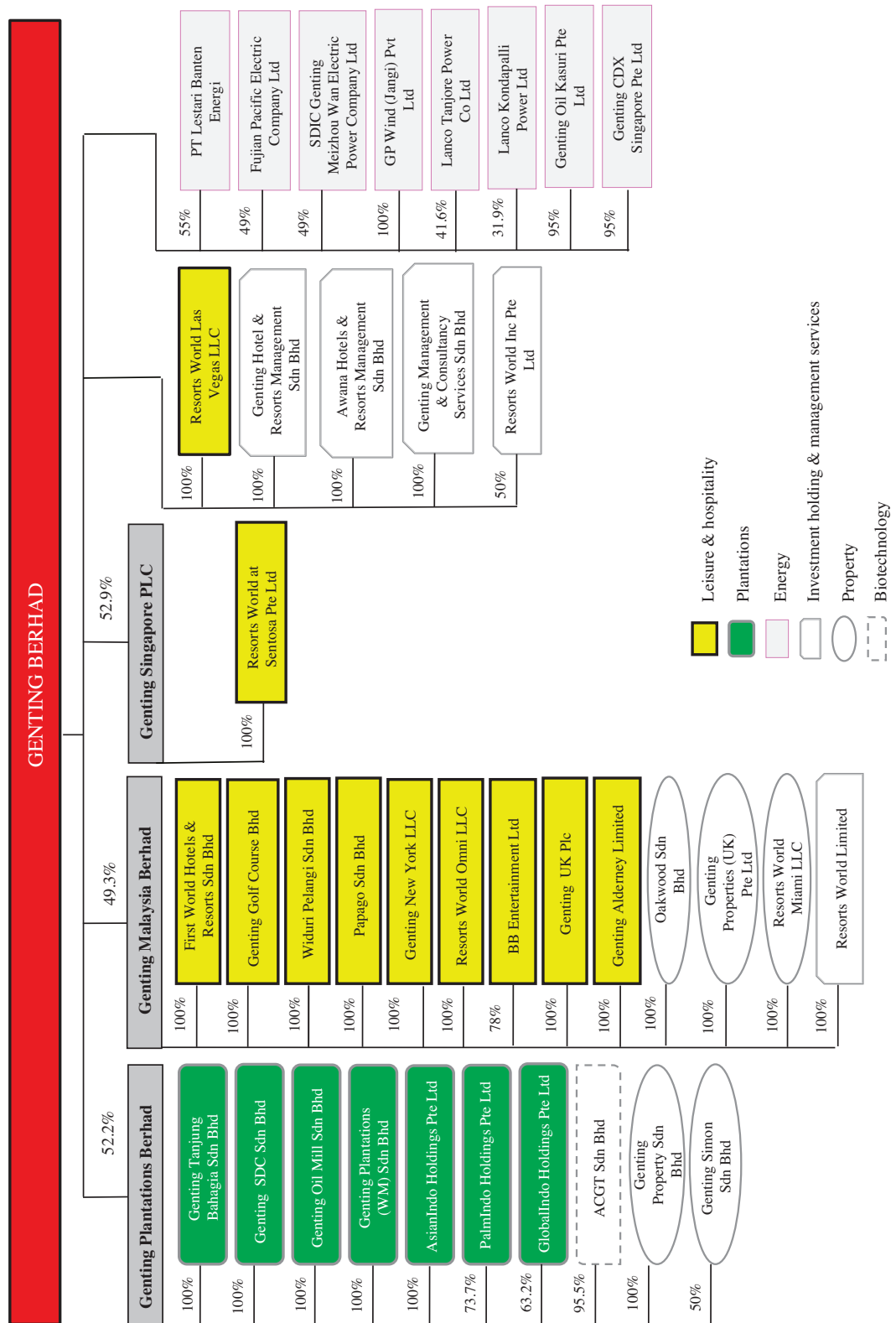
The Genting Group will continue to partner with leading global brands to target middle class and affluent customers and drive new and repeat visitation. RWS has a Universal Studios theme park which is the first and only such theme park in Southeast Asia. The resort also has the only Hard Rock Hotel in Singapore and several signature shows and events with international award winning stars. RWS also collaborated with the Michelin Guides and Robert Parker Wine Advocate to produce the inaugural Michelin Guide Singapore. Similarly, RWG is developing a Twentieth Century Fox World theme park, the first of its kind in the world. Furthermore, GENP Group has also partnered with US based Simon Property Group to develop premium outlets in Malaysia with the first being the Johor Premium Outlets®, which commenced operations in 2011 and targeting to open another Premium Outlet Centre® at RWG by first quarter of 2017. Through these alliances, the Genting Group aims to deliver enhanced visitor experiences as well as a tactical approach to reach out to its target markets, thereby driving incremental revenue.

History

The Genting Group was founded by the late Tan Sri (Dr.) Lim Goh Tong more than 45 years ago with the incorporation of Genting Highlands Hotel (Sendirian) Berhad under the Malaysian Companies Act in 1968, and organised 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 in 1970 and assumed its present name in 1978. The shares of Genting Berhad were listed on the Main Market of Bursa Securities in 1971. Today, the Genting Group is a leading developer, owner and operator of integrated gaming resorts, with premier facilities in Asia, UK and US.

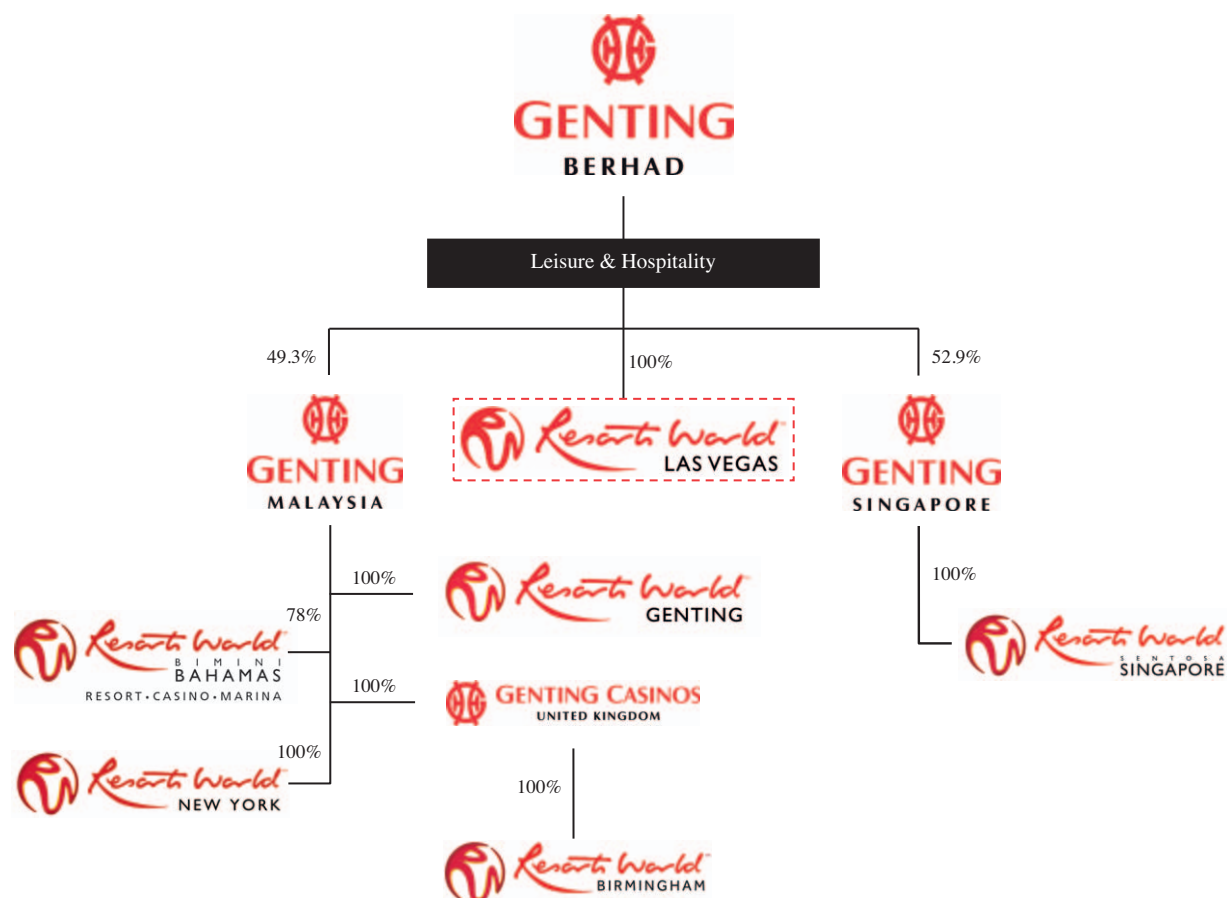
Organisation

The following chart sets forth Genting Berhad and its principal subsidiaries, joint ventures and associates as at 3 January 2017:



Leisure & Hospitality

The Genting Group's leisure and hospitality business as at 3 January 2017 is conducted through GENS (in Singapore) and GENM (in Malaysia, UK, New York City and Bahamas):



Note:

 Under construction

Genting Singapore PLC Group

Resorts World Sentosa

The GENS Group operates RWS and is one of only two operators licenced to undertake gaming activities in Singapore pursuant to the 30-year concession granted by the Singapore Government.

RWS started operations in 2010. This 49-hectare integrated resort comprises six hotels, a casino, the Universal Studios® theme park, the S.E.A. Aquarium, The Maritime Experiential Museum, the Adventure Cove Waterpark and the Resorts World Conference Centre. RWS also offers a variety of food and beverage (“F&B”) outlets, ranging from street gourmet to celebrity chef restaurants and specialty retail outlets. In addition, there are various other entertainment options at RWS including the MegaBounce, the Crane Dance and the Lake of Dreams.

RWS is marketed as an integrated resort destination resort targeting higher income customers who are willing to pay for premium services.

Located near the entry point to Sentosa Island, RWS is accessible by public transportation, including public buses and the Sentosa Express monorail system, as well as by the cable car system that connects Singapore island to Sentosa Island. RWS received close to 20 million visitors in 2015.

Casino

The casino at RWS opened on 14 February 2010 and comprises approximately 161,000 square feet of net gaming space, including the main gaming floor and the high-limits gaming areas consisting of the Crockfords ClubTM, Maxims Platinum and Maxims Club. The casino has a wide range of table games, electronic games and slot machines. The casino has over 530 table games, including baccarat, black jack, Caribbean stud poker, roulette, money wheel, pai gow, pontoon, progressive Texas hold'em poker, poker and tai sai, over 2,400 slot machines and electronic table games, exclusive clubs and 29 private salons.

The government of Singapore has introduced various measures to support operators of integrated resorts and casinos. These include competitive gaming taxes and a ten-year moratorium on the issuance of new gaming licences, which expires in 2017.

RWS' casino licence was issued by the CRA in February 2010 and is renewable every three years. The CRA, which reports to the Ministry of Home Affairs of Singapore, conducts inspections of the casino to check for compliance with the Singapore Casino Control Act, regulations, internal control codes and guiding principles. RWSPL and its associates are subject to extensive regulation by the CRA, including periodic review by the CRA of its internal control policies and procedures, ethics and compliance policies and business continuity plans. Additionally, there are numerous governance and compliance obligations imposed on RWSPL, including obligations relating to the prevention of money laundering and terrorism financing (including patron due diligence and transaction monitoring). As such, GENS has implemented a comprehensive compliance reporting structure culminating in compliance committees that report to GENS' board of directors. RWS' casino licence has been renewed for another three years beginning from 6 February 2016.

Hotels

There are six hotels in RWS: Crockfords Tower, Hotel Michael, Hard Rock Hotel Singapore, Festive Hotel, Equarius Hotel and Beach Villas, with total aggregate capacity of about 1,600 rooms as at 30 September 2016. Each hotel has a unique theme, offering visitors different experiences and targeting specific market segments.

- *Crockfords Tower*: Crockfords Tower is designed by Michael Graves, with 24-hour butler service and other amenities. Its guests are largely premier customers of the casino and have access to a range of complimentary and private dining, gaming and other facilities within the hotel tower. Crockfords Tower opened in January 2010.
- *Hotel Michael*: Hotel Michael is a boutique hotel, also designed by Michael Graves, which opened in January 2010 that caters to art lovers. The art gallery-like atmosphere in every maple-accented room is complemented with mural-adorned walls and artistic furnishings and accessories.
- *Hard Rock Hotel Singapore*: Hard Rock Hotel Singapore caters to guests seeking a "rock-and-roll" themed experience. It opened in January 2010.
- *Festive Hotel*: Festive Hotel is targeted at family vacationers, with rooms that come with separate chambers for parents and loft beds for children. It opened in January 2010.

- *Equarius Hotel*: The Equarius Hotel is targeted at nature lovers and is located near nature hikes as well as Sentosa island's attractions, including Marine Life Park. It opened in February 2012.
- *Beach Villas*: Located at the western tip of RWS, the villas at Beach Villas enjoy scenic views and cater to high-end casino guests and well-off vacationers. Guests can utilise personal butler service and transport vehicles throughout their stay. It opened in February 2012.

The table below sets out the average occupancy and the average room rate per night at RWS' hotels for the periods as indicated:

	For the Year Ended 31 December			For the Nine Months Ended 30 September	
	2013	2014	2015	2015	2016
Average occupancy	92%	93%	92%	93%	92%
Average room rate per night (S\$).	407	400	378	378	368

Theme Parks and Attractions

Universal Studios Singapore®

Universal Studios Singapore® commenced operations on 18 March 2010 and is the first and currently the only Universal Studios® theme park in Southeast Asia. The approximately 20-hectare park features 24 attractions and shows in seven themed zones comprising Hollywood, New York, Sci Fi City™, Ancient Egypt, Lost World™, Far Far Away™ and Madagascar™. Of the 24 attractions, 18 have been specifically created or adapted for Singapore. The theme park also includes attractions such as Battlestar Galactica™, a pair of the world's tallest duelling roller coasters; the world's largest collection of DreamWorks Animation attractions; the world's first "Far Far Away Castle" from the movie Shrek; the world's first Madagascar movie theme park ride; the world's first Transformers movie thrill ride, and Puss In Boots' Giant Journey, the world's first suspended roller coaster themed after the franchise.

Marine Life Park

Opened in November 2012, the Marine Life Park comprises three main attractions, the S.E.A. Aquarium, Adventure Cove Waterpark and Dolphin Island. The Marine Life Park includes various activities, including the opportunity to dive in the Open Ocean habitat, interact with Indo-Pacific bottlenose dolphins, trekking on the sea bed in an air-filled helmet and meeting sharks from within an acrylic tank. In addition to entertaining visitors, this marine park also aims to promote ocean science education and the protection of the oceans.

The S.E.A. Aquarium, one of the world's largest oceanariums, is home to 100,000 marine animals of over 800 species. It has 49 exhibits where guests can get up close with a wide variety of marine life species.

The Adventure Cove Waterpark features thrilling waterslides, such as Southeast Asia's first hydro-magnetic coaster. Other unique experiences in the waterpark include the opportunity to trek on the sea bed in an air-filled helmet and meeting sharks from within an acrylic enclosure.

The Dolphin Island is a standalone attraction within Adventure Cove Waterpark. It offers a suite of programmes that allow guests to interact with the Indo-Pacific bottlenose dolphins.

Maritime Experiential Museum

Opened in October 2011, the Maritime Experiential Museum features more than 400 artefacts and is the first and currently only museum in Singapore dedicated to showcasing the history of ancient maritime trade.

ESPA at RWS

Opened in July 2012, RWS also includes an award winning flagship spa in Asia, ESPA. Spread across approximately 107,000 square feet of manicured landscaped gardens, pools and ponds set against a backdrop of picturesque sea views and jungle covered hillsides, ESPA at RWS boasts Singapore's first authentic Hammam and other state-of-the-art facilities in a tranquil and natural environment. Spa-goers can choose to have their treatments in 24 multi-functional treatment rooms with beautiful views, two Private Spa Suites overlooking the reflection pool and two Beach Villas with dramatic sea views. Spa grounds feature pre- and post-treatment relaxation areas for guests to contemplate and meditate. These include the sleep zone and relaxation lounge with views of the reflection pool, vitality pools, Forest Onsen-Style pool and pavilions set in tropical gardens.

Meetings, Incentives, Conferences and Events

RWS offers a choice of indoor and outdoor venues, serving events ranging from large conventions and exhibitions for thousands of delegates and visitors to formal receptions and intimate events, which can host up to 35,000 delegates at one time. Its venue spaces include the Compass Ballroom, Sentosa's only column-free ballroom featuring approximately 65,000 square feet of unobstructed space, with the capacity to fit more than 6,500 people in theatre-style seating. There are also 32 function rooms across the Resorts World Convention Centre and Equarius Hotel covering a total of approximately 50,000 square feet of event space with a total meeting capacity for 5,600 people that can host smaller events such as seminars, plenary sessions and banquets.

Retail and F&B

RWS' other facilities include more than 45 retail outlets and 60 F&B outlets. The resort hosts a collection of renowned brands that appeal to a broad spectrum of visitors from Asia and the most number of Michelin stars in one dining location. The branded third-party retail outlets include Bulgari, Chanel, Chopard, Rolex, Tag Heuer, Vacheron Constantin, Richard Mille and Versace.

The dining options range from eight celebrity chef restaurants (Joël Robuchon Restaurant and L'Atelier de Joël Robuchon by Joël Robuchon, Tung Lok Heen by Susur Lee, OSIA by Scott Webster, Ocean Restaurant by Cat Cora, Forest by Sam Leong, Syun by Hal Yamashita, Tangerine by Ian Kittichai and Fratelli Trattoria & Pizzeria by Enrico and Roberto Cerea) to casual dining and gourmet street hawker fare.

Awards

RWS has won many attractions and hospitality awards including "Best Integrated Resort" for six consecutive years (2011 through 2016) from the TTG Travel Award; and "Best Integrated Resort Asia-Pacific" and "Best Theme Park" from Travel Weekly Asia's 2016 Readers Choice Awards.

Universal Studios Singapore® has also been named the "No. 1 Amusement Park — Asia" for two consecutive years (2015 and 2016) by TripAdvisor Travellers' Choice.

Loyalty programs

RWS currently has two loyalty programs — Genting Rewards and RWS Invites:

- (a) Genting Rewards is the resort's gaming loyalty program and is ubiquitous across all Resorts World properties worldwide. Members who earn points based on gaming activity will be awarded Genting Points based on their membership tier and source of earning. The Genting Points accumulated can be redeemed for free play, free stay at RWS hotels and other free goods and services. The status of the membership tier, ranging from Classic to Silver, Gold, Maxims and Maxims Platinum, is automatically reviewed based on the number of points earned over a 12-month period.
- (b) RWS Invites, launched in April 2012, is the fee-based non-gaming loyalty program unique to RWS, where members earn rebates from participating outlets at RWS but not from casino play. Its members enjoy exclusive rates to its offerings, attractions' previews, front seats at concerts and year-long perks. This program currently only accepts members who are residing and have a local address in either Singapore or Malaysia.

Insurance

GENS Group maintains, through a global insurance broker and risk advisor, an insurance program to protect against business and operational risks. However, certain types of risks such as war risks may be uninsurable or the cost of insurance may be prohibitive or not economically viable when compared to the risks. The GENS Group also maintains insurance against business interruptions arising from unforeseen occurrences such as fire and malicious damage.

Other Properties

Genting Hotel — Jurong Lake District, Singapore

Genting Hotel Jurong is the latest strategic addition that complements RWS. The 557-room hotel was opened in April 2015. Being 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, it is a popular venue for weddings and business meetings. The hotel has a site area of approximately 97,000 square feet and a lease period of 99 years.

Genting Malaysia Berhad Group

Resorts World Genting

The GENM Group operates RWG, an integrated family leisure and entertainment resort located at the peak of Genting Highlands, approximately 58 kilometres from Kuala Lumpur, Malaysia. RWG commenced operations in 1971. This resort includes theme parks, hotels and convention centres, the only licenced land-based casino in Malaysia as well as entertainment and F&B facilities.

The table below sets out the number of visitors to RWG for the periods as indicated:

	For the Year Ended 31 December			For the Nine Months Ended 30 September	
	2013	2014	2015	2015	2016
	(in millions)			(in millions)	
Number of visitors	19.6	18.1	19.4	14.4	15.3

RWG is managed by Genting Hotel & Resorts Management Sdn Bhd, a wholly-owned subsidiary of Genting Berhad, pursuant to a 30-year management agreement entered into in 1989 following a restructuring, and renewable at the end of the original term. The amount payable by GENM under the arrangement is based on a basic and incentive fee structure. The basic fee is calculated based on the gross revenue and the incentive fee is calculated based on the net operating income of RWG.

Casino

A substantial proportion of RWG's total revenue is derived from its gaming operations. RWG's gaming facilities (Casino de GENTING) are licensed under the Common Gaming Houses Act, 1953 (Revised 1983), and this is the only license issued in Malaysia for the operation of a land-based casino. The original licence was issued to Genting in 1971 and was subsequently issued to GENM in 1989. 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.

Casino de GENTING has a gaming area of over 200,000 square feet with different types of table games, slot machines as well as electronic table games. The casino opens every day of the year and is divided into a variety of themed sections, including Monte Carlo, Circus Palace, Hollywood, International Rooms and the VIP rooms. Each section is accessible to all visitors, except the International Rooms and VIP rooms, which are only available to certain Genting Rewards card members and their invited guests.

In February 2013, RWG opened the Genting Club, a premium gaming venue, which offers its members, who join by invitation only, bars and restaurants, including 360 Bar, with a stage at its centre to provide live performances.

Visitors to the casino principally comprise guests of RWG's hotels who primarily visit from Malaysia or Singapore, or are repeat "day-trippers" and tourists from overseas destinations.

RWG's principal market is the mass-market players comprising visitors to the casinos who are not classified as high-spending customers. GENM derives a substantial proportion of its income from such market. In addition, RWG also caters to VIP players, who generally spend significantly more at the resort than the average mass players. In 2015, the mass market contributed 59% of the gaming revenue mix in RWG.

Hotels and Accommodation

RWG provides its visitors with a wide choice of accommodations, ranging from budget-style rooms to five-star hotel rooms. Visitors also have the option to stay in self-catered or serviced apartments.

RWG comprises five hilltop hotels: Genting Grand, Maxims, Resort Hotel, Theme Park Hotel and First World Hotel and one mid-hill hotel Awana Hotel, with over 10,000 hotel rooms in total. Theme Park Hotel opened in 1971, Genting Grand in 1981, Resort Hotel in 1992, Maxims in 1997 and First World Hotel where Tower 1, Tower 2 and Tower 3 were completed in 2001, 2005 and 2015 respectively. Since their respective opening dates, the GENM Group has progressively refurbished, upgraded and extended these hotels. In June 2015, the First World Hotel regained its title as the largest hotel in the world with more than 7,300 rooms. Theme Park Hotel is currently closed for refurbishment works.

The table below sets out the average occupancy and the average room rate per night at RWG's hilltop hotels for the periods as indicated:

	For the Year Ended 31 December			For the Nine Months Ended 30 September	
	2013	2014	2015	2015	2016
Average occupancy	90%	91%	90%	89%	91%
Average room rate per night (RM).	89	80	83	80	93

Theme Parks and Other Attractions

One of the upcoming attractions under the GITP is the new Twentieth Century Fox World theme park, which is currently under construction. The First World Indoor Theme Park, which is currently in operation, is expected to undergo a major transformation under the GITP to turn into a unique themed entertainment attraction. See “— Projects — Genting Integrated Tourism Plan”.

RWG also offers visitors various entertainment options, including performances and concerts. The entertainment offering is reviewed monthly as part of a strategy to attract and maintain customer interest. Genting International Convention Centre at the First World Hotel and First World Plaza (“GICC”) offers more than 150,000 square feet of conference space. GICC has, amongst others, the Grand Ballroom, 18 meeting rooms and a business centre. The column-free hall of GICC is flexible to be divided into areas to cater for banquet, concert, exhibition or conference. Throughout the year, RWG will host local and internationally acclaimed concerts and events.

There is also a wide range of dining options at RWG with offerings from popular local street food to fine dining restaurants and bars.

Awards

In 2016, RWG was voted “Asia’s Leading Themed Resort” by World Travel Awards.

Projects — Genting Integrated Tourism Plan

In December 2013, GENM announced the GITP, which is a 10-year master plan to develop, expand, enhance and refurbish the hotels, theme park and infrastructure at RWG. The total estimated capital investment of GITP is RM10.4 billion. GITP has been designated as an Entry Point Project by the East Coast Economic Region Development Council given the magnitude of GITP’s potential impact to the Malaysian economy and tourism industry within the East Coast Economic Region. The GITP is expected to spur greater economic growth, generate entrepreneurial and employment opportunities consistent with the goals and targets of the East Coast Economic Region and the Malaysian tourism as a whole.

The GITP includes the development of new hotel properties, infrastructure and amenities as well as the refurbishment, upgrading and modernisation of the existing Genting Grand, Maxims, Resort Hotel, Theme Park Hotel and First World Hotel.

The other major projects being undertaken within the GITP is the development of the Twentieth Century Fox World theme park, which is expected to exceed RM2.0 billion in capital investment. In partnership with Twentieth Century Fox Consumer Products, the 25-acre theme park is expected to feature more than 25 rides and attractions of a cinematic nature that will incorporate special effects and references to various Twentieth Century Fox movies.

Other expansion plans include a new retail and lifestyle mall known as Sky Avenue, as well as a new high-speed cable car system which will be able to carry up to twice the passenger capacity of the current system. Supporting infrastructure and facilities will also be enhanced and expanded to facilitate the expected increase in visitation following the completion of GTP and to ease accessibility to RWG.

Further complementing the GENM Group's expansion plans is the Genting Highlands Premium Outlets which is the second premium outlets center to open in Southeast Asia after Johor Premium Outlets®. The Genting Highlands Premium Outlets is targeted to open in the first quarter of 2017.

GENUK Group

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

GENUK is one of the leading casino operators in the UK, owning 43 casinos in the UK as at 30 September 2016. GENUK received 4.1 million visitors to its casinos in 2015. In London, GENUK operates six casinos of which four casinos operate under the prestigious brands of Crockfords, the Colony Club, Maxims Casino Club and The Palm Beach. The remaining two casinos in London operate under the Genting Casino brand. The other casinos are located in the provincial areas and operate under the Genting Casino and Genting Club brand names. The GENUK Group also owns and operates a hotel, Park Lane Mews Hotel, in London.

In June 2011, the GENUK Group was awarded a casino licence to develop an integrated leisure and entertainment complex at the National Exhibition Centre in Birmingham, UK. In October 2015, Resorts World Birmingham opened its doors, offering gaming and entertainment facilities, retail and dining outlets and a 178-room four-star hotel.

GENUK also offers an online casino and poker room, GentingCasino.com, which offers over 100 casino games, including classics such as Roulette and Blackjack, as well as being part of one of the world's biggest poker communities. The site is operated by Genting Alderney Limited and complies with the stringent licensing codes operated by the Alderney Gambling Control Commission.

Gaming licences in the UK are granted by the respective local council of the area within which the casino premises are located. In addition to gaming licences, operating licences are required to run a casino. The Gambling Commission is the industry regulator that grants operating licences. In respect of GENUK's land based casinos, the operating licence is held by Genting Casinos UK Limited, except for Maxims Casino Club where Coastbright Limited is the operator. The gaming licences are issued to the relevant operating license holder and held, where they are available for inspection, at each individual casino premise. Both the gaming and operating licences are perpetual, subject to provisions on suspension and revocation. The Gambling Act 2005 is the governing legislation for the operating licences and the gaming premises licences.

Resorts World Casino New York City

In September 2010, GENM's wholly owned subsidiary Genting New York LLC was awarded a 30-year licence (with an option to renew for another 10 years) to develop and operate a video gaming machine facility at the Aqueduct Racetrack in Queens, New York City. It is located strategically within the city near JFK International Airport. RWNYC is in close proximity to an extensive public transportation system, including direct access to the citywide subway system, providing easy connectivity for visitors. The facility also features covered carparks and valet services.

The licence was granted by the New York State Gaming Commission (formerly known as, New York Lottery) under Article 1, Section 9 of the New York State Constitution and Article 34 of the Tax Law.

The first phase of RWNYC opened on 28 October 2011, with the Times Square Casino on the first floor of RWNYC opening with approximately 2,500 video gaming machines. A full roll-out of RWNYC took place on 16 December 2011 with the Fifth Avenue Casino opening with another approximately 2,500 video gaming machines. In early 2016, RWNYC completed its gaming and amenities expansion and improvement plan. The number of video gaming machines increased by 10% from approximately 5,000 to approximately 5,500 machines, comprising approximately 75% slot machines and 25% state-of-the-art electronic table games (ETGs).

In addition to gaming, the facility also includes a wide range of dining options as well as several lounges featuring live entertainment.

The Central Park Events Space provides 70,000 square feet of event space on the third floor of RWNYC, for concerts, banquets, trade shows, conferences and other private events.

In 2015, RWNYC served approximately 8.5 million visitors.

Resorts World Bimini

Located approximately 50 miles off the coast of Miami, Florida, on the islands of Bimini, RWB commenced operations in June 2013. RWB is a 78:22 partnership with RAV Bahamas Ltd., the local partner. It is located on a 750-acre Caribbean beachfront, with the largest marina in the Bahamas. RWB features a casino, luxurious accommodations, restaurants and bars. The 10,000 square foot casino at RWB features table games, slot machines, a private game table and a sports book. The 305-room Hilton Hotel opened its initial phase in April 2015 while the remaining rooms and other hotel amenities opened in June 2016.

RWB's licence was granted by The Gaming Board for the Bahamas under The Gaming Act 2014 to RWBB Management Ltd., a wholly-owned subsidiary of GENM, on 13 November 2012. The license is valid until 31 December 2017 and is renewable on an annual basis.

Other properties

In Malaysia, the GENM Group also owns and operates two seaside resort hotel properties, namely Resorts World Kijal, Terengganu and Resorts World Langkawi, Langkawi Island. In Miami, US, the GENM Group owns a contiguous 30-acre waterfront site overlooking Biscayne Bay in downtown Miami, Florida. Omni Center, a freehold property, which is located on the site includes 650,000 square feet of shopping mall space, 350,000 square feet of office space, a 527-room Hilton Miami Downtown Hotel and a 2,300-space parking garage. Presently, the Hilton Hotel is embarking on a renovation plan, which is expected to be completed by mid-2017.

Resorts World Las Vegas LLC

Project — Resorts World Las Vegas

In March 2013, the Genting Group, through its wholly owned subsidiary Genting Assets, Inc, acquired the 87-acre former Echelon development property on South Las Vegas Boulevard in Las Vegas (Nevada, US) from Boyd Gaming Corporation for US\$350 million. With a record 42.3 million visitors in 2015, Las Vegas remains one of the most popular travel destinations in the world. Within Las Vegas, the property represents one of the last major developable sites on Las Vegas Boulevard, commonly referred to as the "Las Vegas Strip". The acquired site included certain improvements, structures and fixtures, including ten levels of a partially completed hotel tower, two levels of a partially completed casino podium, a partially completed parking garage and a partially completed central energy facility, among others. The property features 1,523 feet of Strip frontage along South Las Vegas Boulevard and

offers excellent accessibility and visibility from the Strip and other major traffic arterials. The Genting Group intends to develop RWLV on the site, which is currently targeted for completion in late 2019. The RWLV project represents the Genting Group's third multi-billion dollar integrated destination resort development.

Resorts World Las Vegas, LLC has obtained a preliminary finding of suitability from the Nevada Gaming Commission in May 2014, which was renewed in May 2016. Genting Berhad has also been approved for registration as a Publicly Traded Corporation from Nevada Gaming Commission in May 2016.

The RWLV site is prime real estate located on the Las Vegas Strip across from the Wynn Las Vegas & Encore Resort, the Fashion Show Mall and the Las Vegas Convention Center ("LVCC"). The Fashion Show Mall is a 2 million square foot destination-retail mall, attracting over 10 million visitors annually. The LVCC, the largest single-level convention centre in the world, encompasses approximately 3.2 million square feet with exhibit space of 2 million square feet, 16 halls, more than 140 meeting rooms and more than 225,000 square feet of grand lobby and registration area. In 2015, the LVCC hosted 1.3 million attendees including four of Las Vegas' largest trade shows (CES, SEMA, World of Concrete Exposition, and ASD LV). In 2016, the LVCC was approved to spend US\$1.4 billion to develop an additional 600,000 square feet of new meeting space on the property directly across from the RWLV site (former Riviera site). The expansion is expected to be phased in over the next few years. As part of the RWLV development plan, the Genting Group intends to build a pedestrian bridge over Las Vegas Boulevard that will connect the site directly to the new LVCC expansion. The RWLV property is also within walking distance to several other iconic Las Vegas Strip resort properties, including the Venetian, Palazzo, Caesars Palace, Bellagio, Mirage, The Cosmopolitan and City Center.

The RWLV project is designed to be a world class "must-see" destination resort. RWLV will represent the first Asian-themed integrated destination resort in the United States and the first major resort development within Las Vegas in a decade. The resort is expected to feature world class integrated resort amenities including a 57-storey hotel tower, with over 2,000 first class rooms and suites, over 150,000 square feet of casino space with over 2,000 gaming positions, over 265,000 square feet of entertainment space including multiple show venues, bars, nightclubs, day-clubs, and restaurants serving authentic Asian cuisine and other international fare, over 130,000 square feet of spa, health club and resort pool deck space, over 75,000 square feet of conference and meeting space, and over 30,000 square feet of destination retail space. Additionally, there will be a multitude of entertainment attractions including a one-of-a-kind, curated indoor Chinese garden feature which will include a next generation, 50-foot diameter, LED interactive Celestial Sphere. These amenities are expected to appeal to a wide array of young and old, domestic and international, business and leisure customers. The first phase of this project represents an investment value of approximately US\$3.0 billion. Construction is expected to commence in 2017, with completion of the resort targeted by end of 2019.

Plantations

The Genting Group's plantation activities are conducted by its subsidiary, GENP. GENP's plantation activities are principally comprised of the cultivation of oil palms, harvesting of fresh fruit bunches and milling of fresh fruit bunches into crude palm oil. GENP commenced operations in Malaysia in 1980, and expanded into Indonesia in 2005 through joint ventures. GENP's total land bank in Malaysia and Indonesia is more than 259,000 hectares.

As a part of its upstream plantation operations, GENP owns and operates ten oil mills in Malaysia and Indonesia, comprising one in Peninsular Malaysia, six in East Malaysia and three in Indonesia, with a total milling capacity of 490 metric tonnes per hour.

Property

The Genting Group's property development and management 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, under a 50:50 joint venture with the Simon Property Group of the US and is targeting to open another Premium Outlet Centre® at RWG by first quarter of 2017.

Energy

The Genting Group's energy division is spearheaded by its wholly-owned subsidiary, Genting Energy, which in turn, operates through its two main subsidiaries, Genting Power Holdings Limited ("Genting Power") and Genting Oil & Gas Limited ("Genting Oil & Gas"). Genting Power, a wholly-owned subsidiary of Genting Energy, holds the Genting Group's power businesses, whilst Genting Oil & Gas, a 95%-owned subsidiary of Genting Energy, holds the Genting Group's oil and gas exploration, development and production businesses.

As at 30 September 2016, Genting Power's operating assets, which are located in China and India, had a net attributable generating capacity of 964MW. Upon completion of the extension of its existing coal-fired power plant in China and the construction of its coal-fired power plant in Indonesia, both targeted to be in commercial operations in early 2017, the Genting Group's net attributable generating capacity will increase by 1,343MW, to a total net attributable generating capacity of 2,307MW.

Genting Oil & Gas owns a 100% working interest in the Kasuri production sharing contract located onshore in West Papua, Irian Jaya, Indonesia, which was awarded to Genting Oil & Gas in 2008. As at 30 September 2016, a total of 10 wells have been drilled, all of which have yielded gas discoveries. In July 2014, Genting Oil & Gas acquired a 57% working interest in the petroleum contract for the petroleum exploration, development and production of the Chengdaoxi Block, which has an area of approximately 11.2 square miles, in the shallow waters of Bohai Bay, China. The remaining 43% working interest is owned by China PetroChemical Corporation.

Legal Proceedings

From time to time, the Genting Group has been involved in legal proceedings or other disputes arising from the ordinary course of its business, which primarily relates to disputes with customers, suppliers, contractors or land owners. Save as disclosed below, the Genting Group is not aware of any material legal proceedings (including arbitrations), claims or disputes currently existing, pending, or to its knowledge, threatened against it that may have a material adverse impact on its business, financial condition or results of operations.

An unlisted subsidiary of Genting Berhad (the "GENT Subsidiary") is presently involved as a respondent in arbitration proceedings administered by the Singapore International Arbitration Centre. The dispute arises out of a contract for the sale and purchase of shares, over claims of alleged breaches of its provisions, among others. The claimant is seeking, primarily, various declaratory orders for the respondent to pay, or to indemnify the claimant against, various amounts which the claimant has incurred or may incur, purportedly as a result of the alleged breaches. The sums involved in the claims are approximately US\$30 million. The GENT Subsidiary denies all the claims in their entirety, and has submitted a substantive defence in the proceedings. The proceedings were held in October 2015 and parties are currently awaiting issuance of the arbitration award.

DESCRIPTION OF THE GUARANTOR

The Guarantor, GOHL, was incorporated on 27 March 1984 in the Isle of Man and is a wholly owned subsidiary of Genting Berhad. As at the date of this Offering Circular, the Guarantor holds 100% of the outstanding equity shares of the Issuer, 52.9% of the equity shares of GENS and 100% of Genting Property Limited. The Guarantor has no other operations and has no employees and is managed by Genting Berhad. For a description of the business of GENS, see “Business — Leisure & Hospitality — Genting Singapore PLC.”

The registered office of the Guarantor is First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF. The authorised share capital of the Guarantor is US\$3,600,000 divided into 100,000 new ordinary shares of US\$1.00 each, 500,000 convertible non-cumulative redeemable preference shares of US\$1.00 each and 3,000,000 convertible non-cumulative irredeemable preference shares of US\$1.00 each. The issued and fully paid-up share capital of the Guarantor is 45,154 new ordinary shares of US\$1.00 each, 169,684 convertible non-cumulative redeemable preference shares of US\$1.00 each and 1,785,033 convertible non-cumulative irredeemable preference shares of US\$1.00 each, all of which are held by Genting Berhad as at the date of this Offering Circular.

As at 30 September 2016, the Guarantor does not have any debt outstanding, other than an amount due to Genting Property Limited in the amount of S\$314,033.

Information about the directors of the Guarantor is set forth below:

Name	Position	Age	Year Appointed
Tan Sri Lim Kok Thay	Director	65	1988
Tun Mohammed Hanif bin Omar	Director	77	2012
Mr Declan Thomas Kenny	Director	55	2012

The biographies of the directors of the Guarantor are as set forth below:

Tan Sri Lim Kok Thay (Malaysian, aged 65) was appointed on 28 March 1988 as a director of the Guarantor. He was appointed on 17 August 1976 as a director of Genting Berhad and was redesignated as the Chairman and Chief Executive of Genting Berhad on 1 July 2007. He is also the Chairman and Chief Executive of GENM, the Chief Executive and a 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 (a charitable foundation). 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 primary listed on the Main Board of The Stock Exchange of Hong Kong Limited and secondary listed on the Main Board of The Singapore Exchange Securities Trading 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.

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 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.

Tun Mohammed Hanif bin Omar (Malaysian, aged 77) was appointed on 6 August 2012 as a director of the Guarantor. He was appointed on 23 February 1994 as a director of Genting Berhad and is the Deputy Chairman of Genting Berhad. He was the Inspector-General of The Royal Malaysian Police for 20 years before retiring in January 1994, having joined as an officer in 1959. He is also the Deputy Chairman of GENM and sits on the Boards of AMMB Holdings Berhad, AMFB Holdings Berhad and Measat Global Berhad.

He has received honorary awards from Malaysia, Indonesia, Thailand, Singapore, Brunei and the Philippines for his invaluable contribution towards the region's security. In 1993, he became the only serving public servant to be awarded non-ex-officio Malaysia's highest non-royal award which carries the titleship of 'Tun'.

Tun Mohammed Hanif was a member of the 2004 Royal Commission for the Enhancement of the Operations and Management of The Royal Malaysian Police. He is the President of the Malaysian Institute of Management (MIM), a member of the Malaysian Equine Council. In addition, he is the Chairman of the Yayasan Tun Razak and a member of the Boards of Trustees of the Malaysian Liver Foundation, Yayasan DayaDiri, The MCKK Foundation and The Community Chest, Malaysia.

He holds a Bachelor of Arts from the University of Malaya, Singapore, Bachelor of Law (Honours) from University of Buckingham and the Certificate of Legal Practice (Honours) from the Legal Qualifying Board. He was conferred the Honorary Doctorate of Law by Universiti Kebangsaan Malaysia in 1992, Honorary Doctorate of Philosophy (Internal Security) by Universiti Pertahanan Nasional Malaysia on 2 October 2011 and Honorary Doctorate of Law by the University of Buckingham on 16 March 2012.

Mr Declan Thomas Kenny (Irish, aged 55) was appointed on 16 November 2012 as a director of the Guarantor. He is a Certified Accountant, Chartered Secretary and Member of the Institute of Bankers by profession and a director of First Names Group. Prior to the management buyout of the business from IFG Group Plc on 5 July 2012, he was an Executive Director of IFG Group Plc since 2004 with responsibility for the International Division. Before his appointment to the Board of IFG Group Plc, he was Chief Executive of the International Division and has been working for the First Names Group in various roles since 1989.

Following the buyout of the business in July 2012, Mr Kenny was the Chief Executive Officer of First Names Group and then Executive Chairman. Before moving to join IFG International, he held various positions within Permanent TSB, a Financial Institution based in Dublin.

DESCRIPTION OF THE ISSUER

The Issuer, GOHL Capital Limited, was incorporated on 29 November 2016 in the Isle of Man and is a wholly owned subsidiary of the Guarantor. The Issuer was incorporated for the purpose of issuing the Notes to finance the general funding requirements of the Genting Group. The Issuer intends to advance the net proceeds of the issue of the Notes, after deducting amounts required to be deposited to the Interest Reserve Account, to be used as described in “Use of Proceeds”.

The registered office of the Issuer is First Names House, Victoria Road, Douglas, Isle of Man IM2 4DF. The issued and fully paid-up share capital of the Issuer is US\$600,000, comprising 600,000 ordinary shares, all of which are held by the Guarantor.

As at the date of this Offering Circular, the Issuer does not have any debt outstanding.

The Issuer has not prepared any financial statements since its incorporation. The Issuer is not required under the laws of the Isle of Man to publish financial statements on an interim basis or otherwise.

Since its incorporation, the Issuer has not engaged in any material activities other than those regarding or incidental to the issuing of the Notes and there has been no material adverse change in the financial condition or results of operations of the Issuer.

Information about the directors of the Issuer is set forth below.

Name	Position	Age	Year Appointed
Mr Tan Kong Han	Director	51	2016
Mr Chong Kin Leong	Director	58	2016
Mr Charles Gary Hepburn	Director	51	2016
Mr Christopher James Tushingham	Alternate Director to Mr Charles Gary Hepburn	60	2016

The biographies of the directors of the Issuer are as set forth below:

Mr Tan Kong Han (Malaysian, aged 51) was appointed on 30 November 2016 as a director of the Issuer. He is the President and Chief Operating Officer of Genting Berhad and Deputy Chief Executive 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 Berhad. He read economics and law at the University of Cambridge, graduated with a Bachelor of Arts degree in 1988 and was called to the English Bar (Lincoln’s Inn) in 1989 and the Malaysian Bar in 1990.

Mr Chong Kin Leong (Malaysian, aged 58) was appointed on 30 November 2016 as a director of the Issuer. He is the Executive Vice President — Finance of Genting Berhad. He began his career with an international accounting firm in Kuala Lumpur in 1981 and joined Sime Darby Berhad in 1985 before leaving to join the Rashid Hussain Berhad group of companies (“RHB Group”) as Senior General Manager, Finance in 1993. He left the RHB Group in 2003 where his last position was Finance Director, to join Genting Berhad.

He holds a Bachelor of Accounting (Honours) from the University of Malaya, and is a Member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.

Mr Charles Gary Hepburn (British, aged 51) was appointed on 29 November 2016 as a director of the Issuer. Based in the Isle of Man, Mr Gary Hepburn is First Names Group's Group Managing Director, Private Client and was formerly the Managing Director of the Isle of Man business. He started his career with NatWest Bank in 1985 working in their trust department before joining the Bank of Bermuda in Bermuda in 1994 where he worked in various capacities, including a compliance role, until 1999. Subsequently he worked for Board of Executors in the Isle of Man and moved to Close Brothers in 2000, until 2002. In 2002, he returned to the Bank of Bermuda working out of Cayman before settling in the Isle of Man with First Names Group in 2004.

A Fellow of the Institute of Bankers, holding the Trustee Diploma as well as a Finance Degree from the University of Manchester, Mr Gary Hepburn is also a long-time member of the Society of Trust and Estate Practitioners.

Mr Christopher James Tushingham (British, aged 60) was appointed on 30 November 2016 as the alternate director to Mr Charles Gary Hepburn. He is the Operations Director of First Names (Isle of Man) Limited. He started his career with Thomson McLintock Chartered Accountants, Birmingham in 1978 before he joined Thorne Riddle Chartered Accountants, Nassau, Bahamas in 1981. Subsequently, he worked as a Financial Controller of Deltec Banking Corporation, Nassau, Bahamas (1983 to 1989); Trust Manager of Legal Trustees, Jersey (1990 to 1991); Trust Manager of Compass Trustees, Jersey (1991 to 1996); Trust Director of Walbrook Trustees, Isle of Man (1996 to 2007); Director of Barclays Private Bank & Trust, Isle of Man (2007 to 2012) before he joined First Names (Isle of Man) Limited.

He is a member of the Institute of Chartered Accountants in England and Wales as well as the Society of Trust and Estate Practitioners.

MANAGEMENT OF GENTING BERHAD

BOARD OF DIRECTORS

The Board of Directors (“Board”) has overall responsibility for the proper conduct of Genting Berhad’s business. The Board is guided by the prevailing legal and regulatory requirements as well as Genting Berhad’s policies in discharging its fiduciary duties and responsibilities. It is the policy of Genting Berhad to manage the affairs of Genting Berhad and its unlisted subsidiaries, including the Guarantor and the Issuer (“Genting Unlisted Group”) in accordance with the appropriate standards for good corporate governance.

In discharging its fiduciary duties in respect of the Genting Unlisted Group, the Board is responsible for the following:

- Reviewing and adopting a strategic plan for the Genting Unlisted Group;
- Overseeing and evaluating the conduct of the Genting Unlisted Group’s businesses;
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Establishing a succession plan for senior management;
- Overseeing the development and implementation of a shareholder communication policy for Genting Berhad;
- Reviewing the adequacy and the integrity of the management information and internal controls system of the Genting Unlisted Group;
- Formulating corporate policies and strategies;
- Approving key matters such as financial results as well as major investments and divestments, major acquisitions and disposals and major capital expenditure in accordance with the limits of authority;
- Assessing on an annual basis the effectiveness of the Board, Board committees and individual Directors, including the Chief Executive; and
- Reviewing the term of office and performance of the Audit Committee and each of its members annually.

In respect of its listed subsidiaries, given the size and complexities of the various businesses operated by its listed subsidiaries, Genting Berhad would ensure that its listed subsidiaries have strong management teams and board of directors. As directors of the listed subsidiaries have fiduciary duties under the law to act in the best interests of the listed subsidiaries, Genting Berhad would rely on the respective boards of directors to independently discharge their duties and roles to protect Genting Berhad’s interests.

The following table sets forth the members of the Board of Genting Berhad as at the date of this Offering Circular:

Name	Age	Position
Tan Sri Lim Kok Thay	65	Chairman and Chief Executive
Tun Mohammed Hanif bin Omar	77	Deputy Chairman
Mr Lim Keong Hui	32	Executive Director — Chairman's Office and Chief Information Officer
Dato' Dr. R. Thillainathan	72	Independent Non-Executive Director
Tan Sri Dr. Lin See Yan	77	Independent Non-Executive Director
Datuk Chin Kwai Yoong	68	Independent Non-Executive Director
Tan Sri Foong Cheng Yuen	70	Independent Non-Executive Director

CHAIRMAN AND CHIEF EXECUTIVE

Tan Sri Lim Kok Thay. See “Description of the Guarantor” for his biography.

DEPUTY CHAIRMAN

Tun Mohammed Hanif bin Omar. See “Description of the Guarantor” for his biography.

EXECUTIVE DIRECTOR — CHAIRMAN'S OFFICE AND CHIEF INFORMATION OFFICER

Mr Lim Keong Hui (Malaysian, aged 32), was appointed as a Non-Independent Non-Executive Director of Genting Berhad 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 Berhad 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 Berhad on 1 January 2015.

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. 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 Berhad, 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 is currently the Executive Director — Chairman's Office and CIO of GENHK after taking up additional role of CIO of GENHK on 1 December 2014. 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, United Kingdom and a Master's Degree in International Marketing Management from Regent's Business School, United Kingdom.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dato' Dr. R. Thillainathan (Malaysian, aged 72), appointed on 15 January 2003 as a director of Genting Berhad, was redesignated as an Independent Non-Executive Director on 30 July 2009. He was the Chief Operating Officer of Genting Berhad 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 General Insurance Company (Malaysia) Berhad, Allianz Life Insurance Malaysia Berhad, Institute for Democracy and Economic Affairs Berhad and Public Investment Bank 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 Asia Capital Reinsurance Malaysia Sdn Bhd, Wawasan Open University Sdn Bhd, 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.

Tan Sri Dr. Lin See Yan (Malaysian, aged 77), appointed on 28 November 2001, is an Independent Non-Executive Director of Genting Berhad. He is an independent strategic and financial consultant and a British chartered scientist.

Prior to 1998, he was Chairman/President and CEO of the Pacific Bank Group and for 14 years previously, Deputy Governor of Bank Negara Malaysia, having been a central banker for 34 years. After retiring as Chairman of the Executive Committee of Khazanah Nasional in 2000, Dr. Lin continues to serve the public interest, including Member, Prime Minister's Economic Council Working Group as well as a member of key National Committees on Higher Education; and Economic Advisor, Associated Chinese Chambers of Commerce and Industry Malaysia. He is Chairman Emeritus, Harvard Graduate School Alumni Association Council at Harvard University and also President, Harvard Club of Malaysia and Distinguished Fellow, Institute of Strategic and International Studies Malaysia.

Dr. Lin advises and sits on the Boards of a number of publicly listed and private enterprises in Malaysia, Singapore and Indonesia, including as Independent Director of Ancom Berhad, Wah Seong Corporation Berhad, Sunway Berhad and as Chairman of IGB REIT Management Sdn Bhd, Manager of the IGB Real Estate Investment Trust.

Dr. Lin is a trustee of Tun Ismail Ali Foundation (PNB), Malaysian Economic Association Foundation and Prime Minister's Exchange Fellowship Malaysia as well as Mentor Counsellor of the Lin Foundation.

Dr. Lin received three degrees from Harvard University, including a PhD in Economics. He is an Eisenhower Fellow and also Research Professor at Sunway University, Professor of Economics (Adjunct) at Universiti Utara Malaysia and Professor of Business & International Finance (Adjunct) at University Malaysia Sabah.

Datuk Chin Kwai Yoong (Malaysian, aged 68), appointed on 23 August 2007, is an Independent Non-Executive Director of Genting Berhad. He started his career with Price Waterhouse (currently known as PricewaterhouseCoopers) as an Audit Senior in 1974 and was promoted to Audit Manager in 1978. He was an Audit Partner in the firm from 1982 until his retirement in 2003. During his tenure as Partner, he was the Executive Director in charge of the Consumer and Industrial Products and Services Group and was the Director-in-charge of the Audit and Business Advisory Services and Management Consulting Services division.

He has extensive experience in the audits of major companies in banking, oil and gas, automobile, heavy equipment, manufacturing, construction and property development industries. He was also involved in the corporate advisory services covering investigations, mergers and acquisitions and share valuations.

He is currently a director of Bank Negara Malaysia, Astro All Asia Networks plc, Deleum Berhad, Astro Overseas Limited and Astro Malaysia Holdings Berhad.

He is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants.

Tan Sri Foong Cheng Yuen (Malaysian, aged 70), appointed on 18 January 2016, is an Independent Non-Executive Director of Genting Berhad. He was appointed as Judicial Commissioner in 1990 and elevated to be Malaysian High Court Bench in 1992. He also served as a High Court Judge at Johor Bahru, Shah Alam, Ipoh, and Kuala Lumpur in Malaysia. 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, Paramount Corporation Berhad, Ombudsman For Financial Services (formerly known as Financial Mediation Bureau) and a member of the Board of Trustees of The Community Chest, Malaysia.

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 Honourable Society of the Inner Temple, London in 2009.

SENIOR MANAGEMENT

Genting Berhad's senior management is responsible for the day-to-day management and operation of the Genting Unlisted Group's businesses.

The members of senior management of Genting Berhad as at the date of this Offering Circular are as follows:

Name	Age	Position
Tan Sri Lim Kok Thay	65	Chairman and Chief Executive
Tun Mohammed Hanif bin Omar	77	Deputy Chairman
Mr Lim Keong Hui	32	Executive Director — Chairman's Office and Chief Information Officer
Mr Tan Kong Han	51	President and Chief Operating Officer
Mr Chong Kin Leong	58	Executive Vice President — Finance
Mr Ong Tiong Soon	72	Chief Executive Officer of the Genting Energy Division
Mr Derrik Khoo Sin Huat	56	Chief Curation and Millennials Officer
Ms Goh Lee Sian	53	Senior Vice President — Legal
Mr Azmi bin Abdullah	54	Group Treasurer

Tan Sri Lim Kok Thay is the Chairman and Chief Executive of Genting Berhad. See "Description of the Guarantor" for his biography.

Tun Mohammed Hanif bin Omar is the Deputy Chairman of Genting Berhad. See "Description of the Guarantor" for his biography.

Mr Lim Keong Hui is the Executive Director — Chairman’s Office and Chief Information Officer of Genting Berhad. See “Board of Directors” above for his biography.

Mr Tan Kong Han is the President and Chief Operating Officer of Genting Berhad and Deputy Chief Executive of GENP. See “Description of the Issuer” for his biography.

Mr Chong Kin Leong is the Executive Vice President — Finance of Genting Berhad. See “Description of the Issuer” for his biography.

Mr Ong Tiong Soon, (Malaysian, aged 72) 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.

Mr Derrik Khoo Sin Huat, (Malaysian, aged 56) is the Chief Curation and Millennials Officer of Genting Berhad. Prior to his appointment on 1 March 2016, Mr Derrik Khoo was the Chief Executive Officer of ACGT Sdn Bhd, the biotechnology division of GENP, between February 2008 and February 2016. Before that, Mr Derrik Khoo was Genting Berhad’s Chief Innovation Officer between August 2006 and January 2008. He was the Chief Operating Officer of eGENTING, the information communications technology (ICT) arm of the Genting Group, between May 2002 and July 2006.

Mr Derrik Khoo currently volunteers and serves as an Advisor to Association of the Computer and Multimedia Industry of Malaysia (PIKOM), the National ICT Association of Malaysia. He previously served as an elected Councillor.

Mr Derrik Khoo completed a Senior Management Development Programme (SMDP) of Harvard Business School Alumni Club of Malaysia in 2010.

Ms Goh Lee Sian, (Malaysian, aged 53) is the SVP — Legal of Genting Berhad. 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 Berhad 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 US. She was called to the Malaysian Bar in 1987.

Mr Azmi bin Abdullah, (Malaysian, aged 54) is the Group Treasurer of Genting Berhad. He has been with the Genting Group since 1990. He holds a Bachelor of Science in Business Administration from the University of Missouri, Columbia, US and a Masters in Business Administration from the University of Missouri, Kansas City, US.

BOARD COMMITTEES

Formal board committees established by the Board of Genting Berhad, namely the Audit Committee, Nomination Committee and Remuneration Committee, assist the Board in the discharge of its duties.

Audit Committee

The Audit Committee was established in 1994 and comprises three members who are all Independent Non-Executive directors, namely Tan Sri Dr. Lin See Yan, Datuk Chin Kwai Yoong and Dato’ Dr. R. Thillainathan.

The Audit Committee oversees communication between non-Committee directors, the external auditors, internal auditors and the management on matters in connection with financial accounting, reporting and controls. The Audit Committee assists the Board in fulfilling its fiduciary responsibilities as to accounting policies and reporting practices of Genting Berhad and all subsidiaries and the sufficiency of auditing relative thereto. It is the Board's principal agent in assuring the independence of Genting Berhad's external auditors, the integrity of the Management and the adequacy of disclosures to shareholders.

Nomination Committee

The Nomination Committee was established in 2002 and comprises two members who are Independent Non-Executive directors, namely Tan Sri Dr. Lin See Yan and Dato' Dr. R. Thillainathan. The Nomination Committee is responsible for reviewing the Board's and senior management's succession planning, training for directors, identifying and recommending suitable candidates for appointment to the Board and board committees, assessing the effectiveness of the Board, board committees and individual directors, including the Chief Executive annually and reviewing the term of office and performance of the Audit Committee and each of its members annually.

Remuneration Committee

The Remuneration Committee was established in 2002 and comprises two members who are Independent Non-Executive directors, namely Datuk Chin Kwai Yoong and Tan Sri Dr. Lin See Yan.

The Remuneration Committee is responsible for making recommendations to the Board on the remuneration packages of executive directors and members of the board committees. In making recommendations to the Board, information provided by independent consultants and certain survey data are taken into consideration. The Board as a whole, determines the level of fees of Non-Executive directors and Executive directors. Directors' fees are approved at the Annual General Meeting of Genting Berhad by the shareholders. Individual directors do not participate in decisions regarding their own remuneration packages.

SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of Genting Berhad as per the Register of Substantial Shareholders as at 15 December 2016 are as follows:

	Number of shares			
	Direct interest	% of shares	Deemed interest	% of shares
Kien Huat Realty Sdn Berhad ("Kien Huat")	1,468,782,860	39.44	8,977,000 ^(a)	0.24
Kien Huat International Limited ("Kien Huat International")	—	—	1,477,759,860 ^(b)	39.68
Parkview as trustee of a discretionary trust	—	—	1,477,759,860 ^(c)	39.68
Oppenheimer Developing Markets Fund.	219,961,100	5.91	—	—
OppenheimerFunds, Inc. ("OFI")	—	—	255,541,300 ^(d)	6.86
Oppenheimer Acquisition, Corp.	—	—	255,541,300 ^(e)	6.86
MM Asset Management Holding LLC	—	—	260,971,400 ^(f)	7.01
MassMutual Holding LLC	—	—	260,971,400 ^(f)	7.01
Massachusetts Mutual Life Insurance Company	—	—	260,971,400 ^(f)	7.01

Notes:

- ^(a) Deemed interest through its subsidiary (Inverway Sdn Bhd)
- ^(b) Deemed interest through its subsidiary (Kien Huat) and Kien Huat's subsidiary (Inverway Sdn Bhd)
- ^(c) Deemed interest through its wholly-owned company (Kien Huat International) and Kien Huat International's subsidiaries (Kien Huat and Inverway Sdn Bhd). Parkview acts as trustee of a discretionary trust, the beneficiaries of which are TSLKT, his son Mr Lim Keong Hui and certain other family members.
- ^(d) Deemed interest through the direct shareholdings of the various funds (collectively, "Funds") which are managed by OFI and its subsidiary, OFI Global Institutional, Inc. ("OFI Global"). The voting rights of the shares in Genting Berhad which are registered in the name of the Funds are controlled by OFI or OFI Global, as the case may be.
- ^(e) Deemed interest through the direct shareholdings of the Funds, which are managed by its subsidiaries, OFI Global and OFI. The voting rights of the shares in Genting Berhad which are registered in the name of the Funds are controlled by OFI Global or OFI, as the case may be.
- ^(f) Deemed interest through the direct shareholdings of the Funds, which are managed by its subsidiaries, OFI Global, OFI and Baring International Fund Managers (Ireland) Limited. The voting rights of the shares in Genting Berhad which are registered in the name of the Funds are controlled by OFI Global, OFI or Baring International Fund Managers (Ireland) Limited, as the case may be.

CLEARING AND SETTLEMENT

See “Definitions” in “Conditions of the Notes” for the definitions of certain capitalized terms used in this section.

Investors in the Notes may hold Notes through Euroclear or Clearstream, Luxembourg. Initial settlement and all secondary trades will settle as described below. Although the Issuer understands that Euroclear and Clearstream, Luxembourg will comply with the procedures provided below in order to facilitate transfers of Notes among participants of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be modified or discontinued at any time. None of the Issuer, the Guarantor, the Trustee, the Registrar, the Transfer Agent, the Principal Paying Agent or any other agent of any of them will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

With respect to clearance and settlement through Euroclear and Clearstream, Luxembourg, the Issuer understands as follows:

THE CLEARING SYSTEMS

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg hold securities for participating organisations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg interface with domestic securities markets.

Euroclear and Clearstream, Luxembourg participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Initial Settlement

The Notes will be issued initially in the form of a Global Certificate in book-entry form and will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Investors' interests in Notes held in book-entry form by Euroclear or Clearstream, Luxembourg, as the case may be, will be represented through financial institutions acting on their behalf as direct and indirect participants in Euroclear or Clearstream, Luxembourg, as the case may be. In addition, Euroclear and Clearstream, Luxembourg may hold positions in the Notes on behalf of their participants through their respective depositories.

Investors electing to hold their Notes through Euroclear or Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional notes or bonds. Notes will be credited to the accounts of depositories and will be processed by Euroclear or Clearstream, Luxembourg in accordance with usual new issue procedures.

Because the purchaser determines the place of delivery, it is important to establish at the time of trading of any Notes where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Trading between Euroclear and/or Clearstream, Luxembourg participants

Secondary market trading between Euroclear participants and/or Clearstream, Luxembourg participants will be settled using the procedures applicable to conventional notes or bonds in same-day funds.

TAXATION

Isle of Man

All payments of principal or interest made by the Issuer under the Notes may be made without deduction of any Isle of Man withholding tax.

SUBSCRIPTION AND SALE

Citigroup Global Markets Ltd., J.P. Morgan Securities plc, DBS Bank Ltd. and SMBC Nikko Capital Markets Limited (the “Joint Lead Managers”) have, pursuant to a Subscription Agreement (the “Subscription Agreement”) dated 2017 severally agreed to subscribe or procure subscribers for the Notes at the issue price of per cent. of the principal amount of the Notes, less commissions set out in the Subscription Agreement. The Issuer and the Guarantor have agreed in the Subscription Agreement to indemnify and hold the Joint Lead Managers harmless against certain liabilities incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment to the Issuer.

The Joint Lead Managers and certain of their respective subsidiaries or affiliates have in the past provided, and may provide from time to time in the future, certain investment banking, financial advisory, commercial banking and other services for the Issuer, the Guarantor, Genting Berhad and/or their respective subsidiaries and affiliates, for which they have received and expect to continue receiving customary fees and expenses. The Joint Lead Managers and their respective subsidiaries or affiliates may, in their ordinary course of business, from time to time, engage in transactions with the Issuer, the Guarantor, Genting Berhad and/or their respective subsidiaries and affiliates (including without limitation transactions involving commercial lending, hedging, derivative and structured products).

In connection with the Offering of the Notes, the Joint Lead Managers and/or their respective affiliate(s) may act as an investor for its own account and may take up Notes in the Offering and in that capacity may retain, purchase or sell for its own account such securities and any securities of the Issuer, the Guarantor, Genting Berhad or related investments and may offer or sell such securities or other investments otherwise than in connection with the Offering. Accordingly, references herein to the Notes being offered should be read as including any offering of the Notes to the Joint Lead Managers and/or their respective affiliates acting in such capacity. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

United States

- (a) Each of the Joint Lead Managers understands that the Notes and the Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold within the US except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.
- (b) Each of the Joint Lead Managers has represented and agreed that it has not offered or sold the Notes and agrees that it will not offer, sell or deliver the Notes constituting part of its allotment within the US except in accordance with Rule 903 of Regulation S. Accordingly, neither it, its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes.

Terms used in the paragraphs (a) and (b) have the meanings given to them by Regulation S.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Joint Lead Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented

in that Relevant Member State it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular to the public in that Relevant Member State other than:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Joint Lead Manager or Joint Lead Managers nominated by the Issuer for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of the above paragraphs, the expression “an offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression “Prospectus Directive” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each Manager has represented and agreed that:

- (i) it has complied with, and will comply with, all applicable provisions of the Financial Services and Markets Act 2000 (the “FSMA”) with respect to anything done by it in relation to the Notes in, from or otherwise involving, the UK; and
- (ii) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor.

Hong Kong

Each Joint Lead Manager has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “SFO”) and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, (whether in Hong Kong or elsewhere) any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are

likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning ascribed to it in the SFO and any rules made under the SFO.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “FIEA”). Accordingly, each Joint Lead Manager has represented and agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

Each Joint Lead Manager has acknowledged that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the “MAS”). Accordingly, each Joint Lead Manager has represented, warranted and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase nor will it offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, nor has it circulated or distributed nor will it circulate or distribute this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

This Offering Circular has not been registered as a prospectus with the MAS. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor under Section 274 of the SFA, (b) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Isle of Man

Each Joint Lead Manager has represented and agreed that it has not made and will not make (on behalf of the Issuer) any invitation: (i) directly or indirectly to the public in the Isle of Man to subscribe for any Notes; and (ii) to subscribe for the Notes from a permanent place of business in the Isle of Man or hold itself out as "carrying on" a business in the Isle of Man within the meaning of the Isle of Man Financial Services Act 2008 (as amended from time to time) unless it holds the appropriate licence to do so.

Malaysia

Each Joint Lead Manager has acknowledged that no lodgement of the relevant documents with the Securities Commission Malaysia ("SC") has been or will be made and no approval from the SC under the Capital Markets and Services Act 2007 of Malaysia ("CMSA") has been or will be obtained and this Offering Circular has not been nor will it be registered with the SC as a prospectus under the CMSA for the offering or issuance of the Notes on the basis that the Notes will be offered or sold exclusively to persons outside Malaysia. Accordingly, each Joint Lead Manager has represented and warranted and agrees that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase nor will it offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, nor has it circulated or distributed, nor will it circulate or distribute, either this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Malaysia.

General

No action has been taken by the Issuer, the Guarantor or any of the Joint Lead Managers that would, or is intended to, permit a public offer of the Notes in any country or jurisdiction where any such action for that purpose is required. Accordingly, each of the Joint Lead Managers has undertaken that it will not, directly or indirectly, offer or sell any Notes or distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

RATINGS

The Notes are expected to be rated Baa1 by Moody's, and A- by Fitch. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

LEGAL MATTERS

Certain legal matters as to English law will be passed upon for the Genting Group by Shearman & Sterling (London) LLP. Certain legal matters as to Isle of Man law will be passed upon for the Genting Group by Cains. Certain legal matters as to Malaysian law will be passed upon for the Genting Group by Zul Rafique & partners. Certain legal matters as to English law will be passed upon for the Joint Lead Managers by Allen & Overy LLP. Certain legal matters as to Malaysian law will be passed upon for the Joint Lead Managers by Adnan Sundra & Low.

INDEPENDENT AUDITORS

Genting Berhad's consolidated financial statements as at and for the years ended 31 December 2013, 2014, and 2015 were audited by PricewaterhouseCoopers, Malaysia, chartered accountants, in accordance with approved standards on auditing in Malaysia, as stated in their reports included elsewhere in this Offering Circular. The Guarantor's consolidated financial statements as at and for the years ended 31 December 2013, 2014, and 2015 were audited by PricewaterhouseCoopers LLC, Isle of Man, chartered accountants, in accordance with approved standards on auditing in Malaysia, as stated in their reports included elsewhere in this Offering Circular.

GENERAL INFORMATION

Consents

No consents, approvals and authorisations from any governmental or other authorities in the Isle of Man are required to be obtained by the Issuer in connection with the issue and performance of the Notes and the Trust Deed. The issue of the Notes has been authorised by a resolution of the Board of the Issuer dated 6 January 2017.

No consents, approvals and authorisations from any governmental or other authorities in the Isle of Man are required to be obtained by the Guarantor in connection with the issue and performance of the Guarantee and the Trust Deed. The Guarantee has been authorised by a resolution of the Board of the Guarantor dated 6 January 2017.

The Keepwell Deed has been authorised by a resolution of the Board of the Issuer, the Guarantor and Genting Berhad dated 6 January 2017.

No Material Adverse Change

Except as otherwise disclosed in this Offering Circular, there has been no adverse change, or any development reasonably likely to involve an adverse change, in the condition (financial or otherwise) or general affairs of the Issuer or Guarantor since 30 September 2016 that is material in the context of the issue of the Notes or the Guarantee.

Documents Available

For so long as any of the Notes are outstanding, copies of the Trust Deed and the Keepwell Deed may be inspected during normal business hours on any weekday (except public holidays) at the principal office for the time being of the Principal Paying Agent.

For so long as any of the Notes are outstanding, copies of the Guarantor's audited financial statements for the last two financial years, if any, may be obtained during normal business hours on any weekday (except public holidays) at the principal office for the time being of the Principal Paying Agent.

Clearing System and Settlement

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg with a Common Code of . The International Securities Identification Number in respect of the Notes is .

Listing of the Notes

Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Notes by way of debt issues to professional investors only as described in this Offering Circular. The trading of the Notes on the Hong Kong Stock Exchange is expected to commence on or about 2017. Listing of the Notes on the Hong Kong Stock Exchange is conditional upon satisfaction of the requirements of such exchange. The Hong Kong Stock Exchange takes no responsibility for the correctness of any statements made on opinions or reports contained in this Offering Circular. Admission of the Notes to the official list of the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Notes or the Genting Group.

SUMMARY OF CERTAIN SIGNIFICANT DIFFERENCES BETWEEN FRS AND IFRS

The consolidated financial statements of Genting Berhad for the financial years ended 31 December 2013, 2014 and 2015 have been prepared in accordance with FRS, which differ in certain significant respects from IFRS.

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the MFRS. This IFRS-compliant framework applies to all entities other than private entities with the exception of entities that are within the scope of MFRS 141 “Agriculture” and IC Interpretation 15 “Agreements for Construction of Real Estates”, including its parent, significant investor and venture (herein called “Transitioning Entities”).

On 8 September 2015, MASB announced that in light of the International Accounting Standards Board’s deferral of IFRS 15 “Revenue from Contracts on Customers”, the effective date for the Transitioning Entities to apply the MFRS framework will also be deferred to 1 January 2018.

Genting Berhad falls within the scope definition of Transitioning Entities and accordingly, will adopt the MFRS Framework from the financial year beginning 1 January 2018.

This summary should not be construed to be exhaustive and the matters described below should not be expected to reveal all differences between FRS and IFRS that are relevant to Genting Berhad or the industries in which it operates. Genting Berhad’s management has made no attempt to quantify the impact of the differences between FRS and IFRS nor has any attempt been made to identify all disclosures, presentation or classification differences that would affect the manner in which transactions or events are presented in the financial information. Accordingly, it should not be construed that the following summary of certain differences between FRS and IFRS is complete.

Prospective investors should consult their own professional advisers for an understanding of the differences between FRS and IFRS and how those differences might affect the financial information contained herein.

The following is a summary of significant differences between FRS and IFRS as applicable to Genting Berhad.

1. Agriculture — Plantation development

Under the FRS framework, Genting Berhad’s accounting policy for plantation development is to capitalise the cost of new planting and development of plantation crops from stage of land clearing up to the stage of maturity. The cost of new planting capitalised is not amortised. However, where the cost of new planting is incurred on leasehold land which has unexpired period shorter than the crop’s economic life, the cost is amortised over the remaining period of the lease on a straight line basis. This cost is not amortised unless the cost of planting is on leasehold land of which the unexpired period is shorter than the crop’s economic life in which the cost is then amortised on a straight-line basis over the remaining unexpired period. Replanting expenditure is charged to profit or loss in the financial year in which the expenditure incurred.

Under the IFRS framework, IAS 41: Agriculture (“IAS 41”) requires biological assets (defined as a living animal or plant) to be measured at fair value less costs to sell unless it is not possible to measure fair value reliably, in which case, biological assets are then measured at cost. Gains and losses arising from changes in fair value less costs to sell of biological assets are recognised in the profit or loss. Agricultural produce harvested from biological assets are measured at fair value less costs to sell at point of harvest.

Effective from 1 January 2016, there are amendments made to IAS 16 “Property, plant and equipment” and IAS 41 on accounting for bearer plants. The amendments are to be applied retrospectively and introduce a new category of biological asset, i.e. bearer plants. A bearer plant is a living plant that is used in the production and supply of agricultural produce, is expected to bear produce for more than one period, and has remote likelihood of being sold as agricultural produce (except for incidental scrap sales).

Bearer plants are seen as similar to an item of machinery in a manufacturing plant, and therefore are treated the same way under IAS 16. Therefore, bearer plants are measured either at cost or revalued amounts, less accumulated depreciation and impairment losses. Before reaching maturity, bearer plants are measured at accumulated costs, similar to accounting for a self-constructed item of property, plant and equipment.

Agricultural produce growing on bearer plants continue to be measured at fair value less costs to sell under IAS 41, with fair value changes recognised in profit or loss as the produce grows.

2. Property development activities

(i) Revenue recognition for property under development

Under the FRS framework, in accordance with FRS 201 “Property Development Activities”, when the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised using the percentage of completion method. When the outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable of recovery, and property development costs on the development units sold are recognised as an expense when incurred. Foreseeable losses, if any, arising when it is probable that total property development costs (including expected defect liability expenditure) will exceed total property development revenue, are recognised immediately in the profit or loss.

Under the IFRS framework, in accordance with IC Interpretation 15 “Agreements for the Construction of Real Estate”, revenue is recognised when the control and significant risks and rewards of ownership of the real estate is transferred to the buyer. Depending on the contractual terms, the control and significant risks and rewards of ownership of the real estate may be transferred to the buyer at a single time or continuously as construction progresses. If the transfer is at a single time, revenue is recognised when the property is delivered to the buyer. If the control and significant risks and rewards of ownership of the work in progress in its current state is transferred to the buyer as construction progresses, revenue is recognised by reference to the stage of completion using the percentage of completion method.

(ii) Land held for property development

Under the FRS framework, land held for future development are stated at cost less impairment unless it has been previously recorded at revalued amounts, in which case, these amounts can be retained as surrogate costs. Under the IFRS framework, land held for future development are to be stated at the lower of cost and net realisable value.

GLOSSARY

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

Board	Board of directors
Bursa Securities	Bursa Malaysia Securities Berhad
CIO	Chief Information Officer
Clearstream, Luxembourg	Clearstream Banking S.A.
CMSA	Capital Markets and Services Act, 2007
Companies Act	Malaysian Companies Act, 1965
CRA	Casino Regulatory Authority of Singapore
Euroclear	Euroclear Bank S.A./N.V.
F&B	Food and beverage
FIEA	Financial Instruments and Exchange Act Japan of Japan (Act No. 25 of 1948, as amended)
Fitch	Fitch Inc. and its affiliates
FRS	Financial Reporting Standards
FSMA	Financial Services and Markets Act 2000
GENHK	Genting Hong Kong Limited
GENM	Genting Malaysia Berhad
GENM Group	GENM and its subsidiaries
GENP	Genting Plantations Berhad
GENP Group	GENP and its subsidiaries
GENS	Genting Singapore PLC
GENS Group	GENS and its subsidiaries
Genting Berhad	Genting Berhad
Genting Energy	Genting Energy Limited
Genting Group	Genting Berhad and its consolidated entities
Genting Oil & Gas	Genting Oil & Gas Limited
Genting Power	Genting Power Holdings Limited
Genting Property	Genting Property Sdn Bhd

Genting Unlisted Group	Genting Berhad and its unlisted subsidiaries
GENUK	Genting UK Plc
GENUK Group	GENUK and its subsidiaries
GHL	Golden Hope Limited
GICC	Genting International Convention Centre at the First World Hotel and First World Plaza
GITP	Genting Integrated Tourism Plan
GOHL/Guarantor	Genting Overseas Holdings Limited
IAS41	IAS 41: Agriculture
IFRS	International Financial Reporting Standards
Issuer	GOHL Capital Limited
IT	Information technology
Joint Lead Managers	Citigroup Global Markets Ltd., J.P. Morgan Securities plc, DBS Bank Ltd. and SMBC Nikko Capital Markets Limited
Kien Huat	Kien Huat Realty Sdn Berhad
Kien Huat International	Kien Huat International Limited
LVCC	Las Vegas Convention Center
MAS	Monetary Authority of Singapore
MASB	Malaysian Accounting Standards Board
MFRS	Malaysian Financial Reporting Standards
MICE	Meetings, Incentives, Conventions and Events
Moody's	Moody's Investor Service, Inc. and its affiliates
MW	Megawatts
OFI	OppenheimerFunds, Inc.
OFI Global	OFI Global Institutional, Inc.
Parkview	Parkview Management Sdn Bhd
Regulation S	Regulation S under the Securities Act
RHB Group	Rashid Hussain Berhad group of companies
RM	Ringgit Malaysia
RWB	Resorts World Bimini

RWG	Resorts World Genting
RWL	Resorts World Limited
RWLV	Resorts World Las Vegas
RWNYC	Resorts World Casino New York City
RWS	Resorts World Sentosa
RWSPL	Resorts World at Sentosa Pte. Ltd.
S\$	Singapore dollar
S&P	Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, and its affiliates
SC	Securities Commission Malaysia
Securities Act	United States Securities Act of 1933
SFA	Securities and Futures Act, Chapter 289 of Singapore
SFO	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
SVP	Senior Vice President
Trust Deed	a trust deed entered or to be entered into between the Issuer, the Guarantor and the Trustee
Trustee	The Bank of New York Mellon, London Branch
TSLKT	Tan Sri Lim Kok Thay
UK	United Kingdom
US	United States
US\$ and US dollar	US dollar

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Genting Berhad

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Notes:

- (1) The unaudited financial information of Genting Berhad as at and for the nine months period ended 30 September 2016 set out herein are reproduced from Genting Berhad's quarterly report for the quarter ended 30 September 2016 including the page number and page reference set forth in such quarterly report.
- (2) The audited consolidated financial statements of Genting Berhad as at and for the financial year ended 31 December 2014 and 2015 set out herein are reproduced from Genting Berhad's financial statements for the years ended 31 December 2014 and 2015, respectively, including the page numbers and page references set forth in such financial statements.

GOHL

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Note:

- (1) The audited consolidated financial statements of GOHL as at and for the financial year ended 31 December 2014 and 2015 set out herein are reproduced from GOHL's financial statements for the years ended 31 December 2014 and 2015, respectively, including the page numbers and page references set forth in such financial statements.



THIRD QUARTERLY REPORT

Quarterly report on consolidated results for the third quarter ended 30 September 2016. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/09/2016 RM'000	Preceding Year Corresponding Quarter 30/09/2015 RM'000	Current Year- To-Date 30/09/2016 RM'000	Preceding Year Corresponding Period 30/09/2015 RM'000
Revenue	4,683,695	4,645,440	13,612,751	13,180,935
Cost of sales	(2,992,005)	(3,369,925)	(9,386,693)	(9,375,041)
Gross profit	1,691,690	1,275,515	4,226,058	3,805,894
Other income	363,398	927,302	1,074,834	1,734,196
Net fair value loss on derivative financial instruments	(15,455)	(132,834)	(83,913)	(701,054)
Reversal of previously recognised impairment losses	195,225	186,459	195,225	227,044
Impairment losses	(16,082)	(257,452)	(77,762)	(422,435)
Other expenses	(561,841)	(768,049)	(2,007,112)	(1,539,358)
Finance cost	(164,089)	(149,789)	(511,231)	(397,495)
Share of results in joint ventures and associates	(40,824)	(3,158)	(64,983)	12,514
Profit before taxation	1,452,022	1,077,994	2,751,116	2,719,306
Taxation	(251,266)	(310,889)	(632,149)	(734,269)
Profit for the period	1,200,756	767,105	2,118,967	1,985,037
Profit attributable to:				
Equity holders of the Company	577,210	361,097	1,002,776	1,049,066
Holders of perpetual capital securities of a subsidiary	92,441	108,668	268,074	272,339
Non-controlling interests	531,105	297,340	848,117	663,632
	1,200,756	767,105	2,118,967	1,985,037
Earnings per share (sen) for profit attributable to equity holders of the Company:				
- Basic	15.50	9.71	26.96	28.22
- Diluted	15.40	9.71	26.72	27.96

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

Genting Berhad (7916-A)

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/09/2016 RM'000	Preceding Year Corresponding Quarter 30/09/2015 RM'000	Current Year- To-Date 30/09/2016 RM'000	Preceding Year Corresponding Period 30/09/2015 RM'000
Profit for the period	1,200,756	767,105	2,118,967	1,985,037
Other comprehensive income/(loss)				
Items that will be reclassified subsequently to profit or loss:				
Available-for-sale financial assets				
- Fair value loss	(93,929)	(694,598)	(436,692)	(957,571)
- Reclassification to profit or loss	(4,945)	255,060	39,819	180,671
Cash flow hedges				
- Fair value gain/(loss)	10,601	(101,535)	(94,251)	(112,917)
Share of other comprehensive income/(loss) of joint ventures and associates	5,393	28,290	(25,402)	36,339
Net foreign currency exchange differences	839,214	6,023,915	(1,782,472)	9,081,684
Other comprehensive income/(loss) for the period, net of tax	756,334	5,511,132	(2,298,998)	8,228,206
Total comprehensive income/(loss) for the period	1,957,090	6,278,237	(180,031)	10,213,243
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	1,034,043	3,500,786	(438,919)	5,625,164
Holders of perpetual capital securities of a subsidiary	187,905	775,684	189,743	1,303,901
Non-controlling interests	735,142	2,001,767	69,145	3,284,178
	1,957,090	6,278,237	(180,031)	10,213,243

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016

	As At 30 Sept 2016 RM'000	Audited As At 31 Dec 2015 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	31,262,235	31,139,374
Land held for property development	375,224	359,688
Investment properties	1,898,311	2,070,669
Plantation development	2,385,714	2,154,922
Leasehold land use rights	476,973	387,063
Intangible assets	6,337,369	6,666,618
Rights of use of oil and gas assets	4,313,389	4,458,182
Joint ventures	1,114,765	1,118,660
Associates	1,791,765	1,200,807
Available-for-sale financial assets	2,012,987	2,302,973
Derivative financial instruments	106,100	121,844
Deferred tax assets	333,054	393,293
Other non-current assets	6,537,154	4,642,362
	58,945,040	57,016,455
CURRENT ASSETS		
Property development costs	59,156	90,847
Inventories	518,872	480,620
Trade and other receivables	1,993,895	3,848,351
Amounts due from joint ventures and associates	15,753	12,161
Financial assets at fair value through profit or loss	8,330	8,068
Available-for-sale financial assets	1,561,373	1,566,556
Derivative financial instruments	20,609	93,133
Restricted cash	542,552	626,340
Cash and cash equivalents	22,344,177	23,612,902
	27,064,717	30,338,978
Assets classified as held for sale	1,739,005	2,077,079
	28,803,722	32,416,057
TOTAL ASSETS	87,748,762	89,432,512
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	375,002	374,320
Treasury shares	(221,206)	(219,597)
Reserves	32,387,309	32,463,004
	32,541,105	32,617,727
Perpetual capital securities of a subsidiary	6,906,770	7,071,496
Non-controlling interests	22,810,417	23,101,805
TOTAL EQUITY	62,258,292	62,791,028
NON-CURRENT LIABILITIES		
Long term borrowings	15,466,056	17,017,416
Deferred tax liabilities	1,869,289	1,891,794
Derivative financial instruments	350,773	270,714
Other non-current liabilities	975,917	494,441
	18,662,035	19,674,365
CURRENT LIABILITIES		
Trade and other payables	4,731,408	5,009,332
Amounts due to joint ventures	114,552	109,803
Short term borrowings	1,642,466	1,487,345
Derivative financial instruments	70,102	69,509
Taxation	269,907	291,130
	6,828,435	6,967,119
TOTAL LIABILITIES	25,490,470	26,641,484
TOTAL EQUITY AND LIABILITIES	87,748,762	89,432,512
NET ASSETS PER SHARE (RM)	8.74	8.78

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016

← Attributable to equity holders of the Company →

	Share Capital RM'000	Share Premium RM'000	Warrants Reserve RM'000	Revaluation Reserve RM'000	Fair Value Reserve RM'000	Cash Flow Hedge Reserve RM'000	Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total RM'000	Perpetual Capital Securities of a Subsidiary RM'000	Non- controlling Interests RM'000	Total Equity RM'000
At 1 January 2016	374,320	1,417,380	1,108,905	301,167	948,462	(203,303)	5,881,320	23,009,073	(219,597)	32,617,727	7,071,496	23,101,805	62,791,028
Profit for the period	-	-	-	-	-	-	-	1,002,776	-	1,002,776	268,074	848,117	2,118,967
Other comprehensive loss	-	-	-	-	(237,780)	(77,999)	(1,117,663)	(8,253)	-	(1,441,695)	(78,331)	(778,972)	(2,298,998)
Total comprehensive	-	-	-	-	(237,780)	(77,999)	(1,117,663)	994,523	-	(438,919)	189,743	69,145	(180,031)
Transfer due to realisation of revaluation reserve	-	-	-	(1,282)	-	-	-	1,282	-	-	-	-	-
Effects arising from changes in composition of the Group	-	-	-	-	-	117,014	-	299,528	-	416,542	-	50,181	466,723
Transfer upon expiry of share option scheme of a subsidiary	-	-	-	-	-	-	-	3,835	-	3,835	-	(3,835)	-
Effects of share-based payment	-	-	-	-	-	-	-	-	-	-	-	62,938	62,938
Issue of shares upon exercise of warrants	682	63,856	(10,219)	-	-	-	-	-	-	54,319	-	-	54,319
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(487,218)	(487,218)
Buy-back of shares by the Company	-	-	-	-	-	-	-	-	(1,609)	(1,609)	-	-	(1,609)
Perpetual capital securities distribution payable and paid by a subsidiary	-	-	-	-	-	-	-	-	-	-	(354,469)	-	(354,469)
Tax credit arising from perpetual capital securities of a subsidiary	-	-	-	-	-	-	-	19,543	-	19,543	-	17,401	36,944
Appropriation:													
Final single-tier dividend for financial year ended 31 December 2015	-	-	-	-	-	-	-	(130,333)	-	(130,333)	-	-	(130,333)
Balance at 30 September 2016	375,002	1,481,236	1,098,686	299,885	710,682	(164,288)	4,763,657	24,197,451	(221,206)	32,541,105	6,906,770	22,810,417	62,258,292

(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 2015)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

← Atributable to equity holders of the Company →

	Share Capital RM'000	Share Premium RM'000	Warrants Reserve RM'000	Revaluation Reserve RM'000	Fair Value Reserve RM'000	Cash Flow Hedge Reserve RM'000	Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total RM'000	Perpetual Securities of a Subsidiary RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 1 January 2015	374,305	1,416,014	1,109,124	305,853	1,259,555	(124,920)	1,052,918	21,650,588	(212,461)	26,830,976	6,098,882	20,128,880	53,058,738
Profit for the period	-	-	-	-	-	-	-	1,049,066	-	1,049,066	272,339	663,632	1,985,037
Other comprehensive (loss)/income	-	-	-	-	(541,289)	(105,947)	5,230,976	(7,642)	-	4,576,098	1,031,562	2,620,546	8,228,206
Total comprehensive (loss)/income for the period	-	-	-	-	(541,289)	(105,947)	5,230,976	1,041,424	-	5,625,164	1,303,901	3,284,178	10,213,243
Transfer due to realisation of revaluation reserve	-	-	-	(49)	-	-	-	49	-	-	-	-	-
Effects arising from changes in composition of the Group	-	-	-	-	-	-	-	(134,718)	-	(134,718)	-	(62,131)	(196,849)
Effects of share-based payment	-	-	-	-	-	-	-	-	-	-	-	58,922	58,922
Issue of shares upon exercise of warrants	15	1,366	(219)	-	-	-	-	-	-	1,162	-	-	1,162
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(393,892)	(393,892)
Buy-back of shares by the Company	-	-	-	-	-	-	-	-	(7,136)	(7,136)	-	-	(7,136)
Perpetual capital securities distribution payable and paid by a subsidiary	-	-	-	-	-	-	-	-	-	-	(360,430)	-	(360,430)
Tax credit arising from perpetual capital securities of a subsidiary	-	-	-	-	-	-	-	17,608	-	17,608	-	15,871	33,479
Appropriation:													
Final single-tier dividend for financial year ended 31 December 2014	-	-	-	-	-	-	-	(111,542)	-	(111,542)	-	-	(111,542)
Balance at 30 September 2015	374,320	1,417,380	1,108,905	305,804	718,266	(230,867)	6,283,894	22,463,409	(219,597)	32,221,514	7,042,353	23,031,828	62,295,695

(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 2015)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016

	Current Year-To-Date RM'000	Preceding Year Corresponding Period RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,751,116	2,719,306
Adjustments for:		
Depreciation and amortisation	1,398,890	1,396,095
Impairment losses and write off of receivables	616,456	631,195
Finance cost	511,231	397,495
Net exchange loss/(gain) – unrealised	219,451	(284,171)
Net fair value loss on derivative financial instruments	83,913	701,054
Impairment losses	77,762	422,435
Share of results in joint ventures and associates	64,983	(12,514)
Assets written off	16,724	31,667
Interest income	(750,217)	(391,729)
Reversal of previously recognised impairment losses	(195,225)	(227,044)
Construction profit	(100,657)	(10,785)
Investment income	(43,177)	(112,432)
Gain on deemed dilution of shareholding in associate	(26,068)	(103,969)
Net gain on disposal of available-for-sale financial assets	(4,835)	(215,912)
Deferred expenses written off	-	137,124
Other non-cash items	50,903	81,096
	<u>1,920,134</u>	<u>2,439,605</u>
Operating profit before changes in working capital	<u>4,671,250</u>	<u>5,158,911</u>
Net change in current assets	737,116	(375,680)
Net change in current liabilities	(412,243)	(390,965)
	<u>324,873</u>	<u>(766,645)</u>
Cash generated from operations	<u>4,996,123</u>	<u>4,392,266</u>
Tax paid (net of tax refund)	(557,379)	(809,333)
Retirement gratuities paid	(1,884)	(3,560)
Other operating activities	(874)	(4,919)
	<u>(560,137)</u>	<u>(817,812)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>4,435,986</u>	<u>3,574,454</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,552,986)	(2,509,520)
Increase in investments, intangible assets and other long term financial assets	(1,703,653)	(1,501,015)
Acquisition of subsidiaries (See Note below)	(106,754)	(130,515)
Interest received	304,165	200,190
Proceeds from disposal of property, plant and equipment	274,986	35,275
Proceeds from redemption of unquoted preference shares in a Malaysian corporation by a subsidiary	100,000	-
Proceeds from disposal of investments	35,970	1,746,920
Other investing activities	(23,127)	195,821
	<u>(3,671,399)</u>	<u>(1,962,844)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(3,671,399)</u>	<u>(1,962,844)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings and transaction costs	(3,399,513)	(879,313)
Finance cost paid	(494,039)	(335,039)
Dividends paid to non-controlling interests	(393,610)	(304,340)
Perpetual capital securities distribution paid by a subsidiary	(319,162)	(324,430)
Dividend paid	(130,333)	(111,542)
Buy-back of shares by the Company and subsidiaries	(3,973)	(366,315)
Proceeds from bank borrowings	2,446,142	1,348,853
Proceeds from changes in ownership interest in subsidiary	488,870	-
Restricted cash	63,719	88,551
Proceeds from issue of shares upon exercise of warrants	54,319	1,162
Purchase of shares by a subsidiary pursuant to its employee share scheme	-	(52,106)
Proceeds from issuance of Medium Term Notes from a subsidiary	-	2,400,000
Proceeds from issuance of Sukuk Murabahah from a subsidiary	-	1,000,000
Other financing activities	73,487	85,591
	<u>(1,614,093)</u>	<u>2,551,072</u>
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	<u>(1,614,093)</u>	<u>2,551,072</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(849,506)</u>	<u>4,162,682</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>23,612,902</u>	<u>16,391,246</u>
EFFECTS OF CURRENCY TRANSLATION	<u>(419,219)</u>	<u>3,180,600</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>22,344,177</u>	<u>23,734,528</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	19,019,248	19,430,050
Money market instruments	3,324,929	4,304,478
	<u>22,344,177</u>	<u>23,734,528</u>

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016 (Cont'd)

ACQUISITION OF SUBSIDIARIES

Fair value of net assets acquired and net cash outflow on acquisition of subsidiaries by Genting Plantations Berhad ("GENP") Group, which is 52.3% owned by the Company, are analysed as follows:

	As at date of acquisition RM'000
Plantation development	(122,443)
Leasehold land use rights	(85,927)
Property, plant and equipment	(2,611)
Inventories	(1,327)
Other receivables	(3,068)
Cash and bank balances	(926)
Trade and other payables	88,625
Deferred tax liabilities	1,452
Non-controlling interests	2,545
Total purchase consideration/Identifiable net assets acquired	(123,680)
Less : Cash and bank balances acquired	926
Deferred consideration payable	16,000
Net cash outflow on acquisition of subsidiaries	(106,754)

This acquisition relates to the GENP Group's acquisition of 100% equity interest in Cahaya Agro Abadi Pte Ltd and Palm Capital Investment Pte Ltd as disclosed in Note 7(ii) in Part II of this interim report. The purchase price allocation of the acquisition was provisional as at 30 September 2016 and the GENP Group expects to complete the final purchase price allocation exercise within the twelve-month window period from the acquisition date.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015)

GENTING BERHAD

NOTES TO THE INTERIM FINANCIAL REPORT – THIRD QUARTER ENDED 30 SEPTEMBER 2016

(I) Compliance with Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting

(a) Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with FRS 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 nine months ended 30 September 2016 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 2015. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2015 except for the adoption of new FRSs and amendments that are mandatory for the Group for the financial year beginning 1 January 2016:

- Annual Improvements to FRSs 2012-2014 Cycle.
- Amendments to FRS 10 “Consolidated Financial Statements”, FRS 12 “Disclosure of Interests in Other Entities” and FRS 128 “Investments in Associates and Joint Ventures” – Investment Entities: Applying the Consolidation Exception.
- Amendments to FRS 11 “Joint Arrangements” – Accounting for Acquisitions of Interests in Joint Operations.
- Amendments to FRS 101 “Presentation of Financial Statements” – Disclosure Initiative.
- Amendments to FRS 116 “Property, Plant and Equipment” and FRS 138 “Intangible Assets” – Clarification of Acceptable Methods of Depreciation and Amortisation.
- Amendment to FRS 127 “Separate Financial Statements” – Equity Method in Separate Financial Statements.

The adoption of these new FRSs and amendments does not have a material impact on the interim financial information of the Group.

Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRS Framework”).

The MFRS Framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 “Agriculture” and IC Interpretation 15 “Agreements for Construction of Real Estate”, including its parent, significant investor and venturer (herein called “Transitioning Entities”).

On 8 September 2015, MASB announced that in light of the International Accounting Standards Board’s deferral of IFRS 15 “Revenue from Contracts with Customers”, the effective date for the Transitioning Entities to apply the MFRS Framework will also be deferred to 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and accordingly, will adopt the MFRS Framework from the financial year beginning on 1 January 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. Adjustments required on transition, if any, will be made retrospectively against opening retained earnings.

(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**

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the nine months ended 30 September 2016.

(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) During the nine months ended 30 September 2016, the Company issued 6,823,993 new ordinary shares of 10 sen each, for cash arising from the exercise of warrants at exercise price of RM7.96 per ordinary share.
- ii) During the nine months ended 30 September 2016, the Company had purchased a total of 200,000 ordinary shares of 10 sen each of its issued share capital from the open market for a total consideration of RM1.6 million. The share buy-back transactions were financed by internally generated funds. The purchased shares are held as treasury shares in accordance with the requirements of Section 67A (as amended) of the Companies Act, 1965.

Other than the above, there were no other issuance, cancellation, share buy-back, resale and repayment of debt securities or equity securities for the nine months ended 30 September 2016.

(f) **Dividend Paid**

Dividend paid during the nine months ended 30 September 2016 is as follows:

RM'000

Final dividend paid on 28 July 2016 for the financial year ended 31 December 2015

- 3.5 sen per ordinary share of 10 sen each	<u>130,333</u>

(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 a geographic and industry perspective. 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 of financial assets, gain or loss on disposal of financial assets, gain or loss on deemed dilution of shareholdings in 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 analysis for the nine months ended 30 September 2016 is set out below:

A reconciliation of adjusted EBITDA to profit before tax is as follows:

Net fair value loss on derivative financial instruments
Gain on deemed dilution of shareholding in associate
Net gain on disposal of available-for-sale financial assets
Reversal of previously recognised impairment losses
Impairment losses
Depreciation and amortisation
Interest income
Finance cost
Share of results in joint ventures and associates
Others **

* The Group had accounted for the construction and development of the 660MW coal-fired power plant in the Banten Province, West Java, Indonesia ("Banten Plant") in accordance with FRS 111 "Construction Contracts" as required under IC Interpretation 12 "Service Concession Arrangements" whereby the construction profit is recognised based on the percentage of completion method. Construction revenue and costs of approximately RM795.5 million and RM694.8 million respectively, have been disclosed under the "Power" segment in the consolidated income statement for the nine months ended 30 September 2016 thereby generating a construction profit of RM100.7 million.

** Others include pre-opening and development expenses, assets written off, gain or loss on disposal of assets and share-based payment expenses.

(g) Segment Information (Cont'd)

RM'million	Leisure & Hospitality			Plantation			Power	Property	Oil & Gas	Investments & Others	Total

RM'million

A reconciliation of segment assets to total assets is as follows:

Segment assets	60,840.6
Interest bearing instruments	21,808.4
Joint ventures	1,114.8
Associates	1,791.8
Unallocated corporate assets	454.2
Assets classified as held for sale	1,739.0
Total assets	87,748.8

A reconciliation of segment liabilities to total liabilities is as follows:

Segment liabilities	6,176.4
Interest bearing instruments	17,174.9
Unallocated corporate liabilities	2,139.2
Total liabilities	25,490.5

(h) **Property, Plant and Equipment**

During the nine months ended 30 September 2016, acquisitions and disposals of property, plant and equipment by the Group were RM2,360.6 million and RM282.8 million respectively.

(i) **Material Events Subsequent to the End of the Financial Period**

On 11 November 2016, Genting Singapore PLC ("GENS") Group, an indirect 52.9% subsidiary of the Company, announced the following disposals (the "Disposals") which GENS has, through:

- (a) Algonia Pte. Ltd., a direct wholly owned subsidiary of GENS, entered into a conditional sale and purchase agreement with Landing International Development Limited ("LIDL") to dispose of its 100% interest in Callisto Business Limited ("Callisto") for a consideration of approximately USD420 million (equivalent to SGD588 million), assuming completion on 31 March 2017; and
- (b) Genting International Resorts Management Limited ("GIRML"), an indirect wholly owned subsidiary of GENS, entered into a conditional sale and purchase agreement with LIDL's direct wholly owned subsidiary, Landing Singapore Limited, to dispose of GIRML's 50% shareholding in Autumnglow Pte. Ltd. for SGD1.

Callisto's wholly owned subsidiary, Happy Bay Pte. Ltd., owns 50% of Landing Jeju Development Co., Ltd. which is developing an integrated resort in Jeju, Korea.

Completion of the Disposals will occur simultaneously and is expected to be in first quarter of 2017, conditional upon LIDL having obtained their shareholders' approval for the Disposals.

Other than the disclosure of the above and the completion of the disposal of shares in Note 7(i) in Part II of this interim report, there were no other material events subsequent to the end of the nine months ended 30 September 2016 that have not been reflected in this interim report.

(j) **Changes in the Composition of the Group**

On 31 May 2016, the Group completed the disposal of its 40% effective interest in PT Lestari Banten Energi, the project company that is developing a 660MW coal-fired power plant in West Java, Indonesia, to Jaderock Investment Singapore Pte Ltd, a wholly owned subsidiary of SDIC Power Holdings Co.,Ltd. The financial effects of the disposal have been included in the Condensed Consolidated Statement of Changes in Equity for the financial period ended 30 September 2016.

Other than the above and disclosure in Note 7(ii) in Part II of this interim report, there were no other material changes in the composition of the Group for the nine months ended 30 September 2016.

(k) **Changes in Contingent Liabilities or Contingent Assets**

There were no material changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2015.

(l) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 30 September 2016 are as follows:

	RM'million
Contracted	3,887.6
Not contracted	20,821.1
	<u>24,708.7</u>
Analysed as follows:	
- Property, plant and equipment	22,330.8
- Power concession assets (intangible assets and other non-current assets)	835.2
- Plantation development	649.4
- Investments	434.4
- Rights of use of oil and gas assets	388.0
- Leasehold land use rights	40.7
- Intangible assets	28.0
- Investment properties	2.2
	<u>24,708.7</u>

(m) **Significant Related Party Transactions**

Significant related party transactions which were entered into on agreed terms and prices for the current quarter and nine months ended 30 September 2016 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 2015 and the approved shareholders' mandates for recurrent related party transactions.

	Current quarter RM'000	Current financial year-to-date RM'000
<u>Group</u>		
i) Provision of share registration services and secretarial services by a wholly owned subsidiary of the Company to Genting Hong Kong Limited ("GENHK") Group.	7	20
ii) Licensing fee for the use of the name "Genting" charged by wholly owned subsidiaries of the Company to Genting Simon Sdn Bhd.	127	399
iii) Licensing fee for the use of a software charged by a wholly owned subsidiary of the Company to FreeStyle Gaming Limited, an indirect wholly owned subsidiary of Resorts World Inc Pte Ltd ("RWI").	16	43
iv) 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.	7,802	15,499
v) Interest income earned by indirect subsidiaries from their associates.	11,077	29,945
vi) Provision of management services by Genting Awanpura Sdn Bhd, a wholly owned subsidiary of GENP, to Genting Simon Sdn Bhd.	120	377
vii) Acquisitions of Cahaya Agro Abadi Pte Ltd and Palm Capital Investment Pte Ltd from Green Palm Capital Corp by an indirect subsidiary of GENP.	123,680	123,680
viii) Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the United States of America and the Bahamas charged by RWI Group to Genting Malaysia Berhad ("GENM") Group, which is 49.3% owned by the Company.	18,090	56,247
ix) Rental charges by Genting Development Sdn Bhd to GENM Group.	331	991
x) Provision of management and consultancy services on theme park and resort development operations by International Resort Management Services Pte Ltd ("IRMS") to GENM.	2,502	7,506
xi) Rental charges for premises by GENM Group to Warisan Timah Holdings Sdn Bhd.	630	1,729
xii) Provision of water supply services by an entity connected with a shareholder of BB Entertainment Ltd ("BBEL") to GENM Group.	671	1,803
xiii) Provision of maintenance services by entities connected with a shareholder of BBEL to GENM Group.	3,093	6,767
xiv) Rental charges for office space by GENM Group to GENHK Group.	719	2,101

(m) **Significant Related Party Transactions (Cont'd)**

		Current quarter RM'000	Current financial year-to-date RM'000
<u>Group</u>			
xv)	Provision of construction service by an entity connected with a shareholder of BBEL to GENM Group.	315	2,790
xvi)	Purchase of rooms by GENM Group from an entity connected with a shareholder of BBEL.	-	2,256
xvii)	Licensing fee for the use of Internet Gaming System platform in the United Kingdom charged by RWI Group to GENM Group.	276	842
xviii)	Licensing fee for the use of "Genting" intellectual property in United Kingdom charged by RWI Group to GENM Group.	-	6,003
xix)	Provision of aviation related services by GENM Group to GENHK Group.	334	1,092
xx)	Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by GENM Group to GENHK Group.	782	1,393
xxi)	Air ticketing services and provision of reservation and booking services rendered by GENHK Group to GENS Group.	2,140	6,201
xxii)	Sale of goods and services by GENS Group to GENHK Group.	2,122	2,122
xxiii)	Provision of goods and services by DCP (Sentosa) Pte Ltd to GENS Group.	13,906	49,801
xxiv)	Leasing of office space and related expenses by IRMS from GENS Group.	189	795
<u>Company</u>			
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.	50,123	143,963
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 GENM.	105,212	300,030
iii)	Finance cost charged by subsidiaries to the Company on the interest bearing portion of the amount due to subsidiaries.	45,715	136,047
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.	1,003	3,016

(m) **Significant Related Party Transactions (Cont'd)**

		Current quarter RM'000	Current financial year-to-date RM'000
<u>Company</u>			
v)	Rental charges for office space and related services by a subsidiary of GENM.	680	2,035
vi)	Provision of management and/or support services by subsidiaries to the Company.	633	1,791
vii)	Provision of management and/or support services by the Company to its subsidiaries, associates and joint ventures.	4,249	12,879

(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 September 2016, 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 fair value through profit or loss	8.3	-	-	8.3
Available-for-sale financial assets	845.6	1,342.7	1,386.1	3,574.4
Derivative financial instruments	-	126.7	-	126.7
Assets classified as held for sale	1,643.6	-	-	1,643.6
	2,497.5	1,469.4	1,386.1	5,353.0
Financial liability				
Derivative financial instruments	-	420.9	-	420.9

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2015.

The following table presents the changes in financial instruments classified within Level 3:

Available-for-sale financial assets	RM'million
As at 1 January 2016	1,589.6
Foreign exchange differences	(63.3)
Additions	106.3
Fair value changes – recognised in other comprehensive income	(144.7)
Investment income and interest income	13.2
Disposal	(14.3)
Transfer to investment in associates	(98.8)
Reclassification	(1.9)
As at 30 September 2016	1,386.1

There have been no transfers between the levels of the fair value hierarchy during the nine months ended 30 September 2016.

GENTING BERHAD
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – THIRD QUARTER ENDED 30 SEPTEMBER 2016
(II) Compliance with Appendix 9B of Bursa Securities Listing Requirements
1. Performance Analysis

The comparison of the results are tabulated below:

	Current Quarter			Preceding Quarter		Nine Months Ended 30 Sept		
	2016	2015	%	2Q 2016	%	2016	2015	%
	RM'million	RM'million	+/-	RM'million	+/-	RM'million	RM'million	+/-
Revenue								
Leisure & Hospitality								
- Malaysia	1,460.5	1,409.6	+4	1,349.3	+8	4,115.1	4,095.5	-
- Singapore	1,739.3	1,845.7	-6	1,415.5	+23	4,976.5	5,124.4	-3
- UK	380.0	268.7	+41	504.2	-25	1,413.1	919.8	+54
- US and Bahamas	321.7	312.6	+3	351.6	-9	1,023.7	937.3	+9
	3,901.5	3,836.6	+2	3,620.6	+8	11,528.4	11,077.0	+4
Plantation								
- Malaysia	260.9	217.0	+20	202.1	+29	611.3	605.8	+1
- Indonesia	83.3	48.8	+71	60.5	+38	199.5	150.5	+33
	344.2	265.8	+29	262.6	+31	810.8	756.3	+7
Power	290.7	385.3	-25	201.8	+44	849.1	779.2	+9
Property	47.1	55.5	-15	45.5	+4	143.7	190.9	-25
Oil & Gas	55.0	61.1	-10	51.4	+7	148.1	204.5	-28
Investments & Others	45.2	41.1	+10	43.5	+4	132.7	173.0	-23
	4,683.7	4,645.4	+1	4,225.4	+11	13,612.8	13,180.9	+3
Profit before tax								
Leisure & Hospitality								
- Malaysia	641.2	659.6	-3	611.8	+5	1,834.3	1,819.4	+1
- Singapore	713.0	615.6	+16	370.0	+93	1,673.6	2,043.3	-18
- UK	42.0	(86.7)	>100	92.8	-55	233.5	(148.4)	>100
- US and Bahamas	24.2	4.4	>100	51.8	-53	99.2	89.5	+11
	1,420.4	1,192.9	+19	1,126.4	+26	3,840.6	3,803.8	+1
Plantation								
- Malaysia	125.5	78.5	+60	68.4	+83	243.0	225.6	+8
- Indonesia	21.6	(9.3)	>100	(0.5)	>100	25.7	4.5	>100
	147.1	69.2	>100	67.9	>100	268.7	230.1	+17
Power	96.3	15.2	>100	16.2	>100	126.5	27.2	>100
Property	15.5	17.0	-9	11.7	+32	40.6	60.3	-33
Oil & Gas	46.1	46.5	-1	41.2	+12	128.0	149.3	-14
Investments & Others	(10.7)	604.1	>-100	(48.3)	+78	(371.3)	731.9	>-100
Adjusted EBITDA	1,714.7	1,944.9	-12	1,215.1	+41	4,033.1	5,002.6	-19
Net fair value loss on derivative financial instruments	(15.4)	(132.9)	+88	(38.9)	+60	(83.9)	(701.1)	+88
Net gain/(loss) on disposal of available-for-sale financial assets	5.0	(23.3)	>100	(0.2)	>100	4.8	215.9	-98
Gain on deemed dilution of shareholding in associate	-	40.8	-100	3.7	-100	26.1	104.0	-75
Reversal of previously recognised impairment losses	195.2	186.4	+5	-	NM	195.2	227.0	-14
Impairment losses	(16.1)	(257.4)	+94	-	NM	(77.8)	(422.4)	+82
Depreciation and amortisation	(459.9)	(464.6)	+1	(456.0)	-1	(1,398.9)	(1,396.1)	-
Interest income	269.6	142.2	+90	254.6	+6	750.2	391.7	+92
Finance cost	(164.1)	(149.8)	-10	(174.0)	+6	(511.2)	(397.5)	-29
Share of results in joint ventures and associates	(40.8)	(3.2)	>-100	(10.4)	>-100	(65.0)	12.5	>-100
Others	(36.2)	(205.1)	+82	(37.5)	+3	(121.5)	(317.3)	+62
	1,452.0	1,078.0	+35	756.4	+92	2,751.1	2,719.3	+1

NM = Not meaningful

Quarter ended 30 September 2016 compared with quarter ended 30 September 2015

The Group recorded total revenue of RM4,683.7 million for the current quarter, which was marginally higher than the previous year's corresponding quarter's revenue of RM4,645.4 million.

Resorts World Sentosa ("RWS") recorded a decline in revenue in the current quarter from both the gaming and non-gaming attractions. However, adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") improved compared with the previous year's corresponding quarter arising from cost efficiency initiatives implemented during the preceding quarter as well as lower impairment of trade receivables in the current quarter.

Higher revenue from Resorts World Genting ("RWG") in Malaysia was contributed mainly by higher hold percentage from the mid to premium segment of the business even though business volumes were lower. Adjusted EBITDA was however lower due mainly to higher operating expenses for the mid to premium segment of the business.

Higher revenue from the casino business in United Kingdom ("UK") was contributed mainly by better hold percentage from its premium players business ("High End Markets"), partially offset by a weaker Sterling Pound during the current quarter. Consequently, the higher revenue and higher debt recovery recorded during the current quarter contributed to an adjusted EBITDA compared with an adjusted loss before interest, tax, depreciation and amortisation ("LBITDA") in the previous year's corresponding quarter.

Revenue from the leisure and hospitality business in United States of America ("US") and Bahamas increased due mainly to an increase in the volume of business from the operations of Resorts World Casino New York City ("RWNYC operations") and Resorts World Bimini in Bahamas offset by the cessation of the Bimini SuperFast cruise ferry operations ("Bimini operations") in January 2016. Consequently, adjusted EBITDA increased due to higher revenue and lower operating expenses from its Bimini operations.

Revenue and adjusted EBITDA from Plantation-Malaysia and Plantation-Indonesia increased in the current quarter due mainly to stronger palm product selling prices despite lower FFB production.

Lower revenue from the Power Division was due mainly to lower construction revenue recognised as the percentage of completion of the 660MW coal-fired Banten Plant in Indonesia was lower in the current quarter compared with the previous year's corresponding quarter. However, the adjusted EBITDA was higher due mainly to lower costs of construction incurred.

Lower revenue and adjusted EBITDA from the Oil & Gas Division were due mainly to lower average oil prices in the current quarter.

The Group's share of results in joint ventures and associates for the current quarter was a share of net loss due mainly to the net loss suffered by the Meizhou Wan Power Plant as a result of impairment losses.

Profit before tax for the current quarter at RM1,452.0 million was an increase of 35% compared with previous year's corresponding quarter's profit of RM1,078.0 million. The increase was due mainly to lower net fair value loss on derivative financial instruments and lower impairment losses in the current quarter. The previous year's corresponding quarter had also included deferred expenses written off in respect of Bimini operations of RM137.1 million.

Nine months ended 30 September 2016 compared with nine months ended 30 September 2015

Group revenue for the current nine months was RM13,612.8 million, an increase of 3% compared with the previous year's nine months revenue of RM13,180.9 million.

Revenue from RWS declined in the current nine months, due mainly to its gaming operations whilst revenue from non-gaming attractions was comparable with that of the previous year's nine months. Consequently, RWS's adjusted EBITDA decreased due to the lower revenue and the inclusion of a one-off property tax refund of SGD102.7 million in the previous year's nine months adjusted EBITDA.

Revenue and adjusted EBITDA from RWG were comparable with that of the previous year's nine months.

The increase in revenue from the casino business in UK was due mainly to better hold percentage from the High End Markets and higher volume of business of its non-premium players business. The significantly higher revenue and debt recovery in the current nine months as compared with a high level of bad debts in the previous year's nine months contributed to an adjusted EBITDA compared with an adjusted LBITDA in the previous year's nine months.

Higher revenue from the leisure and hospitality business in the US and Bahamas was due mainly to higher volume of business from RWNYC operations. Consequently, adjusted EBITDA increased due to higher revenue and lower operating expenses following the cessation of Bimini SuperFast. However, these were partially offset by higher payroll costs for RWNYC operations and higher operating expenses relating to premium players business for Bimini operations.

Revenue and adjusted EBITDA from the Plantation Division increased during the current nine months due mainly to stronger palm product selling prices despite lower FFB production.

Higher revenue and adjusted EBITDA from the Power Division were due mainly to higher construction revenue recognised from the higher percentage of completion of the Banten Plant as well as lower construction costs incurred.

Lower revenue and adjusted EBITDA from the Property Division were due mainly to a substantially lower land sales concluded this year.

Lower revenue and adjusted EBITDA from the Oil & Gas Division were due mainly to lower average oil prices.

The LBITDA recorded by the "Investments & Others" segment in the current nine months was due mainly to net foreign exchange losses on net foreign currency denominated financial assets compared with net foreign exchange gains in the previous year's nine months.

The Group's share of results in joint ventures and associates for the current nine months was a share of net loss due mainly to the net loss suffered by the Meizhou Wan Power Plant as a result of impairment losses.

Profit before tax for the current nine months was RM2,751.1 million, comparable with RM2,719.3 million in the previous year's nine months.

2. Material Changes in Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter

The Group's profit before tax for the current quarter was RM1,452.0 million, an increase of 92% compared with RM756.4 million in the preceding quarter. The increase was mainly attributable to the higher adjusted EBITDA of the Group and a reversal of RM195.2 million in respect of previously recognised impairment losses mainly in respect of the UK casino licences in the current quarter.

Revenue from RWS for the current quarter improved significantly due to the favourable performance of its attractions and hotel business as well as improved VIP rolling win percentage. The higher revenue, improvement in operating margins arising from cost efficiency initiatives implemented from the preceding quarter and lower impairment of trade receivables contributed to a higher adjusted EBITDA in the current quarter.

RWG recorded higher adjusted EBITDA in the current quarter attributed to an improved hold percentage for the mid to premium segment of business offset by higher operating expenses for this segment.

The casino business in the UK recorded lower adjusted EBITDA due mainly to lower revenue and the impact of a weaker Sterling Pound in the current quarter.

Lower adjusted EBITDA from the leisure and hospitality business in US and Bahamas was due mainly to lower revenue and higher operating loss from Bimini operations in the current quarter.

The Plantation Division recorded higher adjusted EBITDA due to stronger palm product selling prices and seasonally higher FFB production compared with the preceding quarter.

Lower construction costs of the Banten Plant contributed to the higher adjusted EBITDA of the Power Division.

- * *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.*

<u>Listed subsidiaries</u>	<u>Announcement date</u>
Genting Singapore PLC	3 November 2016
Genting Plantations Berhad	23 November 2016
Genting Malaysia Berhad	24 November 2016

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 continues to place emphasis on enhancing its yielding capabilities, operational efficiencies and database marketing efforts whilst improving service delivery at RWG. Meanwhile, various attractions and facilities under the Genting Integrated Tourism Plan ("GITP") are geared towards a progressive opening before the year end. To this end, the GENM Group will continue to ramp up its pre-opening activities in the coming months. Upon completion, these exciting additions under the GITP are expected to elevate RWG's position as the destination resort of choice in the region;
- (b) With the on-going uncertainty in the gaming industry in Asia, RWS remains cautious of the VIP business. Since early 2016, RWS has scaled down this business segment and the provision for bad debts related to this segment has consequently reduced. RWS will continue to see improved margins in this segment over the next few quarters. Together with a measured approach in the premium mass market, RWS is confident of a sustainable earnings growth into the next year.

As Asia's middle class continues to grow and prosper, RWS's world-class attractions have been a foundation for it to market to the region. Its uniquely Singapore style Integrated Resort concept has served it well to position its resort branding. RWS continues to execute its transformational initiatives to anchor itself as Asia's premium lifestyle destination. This includes property enhancement projects which have already begun with the Maritime Experiential Museum ("MEM") upgrade at the existing property. The MEM, which is currently Asia's only maritime silk-road themed museum, is scheduled to unveil its fully refurbished facility with renewed content by end 2017. It will become a world class edutainment spot in Singapore complementing RWS's existing cluster of iconic themed attractions. GENM believes its commitment to RWS's continuous development and transformation in keeping with latest market trends and competition will drive Singapore's tourism to the next level of sustainable growth;

- (c) In the UK, the GENM Group remains cautious on the volatility implicit in the premium players business. The non-premium players business continued to perform well and the GENM Group will further grow its market share in this segment as well as improve its business efficiency. Additionally, there will be continuous efforts to stabilise the operations and grow business volumes at both Resorts World Birmingham and the online operation;
- (d) In the US, RWNYC continues to achieve steady business growth and has maintained its position as the leading gaming operator in the Northeast US amid growing regional competition. The GENM Group will continue to introduce measures and enhance its direct marketing efforts to encourage higher level of visitation and frequency of play to the property.

In the Bahamas, the GENM Group remains steadfast in its commitment to grow business volumes at Bimini following the full opening of the Hilton hotel in June 2016. The GENM Group will focus on implementing targeted marketing initiatives to drive increased visitation to the resort;

- (e) For the remaining months of 2016, the GENP Group's Plantation segment performance will be primarily influenced by the direction of palm oil prices along with the prospective supply trend as crop production emerges from the adverse lagged weather effects.

Palm oil prices, which have been bolstered by the depletion in the national inventory level amid a downturn in production, have largely remained firm in the fourth quarter of 2016 thus far as output comes off its seasonal peak. Therefore, barring any unforeseen circumstances, the GENP Group's average achieved palm product selling prices for the full year will likely be higher year-on-year.

On the production front, the GENP Group's overall output for 2016 is unlikely to match the level attained in the previous year in view of production being weighed down by the lagged weather effects despite increased harvesting areas and a more favourable age profile in Indonesia;

- (f) Consistent with seasonal weather patterns, the Jangi Wind Farm is expected to experience lower wind speeds due to the low wind season which started in September. The contribution from Jangi Wind Farm is expected to be marginal for the remaining period of this year. The profit contribution from the Banten Power Plant will continue to be steady as the plant approaches the end of its construction phase, with expected commercial operation date in the first quarter of 2017; and
- (g) The daily oil production of Genting CDX Singapore Pte Ltd from the Chengdaoxi Block in China is expected to increase in the fourth quarter compared with the previous quarter, arising from 7 new wells that are coming online. The Kasuri Block will incur moderate capital expenditure relating to studies undertaken for the development phase.

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 nine months ended 30 September 2016 are set out below:

	Current quarter RM'000	Current financial year-to-date RM'000
Current taxation		
Malaysian income tax charge	42,589	310,791
Foreign income tax charge	84,511	273,062
	127,100	583,853
Deferred tax charge	157,585	95,738
	284,685	679,591
Prior period taxation		
Income tax over provided	(33,419)	(47,442)
	251,266	632,149

The effective tax rate of the Group for the current quarter and nine months ended 30 September 2016 was lower than the Malaysian statutory income tax rate due mainly to tax incentives and income not subject to tax, 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 quarter RM'000	Current financial year-to-date RM'000
Charges:		
Finance cost	164,089	511,231
Depreciation and amortisation	459,865	1,398,890
Impairment losses and write off of receivables	155,072	616,456
Impairment losses	16,082	77,762
Net loss on disposal of property, plant and equipment	216	6,410
(Gain)/Loss on disposal of unquoted available-for-sale financial assets	(4,923)	2,518
Inventories written off	130	369
Net fair value loss on derivative financial instruments	15,455	83,913
Net foreign exchange (gain)/loss	(44,191)	222,954
Credits:		
Interest income	269,595	750,217
Investment income	12,983	43,177
Reversal of previously recognised impairment losses	195,225	195,225
Gain on disposal of quoted available-for-sale financial assets	98	7,353
Gain on deemed dilution of shareholding in associate	-	26,068

7. Status of Corporate Proposals Announced

(i) Proposed disposal of GENHK shares

- i) On 27 September 2016, the Company received an offer from Golden Hope Limited ("GHL") to acquire the entire 20,096,000 ordinary shares of USD0.10 each in GENHK ("GENHK Shares") held by Genting Overseas Holdings Limited ("GOHL"), a direct wholly owned subsidiary of the Company, at a price of USD0.29 per GENHK Share.

On 30 September 2016, GOHL entered into a sale and purchase agreement to dispose its entire 20,096,000 GENHK Shares to GHL at a price of USD0.29 per GENHK Share for a total cash consideration of USD5,827,840 (approximately RM24.0 million) ("Proposed Disposal"). The Proposed Disposal was completed on 21 October 2016.

- ii) On 6 April 2016, GENM announced its proposal to seek the approval from its non-interested shareholders to renew the mandate for Resorts World Limited ("RWL"), an indirect wholly owned subsidiary of GENM, to dispose of the entire 1,431,059,180 ordinary shares of USD0.10 each in GENHK ("Disposal Mandate"). On 1 June 2016, the Disposal Mandate was approved by the non-interested shareholders of GENM and is valid for a period of 1 year from approval date.

On 30 September 2016, RWL entered into a share sale agreement with GHL, to dispose of the entire GENHK shares at a price of USD0.29 per share for a total cash consideration of USD415 million (or the equivalent of approximately RM1,710 million). The disposal was completed on 21 October 2016.

(ii) **Proposed acquisition of 100% equity interest in Cahaya Agro Abadi Pte Ltd (“CAA”) and Palm Capital Investment Pte Ltd (“PCI”) from Green Palm Capital Corp (“GPCC”) (“Proposed Acquisitions”)**

On 27 June 2016, GENP announced that PalmIndo Holdings Pte Ltd (“PalmIndo”), a 73.685% indirect subsidiary of GENP, had on 27 June 2016 entered into the following agreements with GPCC, a related party:

- i) a conditional sale and purchase agreement for the purpose of acquiring 1 ordinary share of SGD1.00 in CAA representing 100% equity interest in CAA from GPCC for a cash consideration of USD34,550,000. CAA holds, through its 95.0% owned subsidiary in Indonesia, PT Agro Abadi Cemerlang (“PT AAC”), the rights to develop approximately 8,095 hectares of land in Kabupaten Sanggau, Provinsi Kalimantan Barat, Republic of Indonesia, into an oil palm plantation;
- ii) a conditional sale and purchase agreement for the purpose of acquiring 1 ordinary share of SGD1.00 in PCI representing 100% equity interest in PCI from GPCC for a cash consideration of USD7,600,000. PCI holds, through its 95.0% owned subsidiary in Indonesia, PT Palma Agro Lestari Jaya (“PT PALJ”), the rights to develop approximately 13,900 hectares of land in Kabupaten Sintang, Provinsi Kalimantan Barat, Republic of Indonesia, into an oil palm plantation.

Pursuant to the terms of the sale and purchase agreements, the CAA Due Diligence Exercise and PCI Due Diligence Exercise to verify the value of the planted and unplanted areas of PT AAC’s Land and PT PALJ’s Land for development into an oil palm plantation under their respective Izin Lokasi have been completed and the aggregate of the CAA Purchase Price and PCI Purchase Price is determined to be USD48,040,474 which was satisfied via a cash outlay of USD26,174,484 and assumption by PalmIndo of outstanding liabilities on Completion Date of USD21,865,990.

Accordingly, the Proposed Acquisitions were completed on 15 September 2016. Following the completion of the Proposed Acquisitions, CAA and PCI have become effective 73.685% owned subsidiaries of GENP and hence, PT AAC and PT PALJ, which are 95% owned subsidiaries of CAA and PCI respectively, have become effective 70.0% owned subsidiaries of GENP.

Other than the above, there were no other corporate proposals announced but not completed as at 17 November 2016.

8. Group Borrowings and Debt Securities

The details of the Group’s borrowings and debt securities as at 30 September 2016 are as set out below:

	Secured/ Unsecured	Foreign Currency 'million		RM Equivalent 'million
Short term borrowings	Secured	USD	64.7	266.6
	Secured	SGD	182.1	551.8
	Unsecured	GBP	63.0	337.5
	Unsecured	USD	118.2	486.6
Long term borrowings	Secured	USD	1,125.4	4,634.9
	Secured	SGD	1,037.5	3,143.1
	Secured			56.5
	Unsecured	GBP	119.7	641.2
	Unsecured			6,990.4

9. Outstanding Derivatives

As at 30 September 2016, 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
<u>Cross Currency Swaps</u>		
USD	299.8	
- Less than 1 year		1.0
- 1 year to 3 years		9.4
- More than 3 years		96.7
SGD	181.8	
- Less than 1 year		(7.0)
- 1 year to 3 years		(14.5)
- More than 3 years		(33.4)
<u>Interest Rate Swaps</u>		
USD	2,827.7	
- Less than 1 year		(57.8)
- 1 year to 3 years		(111.5)
- More than 3 years		(190.2)
GBP	353.5	
- Less than 1 year		(4.3)
- 1 year to 3 years		(1.2)
<u>Forward Foreign Currency Exchange</u>		
SGD	14.9	
- Less than 1 year		1.4
USD	61.8	
- Less than 1 year		1.1
<u>Foreign Currency Exchange Option</u>		
USD	103.0	
- Less than 1 year		1.1
<u>Commodity Collar</u>		
USD	N/A	
- Less than 1 year		15.0

During the nine months ended 30 September 2016, GENM Group has entered into foreign currency exchange forward contracts and foreign currency exchange option contracts to hedge against the exposure of its foreign exchange risk.

Other than the above, there is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2015:

- the credit risk, market risk and liquidity risk associated with these financial derivatives;
- the cash requirements of the financial derivatives; and
- the policy in place for mitigating or controlling the risks associated with these financial derivatives.

10. **Fair Value Changes of Financial Liabilities**

The details of fair value changes of financial liabilities for the current quarter and nine months ended 30 September 2016 are as follows:

Type of financial liabilities	Current quarter fair value gain RM'million	Current financial year-to-date fair value loss RM'million	Basis of fair value measurement	Reasons for the loss
Interest Rate Swaps	1.7	(6.0)	Interest rate differential between the fixed contracted rate and the current market fixing rate.	The interest rates differential between the contracted rate and the market rate up to the respective maturity dates of the contracts have moved unfavourably for the Group.

11. **Changes in Material Litigation**

There were no pending material litigations since the last financial year ended 31 December 2015 and up to 17 November 2016.

12. **Dividend Proposed or Declared**

No dividend has been proposed or declared for the current quarter and nine months ended 30 September 2016.

13. **Earnings Per Share ("EPS")**

- (a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter and nine months ended 30 September 2016 is as follows:

	Current quarter RM'000	Current financial year-to-date RM'000
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic EPS)	577,210	1,002,776
Net impact on earnings on potential exercise of Performance Share Scheme awarded to executives of the Company's subsidiary and warrants issued to shareholders of the Company's subsidiary	(512)	(513)
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Diluted EPS)	576,698	1,002,263

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter and nine months ended 30 September 2016 is as follows:

	Current quarter No. of shares '000	Current financial year-to-date No. of shares '000
Weighted average number of ordinary shares in issue (used as denominator for the computation of Basic EPS)	3,723,762	3,719,449
Adjustment for potential conversion of warrants	<u>21,803</u>	<u>31,042</u>
Weighted average number of ordinary shares in issue (used as denominator for the computation of Diluted EPS)	<u>3,745,565</u>	<u>3,750,491</u>

14. Realised and Unrealised Profits/Losses

The breakdown of the retained profits of the Group as at 30 September 2016, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

	As at the end of current quarter RM'million	As at the end of last financial year RM'million
Total retained profits/(accumulated losses):		
- Realised	35,705.7	33,826.6
- Unrealised	<u>(1,714.0)</u>	<u>(1,355.7)</u>
	33,991.7	32,470.9
Total share of retained profits/(accumulated losses) from associates:		
- Realised	362.2	393.9
- Unrealised	<u>(16.8)</u>	<u>(21.6)</u>
Total share of retained profits from joint ventures:		
- Realised	194.9	228.7
- Unrealised	<u>19.8</u>	<u>-</u>
	34,551.8	33,071.9
Less: Consolidation adjustments	<u>(10,354.3)</u>	<u>(10,062.8)</u>
Total Group retained profits	<u>24,197.5</u>	<u>23,009.1</u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purposes of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

15. Exemption for Kien Huat Realty Sdn Berhad (“KHR”) and persons acting in concert with it (“PACs”) from the obligation to undertake a mandatory take-over

On 6 November 2013, KHR and PACs obtained approval from the Securities Commission Malaysia to exempt KHR and the PACs from the obligation to undertake a mandatory take-over offer on the remaining voting shares in the Company not already held by them upon the exercise of the warrants by KHR and/or the PACs (“Exemption”). The Exemption is effective until:

- (i) the full exercise of the 424,632,772 warrants subscribed by KHR and the PACs; or
- (ii) the expiry of the warrants on 18 December 2018; or
- (iii) the Exemption is no longer relevant when the collective shareholding of KHR and the PACs is more than 50% of the voting shares or voting rights of the Company.

whichever occurs first.

As at 17 November 2016, KHR and the PACs collectively hold 1,698,531,090 voting shares and 424,632,772 warrants in the Company representing approximately 45.61% and 57.88% of the total outstanding voting shares and warrants in the Company, and have not acquired any voting shares, voting rights or warrants since the Exemption came into effect on 6 November 2013, other than the 424,632,772 warrants subscribed by them under the non-renounceable restricted issue of new warrants in December 2013.

Assuming only KHR and the PACs exercise their warrants in full (but not other warrant holders), then the total voting shares held by KHR and the PACs will increase to 2,123,163,862 representing approximately 51.18% in the Company, and a mandatory take-over offer obligation for the remaining voting shares in the Company will not arise from the exercise of the warrants provided that the Exemption remains in effect.

16. 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 2015 did not contain any qualification.

17. 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 24 November 2016.

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
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INCOME STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

Amounts in RM million unless otherwise stated

	Note(s)	Group		Company	
		2015	2014	2015	2014
Continuing operations:					
Revenue	5 & 6	18,100.4	18,216.5	1,237.0	1,005.5
Cost of sales	7	<u>(12,958.7)</u>	<u>(11,906.3)</u>	<u>(100.8)</u>	<u>(96.3)</u>
Gross profit		5,141.7	6,310.2	1,136.2	909.2
Other income		2,038.6	1,262.7	175.6	127.3
Selling and distribution costs		(442.5)	(382.1)	-	-
Administration expenses		(1,026.9)	(1,385.7)	(16.8)	(17.2)
Reversal of previously recognised impairment losses	8	227.0	22.6	-	-
Impairment losses	8	(456.0)	(265.0)	(177.5)	(88.4)
Other expenses					
- net fair value loss on derivative financial instruments		(585.1)	(415.3)	-	-
- others		(986.6)	(497.4)	(28.9)	(27.6)
Finance cost	9	(558.9)	(437.0)	(180.8)	(216.9)
Share of results in joint ventures	24	111.3	86.3	-	-
Share of results in associates	25	<u>(16.6)</u>	<u>(37.0)</u>	<u>-</u>	<u>-</u>
Profit before taxation	5 & 9	3,446.0	4,262.3	907.8	686.4
Taxation	12	<u>(848.3)</u>	<u>(1,108.7)</u>	<u>(131.0)</u>	<u>(120.8)</u>
Profit for the financial year from continuing operations		2,597.7	3,153.6	776.8	565.6
Discontinued operations:					
Loss for the financial year from discontinued operations, net of taxation	13	<u>-</u>	<u>(7.5)</u>	<u>-</u>	<u>-</u>
Profit for the financial year		<u>2,597.7</u>	<u>3,146.1</u>	<u>776.8</u>	<u>565.6</u>

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
& SUBSIDIARIES

INCOME STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2015	2014	2015	2014
Profit attributable to:					
Equity holders of the Company		1,388.0	1,496.1	776.8	565.6
Holders of perpetual capital securities of a subsidiary		361.1	311.5	-	-
Non-controlling interests		848.6	1,338.5	-	-
		<u>2,597.7</u>	<u>3,146.1</u>	<u>776.8</u>	<u>565.6</u>
Earnings/(Loss) per share for profit attributable to the equity holders of the Company:					
Basic (sen)					
- from continuing operations	14	37.34	40.47		
- from discontinued operations	14	-	(0.20)		
		<u>37.34</u>	<u>40.27</u>		
Diluted (sen)					
- from continuing operations	14	37.22	38.96		
- from discontinued operations	14	-	(0.19)		
		<u>37.22</u>	<u>38.77</u>		

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GENTING BERHAD (Incorporated in Malaysia)
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STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

Amounts in RM million unless otherwise stated

	Note	Group 2015	Group 2014	Company 2015	Company 2014
Profit for the financial year		2,597.7	3,146.1	776.8	565.6
Other comprehensive income/(loss)					
Item that will not be reclassified subsequently to profit or loss:					
Actuarial gain/(loss) on retirement benefit liability		<u>8.6</u>	<u>(7.0)</u>	<u>-</u>	<u>-</u>
		<u>8.6</u>	<u>(7.0)</u>	<u>-</u>	<u>-</u>
Items that will be reclassified subsequently to profit or loss:					
Available-for-sale financial assets					
- Fair value loss		<u>(768.2)</u>	<u>(1,039.0)</u>	<u>-</u>	<u>-</u>
- Reclassification to profit or loss		<u>411.8</u>	<u>(274.4)</u>	<u>-</u>	<u>-</u>
		<u>(356.4)</u>	<u>(1,313.4)</u>	<u>-</u>	<u>-</u>
Cash flow hedges					
- Fair value loss		<u>(82.1)</u>	<u>(131.5)</u>	<u>-</u>	<u>-</u>
Share of other comprehensive income of joint ventures	24	<u>6.7</u>	<u>2.5</u>	<u>-</u>	<u>-</u>
Share of other comprehensive income of associates	25	<u>35.8</u>	<u>15.4</u>	<u>-</u>	<u>-</u>
Net foreign currency exchange differences		<u>8,416.9</u>	<u>1,446.7</u>	<u>-</u>	<u>-</u>
		<u>8,020.9</u>	<u>19.7</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the financial year, net of tax	12	<u>8,029.5</u>	<u>12.7</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the financial year		<u>10,627.2</u>	<u>3,158.8</u>	<u>776.8</u>	<u>565.6</u>
Total comprehensive income attributable to:					
Equity holders of the Company		<u>5,822.4</u>	<u>1,431.5</u>	<u>776.8</u>	<u>565.6</u>
Holders of perpetual capital securities of a subsidiary		<u>1,333.7</u>	<u>424.8</u>	<u>-</u>	<u>-</u>
Non-controlling interests		<u>3,471.1</u>	<u>1,302.5</u>	<u>-</u>	<u>-</u>
		<u>10,627.2</u>	<u>3,158.8</u>	<u>776.8</u>	<u>565.6</u>

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
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STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

Amounts in RM million unless otherwise stated

	Note	Group 2015	2014	Company 2015	2014
ASSETS					
Non-Current Assets					
Property, plant and equipment	16	31,139.4	25,887.6	1.7	2.6
Land held for property development	17	359.7	343.3	-	-
Investment properties	18	2,070.7	1,729.6	-	-
Plantation development	19	2,154.9	1,712.1	-	-
Leasehold land use rights	20	387.1	305.3	-	-
Intangible assets	21	6,666.6	5,461.7	-	-
Rights of use of oil and gas assets	22	4,458.2	3,171.3	-	-
Subsidiaries	23	-	-	14,116.4	13,803.5
Amounts due from subsidiaries	23	-	-	68.7	71.0
Joint ventures	24	1,118.7	637.6	-	-
Associates	25	1,200.8	1,064.2	-	-
Available-for-sale financial assets	27	2,303.0	2,856.2	-	-
Derivative financial instruments	42	121.8	99.1	215.6	134.3
Other non-current assets	28	4,642.3	2,413.5	-	-
Deferred tax assets	29	393.3	303.5	20.2	18.4
		<u>57,016.5</u>	<u>45,985.0</u>	<u>14,422.6</u>	<u>14,029.8</u>
Current Assets					
Property development costs	17	90.8	60.0	-	-
Inventories	30	480.6	419.5	-	-
Trade and other receivables	31	3,751.5	4,083.8	15.9	1.7
Current tax assets		96.8	32.8	-	-
Amounts due from subsidiaries	23	-	-	30.6	44.8
Amounts due from joint ventures	24	3.5	9.3	-	-
Amounts due from associates	25	8.7	3.1	-	-
Financial assets at fair value through profit or loss	26	8.1	7.2	-	-
Available-for-sale financial assets	27	1,566.6	5,680.8	200.0	200.0
Derivative financial instruments	42	93.1	2.5	-	-
Restricted cash	32	626.3	584.2	0.1	-
Cash and cash equivalents	32	23,612.9	16,391.2	1,225.5	923.7
		<u>30,338.9</u>	<u>27,274.4</u>	<u>1,472.1</u>	<u>1,170.2</u>
Assets classified as held for sale	33	2,077.1	37.9	-	-
		<u>32,416.0</u>	<u>27,312.3</u>	<u>1,472.1</u>	<u>1,170.2</u>
Total Assets		<u>89,432.5</u>	<u>73,297.3</u>	<u>15,894.7</u>	<u>15,200.0</u>

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GENTING BERHAD (Incorporated in Malaysia)
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STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2015 (Cont'd)

Amounts in RM million unless otherwise stated

	Note	Group 2015	2014	Company 2015	2014
EQUITY AND LIABILITIES					
Equity Attributable to Equity Holders of the Company					
Share capital	34	374.3	374.3	374.3	374.3
Treasury shares	35	(219.6)	(212.5)	(219.6)	(212.5)
Reserves	36	32,463.1	26,672.4	11,970.9	11,304.4
		<u>32,617.8</u>	<u>26,834.2</u>	<u>12,125.6</u>	<u>11,466.2</u>
Perpetual capital securities of a subsidiary	37	7,071.5	6,098.9	-	-
Non-controlling interests		23,101.8	20,132.3	-	-
Total Equity		<u>62,791.1</u>	<u>53,065.4</u>	<u>12,125.6</u>	<u>11,466.2</u>
Non-Current Liabilities					
Long term borrowings	38	17,017.4	10,714.9	-	-
Amounts due to subsidiaries	23	-	-	3,592.2	3,591.8
Deferred tax liabilities	29	1,891.8	1,416.0	-	-
Derivative financial instruments	42	270.7	203.8	-	-
Provisions	39	458.4	409.5	84.8	78.3
Other non-current liabilities	40	36.0	42.0	-	-
		<u>19,674.3</u>	<u>12,786.2</u>	<u>3,677.0</u>	<u>3,670.1</u>
Current Liabilities					
Trade and other payables	41	5,009.4	4,346.1	33.2	35.2
Amounts due to subsidiaries	23	-	-	33.8	17.4
Amounts due to joint ventures	24	109.8	29.0	-	-
Short term borrowings	38	1,487.3	1,837.7	-	-
Derivative financial instruments	42	69.5	658.2	-	-
Taxation		291.1	574.0	25.1	11.1
		<u>6,967.1</u>	<u>7,445.0</u>	<u>92.1</u>	<u>63.7</u>
Liabilities classified as held for sale	33	-	0.7	-	-
		<u>6,967.1</u>	<u>7,445.7</u>	<u>92.1</u>	<u>63.7</u>
Total Liabilities		<u>26,641.4</u>	<u>20,231.9</u>	<u>3,769.1</u>	<u>3,733.8</u>
Total Equity and Liabilities		<u>89,432.5</u>	<u>73,297.3</u>	<u>15,894.7</u>	<u>15,200.0</u>

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

Amounts in RM million unless otherwise stated

Note(s)	Share Capital	Share Premium	Warrants Reserve	Revaluation Reserve	Fair Value Reserve	Attributable to equity holders of the Company			Treasury Shares	Total	Perpetual Securities of a Subsidiary	Non-controlling Interests	Total Equity
						Cash Flow	Reserve on Exchange Differences	Retained Earnings					
Group													
At 1 January 2015	374.3	1,416.0	1,109.1	305.9	1,259.5	(124.9)	1,056.2	21,650.6	(212.5)	26,834.2	6,098.9	20,132.3	53,065.4
Profit for the financial year	-	-	-	-	-	-	-	1,388.0	-	1,388.0	361.1	848.6	2,597.7
Other comprehensive (loss)/income	-	-	-	-	(311.0)	(78.4)	4,825.1	(1.3)	-	4,434.4	972.6	2,622.5	8,029.5
Total comprehensive (loss)/income for the financial year	-	-	-	-	(311.0)	(78.4)	4,825.1	1,386.7	-	5,822.4	1,333.7	3,471.1	10,627.2
Transfer due to realisation of revaluation reserve	-	-	-	(4.7)	-	-	-	4.7	-	-	-	-	-
Transactions with owners:													
Effects arising from changes in composition of the Group	-	-	-	-	-	-	-	(128.6)	-	(128.6)	-	327.8	199.2
Transfer upon expiry of share option scheme of a subsidiary	-	-	-	-	-	-	-	183.7	-	183.7	-	(183.7)	-
Buy-back of shares by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(358.4)	(358.4)
Effects of share-based payment	-	-	-	-	-	-	-	-	-	-	-	85.3	85.3
Perpetual capital securities distribution payable and paid by a subsidiary	-	-	-	-	-	-	-	-	-	-	(361.1)	-	(361.1)
Tax credit arising from perpetual capital securities of a subsidiary	-	-	-	-	-	-	-	23.5	-	23.5	-	21.1	44.6
Total changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	78.6	-	78.6	(361.1)	(107.9)	(390.4)
Issue of shares upon exercise of warrants	-	1.4	(0.2)	-	-	-	-	-	-	1.2	-	-	1.2
Buy-back of shares by the Company	-	-	-	-	-	-	-	-	(7.1)	(7.1)	-	-	(7.1)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(393.7)	(393.7)
Appropriation:													
Final single-tier dividend for the financial year ended 31 December 2014	-	-	-	-	-	-	-	(111.5)	-	(111.5)	-	-	(111.5)
Total contributions by and distributions to owners	-	1.4	(0.2)	-	-	-	-	(111.5)	(7.1)	(117.4)	-	(393.7)	(511.1)
Total transactions with owners	-	1.4	(0.2)	-	-	-	-	(32.9)	(7.1)	(38.8)	(361.1)	(501.6)	(901.5)
Balance as at 31 December 2015	374.3	1,417.4	1,108.9	301.2	948.5	(203.3)	5,881.3	23,009.1	(219.6)	32,617.8	7,071.5	23,101.8	62,791.1

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**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

Amounts in RM million unless otherwise stated

Note(s)	Attributable to equity holders of the Company												
	Share Capital	Share Premium	Warrants Reserve	Revaluation Reserve	Fair Value Reserve	Cash Flow Hedge Reserve	Reserve on Exchange Differences	Retained Earnings	Treasury Shares	Total	Perpetual Capital Securities of a Subsidiary	Non-controlling Interests	Total Equity
Group At 1 January 2014	371.9	1,195.5	1,144.4	307.2	2,093.9	(1.6)	161.9	20,251.7	(210.9)	25,314.0	5,985.6	19,273.0	50,572.6
	-	-	-	-	-	-	-	1,496.1	-	1,496.1	311.5	1,338.5	3,146.1
	-	-	-	-	(834.4)	(123.3)	894.3	(1.2)	-	(64.6)	113.3	(36.0)	12.7
	-	-	-	-	(834.4)	(123.3)	894.3	1,494.9	-	1,431.5	424.8	1,302.5	3,158.8
	-	-	-	(1.3)	-	-	-	1.3	-	-	-	-	-
	-	-	-	-	-	-	-	(83.8)	-	(83.8)	-	271.9	188.1
	-	-	-	-	-	-	-	-	-	-	-	(454.8)	(454.8)
	-	-	-	-	-	-	-	-	-	-	-	85.9	85.9
	-	-	-	-	-	-	-	-	-	-	(311.5)	-	(311.5)
	-	-	-	-	-	-	-	23.7	-	23.7	-	22.0	45.7
34 & 36	-	-	-	-	-	-	-	(60.1)	-	(60.1)	(311.5)	(75.0)	(446.6)
	2.4	220.5	(35.3)	-	-	-	-	-	-	187.6	-	-	187.6
	-	-	-	-	-	-	-	-	(1.6)	(1.6)	-	-	(1.6)
	-	-	-	-	-	-	-	-	-	-	-	(368.2)	(368.2)
	-	-	-	-	-	-	-	(37.2)	-	(37.2)	-	-	(37.2)
	2.4	220.5	(35.3)	-	-	-	-	(37.2)	(1.6)	148.8	-	(368.2)	(219.4)
	2.4	220.5	(35.3)	-	-	-	-	(97.3)	(1.6)	88.7	(311.5)	(443.2)	(666.0)
	374.3	1,416.0	1,109.1	305.9	1,259.5	(124.9)	1,056.2	21,650.6	(212.5)	26,834.2	6,098.9	20,132.3	53,065.4
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
15	-	-	-	-	-	-	-	-	-	(37.2)	-	-	(37.2)
	2.4	220.5	(35.3)	-	-	-	-	(37.2)	(1.6)	148.8	-	(368.2)	(219.4)
Total contributions by and distributions to owners	2.4	220.5	(35.3)	-	-	-	-	(97.3)	(1.6)	88.7	(311.5)	(443.2)	(666.0)
	374.3	1,416.0	1,109.1	305.9	1,259.5	(124.9)	1,056.2	21,650.6	(212.5)	26,834.2	6,098.9	20,132.3	53,065.4
Total transactions with owners													
Balance as at 31 December 2014													

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STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

Amounts in RM million unless otherwise stated

Company	Note(s)	Share Capital	Share Premium	Warrants Reserve	Distributable		Total
					Retained Earnings	Treasury Shares	
At 1 January 2015		374.3	1,416.0	1,109.1	8,779.3	(212.5)	11,466.2
Profit for the financial year		-	-	-	776.8	-	776.8
Transactions with owners:							
Issue of shares upon exercise of warrants	34 & 36	-	1.4	(0.2)	-	-	1.2
Buy-back of shares		-	-	-	-	(7.1)	(7.1)
Appropriation:							
Final single-tier dividend for the financial year ended 31 December 2014	15	-	-	-	(111.5)	-	(111.5)
Total transactions with owners		-	1.4	(0.2)	(111.5)	(7.1)	(117.4)
Balance as at 31 December 2015		374.3	1,417.4	1,108.9	9,444.6	(219.6)	12,125.6
At 1 January 2014		371.9	1,195.5	1,144.4	8,250.9	(210.9)	10,751.8
Profit for the financial year		-	-	-	565.6	-	565.6
Transactions with owners:							
Issue of shares upon exercise of warrants	34 & 36	2.4	220.5	(35.3)	-	-	187.6
Buy-back of shares		-	-	-	-	(1.6)	(1.6)
Appropriation:							
Interim single-tier dividend for the financial year ended 31 December 2014	15	-	-	-	(37.2)	-	(37.2)
Total transactions with owners		2.4	220.5	(35.3)	(37.2)	(1.6)	148.8
Balance as at 31 December 2014		374.3	1,416.0	1,109.1	8,779.3	(212.5)	11,466.2

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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

Amounts in RM million unless otherwise stated

	Note	2015	Group 2014	2015	Company 2014
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation					
- Continuing operations		3,446.0	4,262.3	907.8	686.4
- Discontinued operations		-	12.3	-	-
		<u>3,446.0</u>	<u>4,274.6</u>	<u>907.8</u>	<u>686.4</u>
Adjustments for:					
Depreciation and amortisation		1,904.6	1,824.2	1.3	1.5
Impairment losses and write off of receivables		772.5	689.2	-	-
Net fair value loss/(gain) on derivative financial instruments		585.1	415.3	(81.3)	(5.6)
Finance cost		558.9	465.4	180.8	216.9
Impairment losses		456.0	265.0	177.5	88.4
Deferred expenses written off		137.1	-	-	-
Provision for share-based payments		85.3	86.0	-	-
Property, plant and equipment ("PPE") written off		37.3	71.3	-	-
Provision for onerous lease		24.0	8.1	-	-
Provision for retirement gratuities		22.1	35.3	6.5	9.8
Share of results in associates		16.6	37.0	-	-
Net loss/(gain) on disposal of available-for-sale financial assets		11.0	(419.0)	-	-
Fair value adjustment of long term receivables		10.6	39.4	-	-
Net fair value loss/(gain) on financial assets at fair value through profit or loss		0.7	(3.0)	-	-
Inventories written off		0.6	1.7	-	-
Interest income		(580.9)	(383.3)	(34.5)	(65.6)
Reversal of previously recognised impairment losses		(227.0)	(22.6)	-	-
Net unrealised exchange gain		(111.9)	(174.7)	(45.9)	(10.8)
Share of results in joint ventures		(111.3)	(86.3)	-	-
Gain on deemed dilution of shareholding in associate		(107.5)	(6.0)	-	-
Dividend income		(107.1)	(116.2)	(619.7)	(388.1)
Gain arising on acquisition of business		(52.4)	-	-	-
Construction profit		(43.5)	(10.3)	-	-
Income from available-for-sale financial assets		(39.0)	(25.7)	(7.6)	(5.8)
Gain from sale of land		(4.1)	-	-	-
Net (gain)/loss on disposal of PPE		(0.4)	0.6	-	-
Assets classified as held for sale written down		-	73.5	-	-
Loss on disposal of discontinued operations	13(a)	-	3.5	-	-
Net surplus arising from compensation in respect of land acquired by the Government		-	(7.4)	-	-
Gain on disposal of assets held for sale		-	(7.1)	-	-
Reversal of contingent losses		-	-	-	(22.5)
Waiver of net amount due from a wholly owned subsidiary		-	-	-	22.4
Other non-cash items		17.9	7.2	-	-
		<u>3,255.2</u>	<u>2,761.1</u>	<u>(422.9)</u>	<u>(159.4)</u>
Operating profit before changes in working capital		6,701.2	7,035.7	484.9	527.0
Working capital changes:					
Property development costs		(9.0)	52.0	-	-
Inventories		(22.9)	(25.4)	-	-
Receivables		(700.9)	(1,783.9)	(13.5)	5.5
Payables		(256.3)	315.3	(2.0)	1.6
Amounts due from/to associates		(5.1)	(3.1)	-	-
Amounts due from/to joint ventures		65.5	(30.9)	-	-
Amounts due from subsidiaries		-	-	(6.6)	0.7
		<u>(928.7)</u>	<u>(1,476.0)</u>	<u>(22.1)</u>	<u>7.8</u>

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
& SUBSIDIARIES

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

Amounts in RM million unless otherwise stated

	Note	2015	Group 2014	2015	Company 2014
Cash generated from operations		5,772.5	5,559.7	462.8	534.8
Taxation paid		(1,014.4)	(1,168.8)	(118.8)	(135.0)
Payment of retirement gratuities		(5.0)	(5.6)	-	(0.1)
Advance membership fees		(4.6)	(3.3)	-	-
Taxation refunded		16.0	32.5	-	-
Other operating activities		(21.0)	(15.2)	-	-
		(1,029.0)	(1,160.4)	(118.8)	(135.1)
NET CASH FLOW FROM OPERATING ACTIVITIES		4,743.5	4,399.3	344.0	399.7
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of PPE		(3,468.4)	(2,669.9)	(0.4)	(0.2)
Purchase of investments		(1,004.5)	(3,926.3)	(263.1)	(1,664.4)
Payment for rights of use of oil and gas assets		(644.9)	(1,480.2)	-	-
Loan to an associate		(423.9)	(253.1)	-	-
Investment in joint venture		(321.9)	-	-	-
Acquisition of subsidiaries	(a)	(146.5)	(228.4)	-	-
Plantation development expenditure		(100.2)	(113.6)	-	-
Acquisition of business	(b)	(44.7)	-	-	-
Purchase of leasehold land use rights		(37.6)	(45.3)	-	-
Costs incurred on land held for property development		(22.8)	(17.6)	-	-
Purchase of intangible assets		(20.6)	(25.7)	-	-
Net cash outflow arising on disposal of subsidiaries	(c)	(10.0)	-	-	-
Purchase of investment properties		(2.4)	(70.2)	-	-
Proceeds from disposal of investments		2,727.8	4,385.4	-	-
Interest received		297.0	277.8	33.8	34.8
Dividends received		95.6	114.8	392.3	388.1
Dividends received from joint ventures		70.2	29.4	-	-
Income received from available-for-sale financial assets		39.2	25.0	7.6	5.1
Proceeds from disposal of PPE		37.4	14.1	-	-
Proceeds from disposal of a subsidiary and sale of land		20.0	-	-	-
Dividends received from associates		11.5	8.9	-	-
Proceeds received from redemption of preference shares by a joint venture		2.7	8.1	-	-
Acquisition of an associate		-	(254.0)	-	-
Long term prepaid lease		-	(32.7)	-	-
Net proceeds received from divestment in a subsidiary		-	31.8	-	-
Net cash inflow arising on disposal of discontinued operations	13(d)	-	29.7	-	-
Proceeds from disposal of assets classified as held for sale		-	9.4	-	-
Advances to subsidiaries		-	-	(129.4)	(65.7)
Proceeds from redemption of shares by a subsidiary		-	-	-	113.3
Repayment of advances from subsidiaries		-	-	44.8	-
Other investing activities		0.5	6.1	-	-
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES		(2,946.5)	(4,176.5)	85.6	(1,189.0)

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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

Amounts in RM million unless otherwise stated

	Note	2015	Group 2014	2015	Company 2014
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of borrowings and transaction costs		(1,624.3)	(3,444.6)	-	-
Finance cost paid		(537.9)	(459.4)	(56.3)	(79.3)
Dividends paid to non-controlling interests		(393.7)	(368.2)	-	-
Perpetual capital securities distribution paid		(361.1)	(311.5)	-	-
Buy-back of shares by the subsidiaries		(358.4)	(454.8)	-	-
Dividends paid		(111.5)	(37.2)	(111.5)	(37.2)
Purchase of shares by a subsidiary pursuant to its employee share scheme		(57.3)	-	-	-
Buy-back of shares by the Company		(7.1)	(1.6)	(7.1)	(1.6)
Proceeds from bank borrowings		2,400.8	2,291.6	-	-
Proceeds from issuance of Medium Term Notes by a subsidiary		2,400.0	-	-	-
Proceeds from issuance of Sukuk Murabahah by a subsidiary		1,000.0	-	-	-
Proceeds from issue of shares to non-controlling interests		124.8	92.8	-	-
Net movement in restricted cash		67.0	(123.8)	-	-
Proceeds from issue of shares upon exercise of warrants		1.2	187.6	1.2	187.6
Repayment of borrowing to a subsidiary		-	-	-	(970.2)
Repayment of borrowing from a subsidiary		-	-	-	1,110.1
Borrowing from a subsidiary and transaction costs		-	-	-	150.0
Other financing activities		-	8.6	-	-
NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		2,542.5	(2,620.5)	(173.7)	359.4
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		4,339.5	(2,397.7)	255.9	(429.9)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		16,391.2	18,308.7	923.7	1,341.0
EFFECT OF CURRENCY TRANSLATION		2,882.2	480.2	45.9	12.6
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		23,612.9	16,391.2	1,225.5	923.7
ANALYSIS OF CASH AND CASH EQUIVALENTS					
Bank balances and deposits	32	20,012.9	14,792.2	717.8	501.2
Money market instruments	32	3,600.0	1,599.0	507.7	422.5
		23,612.9	16,391.2	1,225.5	923.7

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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Acquisition of Subsidiaries

- (i) Fair value of net assets acquired and net cash outflow on acquisition of a subsidiary are analysed as follows:

	2015 As at the date of acquisition
Property, plant and equipment	(1.8)
Intangible assets	(51.3)
Other non-current assets	(36.7)
Trade and other receivables	(2.5)
Trade and other payables	4.0
Deferred tax liabilities	33.6
Fair value of net identifiable assets	(54.7)
Goodwill arising from acquisition	(34.7)
Less: Contingent consideration	5.3
Net cash outflow on acquisition of a subsidiary	(84.1)

This relates to acquisition of subsidiary as disclosed in Note 45(a) to the financial statements. The Group had completed the final purchase price allocation (“PPA”) exercise on the above acquisition during the current financial year.

The revenue and the net loss of the above acquired subsidiary which have been included in the consolidated income statement of the Group for the period from the date of acquisition to 31 December 2015 amounted to RM13.6 million and RM25.3 million respectively. Had the acquisition taken effect on 1 January 2015, the revenue and net loss of the above acquired subsidiary which would be included in the consolidated income statement of the Group would be RM15.2 million and RM25.3 million respectively. These amounts have been determined using the Group’s accounting policies.

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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS (Cont'd)

(a) Acquisition of Subsidiaries (cont'd)

- (ii) Fair value of net assets acquired and net cash outflow on acquisition of a subsidiary by Genting Plantations Berhad ("GENP") Group, which is 52.9% owned by the Company, are analysed as follows:

	2015 As at the date of acquisition
Plantation development	(119.0)
Leasehold land use rights	(16.3)
Other payables	26.1
	(109.2)
Non-controlling interest	40.2
Total purchase consideration/ Identifiable net assets acquired	(69.0)
Less: Deferred consideration payable	22.6
Net cash outflow on acquisition of a subsidiary	(46.4)

This acquisition relates to the 95% equity interest acquired in PT United Agro Indonesia as disclosed in Note 45(d). The purchase price allocation of the acquisition was provisional as at 31 December 2015 and the GENP Group expects to complete the final purchase price allocation exercise within the twelve-month window period from the acquisition date.

The revenue and the net loss of the above acquired subsidiary which have been included in the consolidated income statement of the Group for the period from the date of acquisition to 31 December 2015 amounted to RM0.4 million and RM0.2 million respectively. Had the acquisition taken effect on 1 January 2015, the revenue and net profit of the above acquired subsidiary which would be included in the consolidated income statement of the Group would be RM0.6 million and RM0.4 million respectively. These amounts have been determined using the Group's accounting policies.

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GENTING BERHAD (Incorporated in Malaysia)
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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS (Cont'd)

(a) Acquisition of Subsidiaries (cont'd)

- (iii) Fair value of the net assets acquired and net cash outflow on acquisition of a subsidiary by Genting Malaysia Berhad (“GENM”) Group, which is 49.3% owned by the Company, are analysed as follows:

	2015 As at the date of acquisition
Property, plant and equipment	(1.1)
Intangible assets	(5.8)
Trade and other receivables	(5.1)
Cash and cash equivalents	(30.0)
Trade and other payables	12.7
Amounts due to related companies	23.1
Total identifiable net assets acquired	(6.2)
Goodwill arising from acquisition	(39.8)
Less: Cash and cash equivalents acquired	30.0
Net cash outflow on acquisition of a subsidiary	(16.0)

On 1 October 2015, Nedby Limited, an indirect wholly owned subsidiary of GENM entered into a conditional sale and purchase agreement with RWI International Investments Limited (“RWI International”), a joint venture of the Group, to acquire from RWI International all the issued and paid up capital of Genting Alderney Limited (“Genting Alderney”) for a total consideration of GBP7.2 million (equivalent to approximately RM46.0 million). The acquisition was completed on 30 November 2015 and Genting Alderney became an indirect wholly owned subsidiary of GENM.

The fair value of the assets (including intangible assets) and liabilities ensuing from the acquisition had been determined based on provisional fair values assigned to identifiable assets and liabilities on acquisition date. Any adjustments to these provisional fair values upon finalisation of the detailed Purchase Price Allocation exercise will be recognised in intangible assets and property, plant and equipment within 12 months of the acquisition date as permitted by FRS 3 “Business Combinations”. The residual goodwill on acquisition represents the value of assets and earnings that do not form separable assets under FRS 3 but nevertheless are expected to contribute to the future results of the Group.

The revenue and net loss of the above acquired subsidiary included in the consolidated income statement of the Group for the period from 1 December 2015 to 31 December 2015 amounted to RM4.3 million and RM2.0 million, respectively. Had the acquisition taken effect on 1 January 2015, the revenue and net loss of the acquired subsidiary included in the consolidated income statement of the Group would have been RM57.5 million and RM20.9 million, respectively. These amounts have been determined using the Group’s accounting policies.

GENTING BERHAD (Incorporated in Malaysia)
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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (Cont'd)

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS (Cont'd)

(b) Acquisition of Business

On 11 September 2014, BB Entertainment Limited ("BBEL"), an indirect 78% owned subsidiary of GENM, entered into an agreement to acquire land from RAV Bahamas Limited, a non-controlling shareholder of BBEL, for a total consideration of USD24.6 million (equivalent to approximately RM91.5 million). The transaction was completed on 12 February 2015. The Group considers the acquisition of land which includes certain properties with restaurants as an acquisition of business and accordingly had accounted for the acquisition as a business combination under FRS 3.

The effect of the acquisition of business is as follows:

	2015 As at date of acquisition of business
Purchase consideration, representing net cash outflow of acquisition	
- via cash consideration	(44.7)
- via issuance of shares	(46.8)
	<u>(91.5)</u>
Fair value of land acquired	<u>143.9</u>
Gain arising from acquisition of business	<u>52.4</u>

The fair value of the land acquired had been determined based on the provisional valuation by independent professional valuer. The excess of fair value of the land which includes business acquired and purchase consideration represents gain from bargain purchase. This gain has been credited to and recorded as other income in profit or loss during the current financial year ended 31 December 2015.

(c) Net Cash Outflow Arising on Disposal of Subsidiaries

The details of the net assets disposed and cash flow arising from the disposal of subsidiaries as disclosed in Note 45(b) are as follows:

	2015 As at the date of disposal
Inventories	0.8
Cash and cash equivalents	25.9
Trade and other payables	(0.1)
Non-controlling interest	(10.6)
Net assets disposed off	<u>16.0</u>
Loss on disposal of subsidiaries	(0.1)
Cash proceeds from disposal	<u>15.9</u>
Less: Cash and cash equivalents in subsidiaries disposed off	<u>(25.9)</u>
Net cash outflow on disposal of subsidiaries	<u>(10.0)</u>

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2015

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, the generation and supply of electric power, property development and management, tours and travel related services, genomics and life sciences research and development, investments 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 48 to the financial statements.

There have been no 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 Financial Reporting Standards (“FRS”), the Malaysian Accounting Standards Board (“MASB”) Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and the provisions of the Companies Act, 1965.

The Group, which includes transitioning entities, has elected to continue to apply FRS for the current financial year. The Group will be adopting the new IFRS-compliant framework, Malaysian Financial Reporting Standards (“MFRS”) from the financial year beginning on 1 January 2018. In adopting the new framework, the Group will be applying MFRS 1 “First-time adoption of MFRS”.

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 FRS 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) Income taxes

The Group is subject to income taxes in numerous jurisdictions in which the Group operates. Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. The Group also recognised certain tax recoverables for which the Group believes that there is reasonable basis for recognition. 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 provisions and tax recoverable balance in the period in which such determination is made.

(ii) Exploration costs

Exploration cost is accounted for in accordance with the full cost method. Under this method, all costs relating to the exploration activities 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.

BASIS OF PREPARATION (Cont'd)

Judgements and estimations (cont'd)

(iii) Intangible assets

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 21.

In addition, the Group recognises costs incurred on development projects as intangible assets to the extent that the capitalisation criteria in FRS 138 - Intangible Assets are met. The Group uses its judgement in determining whether the milestone payments for research and development expertise and capacity in genomics meet the capitalisation criteria so as to enable the amount to be capitalised. The future commercial viability of these intangible assets is assessed by using discounted cash flow valuation technique, which requires the Group to use estimates and assumptions concerning the future.

(iv) Impairment of trade receivables

Management reviews its trade receivables for objective evidence of impairment. Adverse changes in background reputation and financial capability of the debtor, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor.

Where there is objective evidence of impairment, management uses estimates based on credit-worthiness of the debtors, past repayment history for each debtor and historical loss experience for debtors with similar credit risk characteristics to determine the amount to be impaired. The methodology and assumptions used are reviewed regularly to reduce any differences between the estimated loss and actual loss experience.

(v) Property, plant and equipment

The Group conducts a regular operational review of the estimated useful lives of property, plant and equipment to better reflect their useful lives. Genting Singapore PLC ("GENS"), an indirect 52.9% subsidiary of the Company, has performed a review for the current financial year and the effect of the review has resulted in a reduction of the GENS Group's depreciation expenses by SGD28.4 million (approximately RM80.6 million). The impact of the change in estimated useful lives for each of the next five years approximates that of the current financial year.

(vi) Impairment and valuation of available-for-sale financial assets

Pursuant to paragraph 61 of FRS 139 "Financial Instruments: Recognition and Measurement", a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is objective evidence of impairment. The Group has recognised impairment losses in the income statement in respect of equity investments classified as available-for-sale financial assets as their quoted share prices had declined significantly as at 31 December 2015 compared with the Group's cost of investment. In addition, the measurements of available-for-sale financial assets within Level 3 of the fair value hierarchy are disclosed in Note 4(c).

BASIS OF PREPARATION (Cont'd)

(b) Standards, amendments to published standards and interpretations that are effective

The Group and the Company have applied the following amendments for the first time for the financial year beginning on 1 January 2015:

- Annual Improvements to FRSs 2010-2012 Cycle
- Annual Improvements to FRSs 2011-2013 Cycle
- Amendments to FRS 119 “Defined Benefits Plans: Employee Contributions”

The adoption of these amendments did not have any significant impact on the current or prior year and are not likely to affect future periods.

(c) 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 years beginning after 1 January 2016. None of these is expected to have a significant effect on the Group and the Company, except for the following as set out below:

- Amendment to FRS 11 “Joint Arrangements” (effective from 1 January 2016) requires an investor to apply the principles of FRS 3 “Business Combinations” when it acquires an interest in a joint operation that constitutes a business. The amendments are applicable to both the acquisition of the initial interest in a joint operation and the acquisition of additional interest in the same joint operation. However, a previously held interest is not re-measured when the acquisition of an additional interest in the same joint operation results in retaining joint control.

The Group will apply this amendment to acquisitions within this scope which occur on or after 1 January 2016.

- MFRS 9 “Financial Instruments” (effective from 1 January 2018)* which will be effective in conjunction with the adoption of MFRS Framework, will replace MFRS 139 “Financial Instruments: Recognition and Measurement”.

MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income (“OCI”). The basis of classification depends on the entity’s business model and the cash flow characteristics of the financial asset. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is recorded in OCI rather than the income statement, unless this creates an accounting mismatch.

BASIS OF PREPARATION (Cont'd)

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

MFRS 9 introduces an expected credit loss model on impairment for all financial assets that replaces the incurred loss impairment model used in MFRS 139. The expected credit loss model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The adoption of MFRS 9 will result in a change in accounting policy. The Group is currently assessing the financial impact of adopting MFRS 9.

- MFRS 15 “Revenue from Contracts with Customers” (effective from 1 January 2018)* replaces MFRS 118 “Revenue”, MFRS 111 “Construction Contracts” and related interpretation. The standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers.

Revenue is recognised when a customer obtains control of goods or services and thus has the ability to direct the use and obtain the benefits from the goods or services. The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Group is in the process of making an assessment of the potential impact of this standard on the financial statements.

- Amendments to MFRS 116 “Property, Plant and Equipment” and MFRS 141 “Agriculture” (effective from 1 January 2018)* introduce a new category of biological assets i.e. the bearer plants. A bearer plant is a living plant that is used in the production and supply of agricultural produce, is expected to bear produce for more than one period, and has remote likelihood of being sold as agricultural produce (except for incidental scrap sales). Bearer plants are accounted for under MFRS 116 as an item of property, plant and equipment. Agricultural produce growing on bearer plants continue to be measured at fair value less costs to sell under MFRS 141, with fair value changes recognised in profit or loss as the produce grows. The Group is in the process of making an assessment of the potential impact of these amendments on the financial statements.

* These standards are to be adopted in conjunction with the adoption of MFRS Framework.

On 8 September 2015, MASB announced that in light of the International Accounting Standards Board’s deferral of IFRS 15 “Revenue from Contracts with Customers”, the effective date for the Transitioning Entities to apply the MFRS Framework will also be deferred to 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and accordingly, will adopt the MFRS Framework from the financial year beginning on 1 January 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. Adjustments required on transition, if any, will be made retrospectively against opening retained earnings. The Group is currently assessing the financial impact of adopting MFRS 15 and amendments to MFRS 116 and MFRS 141.

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 FRS 139 either in profit or loss or in OCI. 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. 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 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.

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 may mean 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. 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.

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, Joint Ventures and Associates

In the Company's separate financial statements, investments in subsidiaries, joint ventures and associates are shown at cost less accumulated impairment losses. On disposal of investments in subsidiaries, joint ventures and associates, 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.

The amounts due from subsidiaries of which the Company does not expect repayment in the foreseeable future are considered as part of the Company's investments in subsidiaries.

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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property, Plant and Equipment (cont'd)

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for certain properties which were revalued before 1998. In accordance with the transitional provision allowed by MASB upon first adoption of IAS 16 “Property, Plant and Equipment”, the valuation of these assets have not been updated, and they continue to be stated at their existing carrying amounts less accumulated depreciation, amortisation and impairment losses.

Cost 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. The depreciation of leasehold land is capitalised during the period of construction as part of construction-in-progress in property, plant and equipment until the construction is completed. Depreciation on assets under construction commences when the assets 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 or revalued amounts to their residual values over their estimated useful lives, as follows:

	Years
Buildings and improvements	2 – 60
Plant, equipment and vehicles	2 – 50
Leasehold lands	51 – 999
Aircrafts, sea vessels and improvements	2 – 20

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 proceeds with the carrying amounts and are included in the profit or loss. On disposal of revalued assets, amounts in the revaluation reserve relating to those assets are transferred to retained earnings.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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 economic 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.

Construction Contracts

Where the outcome of a construction contract can be estimated reliably, contract revenue and contract-costs are recognised by reference to the stage of completion of the contract activity at each reporting date ("percentage of completion method"), as measured by the surveys of work performed.

Where the outcome cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings and is shown as trade and other receivables (within other non-current assets). The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

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 FRS 117 “Leases”) and is amortised over the lease term in accordance with the pattern of benefits provided.

Plantation Development

Plantation development comprises cost of planting and development on oil palms and other plantation crops.

Cost of new planting and development of plantation crops are capitalised from the stage of land clearing up to the stage of maturity. The cost of new planting capitalised is not amortised. However, where the cost of new planting is incurred on leasehold land which has unexpired period shorter than the crop’s economic life, the cost is amortised over the remaining period of the lease on a straight-line basis.

Replanting expenditure is charged to profit or loss in the financial year in which the expenditure is incurred.

Property Development Activities

(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. Such land is classified as non-current asset and is stated at cost less accumulated impairment losses, if any.

Cost comprises cost of land and all related costs incurred on activities necessary to prepare the land for its intended use. Where the Group had previously recorded the land at revalued amounts, it continues to retain these amounts as its surrogate cost as allowed by FRS 201₂₀₀₄ “Property Development Activities”. 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.

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 of 2 to 3 years.

(b) Property Development Costs and Revenue Recognition

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.

When the outcome of the development activity can be estimated reliably, property development revenue and expenses are recognised by using the percentage of completion method in respect of sales where agreements have been finalised. Under this method, profits are recognised as the property development activity progresses. The stage of completion is determined based on proportion of property development costs incurred for work performed up to the reporting date over the estimated total property development cost to completion.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property Development Activities (cont'd)

(b) Property Development Costs and Revenue Recognition (cont'd)

When the outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable of recovery, and property development costs on the development units sold are recognised as an expense when incurred. Foreseeable losses, if any, arising when it is probable that total property development costs (including expected defect liability expenditure) will exceed total property development revenue, are recognised immediately in the profit or loss.

Property development cost not recognised as an expense is recognised as an asset and is stated at the lower of cost and net realisable value. Upon completion of development, the unsold completed development properties are transferred to inventories.

Where revenue recognised in the profit or loss exceeds billings to purchasers, the balance is shown as accrued billings under trade and other receivables (within current assets). Where billings to purchasers exceed revenue recognised in the profit or loss, the balance is shown as progress billings under trade and other payables (within current liabilities).

Financial Assets

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the nature of the asset and purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

There are two subcategories: financial assets held for trading and those designated as at fair value through profit or loss 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.

(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).

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Assets (cont'd)

(a) Classification (cont'd)

(iii) Available-for-sale financial assets

Available-for-sale financial assets 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 fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit or loss. Available-for-sale financial assets and financial assets at fair value through profit or loss 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 fair value through profit or loss' category are presented in profit or loss within other income/expense in the financial year in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit or loss as part of other income when the Group's right to receive payments is established.

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 and losses or impairment losses from available-for-sale financial assets'.

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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Assets (cont'd)

(c) Impairment of financial assets

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 available-for-sale financial assets, 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.

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 licence. 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 licences is assessed and written down immediately to its recoverable amount.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Intangible Assets (cont'd)

(b) Licences (cont'd)

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.

(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.

(d) Concession right

Concession right is recognised as an intangible asset to the extent that it receives a right to charge users of the service. Concession rights are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method over the licensing agreement periods.

Subsequent costs and expenditures to enhance or upgrade existing infrastructure are recognised as additions to the intangible assets and are stated at cost. Repairs and maintenance are expensed and recognised in the profit or loss when incurred.

(e) 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 FRS 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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Intangible Assets (cont'd)

(e) Research and development expenditure (cont'd)

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.

(f) Intellectual property rights

Acquired intellectual property ("IP") rights are stated at cost less accumulated amortisation and accumulated impairment losses. The IP rights are amortised from the point at which the asset is available for use or sale, on a straight-line basis over its useful life not exceeding 20 years.

(g) 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:

- (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 5 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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Rights of Use of Oil and Gas Assets

(a) Exploration cost

Oil and gas exploration cost is accounted for in accordance with the full cost method. Under this method, all costs relating to the exploration activities 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.

Other exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of the commercial viability of an identified resource. Exploration and evaluation costs are capitalised in respect of each area of interest for which the legal rights to tenure are current and where:

- (i) The exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and
- (ii) Exploration and evaluation activities in the area of interest have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active operations in, or in relation to, the areas of interest are continuing.

Exploration cost is stated at cost less any accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the exploration cost is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of non-financial assets.

(b) 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)

(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

Inventories are stated at the lower of cost and net realisable value. 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 selling expenses. The cost of unsold properties comprises cost associated with the acquisition of land, direct costs and an appropriate proportion of allocated costs attributable to property development activities.

Non-Current Assets Held for Sale

Non-current assets are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than a continuing use, and a sale is considered highly probable.

Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment loss. An impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the profit or loss. An impairment loss is reversed only to the extent of previously recognised impairment losses for the same asset. The reversal is recognised in the profit or loss.

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 (with original maturities of 3 months or less). Bank overdrafts are included within short term borrowings in current liabilities in the statement of financial position.

Payables

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Finance Leases

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases. The Group adopts the following accounting policy in respect of accounting by a lessee.

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.

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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Operating Leases (cont'd)

(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 (nominal value) and share premium when the options are exercised.

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 statement 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 share premium account or the distributable reserves, or both. 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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Warrants Reserve

Proceeds from the issuance of warrants, net of issuance costs, are credited to warrants reserve. Warrants reserve is transferred to the share premium account 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 classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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.

Costs incurred on borrowings to finance qualifying assets are capitalised until the assets are ready for their intended use after which such expenses are charged to the profit or loss. All other borrowing costs are charged to the profit or loss.

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.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts are recognised initially at fair value plus transactions costs and thereafter, at the higher of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period and the amount initially recognised less, where appropriate, cumulative amortisation recognised.

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.
- (b) tests goodwill acquired in a business combination for impairment annually.

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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment of Non-Financial Assets (cont'd)

An impairment loss is charged to the profit or loss, unless the asset is carried at revalued amount, in which case the impairment loss is used to reduce the revaluation surplus.

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 unless the asset is carried at revalued amount, in which case the reversal is treated as an increase to revaluation reserve. An impairment loss recognised for goodwill shall not be reversed.

Contingent Liabilities and Contingent Assets

The Group does not recognise a contingent liability but discloses its existence in the financial statements, except in a business combination. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by 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. 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 FRS 137 "Provisions, Contingent Liabilities and Contingent Assets" and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with FRS 118 "Revenue".

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

(a) Current Taxation

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.

(b) Deferred Taxation

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.

Tax benefit from investment tax allowance is recognised when the tax credit is utilised and no deferred tax asset is recognised when the tax credit is receivable.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Discontinued Operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement and OCI are represented as if the operation had been discontinued from the start of the comparative period.

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

Sales are recognised upon delivery of products or performance of services, net of goods and services tax, returns, rebates and discounts and amounts collected on behalf of third parties and after eliminating sales within the Group.

Sales relating to property development projects are recognised progressively as the project activity progresses and are in respect of sales where agreements have been finalised. The recognition of sales is based on the percentage of completion method and is consistent with the method adopted for profit recognition.

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.

Casino revenue represents net house takings. The casino licence in Malaysia is renewable every three months.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue Recognition (cont'd)

Revenue from the sale of oil, net of taxes, is recognised when the significant risks and rewards of ownership have been transferred, which is considered to occur when oil has been delivered to the customer.

Revenue from construction contract is recognised on the percentage of completion method.

Dividend income is recognised when the right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Fees from management and licensing services are recognised in the period in which the services are rendered.

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.

Interest Income

Interest income is recognised using the effective interest method.

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 fair value through profit or loss 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 available-for-sale are included in the fair value reserve 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 for each 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 currency 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 sale.

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 fair value 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.

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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Derivative Financial Instruments and Hedging Activities (cont'd)

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 fair value 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 and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

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 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"), Indonesia Rupiah ("IDR") and Korean Won ("KRW").

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)**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	KRW	Others	Total
At 31 December 2015							
Financial assets							
Available-for-sale financial assets	-	27.7	-	-	-	-	27.7
Other non-current assets	-	268.6	-	132.2	425.8	-	826.6
Trade and other receivables	0.4	768.9	0.1	20.6	-	1.1	791.1
Derivative financial instruments	3.5	119.1	-	-	-	-	122.6
Restricted cash	-	45.6	-	-	-	-	45.6
Cash and cash equivalents	300.5	5,780.5	198.9	28.2	-	56.5	6,364.6
	<u>304.4</u>	<u>7,010.4</u>	<u>199.0</u>	<u>181.0</u>	<u>425.8</u>	<u>57.6</u>	<u>8,178.2</u>
Financial liabilities							
Trade and other payables	(0.3)	(46.5)	(0.1)	(18.6)	-	(74.4)	(139.9)
Derivative financial instruments	(58.4)	(10.7)	-	-	-	-	(69.1)
Borrowings	(160.2)	(345.0)	-	-	-	-	(505.2)
	<u>(218.9)</u>	<u>(402.2)</u>	<u>(0.1)</u>	<u>(18.6)</u>	<u>-</u>	<u>(74.4)</u>	<u>(714.2)</u>
Net currency exposure	<u>85.5</u>	<u>6,608.2</u>	<u>198.9</u>	<u>162.4</u>	<u>425.8</u>	<u>(16.8)</u>	<u>7,464.0</u>
At 31 December 2014							
Financial assets							
Available-for-sale financial assets	-	3,495.5	-	-	-	-	3,495.5
Other non-current assets	-	202.0	-	-	-	-	202.0
Trade and other receivables	0.4	303.8	0.1	200.9	-	1.2	506.4
Amounts due from joint ventures	-	3.8	-	-	-	-	3.8
Derivative financial instruments	3.9	94.3	-	-	-	-	98.2
Cash and cash equivalents	139.2	3,242.6	348.2	29.6	-	10.7	3,770.3
	<u>143.5</u>	<u>7,342.0</u>	<u>348.3</u>	<u>230.5</u>	<u>-</u>	<u>11.9</u>	<u>8,076.2</u>
Financial liabilities							
Trade and other payables	(0.2)	(20.0)	(0.1)	(13.3)	-	(36.8)	(70.4)
Derivative financial instruments	(32.6)	(660.8)	-	-	-	-	(693.4)
Borrowings	(71.2)	(810.1)	-	-	-	-	(881.3)
	<u>(104.0)</u>	<u>(1,490.9)</u>	<u>(0.1)</u>	<u>(13.3)</u>	<u>-</u>	<u>(36.8)</u>	<u>(1,645.1)</u>
Net currency exposure	<u>39.5</u>	<u>5,851.1</u>	<u>348.2</u>	<u>217.2</u>	<u>-</u>	<u>(24.9)</u>	<u>6,431.1</u>

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)**Financial risk factors (cont'd)****(i) Foreign currency exchange risk (cont'd)**

The following table demonstrates the sensitivity of the Group's profit after tax and equity to 10% (2014: 10%) strengthening of each currency respectively in SGD, USD, HKD, IDR and KRW against the respective functional currencies of the entities within the Group, with all other variables held constant.

2015	<---- Increase/(Decrease) ---->	
<u>Group</u>	Profit after tax	OCI
SGD	8.6	-
USD	658.1	2.8
HKD	19.9	-
IDR	16.2	-
KRW	42.6	-
2014	<---- Increase/(Decrease) ---->	
<u>Group</u>	Profit after tax	OCI
SGD	4.0	-
USD	235.6	349.5
HKD	34.8	-
IDR	21.7	-

A 10% (2014: 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 RM153.9 million (2014: RM156.8 million) which is denominated in USD. At the reporting date, if exchange rate of USD had been 10% (2014: 10%) stronger/weaker respectively, with all other variables remaining constant, the profit after tax of the Company will be higher/lower by RM15.4 million (2014: RM15.7 million).

(ii) Interest rate risk

Interest rate risks arise mainly from the Group's borrowings and debt securities classified as available-for-sale financial assets. 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. The Group also enters into Interest Rate Capped Libor-In-Arrears Swap ("IRCLIA") contract to limit its exposure to fluctuation in interest rate movements if the interest rate moves beyond the capped rate. There are no significant cash flow interest rate risks arising from debt securities classified as available-for-sale.

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% (2014: 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 RM115.0 million (2014: RM87.8 million) as a result of increase/decrease in interest expense on these borrowings.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

Financial risk factors (cont'd)

(iii) Credit risk

Exposure to credit risk arises mainly from sales made on deferred credit terms, cash and cash equivalents, deposits with financial institutions, money market instruments and debt securities. Risks arising therefrom are minimised through effective monitoring of receivables and suspension of sales to customers whose accounts exceed the stipulated credit terms. Credit limits are set and credit history is reviewed to minimise potential losses.

In managing credit risk exposure from trade receivables, GENS 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 the ongoing credit evaluation.

The top 10 trade debtors of GENS Group as at 31 December 2015 represented 22% (2014: 16%) of its trade receivables. The GENS Group also establishes an allowance account for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to the specific counterparties. Subsequently, when the GENS Group is satisfied that no recovery of such losses is possible, the trade receivable is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired trade receivables.

The Group avoids, where possible, any significant exposure to a single customer. However, in the ordinary course of business, certain subsidiaries in the Group's Power Segment have trade receivables that are solely from their offtakers, the provincial or national electricity utility companies whereas certain subsidiaries in Group's Oil and Gas Segment are transacting solely with the state-owned customers. As such, the counter party risk is considered to be minimal.

The Group's cash and cash equivalents and short term deposits are placed with creditworthy financial institutions and the risks arising thereof are minimised in view of the financial strength of these financial institutions. The risks arising therefrom are further minimised by the setting of exposure limits for each financial institution and the tenure of the placements which are normally less than one year. The approved exposure limit for each financial institution is subjected to regular reviews. To minimise the Group's counterparty risk, the Group enters into derivative transactions only with creditworthy financial institutions.

The Group is exposed to credit risk from non-related counterparties where the Group holds debt securities issued by those entities. The Group only holds debt securities with issuers which are of investment grade.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

The Group also seeks to invest cash assets safely and profitably and buys insurance to protect itself against insurable risks. In this regard, counterparties are assessed for credit risk and limits are set to minimise any potential losses.

At the Company level, credit risk arises from amounts due from subsidiaries, cash and cash equivalents, income fund and deposits with banks and financial institutions. The Company's exposure to bad debts is not significant. The Company also manages its credit risk by performing regular reviews of the ageing profile of amounts due from subsidiaries. The credit risk on income fund is limited because the fund is ultimately deposited with creditworthy financial institutions.

Financial assets that are neither past due nor impaired

Information regarding other non-current assets and trade and other receivables that are neither past due nor impaired is disclosed in Notes 28 and 31. 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 assets that are either past due or impaired

Information regarding trade receivables that are past due or impaired is disclosed in Note 31.

Apart from those disclosed above, none of the other financial assets is past due or impaired.

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:

	Company 2015	2014
Corporate guarantee provided to banks on subsidiaries' facilities	<u>3,614.3</u>	<u>3,787.5</u>

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

Financial risk factors (cont'd)

(iv) Price risk

The Group is exposed to equity securities price risk from its investments in quoted securities classified as financial assets at fair value through profit or loss, available-for-sale financial assets and derivative financial instruments. 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 equity securities and derivative financial instruments listed in the respective countries change by 1% (2014: 1%) respectively 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:

2015	<-- Increase/Decrease -->	
	Profit after tax	OCI
<u>Group</u>		
Listed equity securities and derivative financial instruments		
– increase/decrease 1%	0.1	29.1
<u>Company</u>		
Listed derivative financial instruments		
– increase/decrease 1%	2.2	-
2014	<-- Increase/Decrease -->	
	Profit after tax	OCI
<u>Group</u>		
Listed equity securities and derivative financial instruments		
– increase/decrease 1%	22.2	32.6
<u>Company</u>		
Listed derivative financial instruments		
– increase/decrease 1%	1.3	-

Profit after tax would increase/decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss and derivative financial instruments. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as available-for-sale.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

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
<u>Group</u>				
At 31 December 2015				
Derivative financial instruments				
- hedged	67.7	59.8	119.6	96.9
- unhedged	3.3	(0.1)	(13.3)	(50.2)
Trade and other payables	4,959.0	-	-	-
Borrowings (principal and finance costs)	<u>2,234.3</u>	<u>2,750.9</u>	<u>10,413.9</u>	<u>7,399.8</u>
<u>Company</u>				
At 31 December 2015				
Trade and other payables	33.2	-	-	-
Amounts due to subsidiaries				
- current	33.8	-	-	-
- non-current	<u>180.3</u>	<u>179.8</u>	<u>2,042.3</u>	<u>2,500.8</u>
Financial guarantee contracts	<u>3,614.3</u>	<u>-</u>	<u>-</u>	<u>-</u>

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)**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
<u>Group</u>				
At 31 December 2014				
Other non-current liabilities	-	7.5	-	-
Derivative financial instruments				
- hedged	4.7	2.8	129.7	80.9
- unhedged	2.6	2.7	(5.3)	(40.7)
Trade and other payables	4,315.8	-	-	-
Borrowings				
(principal and finance costs)	2,251.3	2,170.1	6,680.7	4,129.2
Amounts due to joint ventures	29.0	-	-	-
<u>Company</u>				
At 31 December 2014				
Trade and other payables	35.2	-	-	-
Amounts due to subsidiaries				
- current	17.4	-	-	-
- non-current	179.8	180.3	2,126.9	2,596.1
Financial guarantee contracts	3,787.5	-	-	-

(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 31 December 2015 and 2014 are as follows:

	Group	
	2015	2014
Total debt	18,504.7	12,552.6
Total equity	62,791.1	53,065.4
Total capital	81,295.8	65,618.0
Gearing ratio	23%	19%

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 for the financial years ended 31 December 2015 and 2014.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)**(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).

The following table presents the Group's financial instruments that are measured at fair value.

	Level 1	Level 2	Level 3	Total
<u>Group</u>				
At 31 December 2015				
Financial assets				
Financial assets at fair value through profit or loss	8.1	-	-	8.1
Available-for-sale financial assets	932.9	1,347.1	1,589.6	3,869.6
Derivative financial instruments	-	214.9	-	214.9
Assets classified as held for sale	1,973.9	-	-	1,973.9
	<u>2,914.9</u>	<u>1,562.0</u>	<u>1,589.6</u>	<u>6,066.5</u>
Financial liability				
Derivative financial instruments	-	340.2	-	340.2
	<u>-</u>	<u>340.2</u>	<u>-</u>	<u>340.2</u>
<u>Company</u>				
As at 31 December 2015				
Financial assets				
Available-for-sale financial assets	-	200.0	-	200.0
Derivative financial instruments	215.6	-	-	215.6
	<u>215.6</u>	<u>200.0</u>	<u>-</u>	<u>415.6</u>
	Level 1	Level 2	Level 3	Total
<u>Group</u>				
At 31 December 2014				
Financial assets				
Financial assets at fair value through profit or loss	7.2	-	-	7.2
Available-for-sale financial assets	3,077.5	4,531.4	928.1	8,537.0
Derivative financial instruments	-	101.6	-	101.6
	<u>3,084.7</u>	<u>4,633.0</u>	<u>928.1</u>	<u>8,645.8</u>
Financial liability				
Derivative financial instruments	-	862.0	-	862.0
	<u>-</u>	<u>862.0</u>	<u>-</u>	<u>862.0</u>
<u>Company</u>				
As at 31 December 2014				
Financial assets				
Available-for-sale financial assets	-	200.0	-	200.0
Derivative financial instruments	134.3	-	-	134.3
	<u>134.3</u>	<u>200.0</u>	<u>-</u>	<u>334.3</u>

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(c) Fair value measurement (cont'd)

The carrying amount less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated based on quoted market prices or dealer quotes for similar instruments by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of current borrowings approximates their carrying amount.

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 collar 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.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(c) Fair value measurement (cont'd)

There were no transfers between Levels 1 and 2 during the current financial year (2014: Nil).

The following table presents the changes in Level 3 financial instruments for the financial years ended 31 December 2015 and 2014:

	Group	
	2015	2014
Available-for-sale financial assets		
As at 1 January	928.1	668.9
Foreign exchange differences	227.7	41.9
Additions	109.2	114.9
Fair value changes – recognised in OCI	318.0	122.4
Investment income and interest income	8.9	-
Impairment loss – recognised in income statement	-	(6.8)
Repayment	(6.1)	(5.3)
Reclassification	3.8	-
Disposal	-	(7.9)
As at 31 December	1,589.6	928.1

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, if the carrying value changes by 5% (2014: 5%), the impact on equity would be RM79.5 million (2014: RM46.4 million).

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Changing one or more of the unobservable inputs in the valuation technique used for Level 3 instruments will not significantly impact the fair value of these instruments. The assessment of the fair value of unquoted equity securities is performed based on the available data such as underlying net asset value of the investee entity, 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.

5. SEGMENT ANALYSIS

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The chief operating decision-maker considers the business from both a geographic and industry perspective and has the following reportable segments:

Leisure & Hospitality	-	This segment includes the gaming, hotel, entertainment and amusement, tours and travel related services, development and operation of integrated resorts and other support services. The contribution from non-gaming operations is not significant.
Plantation	-	This segment is involved mainly in oil palm plantations, palm oil milling and related activities.
Power	-	This segment is involved in the generation and supply of electric power.
Property	-	This segment is involved in property development activities.
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 fair value gains and losses, gain or loss on disposal of financial assets, gain or loss on deemed dilution of shareholdings in 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.

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, trade and other receivables, available-for-sale financial assets, financial assets at fair value through profit or loss, 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 and deferred tax liabilities as these liabilities are managed on a group basis.

The Power segment relates mainly to the Jangi Wind Farm and the Banten Plant while that for the Meizhou Wan power plant has been reclassified and disclosed as “Discontinued Operations” up to 10 July 2014, the completion date of the disposal of 51% shareholding in Fujian Pacific Electric Company Limited (see Note 13). Following the completion of the disposal, the financial results of the Meizhou Wan power plant have been accounted for as a joint venture of the Group.

SEGMENT ANALYSIS (Cont'd)

The segment analysis of the Group is set out below:

	Leisure & Hospitality					Plantation		Power (Note (ii))	Property	Oil & Gas	Investments & Others	Continuing Operations Total
	Malaysia	Singapore	UK	US and Bahamas	Total	Malaysia	Indonesia					
2015												
Revenue												
Total revenue	6,616.7	6,808.3	1,350.3	1,288.2	16,063.5	878.8	228.5	1,225.6	265.4	272.6	241.1	19,175.5
Inter segment	(1,040.1)	(0.6)	-	-	(1,040.7)	-	-	-	(8.7)	(7.9)	(17.8)	(1,075.1)
External	<u>5,576.6</u>	<u>6,807.7</u>	<u>1,350.3</u>	<u>1,288.2</u>	<u>15,022.8</u>	<u>878.8</u>	<u>228.5</u>	<u>1,225.6</u>	<u>256.7</u>	<u>264.7</u>	<u>223.3</u>	<u>18,100.4</u>
Results												
Adjusted EBITDA	2,474.0	2,610.0	(124.2)	112.8	5,072.6	305.1	4.7	60.2	78.3	186.3	581.8	6,289.0
Net fair value gain/(loss) on derivative financial instruments	-	-	-	-	-	-	-	11.9	-	82.0	(679.0)	(585.1)
Net loss on disposal of available-for-sale financial assets	-	(1.9)	-	-	(1.9)	-	-	-	-	-	(9.1)	(11.0)
Gain on deemed dilution of shareholding in associate	-	-	-	-	-	-	-	-	-	-	107.5	107.5
Reversal of previously recognised impairment losses	23.4	-	191.9	-	215.3	-	-	-	11.7	-	-	227.0
Impairment losses	-	(45.4)	-	(27.3)	(72.7)	-	-	(14.5)	-	(15.7)	(353.1)	(456.0)
Depreciation and amortisation	(324.0)	(973.4)	(123.0)	(212.1)	(1,632.5)	(49.8)	(38.4)	(10.0)	(20.8)	(113.5)	(39.6)	(1,904.6)
Interest income												580.9
Finance cost												(558.9)
Share of results in joint ventures	-	13.7	-	-	13.7	-	-	76.1	18.5	-	3.0	111.3
Share of results in associates	2.2	(24.6)	-	-	(22.4)	3.3	-	13.8	0.1	-	(11.4)	(16.6)
Others (Note (i))	(45.6)	(53.0)	(57.3)	(133.8)	(289.7)	(0.9)	0.2	-	5.3	(10.5)	(41.9)	(37.5)
Profit before taxation												3,446.0
Taxation												(848.3)
Profit for the financial year												<u>2,597.7</u>

SEGMENT ANALYSIS (Cont'd)

	Leisure & Hospitality				Plantation		Power (Note (ii))	Property	Oil & Gas	Investments & Others	Continuing Operations Total
	Malaysia	Singapore	UK	US and Bahamas	Total	Malaysia	Indonesia				
2014											
Revenue											
Total revenue	6,409.6	7,388.1	1,699.8	999.9	16,497.4	991.4	178.2	770.8	177.7	241.2	19,295.2
Inter segment	(1,047.2)	(1.1)	-	-	(1,048.3)	-	-	-	(8.8)	(13.1)	(1,078.7)
External	5,362.4	7,387.0	1,699.8	999.9	15,449.1	991.4	178.2	770.8	168.9	228.1	18,216.5
Results											
Adjusted EBITDA	2,394.1	3,013.0	252.1	24.7	5,683.9	406.6	38.6	24.0	93.7	224.0	6,627.5
Net fair value gain/(loss) on derivative financial instruments	5.6	4.5	-	-	10.1	-	-	(60.3)	-	(365.1)	(415.3)
Gain on disposal of available-for-sale financial assets	-	-	-	-	-	-	-	-	-	419.0	419.0
Gain on deemed dilution of shareholdings in associates	-	-	-	-	-	-	-	-	-	6.0	6.0
Project costs written off	-	-	-	(98.2)	(98.2)	-	-	-	-	-	(98.2)
Reversal of previously recognised impairment losses	5.1	-	-	-	5.1	-	-	-	-	-	22.6
Impairment losses	-	(15.1)	(83.3)	-	(98.4)	-	-	(14.2)	-	(152.4)	(265.0)
Depreciation and amortisation	(307.6)	(1,080.0)	(100.5)	(176.2)	(1,664.3)	(43.1)	(17.1)	(12.1)	(41.3)	(28.6)	(1,824.2)
Interest income											386.3
Finance cost											(437.0)
Share of results in joint ventures	-	13.7	-	-	13.7	-	-	55.1	-	3.3	86.3
Share of results in associates	(5.5)	13.7	-	-	8.2	3.7	-	(40.2)	-	(8.6)	(37.0)
Others (Note (i))	(36.6)	(59.8)	(10.1)	(29.7)	(136.2)	4.0	(0.6)	0.8	(18.4)	(60.8)	(208.7)
Profit before taxation											4,262.3
Taxation											(1,108.7)
Profit for the financial year											3,153.6

Notes:

(i) Others include pre-operating and development expenses, assets written off, gain or loss on disposal of assets and share-based payment expenses.

(ii) The Group had accounted for the construction and development of the 660MW coal-fired power plant in the Banten Province, West Java, Indonesia ("Banten Plant") in accordance with FRS 111 "Construction Contracts" as required under IC Interpretation 12 "Service Concession Arrangements" whereby the construction profit is recognised based on the percentage of completion method. Construction revenue and costs of approximately RM1,164.0 million and RM1,120.5 million respectively (2014: RM699.1 million and RM688.8 million respectively), have been disclosed under the "Power" segment in the consolidated income statement for the current financial year ended 31 December 2015 thereby generating a construction profit of RM43.5 million (2014: RM10.3 million).

SEGMENT ANALYSIS (Cont'd)

	Leisure & Hospitality				Plantation		Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	UK	US and Bahamas	Malaysia	Indonesia					
2015											
Assets											
Segment assets	7,160.2	20,146.9	5,496.3	7,490.1	1,530.5	2,948.0	3,793.0	2,981.7	4,947.9	5,811.9	62,306.5
Interest bearing instruments	-	143.6	-	-	-	-	812.3	59.4	-	103.4	22,239.3
Joint ventures	-	254.6	-	-	10.6	-	294.7	0.3	-	640.6	1,118.7
Associates	-	-	-	-	-	-	-	-	-	-	1,200.8
Unallocated corporate assets	-	-	-	-	-	-	-	-	-	-	490.1
Assets classified as held for sale (see Note 33)	-	-	-	-	-	-	-	-	-	-	2,077.1
Total assets											89,432.5
Liabilities											
Segment liabilities	1,712.7	1,252.7	480.2	516.9	83.5	144.7	397.8	233.9	725.6	384.2	5,932.2
Interest bearing instruments	-	-	-	-	-	-	-	-	-	-	18,526.3
Unallocated corporate liabilities	-	-	-	-	-	-	-	-	-	-	2,182.9
Total liabilities											26,641.4
Other Disclosure											
Capital expenditure*	1,991.3	286.7	389.3	677.5	45.9	344.9	0.9	8.3	1.5	89.7	3,836.0
- Continuing operations	-	-	-	-	-	-	-	-	-	-	-
- Discontinued operations	-	-	-	-	-	-	-	-	-	-	-
Other significant non-cash charges/(credits)	20.3	767.5	-	0.2	(0.1)	-	4.5	-	0.1	1.9	794.4

SEGMENT ANALYSIS (Cont'd)

	Leisure & Hospitality				Plantation		Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	UK	US and Bahamas	Malaysia	Indonesia					
2014											
Assets											
Segment assets	4,961.1	18,961.9	4,259.2	5,661.3	33,843.5	2,204.5	1,913.4	2,581.3	3,649.1	10,400.7	56,019.8
Interest bearing instruments	-	111.1	-	-	111.1	-	402.4	43.5	-	80.6	15,201.5
Joint ventures	136.0	240.7	-	-	376.7	-	236.7	2.7	-	431.8	637.6
Associates											1,064.2
Unallocated corporate assets											336.3
Assets classified as held for sale											37.9
(see Note 33)											73,297.3
Total assets											
Liabilities											
Segment liabilities	1,288.8	1,562.9	325.2	271.1	3,448.0	92.9	365.2	193.3	499.3	992.1	5,667.5
Interest bearing instruments											12,573.7
Unallocated corporate liabilities											1,990.0
Liabilities classified as held for sale											0.7
(see Note 33)											20,231.9
Total liabilities											
Other Disclosure											
Capital expenditure*											
- Continuing	863.6	401.7	385.1	638.2	2,288.6	290.1	1.9	89.4	7.2	90.9	2,853.0
- Discontinued operations											-
Other significant non-cash charges/(credits)	30.2	676.7	-	5.9	712.8	-	7.4	-	(0.9)	1.0	724.7

* Includes capital expenditure in respect of property, plant and equipment, investment properties, plantation development and leasehold land use rights.

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	
	2015	2014	2015	2014
Continuing operations:				
Malaysia	6,799.2	6,888.6	8,382.8	6,671.0
Singapore	6,814.4	7,395.7	17,112.4	15,655.7
Asia Pacific (excluding Malaysia & Singapore)	1,777.4	1,181.6	7,801.1	5,738.4
US and Bahamas	1,344.9	1,036.5	8,357.7	6,229.9
UK	1,364.5	1,714.1	5,582.6	4,315.9
	18,100.4	18,216.5	47,236.6	38,610.9

Non-current assets exclude investments in joint ventures, associates, financial instruments, deferred tax assets and other non-current assets as presented in the consolidated statements of financial position.

There are no revenues derived from transactions with a single external customer that amounted to 10% or more of the Group's revenue during the current financial year.

6. REVENUE

	Group		Company	
	2015	2014	2015	2014
Rendering of services:				
Leisure & hospitality	15,021.8	15,448.4	-	-
Rental and property management income	68.8	59.8	-	-
Fees from management and licensing services	-	-	600.1	599.9
Other services	41.1	43.5	17.2	17.5
Sale of goods:				
Plantation produce	1,107.3	1,169.6	-	-
Oil and gas	264.8	168.9	-	-
Development properties	187.8	370.2	-	-
Bio-diesel products	93.1	101.5	-	-
Others	25.1	33.4	-	-
Construction revenue	1,164.0	699.1	-	-
Sale of electricity	55.0	45.3	-	-
Dividend income	70.9	74.0	619.7	388.1
Income from available-for-sale financial assets	0.7	2.8	-	-
	18,100.4	18,216.5	1,237.0	1,005.5

7. COST OF SALES

	Group		Company	
	2015	2014	2015	2014
Cost of services and other operating costs	10,465.2	9,927.8	100.8	96.3
Cost of inventories recognised as an expense	1,373.0	1,289.7	-	-
Construction cost	1,120.5	688.8	-	-
	<u>12,958.7</u>	<u>11,906.3</u>	<u>100.8</u>	<u>96.3</u>

Included in other operating costs are gaming related expenses amounting to RM2,493.0 million (2014: RM2,651.1 million) for the Group and Nil (2014: 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 has reversed previously recognised impairment losses of RM192.0 million relating to the casino business in United Kingdom (“UK”) as set out in Note 21, RM23.3 million on the Group’s investment in associate and RM11.7 million on GENM Group’s investment property, on the basis that the recoverable amounts exceeded the carrying values.

In the previous financial year ended 31 December 2014, the Group’s reversal of previously recognised impairment losses of RM22.6 million related to GENM Group’s property, plant and equipment, on the basis that the recoverable amounts exceeded the carrying values.

No reversal of previously recognised impairment loss was recorded at the Company level for the financial years ended 31 December 2015 and 2014.

(b) Impairment losses

During the current financial year, the impairment losses of the Group comprised RM384.9 million on the Group’s available-for-sale financial assets and RM71.1 million on property, plant and equipment, on the basis that the carrying values exceeded their recoverable amounts, given the challenging market condition in the current financial year.

During the current financial year, the Company’s impairment losses of RM177.5 million (2014: RM88.4 million) was in relation to the investment in a wholly owned subsidiary, on the basis that the carrying values exceeded its recoverable amounts, given the challenging market condition in the current financial year.

In the previous financial year ended 31 December 2014, the impairment losses of the Group comprised RM83.3 million on certain provincial casino licences and the related assets in the UK, RM152.4 million on the Group’s available-for-sale financial assets and RM29.3 million on property, plant and equipment, on the basis that the carrying values exceeded their recoverable amounts.

9. PROFIT BEFORE TAXATION

Profit before taxation from continuing 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:

Continuing operations:	Group		Company	
	2015	2014	2015	2014
Charges:				
Depreciation of property, plant and equipment	1,599.7	1,625.6	1.3	1.5
Depreciation of investment properties	16.0	13.5	-	-
Amortisation of leasehold land use rights	1.7	0.8	-	-
Amortisation of intangible assets	175.7	143.9	-	-
Depletion, depreciation and amortisation of rights of use of oil and gas assets	111.5	40.4	-	-
Directors' remuneration excluding estimated monetary value of benefits-in-kind (see Note 11)	171.6	154.8	62.1	62.4
Impairment losses on property, plant and equipment	71.1	63.4	-	-
Impairment losses on intangible assets	-	49.2	-	-
Impairment loss on available-for-sale financial assets	384.9	152.4	-	-
Loss on disposal of available-for-sale financial assets	247.4	-	-	-
Deferred expenses written off	137.1	-	-	-
Inventories written off	0.6	1.7	-	-
Property, plant and equipment written off	37.3	71.3	-	-
Project costs written off	-	98.2	-	-
Net loss on disposal of property, plant and equipment	-	0.6	-	-
Fair value loss on financial assets at fair value through profit or loss	0.7	-	-	-
Net fair value loss on derivative financial instruments	585.1	415.3	-	-
Impairment losses and write off of receivables	772.5	689.2	-	-
Exchange losses – realised	42.5	36.1	9.8	-
Exchange losses – unrealised	225.8	15.2	-	-
Impairment loss in a subsidiary	-	-	177.5	88.4
Replanting expenditure	18.5	13.1	-	-
Hire of equipment	22.7	32.7	-	-
Rental of land and buildings	88.2	85.9	-	-
Provision for onerous lease	24.0	8.1	-	-
Fair value adjustment of long term receivables	10.6	39.4	-	-
Finance cost				
- Interest on borrowings	459.3	378.9	-	-
- Sukuk Murabahah	26.8	-	-	-
- Other finance costs	72.8	58.1	-	-
	558.9	437.0	-	-
Statutory audit fees				
- Payable to auditors	3.1	2.8	0.2	0.2
- Payable to member firms of an organisation which are separate and independent legal entities from the auditors	11.6	9.0	-	-
Audit related fees				
- Payable to auditors	0.7	1.1	0.1	0.1
- Payable to member firms of an organisation which are separate and independent legal entities from the auditors	1.8	1.9	-	-
Expenditure paid to subsidiaries:				
- Finance cost	-	-	180.8	216.9
- Rental of land and buildings	-	-	2.6	2.6
- Rental of equipment	-	-	2.2	2.2
- Service fees	-	-	2.2	2.3

PROFIT BEFORE TAXATION (Cont'd)

	Group		Company	
	2015	2014	2015	2014
Charges: (Cont'd)				
Waiver of net amount due from a wholly owned subsidiary	-	-	-	22.4
Repairs and maintenance	292.5	258.5	1.4	1.2
Utilities	174.4	136.2	0.2	0.2
Legal and professional fees	120.1	99.2	11.0	5.5
Transportation costs	90.3	97.2	-	-
Credits:				
Reversal of previously recognised impairment losses on property, plant and equipment and investment property	25.2	22.6	-	-
Reversal of previously recognised impairment losses on intangible assets	178.5	-	-	-
Reversal of previously recognised impairment losses on investment in associate	23.3	-	-	-
Interest income	580.9	386.3	34.5	34.8
Gain on disposal of available-for-sale financial assets	236.4	419.0	-	-
Net gain on disposal of property, plant and equipment	0.4	-	-	-
Gain on disposal of subsidiaries	1.1	-	-	-
Gain on sale of land	4.1	-	-	-
Rental income from land and buildings	141.6	130.0	-	-
Gain on deemed dilution of shareholding in associate	107.5	6.0	-	-
Gain arising from acquisition of business	52.4	-	-	-
Fair value gain on financial assets at fair value through profit or loss	-	3.0	-	-
Net fair value gain on derivative financial instruments	-	-	81.3	5.6
Net surplus arising from compensation in respect of land acquired by the Government	-	7.4	-	-
Gain on disposal of assets held for sale	-	7.1	-	-
Exchange gains – realised	534.2	69.2	-	17.1
Exchange gains – unrealised	337.7	189.9	45.9	10.8
Dividends (gross) from:				
- Quoted foreign corporations	94.8	106.2	-	-
- Unquoted Malaysian corporations	12.3	10.0	-	-
Income from available-for-sale financial assets	39.0	25.7	7.6	5.8
Reversal of contingent losses with a wholly owned subsidiary	-	-	-	22.5
Income from subsidiaries:				
- Management and licensing fees	-	-	600.1	600.1
- Gross dividends	-	-	619.7	388.1
- Interest income	-	-	-	30.8
- Shared services fees	-	-	16.1	16.7
- Royalty	-	-	0.2	0.2
Other information:				
Non-audit fees and non-audit related costs				
- Payable to auditors	0.3	1.6	0.1	0.1
- Payable to member firms of an organisation which are separate and independent legal entities from the auditors	4.1	8.3	0.4	0.1

10. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2015	2014	2015	2014
Wages, salaries and bonuses	3,386.5	3,049.9	75.1	69.1
Defined contribution plan	261.3	231.4	12.8	11.0
Other short-term employee benefits	433.1	382.6	6.4	6.4
Share-based payments (see note below)	85.3	86.0	-	-
Provision for retirement gratuities, net (see Note 39)	22.1	35.3	6.5	9.8
	4,188.3	3,785.2	100.8	96.3

Employee benefits expense, as shown above, includes the remuneration of Executive Directors.

Note: The share-based payments mainly arose from the Performance Share Scheme and Employee Share Option Scheme of Group's subsidiaries, GENS and GENM.

11. DIRECTORS' REMUNERATION

	Group		Company	
	2015	2014	2015	2014
<u>Non-Executive Directors:</u>				
Fees	0.5	0.5	0.5	0.5
<u>Executive Directors:</u>				
Fees	1.0	1.0	0.4	0.4
Salaries and bonuses	126.4	114.8	46.4	43.2
Defined contribution plan	18.1	15.9	8.7	8.1
Other short-term employee benefits	3.0	2.9	2.5	2.4
Share-based payments	15.0	4.1	-	-
Provision for retirement gratuities	7.6	15.6	3.6	7.8
	171.1	154.3	61.6	61.9
Directors' remuneration excluding estimated monetary value of benefits-in-kind (see Note 9)	171.6	154.8	62.1	62.4
Estimated monetary value of benefits-in-kind (not charged to the income statements) in respect of Executive Directors	1.7	1.6	-	-
	173.3	156.4	62.1	62.4

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DIRECTORS' REMUNERATION (Cont'd)

Remuneration of Directors of the Company, in respect of services rendered to the Company and its subsidiaries is in the following bands:

	2015	2014
	Number	
<u>Non-Executive Directors:</u>		
Below 0.10	1	-
0.10 - 0.15	3	3
0.15 - 0.20	-	1
<u>Executive Directors:</u>		
1.25 - 1.30	-	1
3.00 - 3.05	-	1
3.65 - 3.70	1	-
4.40 - 4.45	1	-
151.60 - 151.65	-	1
164.75 - 164.80	1	-

12. TAXATION

	Group		Company	
	2015	2014	2015	2014
Continuing operations:				
Current taxation charge:				
Malaysian taxation	581.1	641.0	136.9	126.9
Foreign taxation	242.4	586.3	-	-
	<u>823.5</u>	<u>1,227.3</u>	<u>136.9</u>	<u>126.9</u>
Deferred tax charge/(credit) (see Note 29)	212.1	(105.3)	(1.8)	(2.5)
	<u>1,035.6</u>	<u>1,122.0</u>	<u>135.1</u>	<u>124.4</u>
Prior years' taxation:				
Income tax over provided	(187.3)	(13.3)	(4.1)	(3.6)
	<u>848.3</u>	<u>1,108.7</u>	<u>131.0</u>	<u>120.8</u>
Discontinued operations: (see Note 13)				
Current taxation charge:				
Foreign taxation	-	10.1	-	-
Deferred tax charge (see Note 29)	-	10.7	-	-
	<u>-</u>	<u>20.8</u>	<u>-</u>	<u>-</u>
Prior years' taxation:				
Income tax over provided	-	(1.0)	-	-
	<u>-</u>	<u>19.8</u>	<u>-</u>	<u>-</u>

TAXATION (Cont'd)

The reconciliation between the average effective tax rate and the Malaysian tax rate of continuing operations is as follows:

	Group		Company	
	2015	2014	2015	2014
	%	%	%	%
Malaysian tax rate	25.0	25.0	25.0	25.0
Tax effects of:				
- expenses not deductible for tax purposes	11.7	7.6	11.9	12.9
- over provision in prior years	(5.4)	(0.3)	(0.5)	(0.5)
- different tax regime	(0.6)	(4.2)	-	-
- tax incentives	(2.4)	(1.9)	-	(2.3)
- income not subject to tax	(6.3)	(3.0)	(20.5)	(17.5)
- recognition of previously unrecognised tax losses and capital allowances	-	(0.7)	-	-
- others	2.6	3.5	-	-
Average effective tax rate	24.6	26.0	15.9	17.6

Taxation is calculated at the Malaysian statutory tax rate of 25% (2014: 25%) on the estimated chargeable profit for the year of assessment 2015.

The income tax effect of the other comprehensive income/loss items, which are individually not material, is RM31.7 million (2014: RM4.7 million) in the current financial year.

13. DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES

Meizhou Wan

On 13 November 2013, Fujian Electric (Hong Kong) LDC signed a Sale and Purchase Agreement ("SPA") for the disposal of a 51% equity interest in Fujian Pacific Electric Company Limited ("Meizhou Wan"). The disposal was completed on 10 July 2014 and the Group recognised a loss arising from disposal of RM3.5 million for the previous financial year ended 31 December 2014. Subsequent to the disposal, the financial results of Meizhou Wan have been accounted for as a joint venture from the date of completion.

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DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (Cont'd)

The results and cash flows of the discontinued operations are set out below.

(a) Loss for the previous financial year from discontinued operations:

	Group 2014
Revenue	405.1
Cost of sales	(269.3)
Gross profit	<u>135.8</u>
Other income	5.5
Administration expenses	(10.5)
Other expenses	(79.4)
Finance cost	<u>(35.6)</u>
Profit before taxation of discontinued operations	15.8
Taxation (see Note 12)	<u>(19.8)</u>
Loss after taxation of discontinued operations	(4.0)
Loss on disposal of discontinued operations	<u>(3.5)</u>
Loss for the financial year from discontinued operations	<u><u>(7.5)</u></u>
Loss from discontinued operations attributable to:	
Equity holders of the Company	(7.5)
Non-controlling interests	<u>-</u>
	<u><u>(7.5)</u></u>

(b) Net cash flow attributable to discontinued operations:

	Group 2014
Net cash from operating activities	97.4
Net cash used in investing activities	(9.7)
Net cash used in financing activities	<u>(78.4)</u>
Net cash flow	<u><u>9.3</u></u>

DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (Cont'd)

- (c) The following charges and credits have been included in arriving at profit before taxation of discontinued operations:

Group
2014

Charges:

Assets classified as held for sale written down	73.5
Finance cost	
- Interest on borrowings	35.1
- Other financing costs	0.5
	35.6
Employee benefits expense	3.4
Net exchange loss – realised	5.5

Credit:

Interest income	4.1

Other information:

Non-audit fees and non-audit related costs	
- Payable to member firms of an organisation which are separate and independent legal entities from the auditors	0.1

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DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (Cont'd)

(d) The analysis of net cash inflow from the disposal of Meizhou Wan:

	2014 At the date of disposal
Property, plant and equipment	20.1
Leasehold land use rights	2.7
Intangible assets	1,123.6
Deferred tax assets	59.3
Other non-current assets	1.7
Inventories	70.7
Trade and other receivables	155.1
Restricted cash	85.0
Cash and cash equivalents	323.6
Long term and short term borrowings	(828.0)
Other non-current liabilities	(205.4)
Trade and other payables	(100.4)
Taxation	(5.2)
Net assets disposed off	702.8
Release of exchange reserve upon disposal	3.5
Loss from disposal of discontinued operations	(3.5)
	702.8
Fair value of retained interest reclassified to investment in joint venture	(349.5)
Cash proceeds from disposal	353.3
Less: Cash and cash equivalent disposed off	(323.6)
Net cash inflow on disposal	29.7

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.

	Continuing Operations		Discontinued Operations		Total	
	2015	2014	2015	2014	2015	2014
Profit/(Loss) for the financial year attributable to equity holders of the Company (RM million)	<u>1,388.0</u>	<u>1,503.6</u>	<u>-</u>	<u>(7.5)</u>	<u>1,388.0</u>	<u>1,496.1</u>
Weighted average number of ordinary shares in issue ('million)	<u>3,717.7</u>	<u>3,715.0</u>	<u>3,717.7</u>	<u>3,715.0</u>	<u>3,717.7</u>	<u>3,715.0</u>
Basic earnings/(loss) per share (sen)	<u>37.34</u>	<u>40.47</u>	<u>-</u>	<u>(0.20)</u>	<u>37.34</u>	<u>40.27</u>

(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.

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EARNINGS PER SHARE (Cont'd)

(b) Diluted earnings per share (cont'd):

	Continuing Operations		Discontinued Operations		Total	
	2015	2014	2015	2014	2015	2014
Earnings adjusted as follows:						
Profit/(Loss) for the financial year attributable to equity holders of the Company (RM million)	1,388.0	1,503.6	-	(7.5)	1,388.0	1,496.1
Net impact on earnings on potential exercise of Employees Share Options and Performance Share Scheme awarded to executives of the Company's subsidiaries and warrants issued to shareholders of the Company's subsidiary (RM million)	<u>(0.4)</u>	<u>(4.1)</u>	<u>-</u>	<u>-</u>	<u>(0.4)</u>	<u>(4.1)</u>
Adjusted earnings/(loss) for the financial year (RM million)	<u>1,387.6</u>	<u>1,499.5</u>	<u>-</u>	<u>(7.5)</u>	<u>1,387.6</u>	<u>1,492.0</u>

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EARNINGS PER SHARE (Cont'd)

(b) Diluted earnings per share (cont'd):

Weighted average number of ordinary shares adjusted as follows:

	Continuing Operations		Discontinued Operations		Total	
	2015	2014	2015	2014	2015	2014
Weighted average number of ordinary shares in issue ('million)	3,717.7	3,715.0	3,717.7	3,715.0	3,717.7	3,715.0
Adjustment for potential conversion of warrants of the Company ('million)	10.4	133.4	10.4	133.4	10.4	133.4
Adjusted weighted average number of ordinary shares in issue ('million)	3,728.1	3,848.4	3,728.1	3,848.4	3,728.1	3,848.4
Diluted earnings/(loss) per share (sen)	37.22	38.96	-	(0.19)	37.22	38.77

15. DIVIDENDS

Dividends recognised as distribution to ordinary equity holders of the Company:

	Group/Company			
	2015		2014	
	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
Final dividends paid in respect of previous year	3.0	111.5	-	-
Interim single-tier dividends paid	-	-	1.0	37.2
	3.0	111.5	1.0	37.2

At the forthcoming Annual General Meeting, a final single-tier dividend in respect of the financial year ended 31 December 2015 of 3.5 sen per ordinary share of 10 sen each amounting to RM130.1 million (2014: RM111.5 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

2015 Group	Freehold lands	Freehold buildings and improvements	Leasehold lands	Leasehold buildings and improvements	Plant, equipment and vehicles	Aircrafts, sea vessels and improvements	Construction in progress	Total
Net Book Value:								
At 1 January 2015	1,547.7	3,732.6	2,399.7	7,503.2	7,340.5	617.1	2,746.8	25,887.6
Additions	25.7	177.3	24.7	20.6	461.9	41.7	2,895.8	3,647.7
Disposals	-	(0.1)	(12.1)	-	(9.4)	(29.3)	-	(50.9)
Written off	-	(2.1)	-	(9.8)	(18.8)	(2.0)	(4.6)	(37.3)
Depreciation charged for the financial year	-	(159.5)	(38.9)	(212.8)	(1,158.5)	(30.0)	-	(1,599.7)
Assets of companies acquired	-	-	-	-	2.9	-	-	2.9
Transfer from/(to): - Leasehold land use rights (see Note 20)	-	-	-	-	-	-	(0.4)	(0.4)
Depreciation capitalised under:								
- Plantation development (see Note 19)	-	(9.1)	-	-	(5.6)	-	-	(14.7)
- Rights of use of oil and gas assets (see Note 22)	-	-	-	-	(3.8)	-	-	(3.8)
Reclassification	-	628.3	0.8	909.9	834.5	-	(2,373.5)	-
Impairment losses	-	-	-	(4.0)	(39.8)	(27.3)	-	(71.1)
Reversal of impairment losses	-	-	-	13.5	-	-	-	13.5
Acquisition of business	143.9	-	-	-	-	-	-	143.9
Cost adjustments	-	-	(2.5)	(192.5)	(40.4)	-	-	(235.4)
Foreign exchange differences	267.7	209.9	332.4	1,177.4	961.2	85.2	423.3	3,457.1
At 31 December 2015	<u>1,985.0</u>	<u>4,577.3</u>	<u>2,704.1</u>	<u>9,205.5</u>	<u>8,324.7</u>	<u>655.4</u>	<u>3,687.4</u>	<u>31,139.4</u>
At 31 December 2015:								
Cost or valuation	1,985.0	6,162.3	3,057.2	10,750.8	17,111.4	790.5	3,687.4	43,544.6
Accumulated depreciation	-	(1,585.0)	(351.6)	(1,417.0)	(8,719.6)	(104.9)	-	(12,178.1)
Accumulated impairment losses	-	-	(1.5)	(128.3)	(67.1)	(30.2)	-	(227.1)
Net book value	<u>1,985.0</u>	<u>4,577.3</u>	<u>2,704.1</u>	<u>9,205.5</u>	<u>8,324.7</u>	<u>655.4</u>	<u>3,687.4</u>	<u>31,139.4</u>
Comprising								
Cost	1,726.0	5,966.8	3,014.5	10,750.8	17,100.0	790.5	3,687.4	43,036.0
At valuation:								
- 1981	46.6	-	-	-	-	-	-	46.6
- 1982	8.8	76.7	-	-	2.9	-	-	88.4
- 1983	105.1	2.3	-	-	-	-	-	107.4
- 1986	-	-	-	-	8.5	-	-	8.5
- 1989	83.3	115.8	-	-	-	-	-	199.1
- 1991	-	0.7	34.0	-	-	-	-	34.7
- 1995	-	-	8.7	-	-	-	-	8.7
- 1996	15.2	-	-	-	-	-	-	15.2
	<u>1,985.0</u>	<u>6,162.3</u>	<u>3,057.2</u>	<u>10,750.8</u>	<u>17,111.4</u>	<u>790.5</u>	<u>3,687.4</u>	<u>43,544.6</u>

PROPERTY, PLANT AND EQUIPMENT (Cont'd)

2014 Group	Freehold lands	Freehold buildings and improvements	Leasehold lands	Leasehold buildings and improvements	Plant, equipment and vehicles	Aircrafts, sea vessels and improvements	Construction in progress	Total
Net Book Value:								
At 1 January 2014	1,429.9	3,387.9	2,341.4	7,574.7	7,916.4	557.8	1,362.1	24,570.2
Additions	0.3	90.1	34.1	16.2	315.9	69.8	2,091.8	2,618.2
Disposals	(0.2)	(1.0)	(10.5)	-	(5.7)	(0.2)	-	(17.6)
Written off	-	(30.5)	-	(10.4)	(21.2)	(3.2)	(6.0)	(71.3)
Depreciation charged for the financial year	-	(114.8)	(31.1)	(206.6)	(1,249.1)	(24.0)	-	(1,625.6)
Assets of companies acquired	-	0.8	31.6	6.6	40.5	-	-	79.5
Transfer from/(to):								
- Land held for property development (see Note 17)	74.2	-	-	-	-	-	-	74.2
- Intangible assets (see Note 21)	(4.9)	-	-	(37.9)	-	-	-	(42.8)
- Investment properties (see Note 18)	-	(0.5)	-	-	-	-	-	(0.5)
Depreciation capitalised under:								
- Plantation development (see Note 19)	-	(7.6)	-	-	(4.8)	-	-	(12.4)
- Rights of use of oil and gas assets (see Note 22)	-	-	-	-	(6.2)	-	-	(6.2)
- Long term lease prepayment	-	-	-	-	-	-	(15.2)	(15.2)
Reclassification	-	386.0	-	47.9	313.7	(0.1)	(747.5)	-
Impairment losses	-	-	-	(34.1)	(29.3)	-	-	(63.4)
Reversal of impairment losses	-	-	1.8	3.3	-	-	-	5.1
Cost adjustments	-	-	(6.5)	8.2	(52.0)	-	8.8	(41.5)
Foreign exchange differences	48.4	22.2	38.9	135.3	122.3	17.0	52.8	436.9
At 31 December 2014	<u>1,547.7</u>	<u>3,732.6</u>	<u>2,399.7</u>	<u>7,503.2</u>	<u>7,340.5</u>	<u>617.1</u>	<u>2,746.8</u>	<u>25,887.6</u>
At 31 December 2014:								
Cost or valuation	1,547.7	5,120.0	2,672.2	8,653.5	14,462.6	685.4	2,746.8	35,888.2
Accumulated depreciation	-	(1,387.4)	(271.0)	(1,031.6)	(7,077.0)	(68.3)	-	(9,835.3)
Accumulated impairment losses	-	-	(1.5)	(118.7)	(45.1)	-	-	(165.3)
Net book value	<u>1,547.7</u>	<u>3,732.6</u>	<u>2,399.7</u>	<u>7,503.2</u>	<u>7,340.5</u>	<u>617.1</u>	<u>2,746.8</u>	<u>25,887.6</u>
Comprising								
Cost	1,288.7	4,924.5	2,629.5	8,653.5	14,451.2	685.4	2,746.8	35,379.6
At valuation:								
- 1981	46.6	-	-	-	-	-	-	46.6
- 1982	8.8	76.7	-	-	2.9	-	-	88.4
- 1983	105.1	2.3	-	-	-	-	-	107.4
- 1986	-	-	-	-	8.5	-	-	8.5
- 1989	83.3	115.8	-	-	-	-	-	199.1
- 1991	-	0.7	34.0	-	-	-	-	34.7
- 1995	-	-	8.7	-	-	-	-	8.7
- 1996	15.2	-	-	-	-	-	-	15.2
	<u>1,547.7</u>	<u>5,120.0</u>	<u>2,672.2</u>	<u>8,653.5</u>	<u>14,462.6</u>	<u>685.4</u>	<u>2,746.8</u>	<u>35,888.2</u>

PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Fixed assets have been revalued by the Directors based upon valuations carried out by independent firms of professional valuers using the fair market value basis except for assets revalued in 1991, which were based on the values determined by a regulatory authority in connection with a restructuring exercise. The net book value of the revalued assets of the Group would have amounted to RM226.8 million (2014: RM228.5 million) had such assets been stated in the financial statements at cost.

Property, plant and equipment with a carrying amount of approximately RM310.1 million (2014: RM283.5 million) have been pledged as collateral as at 31 December 2015 for the USD borrowing in the Group's power plant business.

Banker guarantees of SGD10.0 million (equivalent to approximately RM30.6 million) (2014: SGD20.0 million or equivalent to approximately RM52.8 million) were obtained and held by Sentosa Development Corporation ("SDC"), as part of the conditions in the Development Agreement entered into with SDC. These guarantees and the bank borrowings of GENS Group are substantially secured over assets of the Singapore leisure and hospitality business segment.

2015 Company	Freehold buildings and improvements	Plant, equipment and vehicles	Total
Net Book Value:			
At 1 January 2015	0.3	2.3	2.6
Additions	-	0.4	0.4
Depreciation	(0.1)	(1.2)	(1.3)
At 31 December 2015	<u>0.2</u>	<u>1.5</u>	<u>1.7</u>
At 31 December 2015:			
Cost	8.8	18.4	27.2
Accumulated depreciation	(8.6)	(16.9)	(25.5)
Net book value	<u>0.2</u>	<u>1.5</u>	<u>1.7</u>
2014 Company			
Net Book Value:			
At 1 January 2014	0.4	3.5	3.9
Additions	-	0.2	0.2
Depreciation	(0.1)	(1.4)	(1.5)
At 31 December 2014	<u>0.3</u>	<u>2.3</u>	<u>2.6</u>
At 31 December 2014:			
Cost	8.8	18.2	27.0
Accumulated depreciation	(8.5)	(15.9)	(24.4)
Net book value	<u>0.3</u>	<u>2.3</u>	<u>2.6</u>

17. PROPERTY DEVELOPMENT ACTIVITIES

	Group		
	2015		2014
(a) Land held for property development:			
Freehold land	258.3		258.7
Development costs	101.4		84.6
	<u>359.7</u>		<u>343.3</u>
At 1 January			
- freehold land	258.7	336.0	
- development costs	84.6	87.9	423.9
Costs incurred during the financial year			
- development costs	21.1		23.0
Costs charged to income statement	-		(12.3)
Freehold land reclassified to property, plant and equipment (see Note 16)	-		(74.2)
Costs transferred to property development costs (see Note 17(b))			
- freehold land	(0.4)	(2.7)	
- development costs	(4.3)	(11.1)	(13.8)
Costs transferred to assets classified as held for sale			
- freehold land	-	(0.4)	
- development costs	-	(2.9)	(3.3)
At 31 December	<u>359.7</u>		<u>343.3</u>
(b) Property development costs:			
Freehold land	3.2		4.3
Development costs	141.1		104.6
Accumulated costs charged to income statement	(53.5)		(48.9)
	<u>90.8</u>		<u>60.0</u>
At 1 January			
- freehold land	4.3	3.6	
- development costs	104.6	116.6	
- accumulated costs charged to income statement	(48.9)	(64.1)	56.1
Costs incurred during the financial year			
- development costs	89.1		131.6
Costs charged to income statement	(61.9)		(100.4)
Costs transferred from land held for property development (see Note 17(a))	4.7		13.8
Costs transferred to inventories			
- freehold land	(1.5)	(2.0)	
- development costs	(56.9)	(154.7)	
- accumulated costs charged to income statement	57.3	(1.1)	(41.1)
At 31 December	<u>90.8</u>	<u>115.6</u>	<u>60.0</u>

18. INVESTMENT PROPERTIES

	Group	
	2015	2014
Net Book Value:		
At 1 January	1,729.6	1,589.5
Additions	2.4	70.2
Transfer from property, plant and equipment (see Note 16)	-	0.5
Transfer to land held for property development	-	(0.5)
Depreciation charged for the financial year	(16.0)	(13.5)
Reversal of previously recognised impairment losses	11.7	17.4
Foreign exchange differences	343.3	66.0
Others	(0.3)	-
At 31 December	<u>2,070.7</u>	<u>1,729.6</u>
At 31 December:		
Cost	2,365.1	1,960.4
Accumulated depreciation	(264.1)	(195.0)
Accumulated impairment losses	(30.3)	(35.8)
Net book value	<u>2,070.7</u>	<u>1,729.6</u>
Fair value at end of the financial year	<u>3,410.7</u>	<u>2,980.2</u>

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 comparable approach that reflects the recent transaction prices for similar properties and are within Level 2 of the fair value hierarchy.

The aggregate rental income and direct operating expenses arising from investment properties that generated rental income which was recognised during the financial year amounted to RM53.5 million and RM50.1 million (2014: RM45.3 million and RM32.0 million) respectively.

During the current financial year, GENM Group recorded a reversal of previously recognised impairment losses of RM11.7 million (2014: RM17.4 million) on the Omni Centre in US (part of the properties segment) due to improved rental rates. The recoverable amounts of these properties were assessed together with the related goodwill arising from the acquisition of Omni Centre. The calculations require the use of estimates as set out in Note 21.

19. PLANTATION DEVELOPMENT

	Group	
	2015	2014
Net Book Value:		
At 1 January	1,712.1	1,505.0
Additions	148.3	114.7
Assets of subsidiaries acquired	119.0	39.2
Disposal	(0.1)	(0.1)
Written off	(0.1)	-
Depreciation of property, plant and equipment capitalised (see Note 16)	14.7	12.4
Amortisation of leasehold land use rights capitalised (see Note 20)	0.5	2.5
Foreign exchange differences	160.5	38.4
At 31 December	<u>2,154.9</u>	<u>1,712.1</u>

20. LEASEHOLD LAND USE RIGHTS

	Group	
	2015	2014
Net Book Value:		
At 1 January	305.3	238.7
Additions	37.6	65.2
Assets of subsidiary acquired (see Note 45(d))	16.3	-
Disposal	(0.5)	-
Reclassification from property, plant and equipment (see Note 16)	0.4	-
Amortisation	(1.7)	(0.8)
Amortisation capitalised under plantation development (see Note 19)	(0.5)	(2.5)
Foreign exchange differences	30.2	4.7
At 31 December	387.1	305.3
At 31 December:		
Cost	407.4	324.3
Accumulated amortisation	(20.3)	(19.0)
Net book value	387.1	305.3

Leasehold land use rights of certain subsidiaries with an aggregate carrying value of RM379.9 million (2014: RM202.3 million) are pledged as securities for borrowings.

The Group holds land 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 2044. 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.

21. INTANGIBLE ASSETS

Group	Goodwill	Casino licences	Licences	Trademarks	Intellectual property rights and development costs	Other intangibles	Total
Net Book Value:							
At 1 January 2015	845.4	2,057.1	2,330.5	76.3	130.7	21.7	5,461.7
Foreign exchange differences	107.3	373.2	544.0	13.3	-	12.1	1,049.9
Additions	-	-	6.0	-	-	14.6	20.6
Acquisition of subsidiaries	74.5	-	5.8	-	-	51.3	131.6
Amortisation	-	(53.9)	(97.9)	-	(18.7)	(5.2)	(175.7)
Reversal of previously recognised impairment loss	-	178.5	-	-	-	-	178.5
At 31 December 2015	<u>1,027.2</u>	<u>2,554.9</u>	<u>2,788.4</u>	<u>89.6</u>	<u>112.0</u>	<u>94.5</u>	<u>6,666.6</u>
At 31 December 2015:							
Cost	2,675.3	3,269.8	3,233.9	89.6	175.9	169.8	9,614.3
Accumulated amortisation	-	(168.9)	(445.5)	-	(63.9)	(33.1)	(711.4)
Accumulated impairment losses	(1,648.1)	(546.0)	-	-	-	(42.2)	(2,236.3)
Net book value	<u>1,027.2</u>	<u>2,554.9</u>	<u>2,788.4</u>	<u>89.6</u>	<u>112.0</u>	<u>94.5</u>	<u>6,666.6</u>
Net Book Value:							
At 1 January 2014	730.9	2,126.5	2,239.5	75.2	142.9	15.0	5,330.0
Foreign exchange differences	19.3	28.9	123.6	1.1	-	0.2	173.1
Additions	-	-	4.8	-	-	9.2	14.0
Acquisition of subsidiaries	95.2	-	-	-	-	-	95.2
Amortisation	-	(49.1)	(80.2)	-	(12.2)	(2.4)	(143.9)
Transfer from property, plant and equipment (see Note 16)	-	-	42.8	-	-	-	42.8
Disposal	-	-	-	-	-	(0.3)	(0.3)
Impairment losses	-	(49.2)	-	-	-	-	(49.2)
At 31 December 2014	<u>845.4</u>	<u>2,057.1</u>	<u>2,330.5</u>	<u>76.3</u>	<u>130.7</u>	<u>21.7</u>	<u>5,461.7</u>
At 31 December 2014:							
Cost	2,245.8	2,789.5	2,603.1	76.3	175.9	81.8	7,972.4
Accumulated amortisation	-	(95.4)	(272.6)	-	(45.2)	(23.6)	(436.8)
Accumulated impairment losses	(1,400.4)	(637.0)	-	-	-	(36.5)	(2,073.9)
Net book value	<u>845.4</u>	<u>2,057.1</u>	<u>2,330.5</u>	<u>76.3</u>	<u>130.7</u>	<u>21.7</u>	<u>5,461.7</u>

The other intangible assets comprised software development, patents and research and development costs.

Included in the licences is an amount of RM2,705.4 million (2014: RM2,266.5 million) which has been pledged as collateral for the GENM Group's USD borrowing.

INTANGIBLE ASSETS (Cont'd)

The intellectual property rights represents the fair value of genomic data arising from the GENP Group's acquisition of the remaining 50% equity interest in ACGT Intellectual Limited in 2010.

The intellectual property development costs comprise expenditure incurred on intellectual property development relating to the use of genomics-based techniques and other methods or tools thereof to increase the yields and profit streams principally from oil palm and other crops where it can be reasonably anticipated that the costs will be recovered through commercialisation, sale and marketing of all the resulting products from the aforesaid development.

As at 31 December 2015, the expenditure incurred on these intellectual property development represents mainly payments made in respect of the genome sequencing data received by GENP Group for the research and development activities in the area of genomics.

At the beginning of the current financial year, GENP Group had revised the remaining useful life of intellectual property rights and development costs to 7 years. The remaining amortisation period of the intellectual property rights and development costs as at 31 December 2015 is 6 years (2014: 10.75 years).

(a) Completion of Purchase Price Allocation

During the current financial year, the Group has completed the purchase price allocation ("PPA") exercise to determine the fair value of the net assets of Lion Agriculture (Indonesia) Sdn Bhd ("LAI") and its subsidiary, PT Varita Majutama ("PTVM") within the stipulated time period, i.e. twelve months from the acquisition date, in accordance with FRS 3 "Business Combinations".

The changes in the provisional fair values of LAI and PTVM's identifiable assets have been reflected in the Consolidated Statement of Financial Position as at previous financial year ended 31 December 2014.

Below are the effects of the final PPA adjustments for the acquisitions of LAI and PTVM as at 31 December 2014 in accordance with FRS 3:

	As previously classified	Reclassification	As reclassified
As at 31 December 2014			
Consolidated Statement of Financial Position			
<u>Non-current assets</u>			
Plantation development	1,754.3	(42.2)	1,712.1
Intangible assets	5,414.0	47.7*	5,461.7
<u>Equity</u>			
Reserves	26,669.1	3.3	26,672.4
Non-controlling interests	20,128.9	3.4	20,132.3
<u>Current Liabilities</u>			
Trade and other payables	4,347.3	(1.2)	4,346.1

* This represents the goodwill adjustment.

INTANGIBLE ASSETS (Cont'd)

- (b) 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	2015	2014
Goodwill – leisure and hospitality segment:		
Malaysia	277.1	277.1
United Kingdom	72.0	27.3
United States of America	48.0	38.8
Singapore	382.7	334.2
Goodwill – others:		
United Kingdom – investment and others segment	91.6	42.3
Indonesia – plantation and oil and gas segment	155.8	125.7
Intangible assets other than goodwill:		
United Kingdom – leisure and hospitality segment		
- casino licences	2,549.1	2,002.0
- trademarks	86.3	73.5
Isle of Man		
- trademarks	3.3	2.8

Goodwill – Malaysia

The impairment test for goodwill relating to the Malaysia CGU was assessed using the value-in-use ("VIU") method. Cash flow projections used in this calculation were based on financial budgets approved by management covering 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 & hospitality industry in which the CGU operates.

Key assumptions used in the VIU calculation for 2015 include a growth rate and discount rate of 1.0% and 8.8% (2014: 1.0% and 9.1%) respectively.

Based on the impairment assessment, no impairment is required for goodwill attributed to the Malaysia 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 and other intangible assets with indefinite useful lives – UK

(i) Goodwill and other intangible assets with indefinite useful lives – casino business in UK

Goodwill and other intangible assets with indefinite useful lives that have been allocated to the UK Group were tested for impairment. Goodwill is allocated to the UK segment for the purpose of impairment review. The casino licences, considered to have an indefinite useful life, are assigned to smaller CGUs for the purposes of impairment review.

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 VIU. VIU has been calculated using cash flow projections. The cash flow projections are based on current financial budgets approved by the Directors for the next financial year and projections for the following four years.

Key assumptions used for VIU calculations include:

	Leisure and hospitality	
	2015	2014
Growth rate	2.25%	2.25%
Discount rate	10.50%	9.00%

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, the Group recorded reversal of previously recognised impairment losses of RM178.5 million (2014: impairment loss of RM49.2 million) on casino licences and RM13.5 million (2014: impairment loss of RM34.1 million) on property, plant and equipment in respect of certain casinos outside London as a result of the improved performance.

If the growth rate is reduced to 2% (2014: 2%) or the discount rate is 1% (2014: 1%) higher with all other variables including tax rate being held constant, the reversal of previously recognised impairment loss on the casino licences will be reduced by RM20.1 million and RM83.7 million respectively (2014: impairment loss increased by RM3.8 million and RM12.4 million respectively) based on VIU method.

INTANGIBLE ASSETS (Cont'd)

Goodwill and other intangible assets with indefinite useful lives – UK (cont'd)

- (ii) Goodwill and online gaming licence with definite useful lives – Acquisition of Genting Alderney by GENM Group

On 30 November 2015, GENM Group through its indirect wholly owned subsidiary, Nedby Limited completed the acquisition of Genting Alderney for a total cash consideration of GBP7.2 million (equivalent to approximately RM46.0 million) from RWI International Investments Limited. The GENM Group will engage an independent valuation firm to assist in the PPA exercise. The amount of intangible assets is currently determined based on provisional fair value assigned to the identifiable assets and liabilities as at acquisition date. Any adjustments to these provisional fair values upon finalisation of the detailed PPA exercise will be recognised in intangible assets within 12 months of the acquisition date as permitted by FRS 3 “Business Combinations”. The goodwill and online gaming licence with definite useful lives are not tested for impairment at the year end as there is no indication of impairment.

Details of net assets acquired and goodwill arising on the above acquisitions are set out in Note (a) (iii) to the statements of cash flows.

- (iii) Acquisition of DNAe Group Holdings Limited (formerly known as DNA Electronics Limited) (“DNAe Group”)

The impairment test for goodwill relating to the acquisition of DNAe Group was assessed using the VIU method. Cash flow projections used in this calculation were based on financial budgets approved by management covering a ten-year period in consideration of its nature of the business in research and development which requires a longer period. Cash flows beyond the ten-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% (2014: 1.0% and 30%) respectively.

Based on the impairment assessment, no impairment is required for goodwill attributed to the acquisition of DNAe Group.

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 and other intangible assets with indefinite useful lives – UK (cont'd)

- (iv) Acquisition of DNA Electronics, Inc (formerly known as NanoMR, Inc) (“DNA Electronics”)

On 15 January 2015, DNAe Group, an indirect subsidiary of the Company, had completed the acquisition of the entire issued share capital of DNA Electronics for a total consideration of USD24.0 million (equivalent to approximately RM84.1 million). During the current financial year, DNAe Group had completed the PPA exercise to determine the fair value of DNA Electronics. As the PPA to determine the fair value of the identifiable assets and liabilities was carried out during the current financial year and the identified assets and liabilities have been recorded at their respective fair values, the goodwill will be tested for impairment in the next financial year.

Details of net assets acquired and goodwill arising on the above acquisition are set out in Note (a)(i) to the consolidated statements of cash flows.

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 valuer to carry out a formal valuation of Omni Center, which includes a hotel, retail shops and office building. The recoverable amounts of the Omni Center were determined based on VIU of the respective properties. Key assumptions used in the VIU method include the growth rates of 1.0% to 23.5% (2014: 1.5% to 23.5%) and discount rates of 10.8% to 27.9% (2014: 10.6% to 27.9%). Based on 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 arises from the acquisition of 25% equity interest in Resorts World at Sentosa Pte. Ltd. (“RWSPL”) 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 covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below. The growth rate is below 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 2015 include a growth rate and discount rate of 2.00% and 6.64% (2014: 2.00% and 7.80%) respectively.

Based on the impairment assessment, no impairment is required for goodwill attributed to the Singapore 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.

Goodwill – Indonesia

(i) Acquisition of AsianIndo Holdings Pte Ltd (“AIH”)

Goodwill arose in 2010 when the GENP Group increased its equity interest from 60% to 77% in a subsidiary of GENP, AIH. This goodwill represents the excess of the purchase consideration over the incremental share of net assets, which was based on the then existing GENP Group’s carrying amounts, instead of fair values of the net assets in AIH when the additional equity interest was acquired.

The impairment test for goodwill was based on the most recent transacted prices of plantation lands in Indonesia. Based on the impairment assessment, there is no indication of impairment for the goodwill attributed to the plantation lands in Indonesia.

(ii) Acquisition of PTVM

Goodwill arose from the acquisition of 95% equity interest in PTVM which was completed on 18 July 2014. During the current financial year, the Group had completed the PPA exercise to determine fair value of the net assets of LAI and PTVM (see note (a) above). The PPA exercise to determine the fair value of the identifiable assets and liabilities was finalised in July 2015 and the identifiable assets and liabilities have been stated at their respective fair values. No impairment is required for this goodwill.

All the above impairment assessments are based on past performance, management’s expectations for the future and external sources where applicable.

22. RIGHTS OF USE OF OIL AND GAS ASSETS

2015 Group	Exploration costs	Rights and concessions	Production wells, related equipment and facilities*	Total
Cost:				
At 1 January 2015	2,475.4	567.4	171.4	3,214.2
Additions	632.8	-	16.9	649.7
Reclassification	(84.0)	84.0	-	-
Foreign exchange differences	593.7	136.1	41.1	770.9
At 31 December 2015	<u>3,617.9</u>	<u>787.5</u>	<u>229.4</u>	<u>4,634.8</u>
Depletion, depreciation and amortisation:				
At 1 January 2015	-	(37.3)	(5.6)	(42.9)
Charge for the financial year	-	(49.8)	(61.7)	(111.5)
Foreign exchange differences	-	(14.3)	(7.9)	(22.2)
At 31 December 2015	<u>-</u>	<u>(101.4)</u>	<u>(75.2)</u>	<u>(176.6)</u>
Net book value:				
As at 31 December 2015	<u>3,617.9</u>	<u>686.1</u>	<u>154.2</u>	<u>4,458.2</u>
2014 Group				
Cost:				
At 1 January 2014	1,481.4	-	-	1,481.4
Additions	908.0	523.5	161.3	1,592.8
Foreign exchange differences	86.0	43.9	10.1	140.0
At 31 December 2014	<u>2,475.4</u>	<u>567.4</u>	<u>171.4</u>	<u>3,214.2</u>
Depletion, depreciation and amortisation:				
At 1 January 2014	-	-	-	-
Charge for the financial year	-	(35.1)	(5.3)	(40.4)
Foreign exchange differences	-	(2.2)	(0.3)	(2.5)
At 31 December 2014	<u>-</u>	<u>(37.3)</u>	<u>(5.6)</u>	<u>(42.9)</u>
Net book value:				
As at 31 December 2014	<u>2,475.4</u>	<u>530.1</u>	<u>165.8</u>	<u>3,171.3</u>

Exploration costs remain capitalised as the Group is committed to continue exploring and developing these interests.

* Included in production wells, related equipment and facilities is work in progress amounting to RM9.1 million (2014: RM0.1 million).

Genting Berhad (Company No: 7916-A)

23. SUBSIDIARIES

	Company	
	2015	2014
Investment in subsidiaries:		
Quoted shares in Malaysia – at cost	803.2	803.2
Unquoted shares – at cost	13,610.7	13,120.3
	14,413.9	13,923.5
Less: Accumulated impairment losses	(297.5)	(120.0)
	14,116.4	13,803.5
Market value of quoted shares	16,537.3	15,484.3
Amounts due from subsidiaries are unsecured and comprise:		
Current:		
Interest free	30.6	44.8
Non-current:		
Interest free	68.7	71.0
	99.3	115.8
Amounts due to subsidiaries are unsecured and comprise:		
Current:		
Interest free	33.8	17.4
Non-current:		
Interest bearing	3,592.2	3,591.8
	3,626.0	3,609.2

The subsidiaries are listed in Note 48.

- (a) The market values of quoted shares are traded in an active market and are within Level 1 of the fair value hierarchy.

SUBSIDIARIES (Cont'd)

- (b) Apart from the interest free portion of the amounts due from subsidiaries classified as non-current which are considered as part of net investment, the carrying value of other interest free and interest bearing amounts due from/to subsidiaries which have no fixed repayment terms approximate their fair values based on the discounted cash flows using the market interest rate. The fair values are within Level 2 of the fair value hierarchy.

There were no interest bearing amounts due from subsidiaries as at 31 December 2015 (2014: Nil).

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% (2014: 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.
 - (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% (2014: 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% (2014: 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.
- (c) As at 31 December 2015, the Company's percentage shareholding in GENM was 49.3% (2014: 49.3%).

GENM's financial results are consolidated with those of the Company as its subsidiary notwithstanding the Company's shareholding of less than 50% in GENM. The Company is the single largest shareholder of GENM with all other shareholders having dispersed shareholding, and has consistently and regularly held a majority of the voting rights exercised at GENM'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 GENM by virtue of the ability to manage the financial and operating policies of GENM's principal asset, Resorts World Genting, pursuant to an agreement between one of the Company's wholly owned subsidiaries and GENM.

SUBSIDIARIES (Cont'd)

- (d) During the current financial year, the Company subscribed to 63,389 Convertible, Non-Cumulative Irredeemable Preference Shares issued by its wholly owned subsidiary, Genting Strategic Investments (Singapore) Pte Ltd, which amounted to RM177.5 million.
- (e) During the current financial year, the Company subscribed to 20,246,000 Convertible, Non-Cumulative Irredeemable Preference Shares issued by its wholly owned subsidiary, Genting Genomics Limited, which amounted to RM85.6 million.
- (f) During the current financial year, the Company received interim dividend from its wholly owned subsidiary, Genting Equities (Hong Kong) Limited, by way of distribution in specie of 32,546 Convertible, Non-Cumulative, Redeemable Preference Shares of USD1.00 each in Genting Overseas Holdings Limited, at a fair value of RM227.3 million.
- (g) 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.

2015

Summarised financial information

GENS

GENM

GENP

Statements of Financial Position:

Current assets	17,923.7	8,541.3	2,482.2
Non-current assets	18,920.1	18,979.5	4,763.4
Current liabilities	(1,982.5)	(3,666.6)	(424.5)
Non-current liabilities	(5,373.1)	(4,747.8)	(2,316.5)
Net assets	<u>29,488.2</u>	<u>19,106.4</u>	<u>4,504.6</u>

Accumulated non-controlling interests of the Group
at the end of the reporting period

<u>10,767.1</u>	<u>9,884.5</u>	<u>2,214.0</u>

Income Statements:

Revenue for the financial year	6,812.2	8,395.9	1,374.9
Profit for the financial year	547.8	1,243.0	176.6
Total comprehensive income for the financial year	<u>730.2</u>	<u>3,182.3</u>	<u>279.1</u>

Profit for the financial year attributable to non-controlling interests of the Group

<u>98.6</u>	<u>688.8</u>	<u>74.6</u>

Statements of Cash Flows:

Cash inflows from operating activities	3,865.9	1,857.0	147.7
Cash inflows/(outflows) from investing activities	1,395.4	(2,574.5)	(783.8)
Cash (outflows)/inflows from financing activities	(1,402.9)	2,149.6	979.2
Net increase in cash and cash equivalents	<u>3,858.4</u>	<u>1,432.1</u>	<u>343.1</u>

Dividend paid to non-controlling interests of the Group

<u>175.5</u>	<u>181.1</u>	<u>37.1</u>

SUBSIDIARIES (Cont'd)**2014****Summarised financial information****GENS****GENM****GENP****Statements of Financial Position:**

Current assets	16,657.9	4,980.5	1,657.4
Non-current assets	16,823.7	15,816.7	3,933.0
Current liabilities	(4,073.9)	(2,252.6)	(369.2)
Non-current liabilities	(3,770.3)	(2,270.9)	(1,068.1)
Net assets	<u>25,637.4</u>	<u>16,273.7</u>	<u>4,153.1</u>

Accumulated non-controlling interests of the Group
at the end of the reporting period

9,377.8	8,318.8	1,979.6

Income Statements:

Revenue for the financial year	7,393.2	8,229.4	1,642.9
Profit for the financial year	1,640.6	1,140.3	383.8
Total comprehensive income for the financial year	<u>1,103.6</u>	<u>1,191.6</u>	<u>402.7</u>

Profit for the financial year attributable to non-
controlling interests of the Group

639.7	537.3	179.2

Statements of Cash Flows:

Cash inflows from operating activities	2,524.8	1,540.7	491.3
Cash inflows/(outflows) from investing activities	183.8	(2,055.4)	(389.4)
Cash (outflows)/inflows from financing activities	(2,594.9)	(531.5)	142.2
Net increase/(decrease) in cash and cash equivalents	<u>113.7</u>	<u>(1,046.2)</u>	<u>244.1</u>

Dividend paid to non-controlling interests of the
Group

155.6	198.4	14.1

24. JOINT VENTURES

	Group	
	2015	2014
Unquoted:		
Shares in foreign corporations	840.5	503.3
Shares in a Malaysian company	3.8	6.4
Group's share of post acquisition reserves	275.9	129.4
Less: Accumulated impairment losses	(1.5)	(1.5)
	1,118.7	637.6
Amounts due from joint ventures	279.8	220.3
Amounts due to joint ventures	(109.8)	(29.0)
Less: Balance included in other non-current assets (see Note 28)	(276.3)	(211.0)
Balance included in current assets	(3.5)	(9.3)
Balance included in current liabilities	109.8	29.0
	-	-
	1,118.7	637.6

JOINT VENTURES (Cont'd)

The joint ventures are listed in Note 48.

The amounts due from joint ventures included in current assets are unsecured, interest free and are receivable within the next twelve months. The amounts due from joint ventures which are more than one year represent the amount from a joint venture which is repayable in 2019 and the balance of purchase price receivable from the sale of land to Genting Simon Sdn Bhd by Genting Property Sdn Bhd, a wholly owned subsidiary of GENP.

On 10 July 2014, the Group completed the disposal of its 51% equity interest in Fujian Pacific Electric Company Limited ("FPECL"). Subsequent to the disposal, the financial results of the Meizhou Wan power plant have been accounted for as a joint venture from the date of the completion of the partial disposal. The Group's interest in FPECL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of FPECL is set out below:

Summarised financial information	FPECL	
	2015	2014
Statement of Financial Position:		
Current assets	504.6	697.1
Non-current assets	1,317.6	1,238.3
Current liabilities	(259.7)	(393.2)
Non-current liabilities	(564.8)	(727.5)
Net assets	<u>997.7</u>	<u>814.7</u>
Included in the Statement of Financial Position are:		
Cash and cash equivalents	288.8	477.1
Current financial liabilities (excluding trade and other payables and provisions)	(153.2)	(297.0)
Non-current financial liabilities (excluding trade and other payables and provisions)	<u>(564.8)</u>	<u>(727.5)</u>
Statement of comprehensive income:		
Profit for the financial year from continuing operations	<u>155.3</u>	<u>112.4</u>
Included in the Income Statement are:		
Revenue	946.7	472.8
Depreciation and amortisation	(171.0)	(61.2)
Interest income	8.1	5.5
Interest expense	(52.2)	(24.0)
Income tax expense	<u>(61.5)</u>	<u>(34.9)</u>
Reconciliation of Net Assets to Carrying Amount:		
As at 31 December		
Group's share of net assets	488.9	399.2
Elimination of unrealised profit	-	(0.1)
Others	-	3.3
Carrying amount as at 31 December	<u>488.9</u>	<u>402.4</u>

Genting Berhad (Company No: 7916-A)

JOINT VENTURES (Cont'd)

FPECL is a private company and therefore no quoted market prices are available for its shares.

There are no significant restrictions on the ability of FPECL to transfer funds to the Group in the form of cash dividends.

The following table summarises, in aggregate, the financial information of all other individually immaterial joint ventures that are accounted for using the equity method:

	All Other Joint Ventures	
	2015	2014
Carrying amount at 31 December	629.8	235.2
Share of profit from continuing operations	35.2	31.2
Share of other comprehensive income	6.7	2.5
Share of total comprehensive income	41.9	33.7

There are no contingent liabilities relating to the Group's interest in joint ventures at the reporting date (2014: Nil).

25. ASSOCIATES

	Group	
	2015	2014
Quoted:		
Shares in a Malaysian company	-	299.7
Group's share of post acquisition reserves	-	33.9
Less: Accumulated impairment losses	-	(197.6)
	-	136.0
Unquoted – at cost:		
Shares in foreign corporations	807.1	694.0
Shares in Malaysian companies	2.1	2.1
Group's share of post acquisition reserves	391.6	232.1
	1,200.8	928.2
Amounts due from associates	759.6	270.7
Less: Balance included in other non-current assets (see Note 28)	(750.9)	(267.6)
Balance included in current assets	(8.7)	(3.1)
	-	-
	1,200.8	1,064.2
Market value of quoted shares	-	142.8

ASSOCIATES (Cont'd)

The market values of quoted shares of associates are traded in active market and are within Level 1 of the fair value hierarchy.

The Group has interests in a number of associates, none of which is individually material to the Group. The Group's shareholding percentage in Landmarks Berhad is 30.3% (2014: 30.3%) as at 31 December 2015 but the Group has not exercised significant influence over this company and has not participated in the financial and operating policies or had any access to detailed information by virtue of the Group not having any representation on either the board or management of Landmarks Berhad at any time after acquiring the shares in this company. The Group has no current plans to change this practice. In addition, there have been no transactions or arrangements entered into between the Group and Landmarks Berhad. Consequently, the Group has during the year reclassified the investment as an "Available-for-sale Financial Asset".

On 27 March 2014, the Group completed the acquisition of 50% equity interest in Landing Jeju Development Co., Ltd for SGD97.5 million (equivalent to approximately RM254.0 million).

The associates are listed in Note 48.

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 except for SGD235.9 million or equivalent to approximately RM750.9 million (2014: SGD97.5 million or equivalent to approximately RM267.6 million) which bears a fixed interest rate.

The following table summarises, in aggregate, the financial information of all individually immaterial associates that are accounted for using the equity method:

	All Associates	
	2015	2014
Carrying amount at 31 December	1,200.8	1,064.2
Share of loss from continuing operations	(16.6)	(37.0)
Share of other comprehensive income	35.8	15.4
Share of total comprehensive income/(loss)	19.2	(21.6)

There are no contingent liabilities relating to the Group's interest in associates at the reporting date (2014: Nil).

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The carrying amounts of financial assets at fair value through profit or loss are classified as follows:

	Group	
	2015	2014
Current		
Held for trading		
- Equity investments (quoted foreign corporations)	8.1	7.2

The fair values of quoted equity investments are determined by reference to the bid price on the relevant stock exchanges.

27. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	2015	2014	2015	2014
Equity investments in foreign corporations				
- Quoted	459.5	1,059.0	-	-
- Quoted (Transferred to assets classified as held for sale, see Note 33(ii))	-	1,743.3	-	-
- Unquoted	1,558.2	1,004.7	-	-
Equity investments in Malaysian corporations				
- Quoted	145.7	-	-	-
- Unquoted	2.1	1.7	-	-
Debt securities in foreign corporations				
- Quoted	327.7	275.2	-	-
- Unquoted	126.4	82.0	-	-
Income funds in Malaysian corporation				
- Unquoted	1,250.0	900.0	200.0	200.0
Compound financial instruments (debt securities)				
- Unquoted	-	3,471.1	-	-
	3,869.6	8,537.0	200.0	200.0
Analysed as follows:				
Current	1,566.6	5,680.8	200.0	200.0
Non-current	2,303.0	2,856.2	-	-
	3,869.6	8,537.0	200.0	200.0

Included in the available-for-sale financial assets 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 the quoted equity investments and portfolio of 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.

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.

The nominal value of compound financial instruments of USD1,000.0 million (equivalent to approximately RM3,476.5 million) as at 31 December 2014 has matured in 2015 and were adjusted for features stipulated in the term sheets. Since the derivative was not closely related to the host contract, the derivative and debt securities were separately valued as derivative financial liabilities (see Note 42) and available-for-sale financial assets. The difference between the fair value of the derivatives and the fair value of the compound financial instruments, representing the value of the debt securities, is recognised as available-for-sale financial assets until extinguished on maturity. The fair values of the compound financial instruments were within Level 2 of the fair value hierarchy.

28. OTHER NON-CURRENT ASSETS

	Group	
	2015	2014
Trade receivables	3,107.8	1,465.4
Other receivables	427.0	387.7
	<u>3,534.8</u>	<u>1,853.1</u>
Amounts due from joint ventures (see Note 24)	276.3	211.0
Amounts due from associates (see Note 25)	750.9	267.6
Prepayments	80.3	81.8
	<u>4,642.3</u>	<u>2,413.5</u>

The carrying amounts of the Group's trade and other receivables approximate their fair values, which are based on cash flows discounted using the current market interest rates. The fair values are within Level 2 of the fair value hierarchy.

Included in trade receivables of the Group is an amount due from customers on contract of RM2,687.6 million (2014: RM972.2 million) in relation to the construction of the Group's power plant in Indonesia. The amount will be recovered throughout the concession period upon commercial operation of the power plant.

Included in other receivables of the Group is an investment of RM250.0 million (2014: RM250.0 million) in unquoted preference shares in a Malaysian corporation. The preference shares carry a cumulative, non-compounding fixed dividend of 4% (2014: 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.

The other long term receivables bear an effective annual interest rate of 2.87% to 11.40% (2014: 2.87% to 11.40%).

As at 31 December 2015, there were no non-current trade and other receivables (2014: Nil) that were past due but not impaired. 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.

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	
	2015	2014	2015	2014
Deferred tax assets				
- subject to income tax (see (i) below)	393.3	303.5	20.2	18.4
Deferred tax liabilities				
- subject to income tax	(1,882.3)	(1,406.5)	-	-
- subject to Real Property Gain Tax ("RPGT")	(9.5)	(9.5)	-	-
Total deferred tax liabilities (see (ii) below)	(1,891.8)	(1,416.0)	-	-
	(1,498.5)	(1,112.5)	20.2	18.4
At 1 January	(1,112.5)	(1,215.3)	18.4	15.9
(Credited)/charged to income statements (see Note 12)				
- property, plant and equipment and investment properties	29.9	(38.8)	0.2	0.2
- plantation development	(9.2)	(19.0)	-	-
- intangible assets	6.6	(14.2)	-	-
- provisions	(113.2)	130.0	1.6	2.3
- (reversal of previously recognised impairment loss)/ impairment loss on intangible assets	(24.5)	9.8	-	-
- unutilised tax losses	14.1	32.7	-	-
- rights of use of oil and gas assets	(38.5)	-	-	-
- other non-current assets (construction contract)	(54.8)	(15.4)	-	-
- others	(22.5)	9.5	-	-
	(212.1)	94.6	1.8	2.5
Foreign exchange differences	(139.3)	(2.5)	-	-
Others	(34.6)	10.7	-	-
At 31 December	(1,498.5)	(1,112.5)	20.2	18.4

DEFERRED TAXATION (Cont'd)

	Group		Company	
	2015	2014	2015	2014
Subject to income tax/RPGT:				
(i) Deferred tax assets (before offsetting)				
- property, plant and equipment	23.1	21.4	-	-
- land held for property development	4.5	4.9	-	-
- provisions	204.2	303.4	20.3	18.7
- tax losses	393.0	306.1	-	-
- others	63.4	21.7	-	-
	688.2	657.5	20.3	18.7
- offsetting	(294.9)	(354.0)	(0.1)	(0.3)
Deferred tax assets (after offsetting)	393.3	303.5	20.2	18.4
(ii) Deferred tax liabilities (before offsetting)				
- property, plant and equipment and investment properties	(1,783.1)	(1,607.9)	(0.1)	(0.3)
- plantation development	(56.8)	(58.5)	-	-
- land held for property development	(5.2)	(5.2)	-	-
- intangible assets	(116.7)	(39.8)	-	-
- rights of use of oil and gas assets	(50.8)	-	-	-
- other non-current assets (construction contract)	(83.6)	(18.5)	-	-
- dividend distribution tax	(45.3)	(24.1)	-	-
- others	(45.2)	(16.0)	-	-
	(2,186.7)	(1,770.0)	(0.1)	(0.3)
- offsetting	294.9	354.0	0.1	0.3
Deferred tax liabilities (after offsetting)	(1,891.8)	(1,416.0)	-	-

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	
	2015	2014	2015	2014
Unutilised tax losses				
- Expiring more than one year and not more than five years (see note (a) below)	121.6	82.1	-	-
- No expiry period (see note (b) below)	986.7	432.5	-	-
	1,108.3	514.6	-	-
Property, plant and equipment (no expiry date)	154.4	203.6	-	-
Provision (no expiry date)	9.6	6.2	-	-
	1,272.3	724.4	-	-

- (a) Deferred tax assets have not been recognised as the realisation of the tax benefits accruing to these tax losses is uncertain.
- (b) Included in this amount are unutilised tax losses of certain subsidiaries of the Group amounting to RM285.5 million (2014: RM253.3 million) for which deferred tax assets have not been recognised as these subsidiaries are accredited with tax exempt pioneer status for 10 years.

With regards to FRS 112 "Income Taxes", the Group will continue to recognise in the profit or loss on the tax impact arising from the Group's unutilised Investment Tax Allowance of RM942.4 million (2014: RM955.7 million) as and when it is utilised.

30. INVENTORIES

	Group	
	2015	2014
Stores and spares	280.0	227.2
Completed properties	64.7	80.9
Food, beverages and other hotel supplies	116.3	92.0
Produce stocks and finished goods	19.6	19.4
	<u>480.6</u>	<u>419.5</u>

31. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015	2014	2015	2014
Trade receivables	2,741.5	4,587.4	-	-
Other receivables	1,216.5	709.2	2.0	1.0
Less: Impairment losses on receivables	(722.6)	(1,552.6)	-	-
	<u>3,235.4</u>	<u>3,744.0</u>	<u>2.0</u>	<u>1.0</u>
Accrued billings in respect of property development	6.7	13.1	-	-
Deposits	178.3	157.7	0.7	0.7
Prepayments	331.1	169.0	13.2	-
	<u>3,751.5</u>	<u>4,083.8</u>	<u>15.9</u>	<u>1.7</u>

Included in the other receivables of the Group as at 31 December 2015 is an investment of RM649.4 million (2014: RM241.2 million) in unquoted promissory notes of a foreign corporation. The promissory notes carry a fixed interest rate of 18% (2014: 15%) per annum.

The carrying amounts of the Group's and the Company's trade and other receivables approximate their fair value.

As at 31 December 2015, trade and other receivables of RM1,525.0 million (2014: RM2,390.7 million) of the Group were past due but not impaired. The ageing analysis of these trade and other receivables is as follows:

	Group		Company	
	2015	2014	2015	2014
Receivables past due:				
Past due 0 to 3 months	307.9	800.3	-	-
Past due 3 to 6 months	289.3	431.9	-	-
Past due over 6 months	927.8	1,158.5	-	-
	<u>1,525.0</u>	<u>2,390.7</u>	<u>-</u>	<u>-</u>

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 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 RM722.6 million (2014: RM1,552.6 million) as at 31 December 2015. These receivables are not secured by any collateral.

TRADE AND OTHER RECEIVABLES (Cont'd)

The movements on the provision for impairment loss on receivables are as follows:

	Group		Company	
	2015	2014	2015	2014
At 1 January	1,552.6	1,135.5	-	0.2
Charge for the financial year	772.5	689.2	-	-
Write-off against provision	(1,912.3)	(310.1)	-	(0.2)
Foreign exchange differences	309.8	38.0	-	-
At 31 December	722.6	1,552.6	-	-

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

32. CASH AND CASH EQUIVALENTS

	Group		Company	
	2015	2014	2015	2014
Deposits with licensed banks	16,395.2	10,890.9	716.4	493.4
Cash and bank balances	4,244.0	4,485.5	1.5	7.8
	20,639.2	15,376.4	717.9	501.2
Less: Restricted cash	(626.3)	(584.2)	(0.1)	-
Bank balances and deposits	20,012.9	14,792.2	717.8	501.2
Add: Money market instruments	3,600.0	1,599.0	507.7	422.5
Cash and cash equivalents	23,612.9	16,391.2	1,225.5	923.7

The deposits of the Group and the Company as at 31 December 2015 have an average maturity period of one month (2014: one month). 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 2015 have maturity periods ranging between overnight and one month (2014: overnight and one month).

Included in deposits with licensed banks for the Group is an amount of RM43.8 million (2014: RM32.0 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 deposits pledged with licensed banks to secure certain bank facilities and funds under the control of the Group placed with licensed banks and a third party which will be utilised for certain qualified expenses. These deposits have weighted average interest rates ranging from 0.3% to 6.4% (2014: 0.6% to 6.8%) per annum.

33. ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE

As at 31 December 2015, the following assets or liabilities were classified as held for sale:

(i) Planned disposal of land and infrastructure costs and golf course - GENP

	Group	
	2015	2014
Assets classified as held for sale		
Property, plant and equipment	-	14.7
Land held for property development	5.4	20.4
Inventories	-	2.0
Trade and other receivables	-	0.8
	5.4	37.9
Liabilities classified as held for sale		
Other non-current liabilities	-	(0.7)

The assets and liabilities held for sale comprised of:

- (a) Land and infrastructure costs measuring approximately 20 acres (2014: 213.2 acres); and
- (b) a golf course and its recreational club in respect of previous financial year.

The disposal of 193.2 acres of land and the golf course and its recreational club located in the Mukim of Sg Petani classified as held for sale in the previous financial year was completed during the current financial year, resulting in an aggregate gain of RM5.0 million.

(ii) Planned disposal of available-for-sale financial assets - GENM

On 11 May 2015, GENM had proposed to obtain a mandate from its non-interested shareholders for the disposal by Resorts World Limited, an indirect wholly owned subsidiary of GENM, of the entire 1,431,059,180 ordinary shares of USD0.10 each in Genting Hong Kong Limited ("GENHK") ("Disposal Mandate"). On 2 July 2015, the Disposal Mandate was approved by the non-interested shareholders and is valid for a period of 1 year from the approval date.

The fair value of the available-for-sale financial assets as at 31 December 2015 was RM1,973.9 million. This fair value has been measured based on the quoted market bid price available on the stock exchange, and is therefore within Level 1 of the fair value hierarchy.

(iii) Planned disposal of aircraft - GENS

The GENS Group's assets classified as held for sale of RM97.8 million as at 31 December 2015 represents an aircraft owned by its wholly owned subsidiary. The sale of this asset is expected to be completed within the next twelve months.

34. SHARE CAPITAL

	Group/Company	
	2015	2014
Authorised:		
8,000.0 million ordinary shares of 10 sen each	800.0	800.0
Issued and fully paid:		
Ordinary shares of 10 sen each		
At beginning of the financial year		
- 3,743.1 million (2014: 3,719.5 million)	374.3	371.9
Issues of shares:		
- pursuant to exercise of warrants: 0.1 million (2014: 23.6 million)	-	2.4
At end of the financial year		
- 3,743.2 million (2014: 3,743.1 million)	374.3	374.3

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.

35. TREASURY SHARES

At the Annual General Meeting of the Company held on 11 June 2015, 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.

During the current financial year, the Company had purchased a total of 1,050,000 (2014: 160,000) ordinary shares of RM0.10 each of its issued share capital from the open market at an average price of RM6.80 (2014: RM9.86) per share. The total consideration paid for the purchase, including transaction costs, was RM7.1 million (2014: RM1.6 million) and was financed by internally generated funds. The purchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965. 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 2015, of the total 3,743,195,756 (2014: 3,743,049,706) issued and fully paid ordinary shares, 26,120,000 (2014: 25,070,000) are held as treasury shares by the Company. As at 31 December 2015, the number of outstanding ordinary shares in issue after the offset is therefore 3,717,075,756 (2014: 3,717,979,706) ordinary shares of RM0.10 each.

Genting Berhad (Company No: 7916-A)

TREASURY SHARES (Cont'd)

Details relating to the purchase during the current financial year 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 2015	25,070.0	212.5	10.80	3.40	8.47
Shares purchased during the financial year					
- February	50.0	0.4	8.90	8.90	8.91
- August	1,000.0	6.7	6.72	6.67	6.69
At 31 December 2015	26,120.0	219.6			8.41

* Average price includes stamp duty, brokerage and clearing fees.

The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the purchase plan is being applied in the best interests of the Company and its shareholders.

36. RESERVES

	Group		Company	
	2015	2014	2015	2014
Share premium	1,417.4	1,416.0	1,417.4	1,416.0
Warrants reserve	1,108.9	1,109.1	1,108.9	1,109.1
Revaluation reserve	301.2	305.9	-	-
Fair value reserve	948.5	1,259.5	-	-
Cash flow hedge reserve	(203.3)	(124.9)	-	-
Reserve on exchange differences	5,881.3	1,056.2	-	-
Retained earnings	23,009.1	21,650.6	9,444.6	8,779.3
	32,463.1	26,672.4	11,970.9	11,304.4

The Company is under the single tier tax system with effect from year of assessment 2014 and hence, there is no restriction on the Company to declare the payment of dividends out of its retained earnings.

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 of RM0.10 each 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.

Genting Berhad (Company No: 7916-A)

RESERVES (Cont'd)

The movements in the warrants reserve and number of warrants during the financial year are summarised below:

	Group/Company		Warrants Reserve	
	No. of Warrants		RM'million	
	2015	2014	2015	2014
At 1 January	740,636,984	764,201,920	1,109.1	1,144.4
Exercise of warrants	(146,050)	(23,564,936)	(0.2)	(35.3)
At 31 December	740,490,934	740,636,984	1,108.9	1,109.1

37. PERPETUAL CAPITAL SECURITIES OF A SUBSIDIARY

On 12 March 2012 and 18 April 2012, GENS issued SGD1,800 million 5.125% perpetual capital securities ("Institutional Securities") and SGD500 million 5.125% perpetual capital securities ("Retail Securities") respectively at issue prices of 100 per cent each.

Holders of these Institutional and Retail securities are conferred a right to receive distribution on a semi-annual basis from their issue date at the rate of 5.125% per annum, subject to a step-up rate from 12 September 2022 and 18 October 2022 respectively. GENS has a right to defer this distribution under certain conditions.

The Institutional and Retail securities have no fixed maturity and are redeemable in whole, but not in part, at GENS's option on or after 12 September 2017 for the Institutional securities and 18 October 2017 for the Retail securities at their principal amounts together with any accrued, unpaid or deferred distributions. While any distributions are unpaid or deferred, GENS will not declare, pay dividends or make similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank.

These perpetual capital securities were issued for GENS's general corporate purposes as well as to finance capital expenditure and the expansion of its business.

During the current financial year, the Board of Directors of GENS have approved the payments of the second and third distribution in respect of the Institutional and Retail Securities. Accordingly, distributions for Institutional Securities amounting to SGD45.7 million (equivalent to approximately RM140.2 million) and SGD46.5 million (equivalent to approximately RM142.5 million) were paid on 11 March 2015 and 11 September 2015 respectively. Distributions for Retail Securities amounting to SGD12.8 million (equivalent to approximately RM39.1 million) and SGD12.8 million (equivalent to approximately RM39.3 million) were paid on 20 April 2015 and 19 October 2015 respectively.

38. BORROWINGS

	Group	
	2015	2014
Current		
Secured:		
Term loans	1,082.7	1,661.8
Finance lease liabilities	8.2	2.1
Unsecured:		
Term loans	396.4	173.8
	<u>1,487.3</u>	<u>1,837.7</u>
Non-current		
Secured:		
Term loans	9,156.9	6,306.7
Finance lease liabilities	10.6	0.2
Unsecured:		
Medium term notes	5,992.6	3,595.3
Sukuk Murabahah	997.1	-
Term loans	860.2	812.7
	<u>17,017.4</u>	<u>10,714.9</u>
	<u>18,504.7</u>	<u>12,552.6</u>

The borrowings (excluding finance lease liabilities) bear an effective annual interest rate of 2.0% to 4.9% (2014: 1.9% to 5.0%) 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 2015:			
Less than one year	1,479.2	8.1	1,487.3
More than one year and less than two years	2,002.1	9.6	2,011.7
More than two years and less than five years	6,005.9	2,698.4	8,704.3
More than five years	2,009.2	4,292.2	6,301.4
	11,496.4	7,008.3	18,504.7
As at 31 December 2014:			
Less than one year	1,661.8	175.9	1,837.7
More than one year and less than two years	1,760.9	0.1	1,761.0
More than two years and less than five years	4,144.3	1,599.8	5,744.1
More than five years	1,214.1	1,995.7	3,209.8
	8,781.1	3,771.5	12,552.6

(b) Finance lease liabilities

The minimum lease payments of the finance lease liabilities at the reporting date are as follows:

	Group 2015	2014
Not more than one year	11.9	2.2
More than one year and not more than five years	11.9	0.2
	23.8	2.4
Future finance charges	(5.0)	(0.1)
Present value	18.8	2.3

Finance lease liabilities are effectively secured as the rights to the leased assets, which will revert to the lessor in the event of default. The finance lease liabilities have an effective interest rate of 2.3% to 23.4% (2014: 1.9% to 16.5%) per annum.

(c) Fair values of the borrowings as at 31 December 2015 was RM18,524.0 million (2014: RM12,598.5 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.
- (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 GENP, 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 GENP.
- (g) On 24 August 2015, GENM Capital Berhad, a direct wholly owned subsidiary of GENM, 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 GENM. The coupon is payable semi-annually. The net proceeds from MTN programme shall be utilised for operating expenses, capital expenditure, and/or working capital requirements of GENM including to finance the development, and/or re-development of the properties of GENM located in Genting Highlands, Pahang, Malaysia.

Details of assets pledged as securities for the borrowings are disclosed in Notes 16, 20, 21, 32 and 42.

39. PROVISIONS

	Group		Company	
	2015	2014	2015	2014
Provision for retirement gratuities (see (a) below)	284.7	267.1	84.8	78.3
Asset retirement obligations (see (b) below)	146.0	114.4	-	-
Other provision	46.8	43.5	-	-
	477.5	425.0	84.8	78.3
Less: Provision for retirement gratuities shown as current liabilities (see (a) below)	(19.1)	(15.5)	-	-
	458.4	409.5	84.8	78.3
(a) Provision for Retirement Gratuities				
Beginning of the financial year	267.1	237.2	78.3	68.6
Charge for the financial year	23.1	35.8	6.5	9.8
Write-back of provision	(1.0)	(0.5)	-	-
Payments during the financial year	(5.0)	(5.6)	-	(0.1)
Foreign exchange differences	0.5	0.2	-	-
End of the financial year	284.7	267.1	84.8	78.3
Analysed as follows:				
Current (see Note 41)	19.1	15.5	-	-
Non-current	265.6	251.6	84.8	78.3
	284.7	267.1	84.8	78.3

(b) Asset Retirement Obligations

	Group	
	2015	2014
Beginning of the financial year	114.4	-
Addition	-	111.0
Unwinding of discount	10.9	2.9
Foreign exchange differences	20.7	0.5
End of the financial year	146.0	114.4

Asset retirement obligations consist primarily of estimated cost of dismantlement, removal, site reclamation and similar activities associated with oil and gas assets.

40. OTHER NON-CURRENT LIABILITIES

	Group	
	2015	2014
Advance membership fees (see note (a) below)	9.1	13.7
Government grant (see note (b) below)	8.5	-
Accruals and other payables	18.4	28.3
	<u>36.0</u>	<u>42.0</u>

Notes:

- (a) The advance membership fees relate to fees received on sale of timeshare units by an indirect subsidiary offering a timeshare ownership scheme. These fees are recognised as income over the next twenty four years from commencement of membership.
- (b) During the current financial year, a subsidiary of GENP, received government grant totalling RM8.5 million which was conditional upon the construction of biorefinery plants. The government grant is to be recognised in profit or loss over the useful lives of the assets when the assets are commissioned.

41. TRADE AND OTHER PAYABLES

	Group		Company	
	2015	2014	2015	2014
Trade payables	664.6	670.5	-	-
Accruals	2,567.9	2,061.7	29.5	35.2
Retirement gratuities (see Note 39(a))	19.1	15.5	-	-
Deposits	34.7	24.9	-	-
Provision for onerous lease	31.3	14.8	-	-
Accrued capital expenditure	524.2	348.1	-	-
Deferred income	188.8	198.4	-	-
Other payables	978.8	1,012.2	3.7	-
	<u>5,009.4</u>	<u>4,346.1</u>	<u>33.2</u>	<u>35.2</u>

The carrying amounts of the Group's and the Company's trade and other payables approximate their fair values.

42. DERIVATIVE FINANCIAL INSTRUMENTS

Group	Note	Notional/ Contract Value	2015 Fair Value Assets	Fair Value Liabilities	Notional/ Contract Value	2014 Fair Value Assets	Fair Value Liabilities
<u>Designated as hedges</u>							
Interest Rate Swap	(a)						
- USD		2,522.3	-	(264.0)	1,860.6	-	(161.5)
- GBP		422.0	-	(4.9)	359.3	-	(5.3)
Cross Currency Swap	(b)						
- SGD		183.8	-	(58.4)	158.5	-	(32.6)
Interest Rate Capped Libor- In-Arrears Swap	(c)						
- USD		43.1	-	(0.5)	208.6	-	(1.7)
Forward Foreign Currency Exchange Contracts	(d)						
- USD		13.8	-	(0.1)	24.6	-	(0.1)
- SGD		-	-	-	65.1	3.8	-
			-	(327.9)		3.8	(201.2)
<u>Not designated as hedges</u>							
Interest Rate Swap	(a)						
- USD		447.8	1.0	(11.9)	139.1	-	(7.3)
Cross Currency Swap	(b)						
- USD		331.4	119.1	(0.4)	292.2	94.3	(1.3)
Forward Foreign Currency Exchange Contracts	(d)						
- SGD		25.4	3.4	-	-	-	-
Compound Financial Instruments (see Note 27)		-	-	-	3,476.5	-	(652.2)
Commodity Collar	(e)	N/A	91.4	-	N/A	-	-
Others			-	-		3.5	-
			214.9	(12.3)		97.8	(660.8)
Total derivative financial instruments			214.9	(340.2)		101.6	(862.0)
Analysed as follows:							
Current			93.1	(69.5)		2.5	(658.2)
Non-current			121.8	(270.7)		99.1	(203.8)
			214.9	(340.2)		101.6	(862.0)
<u>Company</u>							
<u>Not designated as hedges</u>							
Non-current - Warrants	(f)	N/A	215.6	-	N/A	134.3	-

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) Interest Rate Capped Libor-In-Arrears Swap ("IRCLIA")

The Group had entered into IRCLIA to hedge the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to limit its exposure to fluctuation in interest rate movements if the interest rate moves beyond certain caps.

These IRCLIA contracts are accounted for using the hedge accounting method. The changes of fair value of these IRCLIA are included as hedging reserves in equity and are recognised in the income statement as the underlying hedged items are recognised.

DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

(d) Forward Foreign Currency Exchange

The Group had entered into various forward foreign currency exchange 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 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 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.

(e) Commodity Collar

The Group entered into commodity collar contracts for crude oil to manage the Group's exposure to crude oil price fluctuation and hence moderate the effects of such fluctuations on the Group's financial performance. Crude oil prices were hedged at prices ranging from USD60 per barrel to USD73.71 per barrel, which is effective from 1 January 2015 to 31 December 2016 with a notional quantity of 1,982,800 barrels. The collars are settled net in cash on a monthly basis.

The changes in the fair value of these commodity collar contracts are recognised as other income or other expense in the income statement.

As at 31 December 2015, derivative financial instruments of approximately RM203.3 million (2014: RM85.7 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 had no significant concentrations of credit risk as at 31 December 2015 and 31 December 2014.

Company

- (f) The Company's derivative financial instrument relates to the warrants in GENP 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.

43. ON GOING LITIGATION

GENP and Genting Tanjung Bahagia Sdn Bhd (“GTBSB”), a wholly owned subsidiary of GENP, were named as the Second and Third Defendants respectively (“the Defendants”) in a legal suit filed in the High Court of Sabah and Sarawak at Kota Kinabalu (“High Court”) under Suit No. K22-245-2002 (“the Suit”) dated 11 October 2002. The Suit was instituted by certain natives (“the Plaintiffs”) claiming Native Customary Rights over the agricultural land or part thereof held under title number CL095330724 measuring approximately 8,830 hectares situated at Sungai Tongod, District of Kinabatangan, Sandakan, Sabah which was acquired by GTBSB from Hap Seng Consolidated Berhad.

On 11 February 2003, the Defendants filed an application to strike out the Plaintiffs’ Suit (“Application to Strike Out”) and on 13 June 2003 the Application to Strike Out was dismissed with cost. The Defendants appealed against the said decision (“Appeal for Application to Strike Out”).

During the High Court’s hearing of the Suit for an interlocutory injunction on 5 July 2004, the Defendants had raised a preliminary objection that the High Court has no original jurisdiction to hear the Suit and that this Suit will lead to multiplicity of actions as the Plaintiffs had already made an application to the Assistant Collector of Land Revenue for similar claims. On 20 June 2008, the High Court upheld the preliminary objection with cost awarded to the Defendants (“PO Decision”) and struck out the Plaintiffs’ suit.

On 7 July 2008, the Plaintiffs filed a Notice of Appeal to the Court of Appeal against PO Decision. On 9 June 2011, the Court of Appeal upheld the PO Decision of the High Court and dismissed the Plaintiffs’ appeal against the PO Decision (“Court of Appeal Ruling”).

The Plaintiffs had filed a motion for leave to appeal before the Federal Court against the Court of Appeal’s Ruling (“Federal Court Appeal”) and the Federal Court granted Plaintiff leave for the appeal on 25 July 2011. The Federal Court had on 24 November 2011 heard and allowed the Federal Court Appeal. The Federal Court further ordered that the matter be remitted to the High Court to hear the Appeal for the Application to Strike Out. The High Court had on 13 March 2012 dismissed the Appeal for Application to Strike Out with cost (“High Court Decision”) and ordered the parties to proceed with trial.

The Defendants had on 17 April 2012 filed a Notice of Appeal to the Court of Appeal against the High Court Decision. The Court of Appeal heard the appeal on 8 May 2013. On 9 May 2013, the Court of Appeal dismissed the appeal. The Defendants’ motion for leave to appeal to the Federal Court was dismissed with costs on 25 February 2014 and the Federal Court directed that the trial at the High Court should continue.

On an application by the Plaintiffs, the High Court allowed the Plaintiffs’ application to amend the Statement of Claim and for joinder of three additional parties as the Sixth, Seventh and Eight Defendants, namely the Assistant Collector of Land Revenue, Tongod, the Registrar of Titles and Assistant Collector of Land Revenues, Kota Kinabatangan.

The High Court had proceeded with trial since 26 November 2012 and the trial is still ongoing.

The solicitors engaged by the GENP Group maintained their opinion that the Plaintiffs’ action is misconceived and unsustainable.

There have been no changes to the status of the aforesaid litigation as at 23 February 2016.

44. COMMITMENTS

(a) Capital Commitments

	Group		Company	
	2015	2014	2015	2014
Authorised capital expenditure not provided for in the financial statements:				
- contracted	4,847.3	5,437.3	-	-
- not contracted	8,336.9	8,603.8	-	-
	<u>13,184.2</u>	<u>14,041.1</u>	<u>-</u>	<u>-</u>
Analysed as follows:				
Group				
- Property, plant and equipment	8,478.2	8,545.8	-	-
- Rights of use of oil and gas assets	1,799.3	1,803.4	-	-
- Power concession assets (intangible assets and other non-current assets)	1,316.8	2,097.3	-	-
- Investments*	924.2	991.0	-	-
- Plantation development	607.9	572.4	-	-
- Intangible assets	33.7	11.5	-	-
- Leasehold land use rights	21.9	15.5	-	-
- Investment properties	2.2	4.2	-	-
	<u>13,184.2</u>	<u>14,041.1</u>	<u>-</u>	<u>-</u>

* Includes commitment to invest in joint ventures amounting to RM404.6 million (2014: RM611.5 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	
	2015	2014
Not later than one year	92.4	79.4
Later than one year but not later than five years	370.8	237.4
Later than five years	308.0	336.1
	<u>771.2</u>	<u>652.9</u>

The operating lease commitments mainly relate to leases of offices, land and buildings and equipment 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	
	2015	2014
Not later than one year	61.0	51.3
Later than one year but not later than five years	38.4	50.8
Later than five years	0.4	0.5
	<u>99.8</u>	<u>102.6</u>

The Group leases out retail space to non-related parties under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. Generally, the leases are required to pay contingent rents computed based on their turnover achieved during the lease period.

45. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 15 January 2015, DNAe Group, an indirect 82.1% owned subsidiary of the Company, had completed the acquisition of the entire issued share capital of DNA Electronics for a total cash consideration of approximately RM84.1 million (USD24.0 million) (“Acquisition”) by way of merger under the laws of Delaware, United States of America. DNA Electronics is a development-stage diagnostics company based in New Mexico, United States of America.

On completion of the Acquisition, DNA Electronics US, Inc. (“DNAE US”), a wholly owned subsidiary of DNAe Group which was incorporated in the State of Delaware, United States of America on 2 January 2015, was merged with and into DNA Electronics (“Merger”), with DNA Electronics as the surviving entity and wholly owned subsidiary of DNAe Group. Consequently, DNAE US ceased to be an indirect subsidiary of the Company and DNA Electronics became an indirect subsidiary of the Company pursuant to the Acquisition and Merger.

Pursuant to a rights issue by DNAe Group to fund the Acquisition, Edith Grove Limited, an indirect wholly owned subsidiary of the Company, had on 9 January 2015 subscribed for additional new ordinary shares in DNAe Group, thereby increasing its shareholding in DNAe Group from 63.8% as at 31 December 2014 to 82.1%.

- (b) On 19 August 2015, Genting Power China Limited (“GPCL”), an indirect wholly owned subsidiary of the Company had on 19 August 2015, completed the disposal of the entire issued and paid-up share capital of Coastal Wuxi Power Ltd (“CWP”) comprising 1,000 ordinary shares of USD1.00 each for a total cash consideration of USD4,024,800 (“Disposal”).

CWP is an investment holding company incorporated in the Cayman Islands which owns 60% equity interest in Wuxi Huada Gas Turbine Electric Power Company (“Wuxi Huada”). Wuxi Huada owns and operated a 42MW peaking power plant in Wuxi, Jiangsu Province, China which was shut down in 2008. CWP and Wuxi Huada have consequently ceased to be indirect subsidiaries of the Company.

- (c) GENP had on 6 March 2015 entered into a collaboration with Musim Mas Group to establish a palm oil refinery in Palm Oil Industrial Cluster in Lahad Datu, Sabah. Under this collaboration, Musim Mas has a 28% equity interest in Genting Musimmas Refinery Sdn Bhd (formerly known as Alfa Raya Development Sdn Bhd), the entity for the collaboration, while GENP holds the remaining 72% equity interest of the entity’s enlarged share capital of RM50.0 million.

The refinery will have a capacity of 600,000 mt per annum and is targeted for completion in the second half of 2016. This palm oil refinery will be part of the larger Genting Integrated Biorefinery Complex that GENP Group is setting up for the production of high value-added downstream products.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (Cont'd)

- (d) Joint venture for the development and cultivation of oil palm plantation of approximately 69,000 hectares located at Kabupaten Kapuas and Barito Selatan, Kalimantan Tengah, Republic of Indonesia (“Joint Venture”):

GENP had on 14 September 2015 announced that all conditions precedent have been fulfilled in respect of the Conditional Sale and Purchase Agreement entered on 30 March 2012 between Universal Agri Investment Pte Ltd (“UAI”), a subsidiary of GlobalIndo Holdings Pte Ltd (formerly known as Global Agripalm Investment Holdings Pte Ltd) (“JV Co”), and affiliates of the vendor for UAI to acquire 95% equity interest of PT United Agro Indonesia (“PT UAI”).

Accordingly, PT UAI became a subsidiary of GENP upon completion of the transfer of shares held by the affiliates of the vendor in PT UAI to UAI on 14 September 2015.

The total Purchase Price and Subscription Price under the Joint Venture attributable to GENP of USD94.4 million as set out below is within the USD116.0 million as agreed under the Sale and Purchase and Subscription Agreement dated 13 April 2012 for the Joint Venture (“SPSA”):

	USD million
Purchase Price and Subscription Price paid on 8 October 2012 under the SPSA	73.0
Balance of the Purchase Price based on the Additional Planted Area and upon completion of the Proposed PT UAI Acquisition	21.4
	<u>94.4</u>

The balance of Purchase Price was arrived at after adjustments on the size of the planted and plantable area, prevailing stage and conditions of planting and any outstanding third party liabilities in accordance with the terms and conditions of the SPSA.

On the same date, the JV Co had disposed 3 of its subsidiaries, namely Asia Pacific Agri Investment Pte Ltd, Transworld Agri Investment Pte Ltd and PT Globalindo Mitra Abadi Lestari to affiliates of the vendor, resulting a gain on disposal of RM0.2 million.

46. SIGNIFICANT SUBSEQUENT EVENT

Genting Integrated Tourism Plan (“GITP”)

On 23 February 2016, GENM announced that it will significantly be expanding and adding new facilities under the GITP. This will increase the total capital investment from RM5.0 billion announced earlier to RM10.38 billion.

47. 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	
	2015	2014	2015	2014
(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.	<u>-</u>	<u>-</u>	<u>198.7</u>	<u>191.9</u>
(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 GENM.	<u>-</u>	<u>-</u>	<u>401.5</u>	<u>408.0</u>
(iii) Interest income earned by the Company from its subsidiaries on the interest bearing portion of the amount due from subsidiaries.	<u>-</u>	<u>-</u>	<u>-</u>	<u>30.8</u>
(iv) Finance cost charged by subsidiaries to the Company on the interest bearing portion of the amount due to subsidiaries.	<u>-</u>	<u>-</u>	<u>180.5</u>	<u>216.9</u>
(v) 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.	<u>-</u>	<u>-</u>	<u>4.0</u>	<u>4.1</u>
(vi) Rental charges for office space and related services by a subsidiary of GENM to the Company.	<u>-</u>	<u>-</u>	<u>2.7</u>	<u>2.7</u>

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

		Group		Company	
		2015	2014	2015	2014
(vii)	Provision of management and/or support services by subsidiaries to the Company.	<u>-</u>	<u>-</u>	<u>3.8</u>	<u>1.9</u>
(viii)	Provision of management and/or support services by the Company to its subsidiaries, associates and joint ventures.	<u>-</u>	<u>-</u>	<u>17.0</u>	<u>17.4</u>
(b)	Transactions with associates and joint ventures				
(i)	Licensing fee for the use of the name “Genting” charged by wholly owned subsidiaries of the Company to Genting Simon Sdn Bhd, a joint venture of the GENP Group.	<u>0.5</u>	<u>0.5</u>	<u>-</u>	<u>-</u>
(ii)	Provision of management services by Genting Awanpura Sdn Bhd, a wholly owned subsidiary of GENP, to Genting Simon Sdn Bhd, a joint venture of GENP.	<u>0.5</u>	<u>0.4</u>	<u>-</u>	<u>-</u>
(iii)	Provision of goods and services by DCP (Sentosa) Pte Ltd, a joint venture of GENS to GENS Group.	<u>72.0</u>	<u>78.0</u>	<u>-</u>	<u>-</u>
(iv)	Shareholder loan provided by GENS Group to its associate, Landing Jeju Development Co., Ltd.	<u>423.9</u>	<u>253.1</u>	<u>-</u>	<u>-</u>
(v)	Interest income earned by GENS Group from its associate.	<u>15.6</u>	<u>9.7</u>	<u>-</u>	<u>-</u>
(vi)	Provision of professional and marketing services by GENM Group to Resorts World Inc Pte Ltd (“RWI”) Group.	<u>20.7</u>	<u>22.7</u>	<u>-</u>	<u>-</u>
(vii)	Licensing fee for the use of “Resorts World” and “Genting” intellectual property in the US and the Bahamas charged by RWI to GENM Group.	<u>68.3</u>	<u>55.0</u>	<u>-</u>	<u>-</u>
(viii)	Acquisition of Genting Alderney by GENM Group from RWI Group.	<u>46.0</u>	<u>-</u>	<u>-</u>	<u>-</u>

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

	Group		Company	
	2015	2014	2015	2014
(c) Transactions with other related parties				
(i) Rental of premises and provision of connected services by GENM to Oriregal Creations Sdn Bhd (“Oriregal”). Datuk Lim Chee Wah, a brother of Tan Sri Lim Kok Thay (“TSLKT”), is a director and substantial shareholder of Oriregal.	-	1.5	-	-
(ii) Rental of premises and provision of connected services by GENM to Warisan Timah Holdings Sdn Bhd (“Warisan Timah”). Datuk Lim Chee Wah, a brother of TSLKT, has deemed interest in Warisan Timah.	2.1	-	-	-
(iii) Letting of premises by Genting Development Sdn Bhd (“GDSB”) to the Group. Puan Sri Lim (Nee Lee) Kim Hua, is a director and shareholder of GDSB.	1.3	1.1	-	-
(iv) Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by GENM Group to GENHK Group, a company in which certain Directors of the Company have interests.	0.9	1.0	-	-
(v) Disposal of 72 million fully paid ordinary shares of RM1.00 each representing 25% of the entire share capital of Genting Integrated Biorefinery Sdn Bhd, a subsidiary of GENP, to Elevance Renewable Sciences Singapore Pte Ltd where the Company, GENP’s immediate and ultimate holding company, holds 16% equity interest in Elevance Renewable Science, Inc (“Elevance”), which in turn holds 100% in ERS Singapore.	-	72.0	-	-

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

		Group		Company	
		2015	2014	2015	2014
(vi)	Provision of a license and design and consultancy services in relation to the construction and operation of a metathesis plant by Elevance.	-	39.0	-	-
(vii)	Provision of management and support services by GENM Group to SE Mass II, LLC, an entity connected with certain Directors of GENM.	5.4	4.7	-	-
(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 GENM, to GENM Group.	30.0	30.0	-	-
(ix)	Purchase of an art sculpture by GENM from TSLKT.	-	7.1	-	-
(x)	Acquisition of land which includes certain properties with restaurants by GENM Group from RAV Bahamas Limited, a non-controlling shareholder of BBEL.	91.5	-	-	-
(xi)	Provision of water supply services by Bimini Bay Water Ltd., an entity connected with shareholder of BBEL to GENM Group.	2.1	-	-	-
(xii)	Provision of maintenance services by Bimini Bay Home Owner's Association, an entity connected with shareholder of BBEL to GENM Group.	3.9	-	-	-
(xiii)	Air ticketing services and provision of reservation and booking services rendered by GENHK to GENS Group and a wholly owned subsidiary of the Company.	6.9	6.4	-	-
(xiv)	Provision of information technology, implementation, support and maintenance services, hotel accommodation, food and beverage and theme park charges by GENS Group to GENHK Group.	1.0	1.2	-	-

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

	Group		Company	
	2015	2014	2015	2014
(xv) Acquisition of aircraft by Resorts World Aviation LLC (formerly known as RWD US LLC), an indirect wholly owned subsidiary of GENM, from GENHK Group.	<u>-</u>	<u>57.5</u>	<u>-</u>	<u>-</u>
(xvi) Leasing of office space and related expenses by IRMS from GENS Group.	<u>1.3</u>	<u>1.0</u>	<u>-</u>	<u>-</u>
(xvii) Provision of consultancy services by IRMS to GENS Group.	<u>0.3</u>	<u>-</u>	<u>-</u>	<u>-</u>

(d) Directors and key management personnel

The remuneration of Directors and other key management personnel is as follows:

Fees, salaries and bonuses	134.6	121.2	54.0	49.0
Defined contribution plan	18.9	16.4	9.4	8.7
Other short term employee benefits	3.0	2.9	2.5	2.4
Share-based payments	15.0	4.1	-	-
Provision for retirement gratuities	8.5	16.4	4.6	8.5
Estimated money value of benefits-in-kind (not charged to the income statements)	<u>1.8</u>	<u>1.7</u>	<u>0.1</u>	<u>0.1</u>

The outstanding balances as at 31 December 2015 and 2014, arising from sale/purchase of services, and payments made on behalf/receipts from the subsidiaries, associates and joint ventures are disclosed in Notes 23, 24 and 25. The outstanding balances arising from other related sales/purchases are not material as at 31 December 2015 and 2014.

Genting Berhad (Company No: 7916-A)

48. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
Direct Subsidiaries of Genting Berhad (“GENT”)					
	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 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 (“GENM”) (see Note 23)	49.3	49.3	Malaysia	Resort, hotel and gaming operations
	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 Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	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 (“GENP”)	52.9	53.8	Malaysia	Plantation, investment holding 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
+	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
	Phoenix Spectrum Sdn Bhd	100.0	100.0	Malaysia	Investments

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2015	2014		
Prime Offshore (Labuan) Limited	100.0	100.0	Labuan	Offshore financing
Setiakahaya Sdn Bhd @	50.0	50.0	Malaysia	Property investment
Suasana Duta Sdn Bhd	100.0	100.0	Malaysia	Financing
+ Vista Knowledge Pte Ltd	100.0	100.0	Singapore	Investments
Genting Sanyen Newsprint Sdn Bhd	100.0	100.0	Malaysia	Dormant
+ 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 (formerly known as Genting (Singapore) 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
Maxitage Sdn Bhd (In Member's Voluntary Liquidation)	100.0	100.0	Malaysia	In liquidation
Prime Holdings (Labuan) Limited (In Member's Voluntary Liquidation)	-	100.0	Labuan	Liquidated

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
Indirect Subsidiaries of GENT:					
	Awana Hotels & Resorts Management Sdn Bhd	100.0	100.0	Malaysia	Provision of hotels and resorts management services
#	Coastal Nanjing Power Ltd	100.0	100.0	Cayman Islands (“Cayman”)	Investment holding
*	DNA Electronics, Inc	82.1	-	United States of America (“US”)	Development-stage diagnostic company involved in the development of sample preparation system for the rapid isolation of bacterial and fungal pathogens directly from blood
*	DNAe Diagnostic Limited	82.1	-	United Kingdom (“UK”)	Development of point-of-care molecular devices to diagnose bloodstream infections
*	DNAe Group Holdings Limited (formerly known as DNA Electronics Limited)	82.1	63.8	UK	Research & development on technologies for genetic analysis and sequencing
*	DNAe Oncology Limited	82.1	-	UK	Development of molecular diagnostics technology for oncological applications

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	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	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 International Paper Limited	100.0	100.0	IOM	Investment holding
+	Genting Lanco Power (India) Private Limited	74.0	74.0	India	Provision of operation and maintenance services for power plant
+	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
+	Genting Power (India) Limited	100.0	100.0	Mauritius	Investment holding

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	Genting Power Indonesia Limited	100.0	100.0	IOM	Investment holding
#	Genting Sanyen Enterprise Management Services (Beijing) Co Ltd	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 PLC (“GENS”)	52.9	52.5	IOM	Investment holding
+	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
+	Green Synergy Limited	100.0	100.0	HK	Investment holding
	Lacustrine Limited	100.0	100.0	IOM	Investments
+	Lestari Listrik Pte Ltd	100.0	100.0	Singapore	Investment holding and provision of investment management services
	Lion Agriculture (Indonesia) Sdn Bhd	100.0	100.0	Malaysia	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
#	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
+	Oriental Explorer Pte Ltd	95.0	95.0	Singapore	Leasing of land rig
	Oxalis Limited	100.0	100.0	IOM	Coal trading
+	PT Lestari Banten Energi	95.0	95.0	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
+	Resorts World Las Vegas LLC	100.0	100.0	US	Investment holding
#	RW EB-5 RC, LLC	100.0	-	US	Investment holding
#	RWLV EB-5, LLC	100.0	-	US	Investment holding
#	RWLV Hotels EB-5, LLC	100.0	-	US	Investment holding
#	RWLV Hotels, LLC	100.0	-	US	Investment holding
#	RWLV, LLC	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
	Genting Bio-Oil Sdn Bhd	97.7	97.7	Malaysia	Ceased operation
	Dasar Pinggir (M) Sdn Bhd	97.7	97.7	Malaysia	Dormant

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2015	2014		
Genting Biofuels Sdn Bhd	97.7	97.7	Malaysia	Dormant
Genting Newsprint Sdn Bhd	100.0	100.0	Malaysia	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
+ GP (Raigad) Pte Ltd	100.0	100.0	Singapore	Dormant
Infomart Sdn Bhd	100.0	100.0	Malaysia	Dormant
Roundhay Limited	95.0	95.0	IOM	Dormant
Sahabat Alam Sdn Bhd	97.7	97.7	Malaysia	Dormant
* DNAe Thermal Limited	82.1	-	UK	Pre-operating
Genting Energy Sdn Bhd	97.7	97.7	Malaysia	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 Incineration Sdn Bhd	97.7	97.7	Malaysia	Pre-operating
Genting Sanyen Indonesia Limited	95.0	95.0	IOM	Pre-operating
+ Lestari Energi Pte Ltd	100.0	100.0	Singapore	Pre-operating
# NanoMR, LLC	82.1	-	US	Pre-operating
# Resorts World Las Vegas Hotels, LLC	100.0	-	US	Pre-operating
# RW EB-5 Regional Center, LLC	100.0	-	US	Pre-operating
# RW Las Vegas EB-5, LLC	100.0	-	US	Pre-operating
# RW Las Vegas Hotels EB-5, LLC	100.0	-	US	Pre-operating
# RWLV EB-5 Fund 1, LLC	100.0	-	US	Pre-operating
# RWLV EB-5 Fund 2, LLC	100.0	-	US	Pre-operating
# RWLV EB-5 Fund 3, LLC	100.0	-	US	Pre-operating
# RWLV EB-5 Fund 4, LLC	100.0	-	US	Pre-operating
# RWLV EB-5 Fund 5, LLC	100.0	-	US	Pre-operating

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
#	RWLV EB-5 Fund 6, LLC	100.0	-	US	Pre-operating
#	RWLV EB-5 Fund 7, LLC	100.0	-	US	Pre-operating
#	RWLV EB-5 Fund 8, LLC	100.0	-	US	Pre-operating
#	RWLV EB-5 Fund 9, LLC	100.0	-	US	Pre-operating
#	RWLV Hotels EB-5 Fund 1, LLC	100.0	-	US	Pre-operating
#	RWLV Hotels EB-5 Fund 2, LLC	100.0	-	US	Pre-operating
#	RWLV Hotels EB-5 Fund 3, LLC	100.0	-	US	Pre-operating
#	RWLV Hotels EB-5 Fund 4, LLC	100.0	-	US	Pre-operating
#	RWLV Hotels EB-5 Fund 5, LLC	100.0	-	US	Pre-operating
#	RWLV Hotels EB-5 Fund 6, LLC	100.0	-	US	Pre-operating
#	RWLV Hotels EB-5 Fund 7, LLC	100.0	-	US	Pre-operating
#	RWLV Hotels EB-5 Fund 8, LLC	100.0	-	US	Pre-operating
#	RWLV Hotels EB-5 Fund 9, LLC	100.0	-	US	Pre-operating
#	RWLV Hotels EB-5 Fund 10, LLC	100.0	-	US	Pre-operating
	Awana Hotels & Resorts Sdn Bhd	100.0	100.0	Malaysia	Pending striking-off
	Awana Vacation Resorts Management Sdn Bhd	100.0	100.0	Malaysia	Pending striking-off
*	Myanmar Genting Sanyen Limited (In Member's Voluntary Liquidation)	100.0	100.0	Myanmar	In liquidation
*	Nanjing Coastal Xingang Cogeneration Power Plant (Placed under early dissolution and Members' Voluntary Liquidation)	80.0	80.0	China	In liquidation
	Tamanaco Limited (In Member's Voluntary Liquidation)	100.0	100.0	IOM	In liquidation

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
+	Gecoun Limited (In Member's Voluntary Liquidation)	-	100.0	IOM	Liquidated
+	Genting Oil Morocco Limited (In Member's Voluntary Liquidation)	-	95.0	IOM	Liquidated
	GP China Limited (In Members' Voluntary Liquidation)	-	100.0	IOM	Liquidated
	Highlands Exploration Limited (In Members' Voluntary Liquidation)	-	95.0	IOM	Liquidated
	Highlands Power Development Limited (In Members' Voluntary Liquidation)	-	100.0	IOM	Liquidated
	Jamberoo Limited (In Members' Voluntary Liquidation)	-	95.0	IOM	Liquidated
+	Laila Limited (In Member's Voluntary Liquidation)	-	95.0	IOM	Liquidated
	Sorona Limited (In Members' Voluntary Liquidation)	-	100.0	IOM	Liquidated
	Tetha Limited (In Members' Voluntary Liquidation)	-	95.0	IOM	Liquidated
	Torrens Limited (In Member's Voluntary Liquidation)	-	97.7	IOM	Liquidated
#	Coastal Wuxi Power Ltd	-	100.0	Cayman	Disposed off
*	Wuxi Huada Gas Turbine Electric Power Company	-	60.0	China	Disposed off

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
Subsidiaries of GENM:					
	ABC Biscayne LLC	49.3	49.3	US	Letting of property
	Aliran Tunas Sdn Bhd	49.3	49.3	Malaysia	Provision of water services at Genting Highlands
+	Ascend International Holdings Limited	49.3	49.3	HK	Provision of IT related services and marketing services; and investment holding
	Ascend Solutions Sdn Bhd	49.3	49.3	Malaysia	Provision of IT and consultancy services
	Awana Vacation Resorts Development Berhad	49.3	49.3	Malaysia	Proprietary time share ownership scheme
#	Bayfront 2011 Development, LLC	49.3	49.3	US	Property development
+	BB Entertainment Ltd	38.5	34.5	Commonwealth of The Bahamas (“Bahamas”)	Casino owner and operator
*	BB Investment Holdings Ltd	49.3	49.3	Bahamas	Investment holding
#	Bimini SuperFast Charter Limited	49.3	49.3	IOM	Ferry operator
#	Bimini SuperFast Limited	49.3	49.3	IOM	Owner of sea vessels
#	Bimini SuperFast Operations LLC	49.3	49.3	US	Provision of support operations for ferry service

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	Bromet Limited	49.3	49.3	IOM	Investment holding
#	Chelsea Court Limited	49.3	49.3	IOM	Investment holding
+	Coastbright Limited	49.3	49.3	UK	Casino operator
#	Digital Tree LLC	49.3	49.3	US	Collection of royalties
#	Digital Tree (USA) Inc	49.3	49.3	US	Investment holding
	Eastern Wonder Sdn Bhd	49.3	49.3	Malaysia	Support services
	E-Genting Holdings Sdn Bhd	49.3	49.3	Malaysia	Provision of management services, IT related services and investment holding
	E-Genting Sdn Bhd	49.3	49.3	Malaysia	Research in software development, provision of IT and consultancy services
	First World Hotels & Resorts Sdn Bhd	49.3	49.3	Malaysia	Hotel business
+	Freeany Enterprises Limited	49.3	49.3	UK	Credit assessment on behalf of fellow group companies
	Genasa Sdn Bhd	49.3	49.3	Malaysia	Property development, sale and letting of apartment units
	GENM Capital Berhad	49.3	49.3	Malaysia	Issuance of private debt securities
	Genmas Sdn Bhd	49.3	49.3	Malaysia	Sale and letting of land
	Gensa Sdn Bhd	49.3	49.3	Malaysia	Sale and letting of land and property

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	Genting Administrative Services Sdn Bhd	49.3	49.3	Malaysia	Investment holding
+	Genting Alderney Limited ~	49.3	-	Alderney Channel Islands	Online gaming operator
#	Genting Americas Holdings Limited	49.3	-	UK	Investment holding
	Genting Americas Inc	49.3	49.3	US	Investment holding
+	Genting Casinos Egypt Limited	49.3	49.3	UK	Casino operator
+	Genting Casinos UK Limited	49.3	49.3	UK	Casino operator
	Genting Centre of Excellence Sdn Bhd	49.3	49.3	Malaysia	Provision of training services
	Genting CSR Sdn Bhd	49.3	49.3	Malaysia	Investment holding
	Genting East Coast USA Limited	49.3	49.3	IOM	Investment holding
	Genting Entertainment Sdn Bhd	49.3	49.3	Malaysia	Show agent
#	Genting Florida LLC	49.3	49.3	US	Investment holding
	Genting Golf Course Bhd	49.3	49.3	Malaysia	Condotel and hotel business, golf resort and property development
	Genting Highlands Berhad	49.3	49.3	Malaysia	Land and property development
	Genting Highlands Tours and Promotion Sdn Bhd	49.3	49.3	Malaysia	Letting of land and premises
	Genting Ibico Holdings Limited	49.3	49.3	IOM	Investment holding

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	Genting Information Knowledge Enterprise Sdn Bhd	49.3	49.3	Malaysia	Research in software development, provision of IT and consultancy services
+	Genting International Investment Properties (UK) Limited	49.3	49.3	UK	Property investment and development
+	Genting International Investment (UK) Limited	49.3	49.3	UK	Investment holding
+	Genting International (UK) Limited	49.3	49.3	UK	Investment holding
	Genting Irama Sdn Bhd	49.3	49.3	Malaysia	Investment holding
	Genting Leisure Sdn Bhd	49.3	49.3	Malaysia	Investment holding
#	Genting Nevada Inc	49.3	49.3	US	Investment holding
+	Genting New York LLC	49.3	49.3	US	Developer and operator of a video lottery facility
	Genting Project Services Sdn Bhd	49.3	49.3	Malaysia	Provision of project management and construction management services
+	Genting Properties (UK) Pte Ltd	49.3	49.3	Singapore	Property investment
	Genting Skyway Sdn Bhd	49.3	49.3	Malaysia	Provision of cable car services

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
+	Genting Solihull Limited	49.3	49.3	UK	Property investment and development, investment holding and hotel and leisure facilities operator
+	Genting UK Plc	49.3	49.3	UK	Investment holding
	Genting (USA) Limited	49.3	49.3	IOM	Investment holding
	Genting Utilities & Services Sdn Bhd	49.3	49.3	Malaysia	Provision of electricity supply services at Genting Highlands and investment holding
	Genting World Sdn Bhd	49.3	49.3	Malaysia	Leisure and entertainment business
	Genting WorldCard Services Sdn Bhd	49.3	49.3	Malaysia	Provision of loyalty programme services
	Genting Worldwide (Labuan) Limited	49.3	49.3	Labuan	Offshore financing
	Genting Worldwide Limited	49.3	49.3	IOM	Investment holding
	Genting Worldwide (UK) Limited	49.3	49.3	IOM	Investment holding
	Gentinggi Sdn Bhd	49.3	49.3	Malaysia	Investment holding
	GHR Risk Management (Labuan) Limited	49.3	49.3	Labuan	Offshore captive insurance

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
+	Golden Site Limited	49.3	49.3	HK	International sales and marketing services
+	Golden Site Pte Ltd	49.3	49.3	Singapore	International sales and marketing services
#	Hill Crest LLC	49.3	49.3	US	Investment holding
	Kijal Facilities Services Sdn Bhd	49.3	49.3	Malaysia	Letting of its apartments units
	Kijal Resort Sdn Bhd	49.3	49.3	Malaysia	Property development and property management
	Lafleur Limited	49.3	49.3	IOM	Investment holding
	Leisure & Cafe Concept Sdn Bhd	49.3	49.3	Malaysia	Karaoke business
	Lingkaran Cergas Sdn Bhd	49.3	49.3	Malaysia	Provision of services at Genting Highlands
	Nature Base Sdn Bhd	49.3	49.3	Malaysia	Provision of services at Genting Highlands
	Nedby Limited	49.3	49.3	IOM	Investment holding
	Netyield Sdn Bhd	49.3	49.3	Malaysia	Provision of services at Genting Highlands
	Oakwood Sdn Bhd	49.3	49.3	Malaysia	Property investment and management

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2015	2014		
Orient Star International Limited	49.3	49.3	Bermuda	Ownership and operation of aircraft
Orient Wonder International Limited	49.3	49.3	Bermuda	Ownership and operation of aircraft
+ Palomino World (UK) Limited	49.3	49.3	UK	Investment holding company
Papago Sdn Bhd	49.3	49.3	Malaysia	Resort and hotel business
+ Park Lane Mews Hotel London Limited (formerly known as Park Lane Mews 1 Limited and Genting (Park Lane Mews Hotel) Limited)	49.3	49.3	UK	Hotel operator
Possible Wealth Sdn Bhd	49.3	49.3	Malaysia	International sales and marketing services; and investment holding
Resorts Facilities Services Sdn Bhd	49.3	49.3	Malaysia	Property upkeep services
Resorts Tavern Sdn Bhd	49.3	49.3	Malaysia	Land and property development
* Resorts World Aviation LLC	49.3	49.3	US	Owner of aeroplanes
Resorts World Capital Limited	49.3	49.3	IOM	Investment holding
+ Resorts World Limited	49.3	49.3	IOM	Investment holding and investment trading
Resorts World Miami LLC	49.3	49.3	US	Property investment
* Resorts World OMNI LLC	49.3	49.3	US	Hotel business
Resorts World Properties Sdn Bhd	49.3	49.3	Malaysia	Investment holding

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	Resorts World Tours Sdn Bhd	49.3	49.3	Malaysia	Provision of tour and travel related services
*	Resorts World Travel Services Private Limited	49.3	49.3	India	Travel agency
#	RWB Aviation Ltd	49.3	-	Bermuda	Drylease of aircraft and registration of aircraft
*	RWBB Management Ltd	49.3	49.3	Bahamas	Provision of casino management services
*	RWBB Resorts Management Ltd	49.3	49.3	Bahamas	Provision of resort management services
	Seraya Mayang Sdn Bhd	49.3	49.3	Malaysia	Investment holding
	Setiaseri Sdn Bhd	49.3	49.3	Malaysia	Letting of its apartment units
	Sierra Springs Sdn Bhd	49.3	49.3	Malaysia	Investment holding
#	Stanley Casinos Holdings Limited	49.3	49.3	UK	Investment holding
#	Stanley Overseas Holdings Limited	49.3	49.3	UK	Investment holding
#	Two Digital Trees LLC	49.3	49.3	US	Investment holding
+	Vestplus (Hong Kong) Limited	49.3	49.3	HK	Payment and collection agent

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	Vestplus Sdn Bhd	49.3	49.3	Malaysia	Sale and letting of apartment units; and payment and collection agent
	Widuri Pelangi Sdn Bhd	49.3	49.3	Malaysia	Golf resort and hotel business
	WorldCard Services Sdn Bhd	49.3	49.3	Malaysia	Provision of loyalty programme services
+	Xi'an Ascend Software Technology Co., Ltd	49.3	49.3	China	Research and development and provision of IT related services
#	Advanced Technologies Ltd	49.3	49.3	Dominica	Dormant
#	Annabel's Casino Limited	49.3	49.3	UK	Dormant
#	Baychain Limited	49.3	49.3	UK	Dormant
#	Big Apple Regional Center, LLC	49.3	-	US	Dormant
#	C C Derby Limited	49.3	49.3	UK	Dormant
#	Capital Casinos Group Limited	49.3	49.3	UK	Dormant
#	Capital Corporation (Holdings) Limited	49.3	49.3	UK	Dormant
#	Capital Corporation Limited	49.3	49.3	UK	Dormant
#	Cascades Casinos Limited	49.3	49.3	UK	Dormant
#	Cascades Clubs Limited	49.3	49.3	UK	Dormant
#	Castle Casino Limited	49.3	49.3	UK	Dormant
#	Cotedale Limited	49.3	49.3	UK	Dormant
#	Crockfords Club Limited	49.3	49.3	UK	Dormant
#	Crockfords Investments Limited	49.3	49.3	Guernsey	Dormant
#	Cromwell Sporting Enterprises Limited	49.3	49.3	UK	Dormant

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
#	Drawlink Limited	49.3	49.3	UK	Dormant
#	Gameover Limited	49.3	49.3	UK	Dormant
	Genas Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Genawan Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Gentas Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Gentasa Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	Genting International Enterprises (Singapore) Pte Ltd	49.3	49.3	Singapore	Dormant
#	Genting Las Vegas LLC	49.3	49.3	US	Dormant
#	Genting Massachusetts LLC (formerly known as GTA 88 LLC and RW Orange County LLC)	49.3	49.3	US	Dormant
	Gentinggi Quarry Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	Harbour House Casino Limited	49.3	49.3	UK	Dormant
	Ikhlas Tiasa Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	International Sporting Club (London) Limited	49.3	49.3	UK	Dormant
	Jomara Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	Maxims Casinos Limited	49.3	49.3	UK	Dormant
	Merriwa Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	MLG Investments Limited	49.3	49.3	UK	Dormant
#	Ocean Front Acquisition, LLC	49.3	49.3	US	Dormant
#	Palm Beach Club Limited	49.3	49.3	UK	Dormant
#	RWD US Holding Inc	49.3	49.3	US	Dormant
	R.W. Investments Limited	49.3	49.3	IOM	Dormant
	Space Fair Sdn Bhd	49.3	49.3	Malaysia	Dormant

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
#	Stanley Leisure (Ireland)	49.3	49.3	Ireland	Dormant
+	Stanley Leisure Group (Malta) Limited	49.3	49.3	Malta	Dormant
#	Stanley Online Limited	49.3	49.3	UK	Dormant
	Sweet Bonus Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	Tameview Properties Limited	49.3	49.3	UK	Dormant
#	The Colony Club Limited	49.3	49.3	UK	Dormant
#	The Midland Wheel Club Limited	49.3	49.3	UK	Dormant
#	Tower Casino Group Limited	49.3	49.3	UK	Dormant
#	Tower Clubs Management Limited	49.3	49.3	UK	Dormant
#	Triangle Casino (Bristol) Limited	49.3	49.3	UK	Dormant
	Twinkle Glow Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Twinmatics Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Vintage Action Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	Westcliff Casino Limited	49.3	49.3	UK	Dormant
#	Westcliff (CG) Limited	49.3	49.3	UK	Dormant
#	William Crockford Limited	49.3	49.3	UK	Dormant
#	Worthchance Limited	49.3	49.3	UK	Dormant
#	Genting Management Services LLC	49.3	49.3	US	Pre-operating
#	GTA Holding, Inc (formerly known as VendWorld, LLC)	49.3	49.3	US and continue into British Columbia	Pre-operating
#	Aberdeen Avenue Limited (In Member's Voluntary Liquidation)	49.3	49.3	IOM	In liquidation
#	Churchstirling Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	Delquest Sdn Bhd (In Member's Voluntary Liquidation)	49.3	49.3	Malaysia	In liquidation
#	Genting West Coast USA Limited (In Member's Voluntary Liquidation)	49.3	49.3	IOM	In liquidation

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
#	Hazelman Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	Incomeactual Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	Langway Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	Pellanfayre Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	St Aubin Properties Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	Stanley Genting Casinos (Leeds) Limited (In Member's Voluntary Liquidation)	49.3	-	UK	In liquidation
#	Stanley Genting Casinos Limited (In Members' Voluntary Liquidation)	24.7	-	UK	In liquidation
#	Stanley Interactive Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	Stanley Snooker Clubs Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	Star City Casino Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	Suzhou Ascend Technology Co., Limited (In Member's Voluntary Liquidation)	49.3	49.3	China	In liquidation
#	The Kings Casino (Yarmouth) Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	TV-AM (News) Limited (In Member's Voluntary Liquidation)	49.3	49.3	UK	In liquidation
#	Capital Clubs Limited	-	49.3	UK	Dissolved
#	Dealduo Limited	-	49.3	UK	Dissolved
#	Hitechwood Sdn Bhd	-	49.3	Malaysia	Dissolved
#	Metro Leisure Group Limited	-	49.3	UK	Dissolved
#	Neutrino Space Sdn Bhd	-	49.3	Malaysia	Dissolved
#	Possible Affluent Sdn Bhd	-	49.3	Malaysia	Dissolved

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
#	Rapallo Sdn Bhd	-	49.3	Malaysia	Dissolved
#	Resorts World Enterprise Limited	-	49.3	IOM	Dissolved
#	Resorts World Ventures Limited	-	49.3	IOM	Dissolved
#	Sportcrest Limited	-	49.3	UK	Dissolved
#	Tullamarine Sdn Bhd	-	49.3	Malaysia	Dissolved
#	TV-AM Enterprises Limited	-	49.3	UK	Dissolved
#	TV-AM Limited	-	49.3	UK	Dissolved
#	Yarrowin Sdn Bhd	-	49.3	Malaysia	Dissolved
Subsidiaries of GENP:					
#	ACGT Intellectual Limited	50.5	51.0	British Virgin Islands (“BVI”)	Genomics research and development
	ACGT Sdn Bhd	50.5	51.0	Malaysia	Genomics research and development
+	Asian Palm Oil Pte Ltd	52.9	53.8	Singapore	Investment holding
+	AsianIndo Agri Pte Ltd	52.9	-	Singapore	Investment holding
+	AsianIndo Holdings Pte Ltd	52.9	53.8	Singapore	Investment holding
+	AsianIndo Palm Oil Pte Ltd	52.9	53.8	Singapore	Investment holding
	Asiaticom Sdn Bhd	52.9	53.8	Malaysia	Oil palm plantation
#	Azzon Limited	52.9	53.8	IOM	Investment holding
	Benih Restu Berhad	52.9	53.8	Malaysia	Issuance of debt securities under Sukuk programme
+	Borneo Palma Mulia Pte Ltd	39.0	39.6	Singapore	Investment holding
#	Degan Limited	50.5	51.0	IOM	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	Esprit Icon Sdn Bhd	52.9	-	Malaysia	Property development
#	GBD Holdings Limited	52.9	53.8	Cayman	Investment holding
	GENP Services Sdn Bhd (formerly known as Cosmo-Jupiter Sdn Bhd)	52.9	53.8	Malaysia	Provision of management services
	Genting AgTech Sdn Bhd (formerly known as Genting Green Tech Sdn Bhd)	52.9	53.8	Malaysia	Research and development and production of superior oil palm planting materials
	Genting Awanpura Sdn Bhd	52.9	53.8	Malaysia	Provision of technical and management services
	Genting Biodiesel Sdn Bhd	52.9	53.8	Malaysia	Manufacture and sale of biodiesel
	Genting Biorefinery Sdn Bhd (formerly known as Genting Integrated Biorefinery Sdn Bhd)	39.7	40.3	Malaysia	Manufacture and sale of downstream palm oil derivatives
#	Genting Bioscience Limited	52.9	53.8	IOM	Investment holding
	Genting Biotech Sdn Bhd	52.9	53.8	Malaysia	Investment holding
	Genting Indahpura Development Sdn Bhd	52.9	53.8	Malaysia	Property development
	Genting Land Sdn Bhd	52.9	53.8	Malaysia	Property investment
	Genting MusimMas Refinery Sdn Bhd (formerly known as Alfa Raya Development Sdn Bhd)	38.1	53.8	Malaysia	Refining and selling of palm oil products
	Genting Oil Mill Sdn Bhd	52.9	53.8	Malaysia	Processing of fresh fruit bunches
	Genting Plantations (WM) Sdn Bhd	52.9	53.8	Malaysia	Oil palm plantation
	Genting Property Sdn Bhd	52.9	53.8	Malaysia	Property development

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	Genting SDC Sdn Bhd	52.9	53.8	Malaysia	Oil palm plantation and processing of fresh fruit bunches
	Genting Tanjung Bahagia Sdn Bhd	52.9	53.8	Malaysia	Oil palm plantation
+	Global Agri Investment Pte Ltd	33.4	34.0	Singapore	Investment holding
	Global Bio-Diesel Sdn Bhd	52.9	53.8	Malaysia	Investment holding
+	GlobalIndo Holdings Pte Ltd	33.4	34.0	Singapore	Investment holding
#	GP Overseas Limited	52.9	53.8	IOM	Investment holding
	GProperty Construction Sdn Bhd	52.9	53.8	Malaysia	Provision of project management services
+	Kara Palm Oil Pte Ltd	52.9	53.8	Singapore	Investment holding
+	Ketapang Agri Holdings Pte Ltd	39.0	39.6	Singapore	Investment holding
	Landworthy Sdn Bhd	44.5	45.2	Malaysia	Oil palm plantation
	Mediglove Sdn Bhd	52.9	53.8	Malaysia	Investment holding
	Orbit Crescent Sdn Bhd	52.9	53.8	Malaysia	Investment holding
+	Palma Citra Investama Pte Ltd	39.0	39.6	Singapore	Investment holding
	Palma Ketara Sdn Bhd	52.9	53.8	Malaysia	Investment holding
+	PalmIndo Holdings Pte Ltd	39.0	39.6	Singapore	Investment holding
	PalmIndo Sdn Bhd	52.9	53.8	Malaysia	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2015	2014		
+ PT Citra Sawit Cemerlang	37.0	37.6	Indonesia	Oil palm plantation
+ PT Dwie Warna Karya	50.3	51.1	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+ PT Genting Plantations Nusantara	52.9	53.8	Indonesia	Provision of management services
+ PT GlobalIndo Agung Lestari	31.8	32.3	Indonesia	Oil palm plantation
+ PT GlobalIndo Investama Lestari	31.8	32.3	Indonesia	Oil palm plantation
+ PT Kapuas Maju Jaya	50.3	51.1	Indonesia	Oil palm plantation
+ PT Permata Sawit Mandiri	37.0	37.6	Indonesia	Oil palm plantation
+ PT Sawit Mitra Abadi	37.0	37.6	Indonesia	Oil palm plantation
+ PT Sepanjang Intisurya Mulia	37.0	37.6	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+ PT Surya Agro Palma	37.0	37.6	Indonesia	Oil palm plantation
+ PT Susantri Permai	50.3	51.1	Indonesia	Oil palm plantation
+ PT United Agro Indonesia	31.8	-	Indonesia	Oil palm plantation
+ Sandai Maju Pte Ltd	39.0	39.6	Singapore	Investment holding
+ Sanggau Holdings Pte Ltd	39.0	39.6	Singapore	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	Sawit Sukau Usahasama Sdn Bhd	29.6	30.1	Malaysia	Oil palm plantation
	Setiamas Sdn Bhd	52.9	53.8	Malaysia	Oil palm plantation and property development
+	South East Asia Agri Investment Pte Ltd	33.4	34.0	Singapore	Investment holding
	SPC Biodiesel Sdn Bhd	52.9	53.8	Malaysia	Manufacture and sale of biodiesel
+	Sri Nangatayap Pte Ltd	39.0	39.6	Singapore	Investment holding
	Sunyield Success Sdn Bhd	52.9	53.8	Malaysia	Investment holding
	Technimode Enterprises Sdn Bhd	52.9	53.8	Malaysia	Property investment
	Trushidup Plantations Sdn Bhd	52.9	53.8	Malaysia	Investment holding
#	Universal Agri Investment Pte Ltd	33.4	34.0	Singapore	Investment holding
	Wawasan Land Progress Sdn Bhd	52.9	53.8	Malaysia	Oil palm plantation
	Aura Empire Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Cengkeh Emas Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Dianti Plantations Sdn Bhd	52.9	53.8	Malaysia	Dormant
	GBD Ventures Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Genting Commodities Trading Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Genting Vegetable Oils Refinery Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Glugor Development Sdn Bhd	52.9	53.8	Malaysia	Dormant
#	Grosmont Limited	52.9	53.8	IOM	Dormant

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
	Hijauan Cergas Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Kenyalang Borneo Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Kinavest Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Larisan Prima Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Profile Rhythm Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Unique Upstream Sdn Bhd	52.9	-	Malaysia	Dormant
	Zillionpoint Project Sdn Bhd	52.9	53.8	Malaysia	Dormant
	Zillionpoint Vision Sdn Bhd	52.9	-	Malaysia	Dormant
#	ACGT Global Pte Ltd	52.9	53.8	Singapore	Pre-operating
#	ACGT Singapore Pte Ltd	52.9	53.8	Singapore	Pre-operating
+	Full East Enterprise Limited	52.9	53.8	HK	Pre-operating
#	Genting AgTech Singapore Pte Ltd (formerly known as GGT Singapore Pte Ltd)	52.9	53.8	Singapore	Pre-operating
#	GP Equities Pte Ltd	52.9	53.8	Singapore	Pre-operating
#	Ketapang Holdings Pte Ltd	39.0	39.6	Singapore	Pre-operating
#	Sri Kenyalang Pte Ltd	52.9	53.8	Singapore	Pre-operating
+	Asia Pacific Agri Investment Pte Ltd	-	34.0	Singapore	Disposed
	Genting Permaipura Golf Course Berhad	-	53.8	Malaysia	Disposed
+	PT GlobalIndo Mitra Abadi Lestari	-	32.3	Indonesia	Disposed
#	Transworld Agri Investment Pte Ltd	-	34.0	Singapore	Disposed

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
Subsidiaries of GENS:					
#	Acorn Co., Ltd	52.9	52.5	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	52.9	52.5	IOM	Sales coordinator for the leisure and hospitality related business
+	Algona Pte Ltd	52.9	52.5	Singapore	Investment holding
#	BayCity Co., Ltd	52.9	52.5	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
Bestlink Global Holding Pte Ltd		52.9	-	Singapore	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
+	Bestlink Global International Limited	52.9	52.5	BVI	Investment holding
+	Blackford Limited	52.9	52.5	HK	Investment holding
	Blue Shell International Limited	52.9	52.5	BVI	Provision of sales and marketing services
#	BlueBell Co., Ltd	52.9	52.5	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	52.9	52.5	Singapore	Investment holding
+	Calidone Limited	52.9	52.5	IOM	Investment holding and sales coordinator for the leisure and hospitality related business
+	Callisto Business Limited	52.9	52.5	BVI	Investment holding
+	Dynamic Sales Investments Limited	52.9	52.5	BVI	Investment holding
	Equarius Resort Sdn Bhd	52.9	52.5	Malaysia	Hotel, resort and leisure related activities

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
+	Fitzroy Limited	52.9	52.5	HK	Investment holding
+	Genting Integrated Resorts (Singapore) Pte Ltd	52.9	52.5	Singapore	Provide consultancy & management services for leisure, hospitality, resorts & entertainment industry
+	Genting Integrated Resorts (Singapore) II Pte Ltd	52.9	52.5	Singapore	Provision of management and operations services for integrated resort
+	Genting Integrated Resorts (Singapore) III Pte Ltd	52.9	52.5	Singapore	Provision of management and operations services for integrated resort
	Genting Integrated Resorts Management Pte Ltd	52.9	-	Singapore	Provision of management and operations services for integrated resort
+	Genting Integrated Resorts Operations Management Pte Ltd	52.9	52.5	Singapore	Provision of resort management and consultancy services
+	Genting International (Singapore) Pte Ltd	52.9	52.5	Singapore	Tour promotion
#	Genting International Corp	52.9	52.5	US	Investment

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
+	Genting International Gaming & Resort Technologies Pte Ltd	52.9	52.5	Singapore	Providing information technology services relating to the gaming and resort industry
#	Genting International Japan Co., Ltd	52.9	52.5	Japan	Marketing and promotion of resort destinations
+	Genting International Limited	52.9	52.5	IOM	Investment holding
+	Genting International Management Limited	52.9	52.5	IOM	Investment holding and ownership of intellectual property rights
+	Genting International Management Services Pte Ltd	52.9	52.5	Singapore	Investment holding
+	Genting International Resorts Management Limited	52.9	52.5	IOM	Investment holding
	Genting International Sdn Bhd	52.9	52.5	Malaysia	Provision of management services
+	Genting International Services (HK) Limited	52.9	52.5	HK	Investment holding
+	Genting International Services Singapore Pte Ltd	52.9	52.5	Singapore	Provision of international sales and marketing services and corporate services
	Genting (NSW) Pty Limited	52.9	52.5	Australia	Investment & provision of management services
+	Genting Singapore Aviation	52.9	52.5	Cayman	Purchasing, owning and operating of aircrafts for passenger air transportation

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
+	Genting Singapore Aviation III Ltd	52.9	52.5	Bermuda	Purchasing, owning and operating of aircrafts for passenger air transportation
+	Genting Singapore Aviation Management	52.9	52.5	Cayman	Managing of aircrafts for passenger air transportation
	Genting Star Limited	52.9	52.5	BVI	Investment holding
	Genting Star (Macau), Limited	52.9	52.5	Macau	Entertainment, leisure and hospitality
+	Grand Knight International Limited	52.9	52.5	BVI	Investment holding
+	Greenfield Resources Capital Limited	52.9	52.5	BVI	Investment holding
+	GSHK Capital Limited	52.9	52.5	HK	Provision of marketing coordination and promotion services for resorts, hotels and other facilities owned by related companies
+	Happy Bay Pte Ltd	52.9	52.5	Singapore	Investment holding
+	Landsdale Pte Ltd	52.9	52.5	Singapore	Investment holding
+	Legold Pte Ltd	52.9	52.5	Singapore	Investment holding
	Maxims Clubs Sdn Bhd	52.9	52.5	Malaysia	Leisure and hospitality

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
+	Medo Investment Pte Ltd	52.9	52.5	Singapore	Investment holding
+	Medo Limited	52.9	52.5	IOM	Investment holding
#	MoonLake Co., Ltd	52.9	52.5	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	52.9	52.5	Mongolia	Real estate activities and management consulting
*	North Spring Capital Mongolia LLC	52.9	52.5	Mongolia	Buying, leasing, selling, renting immovable properties, foreign trading activities and business consulting
+	Northspring Capital Ltd	52.9	52.5	BVI	Investment holding
+	Northspring Global Ltd	52.9	52.5	BVI	Investment holding
+	Northspring International Ltd	52.9	52.5	BVI	Investment holding
+	Northspring Management Ltd	52.9	52.5	BVI	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
+	Northspring Resources Ltd	52.9	52.5	BVI	Investment holding
	Ocean Star Resources Limited	52.9	52.5	BVI	Provision of sales and marketing services
+	Palomino Limited	52.9	52.5	IOM	Investment holding
+	Palomino Sun Limited	52.9	52.5	IOM	Investment holding
+	Phoenix Express Limited	52.9	52.5	BVI	Investment holding
+	PineGlory Pte Ltd	52.9	52.5	Singapore	Investment holding
+	Poppleton Limited	52.9	52.5	BVI	Investment holding
+	Prestelle Pte Ltd	52.9	52.5	Singapore	Investment holding
+	Prospero Development Limited	52.9	52.5	BVI	Investment holding
	Prospero Global Holding Pte Ltd	52.9	-	Singapore	Investment holding
+	Resorts World at Sentosa Pte Ltd	52.9	52.5	Singapore	Construction, development and operation of an integrated resort
	Resorts World at Sentosa Sdn Bhd	52.9	52.5	Malaysia	Hotel, resort and leisure related activities

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
#	Resorts World Japan Co., Ltd	52.9	52.5	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 Marketing Pte Ltd	52.9	52.5	Singapore	Sales & marketing services
#	Resorts World Osaka Co., Ltd	52.9	52.5	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	52.9	52.5	Singapore	Investment holding
+	Resorts World Properties II Pte Ltd	52.9	52.5	Singapore	Constructing and operating a fish farm

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
#	Resorts World Tokyo Co., Ltd	52.9	52.5	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
+	Star Eagle Holdings Limited	52.9	52.5	BVI	Investment holding
#	StarLight Co., Ltd	52.9	52.5	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

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
#	SunLake Co., Ltd	52.9	52.5	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	52.9	52.5	Singapore	Hotel developer and owner
+	Trevena Limited	52.9	52.5	BVI	Investment holding
+	WorldCard Overseas Holdings Limited	52.9	52.5	IOM	Service provider of loyalty programmes
	North Spring Enterprises LLC	52.9	52.5	Mongolia	Pending de-registration
	Genting International (Thailand) Limited (In Members' Voluntary Liquidation)	48.2	47.8	Thailand	In liquidation
	Palomino Sun (UK) Limited (In Members' Voluntary Liquidation)	52.9	52.5	UK	In liquidation
	North Spring Investments LLC	-	52.5	Mongolia	De-registered

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
Joint Ventures					
Joint ventures of GENT:					
+	FreeStyle Gaming Limited	50.0	50.0	HK	Interactive and online software solutions including intranet solutions
*	Fujian Pacific Electric Company Limited	49.0	49.0	China	Generation and supply of electric power
+	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 Tech Labs Sdn Bhd	50.0	50.0	Malaysia	Provision of management services
+	RW Services Pte Ltd	50.0	50.0	Singapore	Provision of technical and consulting services and programme management
#	RWI International Investments Limited	50.0	50.0	BVI	Investment holding
*	SDIC Genting Meizhou Wan Electric Power Company Limited	49.0	-	China	Generation and supply of electric power
#	Genting Nevada Interactive Gaming LLC	50.0	50.0	US	Pre-operating
#	Genting U.S. Interactive Gaming Inc	50.0	50.0	US	Pre-operating
+	Genting Alderney Limited ~	-	50.0	Alderney Channel Islands	Online gaming operator

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
Joint ventures of GENM:					
+	Apollo Genting London Limited	24.7	24.7	UK	Dormant
	Genting INTI Education Sdn Bhd	17.3	17.3	Malaysia	Dormant
#	Stanley Genting Casinos (Leeds) Limited (In Member’s Voluntary Liquidation)	-	24.7	UK	In liquidation
#	Stanley Genting Casinos Limited (In Members’ Voluntary Liquidation)	-	24.7	UK	In liquidation
Joint ventures of GENP:					
	Genting Highlands Premium Outlets Sdn Bhd (formerly known as Genting Premium Outlets Sdn Bhd)	26.5	-	Malaysia	Development, ownership and management of outlet shopping centres
	Genting Simon Sdn Bhd	26.5	26.9	Malaysia	Development, ownership and management of outlet shopping centres
#	Simon Genting Limited	26.5	26.9	IOM	Investment holding
Joint ventures of GENS:					
+	AutumnGlow Pte Ltd	26.5	26.2	Singapore	Provision of management and operation services for hotels
+	DCP (Sentosa) Pte Ltd	42.4	42.0	Singapore	Construction, development and operation of a district cooling plant supplying chilled water for air-conditioning needs at Sentosa
	808 Holdings Pte Ltd.	-	17.5	Singapore	Dissolved
	Gemstones Investments Pte Ltd	-	17.5	Singapore	Dissolved
	Kensington Hotel Pte Ltd	-	17.5	Singapore	Dissolved
	Kensington Residential Pte Ltd	-	17.5	Singapore	Dissolved
	KHS Management Limited	-	17.5	UK	Dissolved

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
Associates					
Associates of GENT:					
*	Lanco Kondapalli Power Limited	31.9	30.0	India	Generation and supply of electric power
*	Lanco Tanjore Power Company Limited	41.6	41.6	India	Generation and supply of electric power
*	Landmarks Berhad	^	30.3	Malaysia	Resort, property investment and property development
*	TauRx Pharmaceuticals Ltd	20.6	20.7	Singapore	Development of novel treatments and diagnostics for Alzheimer's disease and other neurodegenerative diseases
Associate of GENM:					
#	Waters Solihull Limited	25.1	-	UK	Restaurant operator
Associates of GENP:					
*	Serian Palm Oil Mill Sdn Bhd	21.2	21.5	Malaysia	Processing of fresh fruit bunches
	Setiacahaya Sdn Bhd @	26.5	26.9	Malaysia	Property investment
*	Sri Gading Land Sdn Bhd	25.9	26.3	Malaysia	Property development
	Asiatic Ceramics Sdn Bhd (In Liquidation)	25.9	26.3	Malaysia	In liquidation (Receiver appointed)
	GaiaAgri Services Ltd	-	16.1	Mauritius	De-registered

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2015	2014		
Associates of GENS:					
+	Landing Jeju Development Co., Ltd	26.5	26.2	Korea	To own, develop, manage and operate an integrated resort in Seowipo City, Jeju, Korea
	Stanley Genting Casinos Limited (In Members' Voluntary Liquidation)	26.4	26.2	UK	In liquidation
	Stanley Genting Casinos (Leeds) Limited (In Member's Voluntary Liquidation)	-	26.2	UK	Divested
*	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, Malaysia.				
#	These entities are either exempted or have no statutory audit requirement.				
^	Reclassified to available-for-sale financial assets.				
~	Ceased as a joint venture and became a subsidiary of the Group in 2015.				
@	This entity is a subsidiary of GENT with an effective percentage of ownership of 76.5%. It is held by GENT as a direct subsidiary and GENP as an associate with the effective percentage of ownership of 50.0% and 26.5% respectively.				

49. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 23 February 2016.

Genting Berhad (Company No: 7916-A)

50. REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the retained profits of the Group and the Company as at 31 December 2015 and 2014, into realised and unrealised profits, pursuant to a directive issued by Bursa Malaysia Securities Berhad ("Bursa Securities") on 25 March 2010 and 20 December 2010 is as follows:

	Group		Company	
	2015	2014	2015	2014
Total retained profits/(accumulated losses):				
- Realised	33,826.6	30,964.7	9,297.2	8,750.1
- Unrealised	(1,355.7)	(1,009.8)	147.4	29.2
	32,470.9	29,954.9	9,444.6	8,779.3
Total share of retained profits/(accumulated losses) from associates:				
- Realised	393.9	359.4	-	-
- Unrealised	(21.6)	(30.8)	-	-
Total share of retained profits/(accumulated losses) from joint ventures:				
- Realised	228.7	92.7	-	-
- Unrealised	-	3.1	-	-
	33,071.9	30,379.3	9,444.6	8,779.3
Less: Consolidation adjustments	(10,062.8)	(8,728.7)	-	-
Total retained profits	23,009.1	21,650.6	9,444.6	8,779.3

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purposes of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

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, 1965 ("Act"), 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 state of affairs of the Group and of the Company as at 31 December 2015 and of the results and the cash flows of the Group and of the Company for the financial year ended on that date in accordance with Financial Reporting Standards, the MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and comply with the provisions 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.

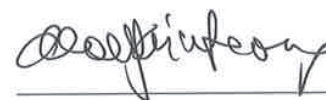
Additionally, the Directors have relied on the systems of risk management and internal control to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.

This statement is made in accordance with a resolution of the Board dated 23 February 2016.

STATUTORY DECLARATION PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, **CHONG KIN LEONG**, the Officer primarily responsible for the financial management of **GENTING BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 12 to 175 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)
CHONG KIN LEONG at KUALA LUMPUR on)
23 February 2016



Before me,



Lot 350, 3rd Floor, Wisma MPL,
Jalan Raja Chulan,
50200 Kuala Lumpur.



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GENTING BERHAD
(Incorporated in Malaysia)
(Company No.7916-A)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Genting Berhad on pages 12 to 174 which comprise the statements of financial position as at 31 December 2015 of the Group and of the Company, the statements of income, 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 a summary of significant accounting policies and other explanatory notes, as set out on Notes 1 to 49.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GENTING BERHAD (CONTINUED)
(Incorporated in Malaysia)
(Company No.7916-A)

REPORT ON THE FINANCIAL STATEMENTS (CONTINUED)

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 December 2015 and their financial performance and cash flows for the financial year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 48 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 50 on page 175 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GENTING BERHAD (CONTINUED)
(Incorporated in Malaysia)
(Company No.7916-A)

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

LEE TUCK HENG
(No. 2092/09/16 (J))
Chartered Accountant

Kuala Lumpur
23 February 2016

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
& SUBSIDIARIES

INCOME STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

Amounts in RM million unless otherwise stated

	Note(s)	Group		Company	
		2014	2013	2014	2013
Continuing operations:					
Revenue	5 & 6	18,216.5	17,111.7	1,005.5	2,129.0
Cost of sales	7	<u>(11,906.3)</u>	<u>(10,686.4)</u>	<u>(96.3)</u>	<u>(90.0)</u>
Gross profit		6,310.2	6,425.3	909.2	2,039.0
Other income					
- net fair value gain on derivative financial instruments		-	312.4	5.6	-
- others		1,262.7	701.3	121.7	114.7
Selling and distribution costs		(382.1)	(354.8)	-	-
Administration expenses		(1,385.7)	(1,646.5)	(17.2)	(86.8)
Reversal of previously recognised impairment losses	8	22.6	11.1	-	-
Impairment losses	8	(265.0)	(109.2)	(88.4)	-
Other expenses					
- net fair value loss on derivative financial instruments		(415.3)	-	-	-
- others		(497.4)	(602.4)	(27.6)	(6.0)
Finance cost	9	(437.0)	(460.0)	(216.9)	(228.8)
Share of results in joint ventures	24	86.3	119.7	-	-
Share of results in associates	25	<u>(37.0)</u>	<u>(52.7)</u>	<u>-</u>	<u>-</u>
Profit before taxation	5 & 9	4,262.3	4,344.2	686.4	1,832.1
Taxation	12	<u>(1,108.7)</u>	<u>(746.9)</u>	<u>(120.8)</u>	<u>(255.7)</u>
Profit for the financial year from continuing operations		3,153.6	3,597.3	565.6	1,576.4
Discontinued operations:					
(Loss)/Profit for the financial year from discontinued operations	13	<u>(7.5)</u>	<u>107.8</u>	<u>-</u>	<u>-</u>
Profit for the financial year		<u>3,146.1</u>	<u>3,705.1</u>	<u>565.6</u>	<u>1,576.4</u>

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
& SUBSIDIARIES

INCOME STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)

Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2014	2013	2014	2013
Profit attributable to:					
Equity holders of the Company		1,496.1	1,810.1	565.6	1,576.4
Holders of perpetual capital securities of a subsidiary		311.5	305.7	-	-
Non-controlling interests		1,338.5	1,589.3	-	-
		3,146.1	3,705.1	565.6	1,576.4
Earnings/(Loss) per share for profit attributable to the equity holders of the Company:					
Basic (sen)					
- from continuing operations	14	40.47	46.07		
- from discontinued operations	14	(0.20)	2.92		
		40.27	48.99		
Diluted (sen)					
- from continuing operations	14	38.96	45.97		
- from discontinued operations	14	(0.19)	2.92		
		38.77	48.89		

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
& SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

Amounts in RM million unless otherwise stated

	Note	Group 2014	Group 2013	Company 2014	Company 2013
Profit for the financial year		3,146.1	3,705.1	565.6	1,576.4
Other comprehensive income/(loss)					
Item that will not be reclassified subsequently to profit or loss:					
Actuarial (loss)/gain on retirement benefit liability		<u>(7.0)</u>	<u>1.3</u>	<u>-</u>	<u>-</u>
		<u>(7.0)</u>	<u>1.3</u>	<u>-</u>	<u>-</u>
Items that will be reclassified subsequently to profit or loss:					
Available-for-sale financial assets					
- Fair value (loss)/gain		<u>(1,039.0)</u>	<u>1,639.0</u>	<u>-</u>	<u>-</u>
- Reclassification to profit or loss		<u>(274.4)</u>	<u>(100.0)</u>	<u>-</u>	<u>-</u>
		<u>(1,313.4)</u>	<u>1,539.0</u>	<u>-</u>	<u>-</u>
Cash flow hedges					
- Fair value (loss)/gain		<u>(131.5)</u>	<u>1.3</u>	<u>-</u>	<u>-</u>
Share of other comprehensive income of joint ventures	24	<u>2.5</u>	<u>2.7</u>	<u>-</u>	<u>-</u>
Share of other comprehensive income of associates	25	<u>15.4</u>	<u>6.3</u>	<u>-</u>	<u>-</u>
Net foreign currency exchange differences		<u>1,443.1</u>	<u>1,872.2</u>	<u>-</u>	<u>-</u>
		<u>16.1</u>	<u>3,421.5</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the financial year, net of tax	12	<u>9.1</u>	<u>3,422.8</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the financial year		<u>3,155.2</u>	<u>7,127.9</u>	<u>565.6</u>	<u>1,576.4</u>
Total comprehensive income attributable to:					
Equity holders of the Company		<u>1,428.2</u>	3,995.5	<u>565.6</u>	1,576.4
Holders of perpetual capital securities of a subsidiary		<u>424.8</u>	501.7	<u>-</u>	<u>-</u>
Non-controlling interests		<u>1,302.2</u>	<u>2,630.7</u>	<u>-</u>	<u>-</u>
		<u>3,155.2</u>	<u>7,127.9</u>	<u>565.6</u>	<u>1,576.4</u>

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
& SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

Amounts in RM million unless otherwise stated

	Note	Group 2014	2013	Company 2014	2013
ASSETS					
Non-Current Assets					
Property, plant and equipment	16	25,887.6	24,570.2	2.6	3.9
Land held for property development	17	343.3	423.9	-	-
Investment properties	18	1,729.6	1,589.5	-	-
Plantation development	19	1,754.3	1,505.0	-	-
Leasehold land use rights	20	305.3	238.7	-	-
Intangible assets	21	5,414.0	5,330.0	-	-
Rights of use of oil and gas assets	22	3,171.3	1,481.4	-	-
Subsidiaries	23	-	-	13,937.8	12,675.1
Amounts due from subsidiaries	23	-	-	71.0	133.7
Joint ventures	24	637.6	205.8	-	-
Associates	25	1,064.2	844.0	-	-
Available-for-sale financial assets	27	2,856.2	3,936.1	-	-
Derivative financial instruments	42	99.1	112.1	-	-
Other non-current assets	28	2,413.5	634.0	-	-
Deferred tax assets	29	303.5	270.7	18.4	15.9
		<u>45,979.5</u>	<u>41,141.4</u>	<u>14,029.8</u>	<u>12,828.6</u>
Current Assets					
Property development costs	17	60.0	56.1	-	-
Inventories	30	419.5	385.2	-	-
Trade and other receivables	31	4,083.8	3,972.5	1.7	0.9
Current tax assets		32.8	20.5	-	-
Amounts due from subsidiaries	23	-	-	44.8	1,166.2
Amounts due from joint ventures	24	9.3	6.0	-	-
Amounts due from associates	25	3.1	-	-	-
Financial assets at fair value through profit or loss	26	7.2	3.8	-	-
Available-for-sale financial assets	27	5,680.8	5,456.3	200.0	-
Derivative financial instruments	42	2.5	9.4	-	-
Restricted cash	32	584.2	420.1	-	-
Cash and cash equivalents	32	16,391.2	17,963.7	923.7	1,341.0
		<u>27,274.4</u>	<u>28,293.6</u>	<u>1,170.2</u>	<u>2,508.1</u>
Assets classified as held for sale	33	37.9	2,060.5	-	-
		<u>27,312.3</u>	<u>30,354.1</u>	<u>1,170.2</u>	<u>2,508.1</u>
Total Assets		<u>73,291.8</u>	<u>71,495.5</u>	<u>15,200.0</u>	<u>15,336.7</u>

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
& SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2014 (Cont'd)

Amounts in RM million unless otherwise stated

	Note	Group 2014	2013	Company 2014	2013
EQUITY AND LIABILITIES					
Equity Attributable to Equity Holders of the Company					
Share capital	34	374.3	371.9	374.3	371.9
Treasury shares	35	(212.5)	(210.9)	(212.5)	(210.9)
Reserves	36	26,669.1	25,153.0	11,304.4	10,590.8
		26,830.9	25,314.0	11,466.2	10,751.8
Perpetual capital securities of a subsidiary	37	6,098.9	5,985.6	-	-
Non-controlling interests		20,128.9	19,273.0	-	-
Total Equity		53,058.7	50,572.6	11,466.2	10,751.8
Non-Current Liabilities					
Long term borrowings	38	10,714.9	10,824.1	-	-
Amounts due to subsidiaries	23	-	-	3,591.8	3,441.6
Deferred tax liabilities	29	1,416.0	1,486.0	-	-
Derivative financial instruments	42	203.8	22.6	-	-
Provisions	39	409.5	265.1	78.3	91.1
Other non-current liabilities	40	42.0	44.4	-	-
		12,786.2	12,642.2	3,670.1	3,532.7
Current Liabilities					
Trade and other payables	41	4,347.3	4,098.8	35.2	33.6
Amounts due to subsidiaries	23	-	-	17.4	995.9
Amounts due to joint ventures	24	29.0	57.9	-	-
Short term borrowings	38	1,837.7	2,561.3	-	-
Derivative financial instruments	42	658.2	35.5	-	-
Taxation		574.0	507.1	11.1	22.7
		7,446.2	7,260.6	63.7	1,052.2
Liabilities classified as held for sale	33	0.7	1,020.1	-	-
		7,446.9	8,280.7	63.7	1,052.2
Total Liabilities		20,233.1	20,922.9	3,733.8	4,584.9
Total Equity and Liabilities		73,291.8	71,495.5	15,200.0	15,336.7

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

Amounts in RM million unless otherwise stated

Note(s)	Share Capital	Share Premium	Share Warrants Reserve	Revaluation Reserve	Fair Value Reserve	Attributable to equity holders of the Company			Treasury Shares	Total	Perpetual Capital Securities of a Subsidiary	Non-controlling Interests	Total Equity
						Cash Flow	Reserve on Exchange Differences	Retained Earnings					
Group													
At 1 January 2014	371.9	1,195.5	1,144.4	307.2	2,093.9	(1.6)	161.9	20,251.7	(210.9)	25,314.0	5,985.6	19,273.0	50,572.6
Profit for the financial year	-	-	-	-	-	-	-	1,496.1	-	1,496.1	311.5	1,338.5	3,146.1
Other comprehensive (loss)/income for the financial year	-	-	-	-	(834.4)	(123.3)	891.0	(1.2)	-	(67.9)	113.3	(36.3)	9.1
Total comprehensive (loss)/income for the financial year	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer due to realisation of revaluation reserve	-	-	-	(1.3)	-	-	-	1.3	-	-	-	-	-
Transactions with owners:													
Effects arising from changes in composition of the Group	-	-	-	-	-	-	-	(83.8)	-	(83.8)	-	268.8	185.0
Buy-back of shares by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(454.8)	(454.8)
Effects of share-based payment	-	-	-	-	-	-	-	-	-	-	-	85.9	85.9
Perpetual capital securities distribution payable and paid by a subsidiary	-	-	-	-	-	-	-	-	-	-	(311.5)	-	(311.5)
Tax credit arising from perpetual capital securities of a subsidiary	-	-	-	-	-	-	-	23.7	-	23.7	-	22.0	45.7
Total changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	(60.1)	-	(60.1)	(311.5)	(78.1)	(449.7)
34 & 36													
Issue of shares upon exercise of warrants	2.4	220.5	(35.3)	-	-	-	-	-	-	187.6	-	-	187.6
Buy-back of shares by the Company	-	-	-	-	-	-	-	-	(1.6)	(1.6)	-	-	(1.6)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(368.2)	(368.2)
15													
Appropriation: Interim single-tier dividend for the financial year ended 31 December 2014	-	-	-	-	-	-	-	(37.2)	-	(37.2)	-	-	(37.2)
Total contributions by and distributions to owners	2.4	220.5	(35.3)	-	-	-	-	(37.2)	(1.6)	148.8	-	(368.2)	(219.4)
Total transactions with owners	2.4	220.5	(35.3)	-	-	-	-	(97.3)	(1.6)	88.7	(311.5)	(446.3)	(669.1)
Balance as at 31 December 2014	374.3	1,416.0	1,109.1	305.9	1,259.5	(124.9)	1,052.9	21,650.6	(212.5)	26,830.9	6,098.9	20,128.9	53,058.7

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)**

Amounts in RM million unless otherwise stated

	Note	Attributable to equity holders of the Company										Non- controlling Interests	Total Equity
		Share Capital	Share Premium	Warrants Reserve	Revaluation Reserve	Fair Value Reserve	Cash Flow Hedge Reserve	Reserve on Exchange Differences	Retained Earnings	Treasury Shares	Perpetual Capital Securities of a Subsidiary		
Group													
At 1 January 2013		371.9	1,195.5	-	311.6	1,022.7	(2.0)	(951.3)	19,961.6	(210.3)	5,789.5	16,979.4	44,468.6
Profit for the financial year		-	-	-	-	-	-	-	1,810.1	-	305.7	1,589.3	3,705.1
Other comprehensive income		-	-	-	-	1,071.2	0.4	1,113.2	0.6	-	196.0	1,041.4	3,422.8
Total comprehensive income for the financial year		-	-	-	-	1,071.2	0.4	1,113.2	1,810.7	-	501.7	2,630.7	7,127.9
Transfer due to realisation of revaluation reserve		-	-	-	(4.4)	-	-	-	4.4	-	-	-	-
Transactions with owners:													
Effects arising from changes in composition of the Group		-	-	-	-	-	-	-	(33.5)	-	-	13.5	(20.0)
Buy-back of shares by the subsidiaries		-	-	-	-	-	-	-	-	-	-	(4.3)	(4.3)
Issue of warrants by a subsidiary		-	-	-	-	-	-	-	-	-	-	92.2	92.2
Effects of share-based payment		-	-	-	-	-	-	-	-	-	-	44.9	44.9
Perpetual capital securities distribution payable and paid by a subsidiary		-	-	-	-	-	-	-	-	-	(305.6)	-	(305.6)
Tax credit arising from perpetual capital securities of a subsidiary		-	-	-	-	-	-	-	18.7	-	-	17.2	35.9
Total changes in ownership interests in subsidiaries that do not result in loss of control		-	-	-	-	-	-	-	(14.8)	-	(305.6)	163.5	(156.9)
Issue of warrants	36	-	-	1,144.4	-	-	-	-	-	-	-	-	1,144.4
Buy-back of shares by the Company		-	-	-	-	-	-	-	-	(0.6)	-	-	(0.6)
Dividend paid to non-controlling interests		-	-	-	-	-	-	-	-	-	-	(500.6)	(500.6)
Appropriation: Final dividend for the financial year ended 31 December 2012	15	-	-	-	-	-	-	-	(124.7)	-	-	-	(124.7)
Special interim cash dividend for the financial year ended 31 December 2013	15	-	-	-	-	-	-	-	(1,385.5)	-	-	-	(1,385.5)
Total contributions by and distributions to owners		-	-	1,144.4	-	-	-	-	(1,510.2)	(0.6)	-	(500.6)	(867.0)
Total transactions with owners		-	-	1,144.4	-	-	-	-	(1,525.0)	(0.6)	(305.6)	(337.1)	(1,023.9)
Balance as at 31 December 2013		371.9	1,195.5	1,144.4	307.2	2,093.9	(1.6)	161.9	20,251.7	(210.9)	5,985.6	19,273.0	50,572.6

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
& SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)

Amounts in RM million unless otherwise stated

Company	Note(s)	Share Capital	Share Premium	Warrants Reserve	Distributable		Total
					Retained Earnings	Treasury Shares	
At 1 January 2014		371.9	1,195.5	1,144.4	8,250.9	(210.9)	10,751.8
Profit for the financial year		-	-	-	565.6	-	565.6
Transactions with owners:							
Issue of shares upon exercise of warrants	34 & 36	2.4	220.5	(35.3)	-	-	187.6
Buy-back of shares		-	-	-	-	(1.6)	(1.6)
Appropriation:							
Interim single-tier dividend for the financial year ended 31 December 2014	15	-	-	-	(37.2)	-	(37.2)
Total transactions with owners		2.4	220.5	(35.3)	(37.2)	(1.6)	148.8
Balance as at 31 December 2014		374.3	1,416.0	1,109.1	8,779.3	(212.5)	11,466.2
At 1 January 2013		371.9	1,195.5	-	8,184.7	(210.3)	9,541.8
Profit for the financial year		-	-	-	1,576.4	-	1,576.4
Transactions with owners:							
Issue of warrants	36	-	-	1,144.4	-	-	1,144.4
Buy-back of shares		-	-	-	-	(0.6)	(0.6)
Appropriation:							
Final dividend for the financial year ended 31 December 2012	15	-	-	-	(124.7)	-	(124.7)
Special interim cash dividend for the financial year ended 31 December 2013	15	-	-	-	(1,385.5)	-	(1,385.5)
Total transactions with owners		-	-	1,144.4	(1,510.2)	(0.6)	(366.4)
Balance as at 31 December 2013		371.9	1,195.5	1,144.4	8,250.9	(210.9)	10,751.8

Genting Berhad (Company No: 7916-A)

GENTING BERHAD (Incorporated in Malaysia)
& SUBSIDIARIES

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

Amounts in RM million unless otherwise stated

	Note	2014	Group 2013	2014	Company 2013
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation					
- Continuing operations		4,262.3	4,344.2	686.4	1,832.1
- Discontinued operations		12.3	152.1	-	-
		4,274.6	4,496.3	686.4	1,832.1
Adjustments for:					
Depreciation and amortisation		1,824.2	1,793.4	1.5	1.6
Impairment losses and write off of receivables		689.2	463.3	-	-
Finance cost		465.4	518.3	216.9	228.8
Net fair value loss/(gain) on derivative financial instruments		415.3	(312.4)	(5.6)	-
Impairment losses		265.0	109.2	88.4	-
Provision for share-based payments		86.0	44.6	-	-
Assets classified as held for sale written down		73.5	-	-	-
Property, plant and equipment ("PPE") written off		71.3	82.9	-	-
Fair value adjustment of long term receivables		39.4	12.4	-	-
Share of results in associates		37.0	52.7	-	-
Provision for retirement gratuities		35.3	41.0	9.8	12.1
Provision/(Reversal of provision) for onerous lease		8.1	(7.8)	-	-
Loss on disposal of discontinued operations	13(a)	3.5	-	-	-
Inventories written off		1.7	0.7	-	-
Net loss on disposal of PPE		0.6	4.9	-	-
Net gain on disposal of available-for-sale financial assets		(419.0)	(100.0)	-	-
Interest income		(383.3)	(275.6)	(65.6)	(83.7)
Net unrealised exchange (gain)/loss		(174.7)	22.9	(10.8)	(21.3)
Dividend income		(116.2)	(45.9)	(388.1)	(1,485.5)
Share of results in joint ventures		(86.3)	(119.7)	-	-
Income from available-for-sale financial assets		(25.7)	(24.3)	(5.8)	(4.4)
Reversal of previously recognised impairment losses		(22.6)	(11.1)	-	-
Construction profit		(10.3)	(2.3)	-	-
Net surplus arising from compensation in respect of land acquired by the Government		(7.4)	(0.3)	-	-
Gain on disposal of assets held for sale		(7.1)	-	-	-
Gain on deemed dilution of shareholdings in associates		(6.0)	(40.4)	-	-
Net fair value (gain)/loss on financial assets at fair value through profit or loss		(3.0)	0.2	-	-
Loss on disposal of subsidiaries		-	2.8	-	-
Reversal of contingent losses		-	-	(22.5)	(1.9)
Waiver of net amount due from a wholly owned subsidiary		-	-	22.4	-
Other non-cash items		7.2	13.1	-	(0.3)
		2,761.1	2,222.6	(159.4)	(1,354.6)
Operating profit before changes in working capital		7,035.7	6,718.9	527.0	477.5
Working capital changes:					
Property development costs		52.0	41.7	-	-
Inventories		(25.4)	23.8	-	-
Receivables		(1,783.9)	(1,292.0)	5.5	0.1
Payables		315.3	451.6	1.6	9.4
Amounts due from/to associates		(3.1)	0.1	-	-
Amounts due from/to joint ventures		(30.9)	33.7	-	-
Amounts due from subsidiaries		-	-	0.7	7.9
		(1,476.0)	(741.1)	7.8	17.4

Genting Berhad (Company No: 7916-A)

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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)

Amounts in RM million unless otherwise stated

	Note	Group 2014	Group 2013	Company 2014	Company 2013
Cash generated from operations		5,559.7	5,977.8	534.8	494.9
Taxation paid		(1,168.8)	(1,302.1)	(135.0)	(152.5)
Payment of retirement gratuities		(5.6)	(7.5)	(0.1)	(0.5)
Advance membership fees		(3.3)	(5.7)	-	-
Taxation refunded		32.5	21.8	-	-
Other operating activities		(15.2)	(16.7)	-	-
		<u>(1,160.4)</u>	<u>(1,310.2)</u>	<u>(135.1)</u>	<u>(153.0)</u>
NET CASH FLOW FROM OPERATING ACTIVITIES		<u>4,399.3</u>	<u>4,667.6</u>	<u>399.7</u>	<u>341.9</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments		(3,926.3)	(3,922.5)	(1,664.4)	(3,135.2)
Purchase of PPE		(2,669.9)	(3,896.1)	(0.2)	(0.9)
Payment for rights of use of oil and gas assets		(1,480.2)	(456.2)	-	-
Acquisition of an associate		(254.0)	-	-	-
Loan to an associate		(253.1)	-	-	-
Acquisition of subsidiaries*		(228.4)	(2.6)	-	-
Purchase of plantation development		(113.6)	(180.6)	-	-
Purchase of investment properties		(70.2)	(267.2)	-	-
Purchase of leasehold land use rights		(45.3)	(21.5)	-	-
Long term prepaid lease		(32.7)	-	-	-
Purchase of intangible assets		(25.7)	(218.1)	-	-
Costs incurred on land held for property development		(17.6)	(7.0)	-	-
Proceeds from disposal of investments		4,385.4	2,439.5	-	200.0
Interest received		277.8	251.3	34.8	42.3
Dividends received		114.8	45.9	388.1	1,363.5
Net proceeds received from divestment in a subsidiary		31.8	-	-	-
Dividends received from joint ventures		29.4	-	-	-
Net cash inflow arising on disposal of discontinued operations	13(d)	29.7	-	-	-
Income received from available-for-sale financial assets		25.0	24.1	5.1	4.7
Proceeds from disposal of PPE		14.1	6.6	-	0.1
Proceeds from disposal of assets classified as held for sale		9.4	-	-	-
Dividends received from associates		8.9	4.5	-	-
Redemption of preference shares by subsidiary		8.1	-	-	-
Net cash outflow arising on disposal of subsidiaries		-	(9.5)	-	-
Proceeds from disposal of joint ventures		-	177.5	-	-
Proceeds from redemption of shares by a subsidiary		-	-	113.3	-
Advances to subsidiaries		-	-	(65.7)	(162.8)
Other investing activities		6.1	6.9	-	-
NET CASH FLOWS USED IN INVESTING ACTIVITIES		<u>(4,176.5)</u>	<u>(6,025.0)</u>	<u>(1,189.0)</u>	<u>(1,688.3)</u>

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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)

Amounts in RM million unless otherwise stated

	Note	2014	Group 2013	2014	Company 2013
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of borrowings and transaction costs		(3,444.6)	(2,873.2)	-	-
Finance cost paid		(459.4)	(469.2)	(79.3)	(171.4)
Buy-back of shares by the subsidiaries		(454.8)	(4.3)	-	-
Dividends paid to non-controlling interests		(368.2)	(500.6)	-	-
Perpetual capital securities distribution paid		(311.5)	(305.6)	-	-
Restricted cash		(123.8)	(64.8)	-	-
Dividends paid		(37.2)	(1,510.2)	(37.2)	(1,510.2)
Buy-back of shares by the Company		(1.6)	(0.6)	(1.6)	(0.6)
Proceeds from bank borrowings		2,291.6	2,008.9	-	-
Proceeds from issue of shares upon exercise of warrants		187.6	-	187.6	-
Proceeds from issue of shares to non-controlling interests		92.8	5.6	-	-
Acquisition of additional shares from non-controlling interests		-	(48.0)	-	-
Net proceeds from issue of warrants by a subsidiary to non-controlling interest		-	92.2	-	-
Net proceeds from issue of warrants by the Company		-	1,144.4	-	1,144.4
Borrowing from a subsidiary and transaction costs		-	-	150.0	-
Repayment of borrowing from a subsidiary		-	-	1,110.1	-
Repayment of borrowing to a subsidiary		-	-	(970.2)	-
Other financing activities		8.6	44.9	-	-
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES		(2,620.5)	(2,480.5)	359.4	(537.8)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(2,397.7)	(3,837.9)	(429.9)	(1,884.2)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		18,308.7	21,267.0	1,341.0	3,210.2
EFFECT OF CURRENCY TRANSLATION		480.2	879.6	12.6	15.0
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		16,391.2	18,308.7	923.7	1,341.0
ANALYSIS OF CASH AND CASH EQUIVALENTS					
Bank balances and deposits	32	14,792.2	15,443.3	501.2	495.2
Money market instruments	32	1,599.0	2,520.4	422.5	845.8
		16,391.2	17,963.7	923.7	1,341.0
Bank balances and deposits from discontinued operations (included in assets classified as held for sale)	33	-	345.0	-	-
		16,391.2	18,308.7	923.7	1,341.0

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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

*** Acquisition of Subsidiaries**

- (a) Fair value of net assets acquired and net cash outflow on acquisition of a subsidiary are analysed as follows:

	2014 As at the date of acquisition
Property, plant and equipment	(46.6)
Plantation development	(80.7)
Trade and other receivables	(14.9)
Trade and other payables	1.6
Fair value of net identifiable assets	(140.6)
Non-controlling interests measured at proportionate share of net assets	(3.1)
Goodwill arising from acquisition	(51.7)
Net cash outflow on acquisition of a subsidiary/Total purchase consideration	(195.4)

This relates to acquisition of subsidiaries as disclosed in Note 46(e) to the financial statements. The purchase price allocation of the acquisition was provisional as at 31 December 2014 and the Group expects to complete the final purchase price allocation exercise within the twelve-month period from the acquisition date.

The revenue and the net loss of the above acquired subsidiary which have been included in the consolidated income statement of the Group for the period from the date of acquisition to 31 December 2014 amounted to Nil and RM21.7 million respectively. Had the acquisition taken effect on 1 January 2014, the revenue and net loss of the above acquired subsidiary which would be included in the consolidated income statement of the Group would be RM1.9 million and RM27.9 million respectively. These amounts have been determined using the Group's accounting policies.

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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (Cont'd)

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS (Cont'd)

* **Acquisition of Subsidiaries (cont'd)**

- (b) Fair value of net assets acquired and net cash outflow on acquisition of a subsidiary by Genting Plantations Berhad ("GENP") Group, which is 53.8% owned by the Company, are analysed as follows:

	2014 As at the date of acquisition
Property, plant and equipment	(32.9)
Other receivables	(0.1)
Identifiable net assets acquired/Purchase consideration paid	(33.0)

This relates to acquisition of the entire equity interest of SPC Biodiesel Sdn Bhd by GP Overseas Limited, a wholly owned subsidiary of GENP on 21 February 2014. The GENP Group had completed the final purchase price allocation exercise on the above acquisition during the current financial year.

The revenue and the net profit of the above acquired subsidiary which have been included in the consolidated income statement of the Group for the period from the date of acquisition to 31 December 2014 amounted to RM86.5 million and RM5.1 million respectively. Had the acquisition taken effect on 1 January 2014, the revenue and net profit of the above acquired subsidiary which would be included in the consolidated income statement of the Group would be RM86.5 million and RM4.9 million respectively. These amounts have been determined using the Group's accounting policies.

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GENTING BERHAD (Incorporated in Malaysia)
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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2014

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 subsidiaries include leisure and hospitality, gaming and entertainment businesses, development and operation of integrated resort, plantation, the generation and supply of electric power, property development and management, tours and travel related services, genomics research and development, investments 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 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 Financial Reporting Standards (“FRS”), the Malaysian Accounting Standards Board (“MASB”) Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and the provisions of the Companies Act, 1965.

The Group, which includes transitioning entities, has elected to continue to apply FRS for the current financial year. The Group will be adopting the new IFRS-compliant framework, Malaysian Financial Reporting Standards (“MFRS”) from the financial year beginning on 1 January 2017. In adopting the new framework, the Group will be applying MFRS 1 “First-time adoption of MFRS”.

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 FRS 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) Income taxes

The Group is subject to income taxes in numerous jurisdictions in which the Group operates. Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. The Group also recognised certain tax recoverables for which the Group believes that there is reasonable basis for recognition. 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 provisions and tax recoverable balance in the period in which such determination is made.

(ii) Exploration costs

Oil and gas exploration cost is accounted for in accordance with the full cost method. Under this method, all costs relating to the exploration activities are capitalised when incurred.

Oil and gas exploration cost is written off to the profit or loss 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.

BASIS OF PREPARATION (Cont'd)

Judgements and estimations (cont'd)

(iii) Intangible assets

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 21.

In addition, the Group recognises costs incurred on development projects as intangible assets to the extent that the capitalisation criteria in FRS 138 - Intangible Assets are met. The Group uses its judgement in determining whether the milestones payments for research and development expertise and capacity in genomics meet the capitalisation criteria so as to enable the amount to be capitalised. The future commercial viability of these intangible assets is assessed by using discounted cash flow valuation technique, which requires the Group to use estimates and assumptions concerning the future.

(iv) Impairment of trade receivables

Management reviews its trade receivables for objective evidence of impairment. Adverse changes in background reputation and financial capability of the debtor, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor.

Where there is objective evidence of impairment, management uses estimates based on credit-worthiness of the debtors, past repayment history for each debtor and historical loss experience for debtors with similar credit risk characteristics to determine the amount to be impaired. The methodology and assumptions used are reviewed regularly to reduce any differences between the estimated loss and actual loss experience.

(v) Construction contracts

The Group uses the “percentage-of-completion method” to determine the appropriate amount to be recognised in a given period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately as an expense to the profit or loss.

Significant judgement is required in the estimation of total contract costs. Where the actual total contract costs is different from the estimated total contract costs, such difference will impact the contract profits/(losses) recognised.

(vi) Impairment of property, plant and equipment

The Group tests property, plant and equipment for impairment if there is any objective evidence of impairment in accordance with the respective accounting policies. The calculations require the use of estimates as set out in Notes 8, 16 and 23.

BASIS OF PREPARATION (Cont'd)

Judgements and estimations (cont'd)

(vii) Estimation of oil and gas reserves

Oil and gas assets are amortised on a unit of production (“UOP”) basis at a rate calculated by reference to total proved and probable reserves. The Group estimates its commercial reserves based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates. Commercial reserves are determined using estimates of oil and gas in place, recovery factors and future commodity prices, the latter having an impact on the total amount of recoverable reserves and the proportion of the gross reserves which are attributable to the host government under the terms of the petroleum contract.

Changes to the Group’s estimates of proved or probable reserves will affect the amount of depreciation, depletion and amortisation recorded under the Rights of Use of Oil and Gas Assets. A reduction in the reserves will increase depreciation, depletion and amortisation charges (assuming constant production) and therefore, reduce profit.

Although the possibility exists for changes in estimated reserves to have a significant impact on depreciation, depletion and amortisation charges and, therefore, profit, it is expected that in the normal course of business the Group will continue to prioritise on timely projects delivery with the objective of maximising reserve recovery so as to reduce the likelihood for the changes to occur.

(viii) Asset retirement obligations (“ARO”) – oil and gas

The recognition of an ARO requires that management make numerous estimates, assumptions and judgements regarding such factors as the existence of a legal obligation for an ARO; estimated probabilities, amounts and timing of settlements; the credit-adjusted risk-free rate to be used; and inflation rates. In periods subsequent to initial measurement of the ARO, the Group recognises period-to-period changes in the liability resulting from the passage of time and revisions to either the timing or the amount of the original estimate of undiscounted cash flows. Revisions also result in increases or decreases in the carrying cost of the oil and gas assets.

(ix) Provisional fair values of assets and liabilities

The Group made several acquisitions during the financial year as disclosed in the statements of cash flows. The amounts of assets (including intangible assets) and liabilities arising from these acquisitions have been determined based on provisional fair values assigned to the identifiable assets and liabilities as at the respective acquisition dates and hence have yet to be allocated to the Group’s cash generating units.

BASIS OF PREPARATION (Cont'd)

Judgements and estimations (cont'd)

(ix) Provisional fair values of assets and liabilities (cont'd)

For all business combinations, the Group either undertook or is in the process of undertaking a detailed review to determine the fair value of assets and liabilities recognised at the date of acquisition. Such reviews may include engaging third party advisors to determine the fair values of the cash generating units of the entities acquired.

Any adjustments to these provisional values upon finalisation of the detailed fair value exercise will be recognised within 12 months of the acquisition date. The adjustments will be calculated as if the fair values had been recognised on acquisition date. Goodwill will also be adjusted to the amount that would have been recognised if the adjusted fair values had been used at acquisition date. As a result, comparative information may be restated.

(x) Impairment and valuation of available-for-sale financial assets

Pursuant to paragraph 61 of FRS 139, a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is objective evidence of impairment. The Group has recognised an impairment loss in the income statement in respect of an equity investment classified as available-for-sale financial assets as its quoted share price had declined significantly as at 31 December 2014 compared with the Group's cost of investment. In addition, the measurements of available-for-sale financial assets within Level 3 of the fair value hierarchy are disclosed in Note 4(c).

(b) Standards, amendments to published standards and interpretations that are effective

The new accounting standards, amendments and improvements to published standards and interpretations that are effective for the Group and the Company's financial year beginning on 1 January 2014 are as follows:

- Amendments to FRS 10, FRS 12 and FRS 127 "Investment Entities"
- Amendments to FRS 132 "Offsetting Financial Assets and Financial Liabilities"
- Amendments to FRS 136 "Recoverable Amount Disclosures for Non-Financial Assets"
- Amendments to FRS 139 "Novation of Derivatives and Continuation of Hedged Accounting"
- IC Interpretation 21 "Levies"

The adoption of these new FRSs, amendments and IC interpretation does not have any significant impact on the financial performance or financial position of the Group and the Company.

BASIS OF PREPARATION (Cont'd)

(c) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group but not yet effective

The full list of standards, amendments to standards and interpretations which are effective for annual periods beginning after 1 January 2015 are set out below:

(i) Financial year beginning on/after 1 January 2015

- Annual Improvements to FRSs 2010-2012 Cycle (Amendments to FRS 2 “Share-based Payment”, FRS 3 “Business Combinations”, FRS 8 “Operating Segments”, FRS 13 “Fair Value Measurement”, FRS 116 “Property, Plant and Equipment”, FRS 124 “Related Party Disclosures” and FRS 138 “Intangible Assets”).
- Annual Improvements to FRSs 2011-2013 Cycle (Amendments to FRS 1 “First-time Adoption of Financial Reporting Standards”, FRS 3 “Business Combinations”, FRS 13 “Fair Value Measurement” and FRS 140 “Investment Property”).
- Amendments to FRS 119 “Defined Benefits Plans: Employee Contributions”.

(ii) Financial year beginning on/after 1 January 2016

- FRS 14 “Regulatory Deferral Accounts”.
- Amendments to FRS 11 “Accounting for Acquisitions of Interests in Joint Operations”.
- Amendments to FRS 116 and FRS 138 “Clarification of Acceptable Methods of Depreciation and Amortisation”.
- Amendments to FRS 10 “Consolidated Financial Statements” and FRS 128 “Investment in associates and joint ventures - Sale or contribution of assets between an investor and its associates/ joint ventures”.
- Amendments to FRS 127 “Separate Financial Statements - Equity accounting in separate financial statements”.
- Amendments to FRS 101 “Disclosure Initiative”.
- Annual Improvements to FRSs 2012-2014 Cycle (Amendments to FRS 5 “Non-current Assets Held for sale and Discontinued Operations”, FRS 7 “Financial Instruments: Disclosures”, FRS 119 “Employee Benefits”, FRS 134 “Interim Financial Reporting”).

(iii) Financial year beginning on/after 1 January 2017*

- MFRS 1 “First-time adoption of MFRS”.
- Amendments to Malaysian Financial Reporting Standard (“MFRS”) 116 and MFRS 141 “Agriculture: Bearer Plants”.
- MFRS 15 “Revenue from Contracts with Customers”.

(iv) Financial year beginning on/after 1 January 2018*

- MFRS 9 “Financial Instruments”.

* These standards and amendments are to be effective from 1 January 2017 in conjunction with the adoption of MFRS Framework.

BASIS OF PREPARATION (Cont'd)

Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group but not yet effective (cont'd)

The initial application of the above mentioned FRSs, amendments and IC interpretations are not expected to have a significant impact to the financial statements of the Group and the Company except as mentioned below:

- MFRS 9 “Financial Instruments” will replace MFRS 139 “Financial Instruments: Recognition and Measurement”. The complete version of MFRS 9 was issued in November 2014.

MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income (“OCI”). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in OCI rather than the income statement, unless this creates an accounting mismatch.

There is now a new expected credit losses model on impairment for all financial assets that replaces the incurred loss impairment model used in MFRS 139. The expected credit losses model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The adoption of MFRS 9 will result in a change in accounting policy. The Group is currently assessing the financial impact of adopting MFRS 9.

- The Group falls within the scope definition of Transitioning Entities and accordingly, will adopt the MFRS Framework for the financial year ending 31 December 2017. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. Adjustments required on transition, if any, will be made retrospectively against opening retained earnings. The Group is currently assessing the financial impact of adopting MFRS 15 and amendments to MFRS 116 and MFRS 141.

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 over 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. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are 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, 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 FRS 139 either in profit or loss or in OCI. 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.

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.

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. 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 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.

(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.

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 other comprehensive income. 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.

(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 the income statement 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. 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.

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.

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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of Consolidation (cont'd)

(e) Associates (cont'd)

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, Joint Ventures and Associates

In the Company's separate financial statements, investments in subsidiaries, joint ventures and associates are shown at cost less accumulated impairment. On disposal of investments in subsidiaries, joint ventures and associates, 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.

The amounts due from subsidiaries of which the Company does not expect repayment in the foreseeable future are considered as part of the Company's investments in subsidiaries.

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 except for certain properties which were revalued before 1998. In accordance with the transitional provision allowed by MASB upon first adoption of IAS 16 "Property, Plant and Equipment", the valuation of these assets have not been updated, and they continue to be stated at their existing carrying amounts less accumulated depreciation, amortisation and impairment losses.

Cost 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.

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. 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. The depreciation of leasehold land is capitalised during the period of construction as part of construction-in-progress in property, plant and equipment until the construction is completed. Depreciation on assets under construction commences when the assets are ready for their intended use.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property, Plant and Equipment (cont'd)

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 life.

The Group depreciates other assets based on their consumption pattern and is applied separately to each significant component.

	Years
Buildings and improvements	2 – 96
Plant, equipment, vehicles and exhibit animals	2 – 50
Leasehold lands	51 – 999
Aircrafts, sea vessels and improvements	2 – 20

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 and losses on disposals are determined by comparing proceeds with the carrying amounts and are included in the profit or loss. On disposal of revalued assets, amounts in the revaluation reserve relating to those assets are transferred to retained earnings.

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 economic lives as follows:

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

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 and losses on disposal 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)

Construction Contracts

Where the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised by reference to the stage of completion of the contract activity at each reporting date ("percentage of completion method"), as measured by the surveys of work performed.

Where the outcome cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings and is shown as trade and other receivables (within other non-current assets). The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

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 FRS 117 "Leases") and is amortised over the lease term in accordance with the pattern of benefits provided.

Plantation Development

Plantation development comprises cost of planting and development on oil palms and other plantation crops.

Cost of new planting and development of plantation crops are capitalised from the stage of land clearing up to the stage of maturity. The cost of new planting capitalised is not amortised. However, where the cost of new planting is incurred on leasehold land which has unexpired period shorter than the crop's economic life, the cost is amortised over the remaining period of the lease on a straight line basis.

Replanting expenditure is charged to profit or loss in the financial year in which the expenditure is incurred.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property Development Activities

(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. Such land is classified as non-current asset and is stated at cost less accumulated impairment losses, if any.

Cost comprises cost of land and all related costs incurred on activities necessary to prepare the land for its intended use. Where the Group had previously recorded the land at revalued amounts, it continues to retain these amounts as its surrogate cost as allowed by FRS 201₂₀₀₄ "Property Development Activities". 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.

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 of 2 to 3 years.

(b) Property Development Costs and Revenue Recognition

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.

When the outcome of the development activity can be estimated reliably, property development revenue and expenses are recognised by using the percentage of completion method in respect of sales where agreements have been finalised. Under this method, profits are recognised as the property development activity progresses. The stage of completion is determined based on proportion of property development costs incurred for work performed up to the reporting date over the estimated total property development cost to completion.

When the outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable of recovery, and property development costs on the development units sold are recognised as an expense when incurred. Foreseeable losses, if any, arising when it is probable that total property development costs (including expected defect liability expenditure) will exceed total property development revenue, are recognised immediately in the profit or loss.

Property development costs not recognised as an expense is recognised as an asset and is stated at the lower of cost and net realisable value. Upon completion of development, the unsold completed development properties are transferred to inventories.

Where revenue recognised in the profit or loss exceeds billings to purchasers, the balance is shown as accrued billings under trade and other receivables (within current assets). Where billings to purchasers exceed revenue recognised in the profit or loss, the balance is shown as progress billings under trade and other payables (within current liabilities).

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Assets

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the nature of the asset and purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

There are two subcategories: financial assets held for trading and those designated as at fair value through profit or loss 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.

(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

Available-for-sale financial assets 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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Assets (cont'd)

(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 for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit or loss. Financial assets are derecognised when the rights 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. Available-for-sale financial assets and financial assets at fair value through profit or loss 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 fair value through profit or loss' category are presented in the income statement within other income/expense in the financial year in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit or loss as part of other income when the Group's right to receive payments is established.

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 and losses or impairment losses from available-for-sale financial assets'.

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.

(c) Impairment of financial assets

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 available-for-sale financial assets, 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 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 identifiable net 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 life

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 licence - definite life

The Group capitalises purchased licence. The licence, which has definite useful life, is 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 life. 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 licences 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 reviewed annually for impairment.

(d) Concession right

Concession right is recognised as an intangible asset to the extent that it receives a right to charge users of the service. Concession rights are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight line method over the licensing agreement periods.

Subsequent costs and expenditures to enhance or upgrade existing infrastructure are recognised as additions to the intangible assets and are stated at cost. Repairs and maintenance are expensed and recognised in the profit or loss when incurred.

(e) 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. Milestones payments are capitalised to the extent that the capitalisation criteria in FRS 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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Intangible Assets (cont'd)

(f) Intellectual property rights

Acquired intellectual property ("IP") rights are stated at cost less accumulated amortisation and accumulated impairment losses. The IP rights are amortised from the point at which the asset is available for use or sale, on a straight line basis over its useful life not exceeding 20 years.

(g) 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:

- (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 how 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 5 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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Rights of Use of Oil and Gas Assets

(a) Exploration cost

Oil and gas exploration cost is accounted for in accordance with the full cost method. Under this method, all costs relating to the exploration activities are capitalised when incurred. Exploration cost is written off to the profit or loss 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.

Other exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of the commercial viability of an identified resource. Exploration and evaluation costs are capitalised in respect of each area of interest for which the legal rights to tenure are current and where:

- (i) The exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and
- (ii) Exploration and evaluation activities in the area of interest have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active operations in, or in relation to, the areas of interest are continuing.

Exploration cost is stated at cost less any accumulated impairment losses.

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

(b) 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 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)

(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 amortised 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

Inventories are stated at the lower of cost and net realisable value. 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 selling expenses. The cost of unsold properties comprises cost associated with the acquisition of land, direct costs and an appropriate proportion of allocated costs attributable to property development activities.

Non-Current Assets Held for Sale

Non-current assets are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than a continuing use, and a sale is considered highly probable.

Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment loss. An impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the profit or loss. An impairment loss is reversed only to the extent of previously recognised impairment losses for the same asset. The reversal is recognised in the profit or loss.

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 (with original maturities of 3 months or less). Bank overdrafts are included within short term borrowings in current liabilities in the statement of financial position.

Payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Finance Leases

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases. The Group adopts the following accounting policy in respect of accounting by a lessee.

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.

Operating Leases

(a) Accounting for Lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor 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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Operating Leases (cont'd)

(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 (nominal value) and share premium when the options are exercised.

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 statement 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 share premium account or the distributable reserves, or both. 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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Warrants Reserve

Proceeds from the issuance of warrants, net of issuance costs, are credited to warrants reserve. Warrants reserve is transferred to the share premium account 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 classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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.

Costs incurred on borrowings to finance qualifying assets are capitalised until the assets are ready for their intended use after which such expenses are charged to the profit or loss. All other borrowing costs are charged to the profit or loss.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts are recognised initially at fair value plus transactions costs and thereafter, at the higher of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period and the amount initially recognised less, where appropriate, cumulative amortisation recognised.

Impairment of Non-Financial Assets

The carrying amounts of non-financial assets other than inventories, assets arising from construction contracts, 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.
- (b) tests goodwill acquired in a business combination for impairment annually.

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 to sell 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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment of Non-Financial Assets (cont'd)

An impairment loss is charged to the profit or loss, unless the asset is carried at revalued amount, in which case the impairment loss is used to reduce the revaluation surplus.

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 unless the asset is carried at revalued amount, in which case the reversal is treated as an increase to revaluation reserve. An impairment loss recognised for goodwill shall not be reversed.

Contingent Liabilities and Contingent Assets

The Group does not recognise a contingent liability but discloses its existence in the financial statements, except in a business combination. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by 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. 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 FRS 137 "Provisions, Contingent Liabilities and Contingent Assets" and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with FRS 118 "Revenue".

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.

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. Accretion of interest on 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

(a) Current Taxation

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.

(b) Deferred Taxation

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.

Tax benefit from investment tax allowance is recognised when the tax credit is utilised and no deferred tax asset is recognised when the tax credit is receivable.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Discontinued Operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement and other comprehensive income are represented as if the operation had been discontinued from the start of the comparative period.

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

Sales are recognised upon delivery of products or performance of services, net of sales tax and discounts, and after eliminating sales within the Group.

Sales relating to property development projects are recognised progressively as the project activity progresses and are in respect of sales where agreements have been finalised. The recognition of sales is based on the percentage of completion method and is consistent with the method adopted for profit recognition.

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.

Casino revenue represents net house takings. The casino licence in Malaysia is renewable every three months.

Revenue from the sale of oil, net of taxes, is recognised when the significant risks and rewards of ownership have been transferred, which is considered to occur when oil delivered to the customer.

Revenue from construction contract is recognised on the percentage of completion method.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue Recognition (cont'd)

Dividend income is recognised when the right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Fees from management and licensing services are recognised in the period in which the services are rendered.

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.

Interest Income

Interest income is recognised using the effective interest method.

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 fair value through profit or loss 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 available-for-sale are included in the fair value reserve 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 for each profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of 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 currency 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 sale.

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. 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 fair value 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.

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 and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

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.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Derivative Financial Instruments and Hedging Activities (cont'd)

When a hedging instrument expires or is sold, 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 fair value gains/losses on derivative financial instruments.

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 within the constraints of market and government regulations.

The Group's principal foreign currency exposure relates mainly to the Singapore Dollar ("SGD"), Pound Sterling ("GBP"), United States Dollar ("USD"), Renminbi ("RMB"), Hong Kong Dollar ("HKD") and Indonesia Rupiah ("IDR").

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)**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	GBP	USD	RMB	HKD	IDR	Others	Total
At 31 December 2014								
Financial assets								
Available-for-sale financial assets	-	-	3,495.5	-	-	-	-	3,495.5
Other non-current assets	-	-	202.0	-	-	-	-	202.0
Trade and other receivables	0.4	-	303.8	0.1	0.1	200.9	1.1	506.4
Amounts due from joint ventures	-	-	3.8	-	-	-	-	3.8
Derivative financial instruments	3.9	-	94.3	-	-	-	-	98.2
Cash and cash equivalents	139.2	7.8	3,242.6	2.7	348.2	29.6	0.2	3,770.3
	<u>143.5</u>	<u>7.8</u>	<u>7,342.0</u>	<u>2.8</u>	<u>348.3</u>	<u>230.5</u>	<u>1.3</u>	<u>8,076.2</u>
Financial liabilities								
Trade and other payables	(0.2)	(0.4)	(20.0)	(31.9)	(0.1)	(13.3)	(4.5)	(70.4)
Derivative financial instruments	(32.6)	-	(660.8)	-	-	-	-	(693.4)
Borrowings	(71.2)	-	(810.1)	-	-	-	-	(881.3)
	<u>(104.0)</u>	<u>(0.4)</u>	<u>(1,490.9)</u>	<u>(31.9)</u>	<u>(0.1)</u>	<u>(13.3)</u>	<u>(4.5)</u>	<u>(1,645.1)</u>
Net currency exposure	<u>39.5</u>	<u>7.4</u>	<u>5,851.1</u>	<u>(29.1)</u>	<u>348.2</u>	<u>217.2</u>	<u>(3.2)</u>	<u>6,431.1</u>
At 31 December 2013								
Financial assets								
Available-for-sale financial assets	-	-	3,309.2	-	-	-	-	3,309.2
Trade and other receivables	0.1	1.8	568.4	1.2	0.6	13.0	2.6	587.7
Derivative financial instruments	-	-	109.8	-	-	-	-	109.8
Cash and cash equivalents	22.6	8.3	1,501.6	-	268.2	10.8	9.0	1,820.5
	<u>22.7</u>	<u>10.1</u>	<u>5,489.0</u>	<u>1.2</u>	<u>268.8</u>	<u>23.8</u>	<u>11.6</u>	<u>5,827.2</u>
Financial liabilities								
Trade and other payables	(0.3)	(0.7)	(37.8)	(0.3)	(27.5)	(4.7)	(8.1)	(79.4)
Derivative financial instruments	-	-	(26.9)	-	-	-	-	(26.9)
Borrowings	(16.7)	-	(797.4)	-	-	-	-	(814.1)
	<u>(17.0)</u>	<u>(0.7)</u>	<u>(862.1)</u>	<u>(0.3)</u>	<u>(27.5)</u>	<u>(4.7)</u>	<u>(8.1)</u>	<u>(920.4)</u>
Net currency exposure	<u>5.7</u>	<u>9.4</u>	<u>4,626.9</u>	<u>0.9</u>	<u>241.3</u>	<u>19.1</u>	<u>3.5</u>	<u>4,906.8</u>

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)**Financial risk factors (cont'd)****(i) Foreign currency exchange risk (cont'd)**

The following table demonstrates the sensitivity of the Group's profit after tax and equity to 10% (2013: 10%) strengthening of each respectively in SGD, GBP, USD, RMB, HKD and IDR against the respective functional currencies of the entities within the Group, with all other variables held constant.

2014	<--- Increase/(Decrease) --->	
<u>Group</u>	Profit after tax	OCI
SGD	4.0	-
GBP	0.7	-
USD	235.6	349.5
RMB	(2.9)	-
HKD	34.8	-
IDR	21.7	-
2013	<--- Increase/(Decrease) --->	
<u>Group</u>	Profit after tax	OCI
SGD	0.6	-
GBP	0.9	-
USD	131.8	330.9
RMB	0.1	-
HKD	24.1	-
IDR	1.9	-

A 10% (2013: 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 is not exposed to any material foreign exchange risk.

(ii) Interest rate risk

Interest rate risks arise mainly from the Group's borrowings and debt securities classified as available-for-sale financial assets. 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. The Group also enters into Interest Rate Capped Libor-In-Arrears Swap ("IRCLIA") contract to limit its exposure to fluctuation in interest rate movements if the interest rate moves beyond the capped rate.

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% (2013: 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 RM87.8 million (2013: RM87.9 million) as a result of increase/decrease in interest expense on these borrowings.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

Financial risk factors (cont'd)

(iii) Credit risk

Exposure to credit risk arises mainly from sales made on deferred credit terms, cash and cash equivalents, deposits with financial institutions, money market instruments and debt securities. Risks arising therefrom are minimised through effective monitoring of receivables and suspension of sales to customers whose accounts exceed the stipulated credit terms. Credit limits are set and credit history is reviewed to minimise potential losses.

The Group avoids, where possible, any significant exposure to a single customer. However, in the ordinary course of business, certain subsidiaries in the Group's Power Segment have trade receivables that are solely from their offtakers, the provincial or national electricity utility companies. As such, the counter party risk is considered to be minimal.

In managing credit risk exposure from trade receivables, Genting Singapore PLC ("GENS") Group, which is an indirect 52.5% owned subsidiary of the Company, 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 the ongoing credit evaluation.

The top 10 trade debtors of GENS Group as at 31 December 2014 represented 16% (2013: 20%) of its trade receivables. The GENS Group also establishes an allowance account for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to the specific counterparties. Subsequently, when the GENS Group is satisfied that no recovery of such losses is possible, the trade and other receivable is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired trade and other receivables.

The Group's cash and cash equivalents and short term deposits are placed with creditworthy financial institutions and the risks arising thereof are minimised in view of the financial strength of these financial institutions. The risks arising therefrom are further minimised by the setting of exposure limits for each financial institution and the tenure of the placements which are normally less than one year. The approved exposure limit for each financial institution is subjected to regular reviews. To minimise the Group's counterparty risk, the Group enters into derivative transactions only with creditworthy financial institutions.

The Group is exposed to credit risk from non-related counterparties where the Group holds debt securities issued by those entities. The Group only holds debt securities with issuers which are of investment grade.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

The Group also seeks to invest cash assets safely and profitably and buys insurance to protect itself against insurable risks. In this regard, counterparties are assessed for credit risk and limits are set to minimise any potential losses.

At the Company level, credit risk arises from amounts due from subsidiaries, cash and cash equivalents, income fund and deposits with banks and financial institutions. The Company's exposure to bad debts is not significant. The Company also manages its credit risk by performing regular reviews of the ageing profile of amounts due from subsidiaries. The credit risk on income fund is limited because the fund is ultimately deposited with creditworthy financial institutions.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Notes 28 and 31. 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 assets that are either past due or impaired

Information regarding trade receivables that are past due or impaired is disclosed in Note 31.

Apart from those disclosed above, none of the other financial assets is past due or impaired.

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:

	Company	
	2014	2013
Corporate guarantee provided to banks on subsidiaries' facilities	3,787.5	4,609.2

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

Financial risk factors (cont'd)

(iv) Price risk

The Group is exposed to equity securities price risk from its investments in quoted securities classified as financial assets at fair value through profit or loss, available-for-sale financial assets and derivative financial instruments. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio and diversification of the portfolio is done in accordance with the limits set by the Group.

If the prices of equity securities and derivative financial instruments listed in the respective countries change by 1% (2013: 1%) respectively 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:

2014	<-- Increase/Decrease -->	
	Profit after tax	OCI
<u>Group</u>		
Listed equity securities and derivative financial instruments		
– increase/decrease 1%	22.2	32.6
2013	<-- Increase/Decrease -->	
	Profit after tax	OCI
<u>Group</u>		
Listed equity securities and derivative financial instruments		
– increase/decrease 1%	1.6	47.7

Profit after tax would increase/decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss and derivative financial instruments. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as available-for-sale.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

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
<u>Group</u>				
At 31 December 2014				
Other non-current liabilities	-	7.5	-	-
Derivative financial instruments				
- hedged	4.7	2.8	129.7	80.9
- unhedged	2.6	2.7	(5.3)	(40.7)
Trade and other payables	4,317.0	-	-	-
Borrowings	2,251.3	2,170.1	6,680.7	4,129.2
Amounts due to joint ventures	29.0	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Company</u>				
At 31 December 2014				
Trade and other payables	35.2	-	-	-
Amounts due to subsidiaries				
- current	17.4	-	-	-
- non-current	179.8	180.3	2,126.9	2,596.1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Financial guarantee contracts	3,787.5	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)**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
<u>Group</u>				
At 31 December 2013				
Other non-current liabilities	-	1.1	1.3	-
Derivative financial instruments				
- hedged	4.0	1.2	0.3	-
- unhedged	4.6	-	64.5	(42.1)
Trade and other payables	4,078.5	-	-	-
Borrowings	3,001.3	1,875.2	5,869.5	5,331.6
Amounts due to joint ventures	57.9	-	-	-
	<u>57.9</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Company</u>				
At 31 December 2013				
Trade and other payables	33.6	-	-	-
Amounts due to subsidiaries				
- current	1,034.5	-	-	-
- non-current	179.8	179.8	539.9	4,363.3
	<u>179.8</u>	<u>179.8</u>	<u>539.9</u>	<u>4,363.3</u>
Financial guarantee contracts	4,609.2	-	-	-
	<u>4,609.2</u>	<u>-</u>	<u>-</u>	<u>-</u>

(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 31 December 2014 and 2013 are as follows:

	Group	
	2014	2013
Total debt	12,552.6	13,385.4
Total equity	53,058.7	50,572.6
Total capital	<u>65,611.3</u>	<u>63,958.0</u>
Gearing ratio	19%	21%

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 for the financial years ended 31 December 2014 and 2013.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(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).

The following table presents the Group's financial instruments that are measured at fair value.

	Level 1	Level 2	Level 3	Total
<u>Group</u>				
At 31 December 2014				
Financial assets				
Financial assets at fair value through profit or loss	7.2	-	-	7.2
Available-for-sale financial assets	3,077.5	4,531.4	928.1	8,537.0
Derivative financial instruments	-	101.6	-	101.6
	<u>3,084.7</u>	<u>4,633.0</u>	<u>928.1</u>	<u>8,645.8</u>
Financial liability				
Derivative financial instruments	-	862.0	-	862.0
	<u>-</u>	<u>862.0</u>	<u>-</u>	<u>862.0</u>
<u>Company</u>				
As at 31 December 2014				
Available-for-sale financial assets	-	200.0	-	200.0
	<u>-</u>	<u>200.0</u>	<u>-</u>	<u>200.0</u>
	Level 1	Level 2	Level 3	Total
<u>Group</u>				
At 31 December 2013				
Financial assets				
Financial assets at fair value through profit or loss	3.8	-	-	3.8
Available-for-sale financial assets	4,766.9	3,956.6	668.9	9,392.4
Derivative financial instruments	-	121.5	-	121.5
	<u>4,770.7</u>	<u>4,078.1</u>	<u>668.9</u>	<u>9,517.7</u>
Financial liability				
Derivative financial instruments	-	58.1	-	58.1
	<u>-</u>	<u>58.1</u>	<u>-</u>	<u>58.1</u>

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(c) Fair value measurement (cont'd)

The carrying amount less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated based on the quoted market prices or dealer quotes for the similar instruments by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of current borrowings approximates their carrying amount.

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 and cross currency swaps 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.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(c) Fair value measurement (cont'd)

There were no transfers between Levels 1 and 2 during the current financial year (2013: Nil).

The following table presents the changes in Level 3 financial instruments for the financial year ended 31 December 2014:

	Group	
	2014	2013
Available-for-sale financial assets		
As at 1 January	668.9	825.4
Foreign exchange differences	41.9	39.5
Additions	114.9	167.8
Fair value changes – recognised in other comprehensive income	122.4	0.4
Impairment loss – recognised in income statement	(6.8)	-
Repayment	(5.3)	(3.7)
Disposal	(7.9)	-
Transfer to investment in associate	-	(360.5)
As at 31 December	928.1	668.9

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, if the carrying value changes by 5% (2013: 5%), the impact on equity would be RM46.4 million (2013: RM33.4 million).

5. SEGMENT ANALYSIS

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The chief operating decision-maker considers the business from both a geographic and industry perspective and has the following reportable operating segments:

Leisure & Hospitality	-	This segment includes the hotel, gaming and entertainment businesses, tours & travel related services and other support services. The contribution from non-gaming operations is not significant.
Plantation	-	This segment is involved mainly in oil palm plantations, palm oil milling and related activities.
Power	-	This segment is involved in the generation and supply of electric power.
Property	-	This segment is involved in property development activities.
Oil & Gas	-	This segment is involved in oil & gas exploration, development and production activities.

All other immaterial business 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 fair value gains and losses, gain or loss on disposal of financial assets, gain or loss on deemed dilution of shareholdings in 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.

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, trade and other receivables, available-for-sale financial assets, financial assets at fair value through profit or loss, 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 payables and deferred tax liabilities as these liabilities are managed on a group basis.

The Power segment relates mainly to Jangi Farm and the Banten Plant while that for the Meizhou Wan power plant has been reclassified and disclosed as “Discontinued Operations” up to 10 July 2014, the completion date of the disposal of 51% shareholding in Fujian Pacific Electric Company Limited (see Note 13). Following the completion of the disposal, the financial results of the Meizhou Wan power plant have been accounted for as a joint venture of the Group.

SEGMENT ANALYSIS (Cont'd)

The segment analysis of the Group is set out below:

	Leisure & Hospitality				Plantation		Power (Note (ii))	Property	Oil & Gas	Investments & Others	Continuing Operations Total
	Malaysia	Singapore	UK	US and Bahamas	Malaysia	Indonesia					
2014											
Revenue											
Total revenue	6,409.6	7,388.1	1,699.8	999.9	991.4	178.2	770.8	438.5	177.7	241.2	19,295.2
Inter segment	(1,047.2)	(1.1)	-	-	-	-	-	(8.5)	(8.8)	(13.1)	(1,078.7)
External	5,362.4	7,387.0	1,699.8	999.9	991.4	178.2	770.8	430.0	168.9	228.1	18,216.5
Results											
Adjusted EBITDA	2,394.1	3,013.0	252.1	24.7	406.6	38.6	24.0	156.7	93.7	224.0	6,627.5
Net fair value gain/(loss) on derivative financial instruments	5.6	4.5	-	-	-	-	(60.3)	-	-	(365.1)	(415.3)
Gain on disposal of available-for-sale financial assets	-	-	-	-	-	-	-	-	-	419.0	419.0
Gain on deemed dilution of shareholdings in associates	-	-	-	-	-	-	-	-	-	6.0	6.0
Project costs written off	-	-	-	(98.2)	-	-	-	-	-	-	(98.2)
Reversal of previously recognised impairment losses	5.1	-	-	-	-	-	-	17.5	-	-	22.6
Impairment losses	-	(15.1)	(83.3)	-	-	-	(14.2)	-	-	(152.4)	(265.0)
Depreciation and amortisation	(307.6)	(1,080.0)	(100.5)	(176.2)	(43.1)	(17.1)	(12.1)	(17.7)	(41.3)	(28.6)	(1,824.2)
Interest income											386.3
Finance cost											(437.0)
Share of results in joint ventures	-	13.7	-	-	-	-	55.1	14.2	-	3.3	86.3
Share of results in associates	(5.5)	13.7	-	-	3.7	-	(40.2)	(0.1)	-	(8.6)	(37.0)
Others (Note (i))	(36.6)	(59.8)	(10.1)	(29.7)	4.0	(0.6)	0.8	2.5	(18.4)	(60.8)	(208.7)
Profit before taxation											4,262.3
Taxation											(1,108.7)
Profit for the financial year											3,153.6

SEGMENT ANALYSIS (Cont'd)

	Leisure & Hospitality				Plantation		Power (Note (ii))	Property	Oil & Gas	Investments & Others	Continuing Operations Total
	Malaysia	Singapore	UK	US and Bahamas	Total	Malaysia	Indonesia				
2013											
Revenue											
Total revenue	6,781.0	7,159.5	1,591.4	941.8	16,473.7	973.7	106.0	252.1	336.5	88.2	18,237.7
Inter segment	(1,097.9)	(1.2)	-	-	(1,099.1)	-	-	-	(5.3)	(14.1)	(1,126.0)
External	5,683.1	7,158.3	1,591.4	941.8	15,374.6	973.7	106.0	252.1	331.2	74.1	17,111.7
Results											
Adjusted EBITDA	2,458.8	2,945.8	230.3	185.8	5,820.7	318.5	23.4	35.7	81.1	(105.1)	6,116.4
Net fair value gain on derivative financial instruments	-	5.6	-	-	5.6	-	-	39.8	-	267.0	312.4
Gain on disposal of available-for-sale financial assets	-	-	-	-	-	-	-	-	-	100.0	100.0
Gain on deemed dilution of shareholdings in associates	-	-	-	-	-	-	-	-	-	40.4	40.4
Reversal of previously recognised impairment losses	11.1	-	-	-	11.1	-	-	-	-	-	11.1
Impairment losses	-	(10.0)	(77.2)	-	(87.2)	-	-	(22.0)	-	-	(109.2)
Depreciation and amortisation	(298.4)	(1,058.5)	(83.4)	(126.8)	(1,567.1)	(39.1)	(8.7)	(11.9)	(37.6)	(27.8)	(1,692.7)
Interest income	-	-	-	-	-	-	-	-	(0.5)	-	269.6
Finance cost	-	-	-	-	-	-	-	-	-	-	(460.0)
Share of results in joint ventures	-	9.0	-	-	9.0	-	-	-	-	100.3	119.7
Share of results in associates	(0.7)	-	-	-	(0.7)	3.8	-	(43.1)	-	(16.5)	(52.7)
Others (Note (i))	(49.6)	(183.2)	(0.7)	(39.1)	(272.6)	(0.5)	(0.1)	(3.7)	(0.2)	(32.5)	(310.8)
Profit before taxation											4,344.2
Taxation											(746.9)
Profit for the financial year											3,597.3

Notes:

(i) Others include pre-operating and development expenses, assets written off, gain or loss on disposal of assets and share-based payment expenses.

(ii) The Group had accounted for the construction and development of the 660MW coal-fired power plant in the Banten Province, West Java, Indonesia ("Banten Plant") which commenced in the previous financial year, in accordance with FRS 111 "Construction Contracts" as required under IC Interpretation 12 "Service Concession Arrangements" whereby the construction profit is recognised based on the percentage of completion method. Construction revenue and costs of approximately RM699.1 million and RM688.8 million respectively (2013: RM152.9 million and RM150.6 million respectively), have been disclosed under the "Power" segment in the consolidated income statement for the current financial year ended 31 December 2014 thereby generating a construction profit of RM10.3 million (2013: RM2.3 million).

SEGMENT ANALYSIS (Cont'd)

	Leisure & Hospitality				Plantation		Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	UK	US and Bahamas	Malaysia	Indonesia					
2014											
Assets											
Segment assets	4,961.1	18,961.9	4,259.2	5,661.3	1,427.3	2,199.0	1,913.4	2,581.3	3,649.1	10,400.7	56,014.3
Interest bearing instruments	-	111.1	-	-	-	-	402.4	43.5	-	80.6	15,201.5
Joint ventures	136.0	240.7	-	-	16.3	-	236.7	2.7	-	431.8	637.6
Associates											1,064.2
Unallocated corporate assets											336.3
Assets classified as held for sale (see Note 33)											37.9
Total assets											73,291.8
Liabilities											
Segment liabilities	1,288.8	1,562.9	325.2	271.1	76.7	94.1	365.2	193.3	499.3	992.1	5,668.7
Interest bearing instruments											12,573.7
Unallocated corporate liabilities											1,990.0
Liabilities classified as held for sale (see Note 33)											0.7
Total liabilities											20,233.1
Other Disclosure											
Capital expenditure*											
- Continuing	863.6	401.7	385.1	638.2	84.9	290.1	1.9	89.4	7.2	90.9	2,853.0
- Discontinued operations											-
Other significant non-cash charges/(credits)	30.2	676.7	-	5.9	4.4	-	7.4	-	(0.9)	1.0	724.7

SEGMENT ANALYSIS (Cont'd)

	Leisure & Hospitality				Plantation		Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	UK	US and Bahamas	Malaysia	Indonesia					
2013											
Assets					Total	Total					
Segment assets	4,372.0	20,289.9	3,903.1	4,829.0	33,394.0	1,670.4	833.6	2,606.2	1,755.8	10,283.8	51,897.2
Interest bearing instruments	-	95.2	-	-	95.2	-	-	37.5	-	73.1	16,196.8
Joint ventures	-	-	-	-	-	-	-	-	-	-	205.8
Associates	141.3	-	-	-	141.3	0.3	266.7	7.8	-	411.4	844.0
Unallocated corporate assets											291.2
Assets classified as held for sale (see Note 33)											2,060.5
Total assets											71,495.5
Liabilities											
Segment liabilities	1,135.5	1,962.9	359.6	195.0	3,653.0	114.0	55.6	147.6	78.7	371.2	4,503.4
Interest bearing instruments											13,406.3
Unallocated corporate liabilities											1,993.1
Liabilities classified as held for sale (see Note 33)											1,020.1
Total liabilities											20,922.9
Other Disclosure											
Capital expenditure*											
- Continuing	392.0	857.8	292.8	1,980.4	3,523.0	292.6	0.2	270.2	30.8	26.1	4,249.0
- Discontinued operations											1.3
Other significant non-cash charges	35.2	466.8	-	-	502.0	-	-	0.2	4.1	1.5	508.4

* Includes capital expenditure in respect of property, plant and equipment, investment properties, plantation development and leasehold land use rights.

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	
	2014	2013	2014	2013
Continuing operations:				
Malaysia	6,888.6	7,010.4	6,671.0	6,018.4
Singapore	7,395.7	7,162.1	15,655.7	16,240.9
Asia Pacific (excluding Malaysia & Singapore)	1,181.6	358.1	5,732.9	3,432.1
US and Bahamas	1,036.5	984.7	6,229.9	5,455.8
UK	1,714.1	1,596.4	4,315.9	3,991.5
	18,216.5	17,111.7	38,605.4	35,138.7

Non-current assets exclude investments in joint ventures, associates, financial instruments, deferred tax assets and other non-current assets as presented in the consolidated statements of financial position.

There are no revenues derived from transactions with a single external customer that amounted to 10% or more of the Group's revenue during the current financial year.

6. REVENUE

	Group		Company	
	2014	2013	2014	2013
Rendering of services:				
Leisure & hospitality	15,448.4	15,373.8	-	-
Rental and property management income	59.8	61.9	-	-
Fees from management and licensing services	-	-	599.9	628.8
Other services	43.5	36.2	17.5	14.7
Sale of goods:				
Plantation produce	1,169.6	1,079.7	-	-
Development properties	370.2	269.3	-	-
Oil and gas	168.9	-	-	-
Bio-diesel products	101.5	33.7	-	-
Coal	20.9	44.8	-	-
Others	12.5	10.8	-	-
Construction revenue	699.1	152.9	-	-
Sale of electricity	45.3	44.4	-	-
Dividend income	74.0	-	388.1	1,485.5
Income from available-for-sale financial assets	2.8	4.2	-	-
	18,216.5	17,111.7	1,005.5	2,129.0

7. COST OF SALES

	Group		Company	
	2014	2013	2014	2013
Cost of services and other operating costs	9,927.8	9,380.7	96.3	90.0
Cost of inventories recognised as an expense	1,289.7	1,155.1	-	-
Construction cost	688.8	150.6	-	-
	<u>11,906.3</u>	<u>10,686.4</u>	<u>96.3</u>	<u>90.0</u>

Included in other operating costs are gaming related expenses amounting to RM2,651.1 million (2013: RM2,622.1 million) for the Group and Nil (2013: 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 has reversed previously recognised impairment losses of RM22.6 million relating to Genting Malaysia Berhad (“GENM”) Group’s property, plant and equipment and investment property, on the basis that the recoverable amount exceeded the carrying amount.

In the previous financial year ended 31 December 2013, the Group’s reversal of previously recognised impairment losses of RM11.1 million related to GENM Group’s property, plant and equipment, on the basis that the recoverable amount exceeded the carrying amount.

No reversal of previously recognised impairment loss was recorded at the Company level for the financial years ended 31 December 2014 and 2013.

(b) Impairment losses

During the current financial year, the impairment losses of the Group comprised RM83.3 million on certain provincial casino licences and the related assets in the UK as set out in Note 21, RM152.4 million on the Group’s available-for-sale financial assets and RM29.3 million on other assets (i.e. property, plant and equipment) on the basis that the carrying values exceeded their recoverable amounts.

During the current financial year, the Company’s impairment losses of RM88.4 million (2013: Nil) was in relation to the investment in a wholly owned subsidiary, on the basis that the carrying value exceeded its recoverable amount.

In the previous financial year ended 31 December 2013, the impairment losses of the Group comprised RM77.2 million on certain provincial casino licences and the related assets in the UK and RM32.0 million on other assets (i.e. property, plant and equipment and assets classified as held for sale) on the basis that the carrying values exceeded their recoverable amounts.

9. PROFIT BEFORE TAXATION

Profit before taxation from continuing 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	
Continuing operations:	2014	2013	2014	2013
Charges:				
Depreciation of property, plant and equipment	1,625.6	1,519.5	1.5	1.6
Depreciation of investment properties	13.5	33.2	-	-
Amortisation of leasehold land use rights	0.8	0.6	-	-
Amortisation of intangible assets	143.9	139.4	-	-
Depletion, depreciation and amortisation of rights of use of oil and gas assets	40.4	-	-	-
Directors' remuneration excluding estimated monetary value of benefits-in-kind (see Note 11)	154.8	139.5	62.4	58.1
Impairment losses on property, plant and equipment and investment properties	63.4	34.4	-	-
Impairment losses on intangible assets	49.2	63.3	-	-
Impairment loss on available-for-sale financial assets	152.4	-	-	-
Impairment loss on assets held for sale	-	11.5	-	-
Inventories written off	1.7	0.7	-	-
Property, plant and equipment written off	71.3	82.9	-	-
Project costs written off	98.2	-	-	-
Net loss on disposal of property, plant and equipment	0.6	4.9	-	-
Net fair value loss on financial assets at fair value through profit or loss	-	0.2	-	-
Net fair value loss on derivative financial instruments	415.3	-	-	-
Impairment losses and write off of receivables	689.2	463.3	-	-
Impairment loss in a subsidiary	-	-	88.4	-
Replanting expenditure	13.1	11.8	-	-
Hire of equipment	32.7	36.4	-	-
Rental of land and buildings	85.9	78.0	-	-
Provision for onerous lease	8.1	-	-	-
Fair value adjustment of long term receivables	39.4	12.4	-	-
Finance cost				
- Interest on borrowings	378.9	404.1	-	-
- Other financing costs	58.1	55.9	-	-
	437.0	460.0	-	-
Net exchange losses – realised	-	54.5	-	-
Net exchange losses – unrealised	-	23.0	-	-
Audit and audit related fees				
- Payable to auditors	3.9	3.8	0.3	0.3
- Payable to member firms of an organisation which are separate and independent legal entities from the auditors	10.9	9.4	-	-
Expenditure paid to subsidiaries:				
- Finance cost	-	-	216.9	228.8
- Rental of land and buildings	-	-	2.6	2.3
- Rental of equipment	-	-	2.2	2.3
- Service fees	-	-	2.3	2.1

PROFIT BEFORE TAXATION (Cont'd)

	Group		Company	
	2014	2013	2014	2013
Charges: (Cont'd)				
Waiver of net amount due from a wholly owned subsidiary	-	-	22.4	-
Net loss on disposal of subsidiaries	-	2.8	-	-
Repairs and maintenance	258.5	214.7	1.2	1.2
Utilities	136.2	109.1	0.2	0.2
Legal and professional fees	99.2	113.1	5.5	5.4
Transportation costs	97.2	91.9	-	-
Credits:				
Reversal of previously recognised impairment losses on investment property and property, plant and equipment	22.6	11.1	-	-
Interest income	386.3	269.6	34.8	42.3
Net gain on disposal of available-for-sale financial assets	419.0	100.0	-	-
Rental income from land and buildings	130.0	130.0	-	-
Reversal of provision of onerous lease	-	7.8	-	-
Gain on deemed dilution of shareholdings in associates	6.0	40.4	-	-
Net fair value gain on financial assets at fair value through profit or loss	3.0	-	-	-
Net fair value gain on derivative financial instruments	-	312.4	5.6	-
Net surplus arising from compensation in respect of land acquired by the Government	7.4	0.3	-	-
Gain on disposal of assets held for sale	7.1	-	-	-
Net exchange gains – realised	33.1	-	17.1	3.2
Net exchange gains – unrealised	174.7	-	10.8	21.3
Dividends (gross) from:				
- Quoted foreign corporations	106.2	45.9	-	-
- Unquoted Malaysian corporations	10.0	-	-	-
Income from available-for-sale financial assets	25.7	24.3	5.8	4.4
Reversal of contingent losses with a wholly owned subsidiary	-	-	22.5	1.9
Income from subsidiaries:				
- Management and licensing fees	-	-	600.1	628.8
- Gross dividends	-	-	388.1	1,485.5
- Interest income	-	-	30.8	41.4
- Shared services fees	-	-	16.7	13.8
- Royalty	-	-	0.2	0.2
Other information:				
Non-audit fees and non-audit related costs				
- Payable to auditors	1.6	0.6	0.1	0.2
- Payable to member firms of an organisation which are separate and independent legal entities from the auditors	8.3	6.4	0.1	0.5

10. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2014	2013	2014	2013
Wages, salaries and bonuses	3,049.9	2,802.9	69.1	65.4
Defined contribution plan	231.4	211.5	11.0	10.2
Other short-term employee benefits	382.6	355.6	6.4	2.3
Share-based payments (see note below)	86.0	42.8	-	-
Provision for retirement gratuities, net (see Note 39)	35.3	41.0	9.8	12.1
	<u>3,785.2</u>	<u>3,453.8</u>	<u>96.3</u>	<u>90.0</u>

Employee benefits expense, as shown above, includes the remuneration of Executive Directors.

Note: The share-based payments mainly arose from the Performance Share Scheme and Employee Share Option Scheme of GENS.

11. DIRECTORS' REMUNERATION

	Group		Company	
	2014	2013	2014	2013
<u>Non-Executive Directors:</u>				
Fees	0.5	0.5	0.5	0.5
<u>Executive Directors:</u>				
Fees	1.0	1.0	0.4	0.4
Salaries and bonuses	114.8	98.8	43.2	40.2
Defined contribution plan	15.9	15.2	8.1	7.5
Other short-term employee benefits	2.9	0.6	2.4	0.1
Share-based payments	4.1	4.6	-	-
Provision for retirement gratuities	15.6	18.8	7.8	9.4
	<u>154.3</u>	<u>139.0</u>	<u>61.9</u>	<u>57.6</u>
Directors' remuneration excluding estimated monetary value of benefits-in-kind (see Note 9)	154.8	139.5	62.4	58.1
Estimated monetary value of benefits-in-kind (not charged to the income statements) in respect of Executive Directors	1.6	1.4	-	-
	<u>156.4</u>	<u>140.9</u>	<u>62.4</u>	<u>58.1</u>

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DIRECTORS' REMUNERATION (Cont'd)

Remuneration of Directors of the Company, in respect of services rendered to the Company and its subsidiaries is in the following bands:

	2014	2013
	Number	
<u>Non-Executive Directors:</u>		
0.10 - 0.15	3	3
0.15 - 0.20	1	1
<u>Executive Directors:</u>		
1.00 - 1.05	-	1
1.25 - 1.30	1	-
2.80 - 2.85	-	1
3.00 - 3.05	1	-
136.45 - 136.50	-	1
151.60 - 151.65	1	-

12. TAXATION

	Group		Company	
	2014	2013	2014	2013
Continuing operations:				
Current taxation charge:				
Malaysian taxation	641.0	668.5	126.9	260.2
Foreign taxation	586.3	559.7	-	-
	<u>1,227.3</u>	<u>1,228.2</u>	<u>126.9</u>	<u>260.2</u>
Deferred tax credit (see Note 29)	(105.3)	(474.7)	(2.5)	(2.3)
	<u>1,122.0</u>	<u>753.5</u>	<u>124.4</u>	<u>257.9</u>
Prior years' taxation:				
Income tax over provided	(13.3)	(6.6)	(3.6)	(2.2)
	<u>1,108.7</u>	<u>746.9</u>	<u>120.8</u>	<u>255.7</u>
Discontinued operations: (see Note 13)				
Current taxation charge:				
Foreign taxation	10.1	21.4	-	-
Deferred tax charge (see Note 29)	10.7	22.9	-	-
	<u>20.8</u>	<u>44.3</u>	<u>-</u>	<u>-</u>
Prior years' taxation:				
Income tax over provided	(1.0)	-	-	-
	<u>19.8</u>	<u>44.3</u>	<u>-</u>	<u>-</u>

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TAXATION (Cont'd)

The reconciliation between the average effective tax rate and the Malaysian tax rate of continuing operations is as follows:

	Group		Company	
	2014	2013	2014	2013
	%	%	%	%
Malaysian tax rate	25.0	25.0	25.0	25.0
Tax effects of:				
- expenses not deductible for tax purposes	7.6	5.0	12.9	3.6
- over provision in prior years	(0.3)	(0.1)	(0.5)	(0.1)
- different tax regime	(4.2)	(4.6)	-	-
- tax incentives	(1.9)	(0.7)	(2.3)	-
- income not subject to tax	(3.0)	(1.1)	(17.5)	(14.6)
- recognition of previously unrecognised tax losses and capital allowances	(0.7)	(4.5)	-	-
- others	3.5	(1.8)	-	-
Average effective tax rate	26.0	17.2	17.6	13.9

Taxation is calculated at the Malaysian statutory tax rate of 25% (2013: 25%) on the estimated chargeable profit for the year of assessment 2014.

The income tax effect of the other comprehensive income/loss items, which are individually not material, is RM2.2 million (2013: RM0.3 million) in the current financial year.

13. DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES

Meizhou Wan

On 13 November 2013, Fujian Electric (Hong Kong) LDC signed a Sale and Purchase Agreement ("SPA") for the disposal of a 51% equity interest in Fujian Pacific Electric Company Limited ("Meizhou Wan"). The disposal was completed on 10 July 2014 and the Group recognised a loss arising from disposal of RM3.5 million for the current financial year ended 31 December 2014. Subsequent to the disposal, the financial results of Meizhou Wan have been accounted for as a joint venture from the date of completion. Details of the disposal are set out in Note 46(b).

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DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (Cont'd)

The results and cash flows of the discontinued operations are set out below.

(a) (Loss)/Profit for the financial year from discontinued operations:

	Group	
	2014	2013
Revenue	405.1	880.0
Cost of sales	(269.3)	(662.0)
Gross profit	135.8	218.0
Other income	5.5	14.9
Administration expenses	(10.5)	(19.5)
Other expenses	(79.4)	(3.0)
Finance cost	(35.6)	(58.3)
Profit before taxation of discontinued operations	15.8	152.1
Taxation (see Note 12)	(19.8)	(44.3)
(Loss)/Profit after taxation of discontinued operations	(4.0)	107.8
Loss on disposal of discontinued operations	(3.5)	-
(Loss)/Profit for the financial year from discontinued operations	(7.5)	107.8
(Loss)/Profit from discontinued operations attributable to:		
Equity holders of the Company	(7.5)	107.8
Non-controlling interests	-	-
	(7.5)	107.8

(b) Net cash flow attributable to discontinued operations:

	Group	
	2014	2013
Net cash from operating activities	97.4	393.4
Net cash used in investing activities	(9.7)	(43.4)
Net cash used in financing activities	(78.4)	(183.9)
Net cash flow	9.3	166.1

DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (Cont'd)

- (c) The following charges and credits have been included in arriving at profit before taxation of discontinued operations:

	Group	
	2014	2013
Charges:		
Depreciation of property, plant and equipment	-	2.2
Amortisation of leasehold land use rights	-	0.2
Amortisation of intangible assets	-	98.3
Assets classified as held for sale written down	73.5	-
Finance cost		
- Interest on borrowings	35.1	57.3
- Other financing costs	0.5	1.0
	35.6	58.3
Employee benefits expense	3.4	5.4
Net exchange loss – realised	5.5	1.1
Audit and audit related fees		
- Payable to member firms of an organisation which are separate and independent legal entities from the auditors	<u>-</u>	<u>0.2</u>
Credits:		
Interest income	4.1	6.0
Net exchange gain – unrealised	<u>-</u>	<u>0.1</u>
Other information:		
Non-audit fees and non-audit related costs		
- Payable to member firms of an organisation which are separate and independent legal entities from the auditors	<u>0.1</u>	<u>0.2</u>

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DISCONTINUED OPERATIONS/DISPOSAL OF SUBSIDIARIES (Cont'd)

(d) The analysis of net cash inflow from the disposal of Meizhou Wan:

	2014
	At the date
	of disposal
	<u> </u>
Property, plant and equipment	20.1
Leasehold land use rights	2.7
Intangible assets	1,123.6
Deferred tax assets	59.3
Other non-current assets	1.7
Inventories	70.7
Trade and other receivables	155.1
Restricted cash	85.0
Cash and cash equivalents	323.6
Long term and short term borrowings	(828.0)
Other non-current liabilities	(205.4)
Trade and other payables	(100.4)
Taxation	(5.2)
Net assets disposed off	<u>702.8</u>
Release of exchange reserve upon disposal	3.5
Loss from disposal of discontinued operations	<u>(3.5)</u>
	702.8
Fair value of retained interest reclassified to investment in joint venture	<u>(349.5)</u>
Cash proceeds from disposal	353.3
Less: Cash and cash equivalent disposed off	<u>(323.6)</u>
Net cash inflow on disposal	<u>29.7</u>

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.

	Continuing Operations		Discontinued Operations		Total	
	2014	2013	2014	2013	2014	2013
Profit/(Loss) for the financial year attributable to equity holders of the Company (RM million)	<u>1,503.6</u>	<u>1,702.3</u>	<u>(7.5)</u>	<u>107.8</u>	<u>1,496.1</u>	<u>1,810.1</u>
Weighted average number of ordinary shares in issue (‘million)	<u>3,715.0</u>	<u>3,694.6</u>	<u>3,715.0</u>	<u>3,694.6</u>	<u>3,715.0</u>	<u>3,694.6</u>
Basic earnings/(loss) per share (sen)	<u>40.47</u>	<u>46.07</u>	<u>(0.20)</u>	<u>2.92</u>	<u>40.27</u>	<u>48.99</u>

(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.

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EARNINGS PER SHARE (Cont'd)

(b) Diluted earnings per share (cont'd):

	Continuing Operations		Discontinued Operations		Total	
	2014	2013	2014	2013	2014	2013
Earnings adjusted as follows:						
Profit/(Loss) for the financial year attributable to equity holders of the Company (RM million)	1,503.6	1,702.3	(7.5)	107.8	1,496.1	1,810.1
Net impact on earnings on potential exercise of Employees Share Options and Performance Share Scheme awarded to executives of the Company's subsidiaries and warrants issued to shareholders of the Company's subsidiary (RM million)	(4.1)	(3.3)	-	-	(4.1)	(3.3)
Adjusted earnings/(loss) for the financial year (RM million)	1,499.5	1,699.0	(7.5)	107.8	1,492.0	1,806.8

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EARNINGS PER SHARE (Cont'd)

(b) Diluted earnings per share (cont'd):

Weighted average number of ordinary shares adjusted as follows:

	Continuing Operations		Discontinued Operations		Total	
	2014	2013	2014	2013	2014	2013
Weighted average number of ordinary shares in issue ('million)	3,715.0	3,694.6	3,715.0	3,694.6	3,715.0	3,694.6
Adjustment for potential conversion of warrants of the Company ('million)	133.4	1.3	133.4	1.3	133.4	1.3
Adjusted weighted average number of ordinary shares in issue ('million)	3,848.4	3,695.9	3,848.4	3,695.9	3,848.4	3,695.9
Diluted earnings/(loss) per share (sen)	38.96	45.97	(0.19)	2.92	38.77	48.89

15. DIVIDENDS

Dividends recognised as distribution to ordinary equity holders of the Company:

	Group/Company			
	2014		2013	
	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
Final dividends paid in respect of previous year	-	-	4.5	124.7
Interim single-tier dividends paid	1.0	37.2	-	-
Special interim cash dividends paid	-	-	50.0	1,385.5
	1.0	37.2	54.5	1,510.2

At the forthcoming Annual General Meeting, a final single-tier dividend in respect of the financial year ended 31 December 2014 of 3.0 sen per ordinary share of 10 sen each amounting to RM111.5 million (2013: Nil) 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

2014 Group	Freehold lands	Freehold buildings and improvements	Leasehold lands	Leasehold buildings and improvements	Plant, equipment, vehicles and exhibit animals	Aircrafts, sea vessels and improvements	Construction in progress	Total
Net Book Value:								
At 1 January 2014	1,429.9	3,387.9	2,341.4	7,574.7	7,916.4	557.8	1,362.1	24,570.2
Additions	0.3	90.1	34.1	16.2	315.9	69.8	2,091.8	2,618.2
Disposals	(0.2)	(1.0)	(10.5)	-	(5.7)	(0.2)	-	(17.6)
Written off	-	(30.5)	-	(10.4)	(21.2)	(3.2)	(6.0)	(71.3)
Depreciation charged for the financial year	-	(114.8)	(31.1)	(206.6)	(1,249.1)	(24.0)	-	(1,625.6)
Assets of companies acquired	-	0.8	31.6	6.6	40.5	-	-	79.5
Transfer from/(to):								
- Land held for property development (see Note 17)	74.2	-	-	-	-	-	-	74.2
- Intangible assets (see Note 21)	(4.9)	-	-	(37.9)	-	-	-	(42.8)
- Investment properties (see Note 18)	-	(0.5)	-	-	-	-	-	(0.5)
Depreciation capitalised under:								
- Plantation development (see Note 19)	-	(7.6)	-	-	(4.8)	-	-	(12.4)
- Rights of use of oil and gas assets (see Note 22)	-	-	-	-	(6.2)	-	-	(6.2)
- Long term lease prepayment	-	-	-	-	-	-	(15.2)	(15.2)
Reclassification	-	386.0	-	47.9	313.7	(0.1)	(747.5)	-
Impairment losses	-	-	-	(34.1)	(29.3)	-	-	(63.4)
Reversal of impairment losses	-	-	1.8	3.3	-	-	-	5.1
Cost adjustments	-	-	(6.5)	8.2	(52.0)	-	8.8	(41.5)
Foreign exchange differences	48.4	22.2	38.9	135.3	122.3	17.0	52.8	436.9
At 31 December 2014	<u>1,547.7</u>	<u>3,732.6</u>	<u>2,399.7</u>	<u>7,503.2</u>	<u>7,340.5</u>	<u>617.1</u>	<u>2,746.8</u>	<u>25,887.6</u>
At 31 December 2014:								
Cost or valuation	1,547.7	5,120.0	2,672.2	8,653.5	14,462.6	685.4	2,746.8	35,888.2
Accumulated depreciation	-	(1,387.4)	(271.0)	(1,031.6)	(7,077.0)	(68.3)	-	(9,835.3)
Accumulated impairment losses	-	-	(1.5)	(118.7)	(45.1)	-	-	(165.3)
Net book value	<u>1,547.7</u>	<u>3,732.6</u>	<u>2,399.7</u>	<u>7,503.2</u>	<u>7,340.5</u>	<u>617.1</u>	<u>2,746.8</u>	<u>25,887.6</u>
Comprising								
Cost	1,288.7	4,924.5	2,629.5	8,653.5	14,451.2	685.4	2,746.8	35,379.6
At valuation:								
- 1981	46.6	-	-	-	-	-	-	46.6
- 1982	8.8	76.7	-	-	2.9	-	-	88.4
- 1983	105.1	2.3	-	-	-	-	-	107.4
- 1986	-	-	-	-	8.5	-	-	8.5
- 1989	83.3	115.8	-	-	-	-	-	199.1
- 1991	-	0.7	34.0	-	-	-	-	34.7
- 1995	-	-	8.7	-	-	-	-	8.7
- 1996	15.2	-	-	-	-	-	-	15.2
	<u>1,547.7</u>	<u>5,120.0</u>	<u>2,672.2</u>	<u>8,653.5</u>	<u>14,462.6</u>	<u>685.4</u>	<u>2,746.8</u>	<u>35,888.2</u>

PROPERTY, PLANT AND EQUIPMENT (Cont'd)

2013 Group	Freehold lands	Freehold buildings and improvements	Leasehold lands	Leasehold buildings and improvements	Plant, equipment, vehicles and exhibit animals	Aircrafts, sea vessels and improvements	Construction in progress	Total
Net Book Value:								
At 1 January 2013	898.4	3,255.1	1,708.0	7,388.2	8,142.8	250.4	523.1	22,166.0
Additions	603.7	109.3	648.3	34.8	504.2	326.4	1,557.0	3,783.7
Disposals	-	-	(1.9)	-	(9.3)	-	-	(11.2)
Written off	-	(40.9)	(0.5)	(5.5)	(32.4)	-	(3.6)	(82.9)
Depreciation charged for the financial year	-	(103.3)	(30.1)	(201.1)	(1,168.6)	(18.6)	-	(1,521.7)
Assets of companies acquired	-	-	-	1.2	0.3	-	-	1.5
Reclassification to assets held for sale (see Note 33)	(1.8)	(13.7)	-	(18.8)	(3.4)	-	(8.3)	(46.0)
Transfer to:								
- Intangible assets (see Note 21)	-	-	-	(12.1)	(35.5)	-	-	(47.6)
- Investment properties (see Note 18)	(101.3)	(0.1)	(23.9)	(0.1)	-	-	-	(125.4)
Depreciation capitalised under:								
- Plantation development (see Note 19)	-	(10.0)	-	-	(5.1)	-	-	(15.1)
- Rights of use of oil and gas assets (see Note 22)	-	-	-	-	(3.6)	-	-	(3.6)
Reclassification	-	170.3	-	160.1	363.4	-	(693.8)	-
Impairment losses	-	-	-	(13.9)	(20.5)	-	-	(34.4)
Reversal of impairment losses	-	-	-	11.1	-	-	-	11.1
Cost adjustments	-	-	(5.4)	(10.2)	(13.9)	-	(15.0)	(44.5)
Foreign exchange differences	30.9	21.2	46.9	241.0	198.0	(0.4)	2.7	540.3
At 31 December 2013	<u>1,429.9</u>	<u>3,387.9</u>	<u>2,341.4</u>	<u>7,574.7</u>	<u>7,916.4</u>	<u>557.8</u>	<u>1,362.1</u>	<u>24,570.2</u>
At 31 December 2013:								
Cost or valuation	1,429.9	4,676.6	2,574.0	8,468.9	13,895.2	600.1	1,362.1	33,006.8
Accumulated depreciation	-	(1,288.7)	(229.2)	(807.8)	(5,943.0)	(42.3)	-	(8,311.0)
Accumulated impairment losses	-	-	(3.4)	(86.4)	(35.8)	-	-	(125.6)
Net book value	<u>1,429.9</u>	<u>3,387.9</u>	<u>2,341.4</u>	<u>7,574.7</u>	<u>7,916.4</u>	<u>557.8</u>	<u>1,362.1</u>	<u>24,570.2</u>
Comprising								
Cost	1,170.9	4,481.1	2,531.3	8,468.9	13,883.8	600.1	1,362.1	32,498.2
At valuation:								
- 1981	46.6	-	-	-	-	-	-	46.6
- 1982	8.8	76.7	-	-	2.9	-	-	88.4
- 1983	105.1	2.3	-	-	-	-	-	107.4
- 1986	-	-	-	-	8.5	-	-	8.5
- 1989	83.3	115.8	-	-	-	-	-	199.1
- 1991	-	0.7	34.0	-	-	-	-	34.7
- 1995	-	-	8.7	-	-	-	-	8.7
- 1996	15.2	-	-	-	-	-	-	15.2
	<u>1,429.9</u>	<u>4,676.6</u>	<u>2,574.0</u>	<u>8,468.9</u>	<u>13,895.2</u>	<u>600.1</u>	<u>1,362.1</u>	<u>33,006.8</u>

PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Fixed assets have been revalued by the Directors based upon valuations carried out by independent firms of professional valuers using the fair market value basis except for assets revalued in 1991, which were based on the values determined by a regulatory authority in connection with a restructuring exercise. The net book value of the revalued assets of the Group would have amounted to RM228.5 million (2013: RM229.5 million) had such assets been stated in the financial statements at cost.

Property, plant and equipment with a carrying amount of approximately RM283.5 million (2013: RM297.0 million) have been pledged as collateral as at 31 December 2014 for the USD borrowing in the Group's power plant business.

Banker guarantees of SGD20.0 million (approximately RM52.8 million) (2013: SGD20.0 million or approximately RM51.9 million) were obtained and held by Sentosa Development Corporation ("SDC"), as part of the conditions in the Development Agreement entered into with SDC. These guarantees and the bank borrowings of GENS Group are secured over tangible assets of GENS Group amounting to RM4,132.2 million (2013: RM4,562.8 million), with the exception of leasehold land, and property, plant and equipment under finance leases.

2014 Company	Freehold buildings and improvements	Plant, equipment and vehicles	Total
Net Book Value:			
At 1 January 2014	0.4	3.5	3.9
Additions	-	0.2	0.2
Depreciation	(0.1)	(1.4)	(1.5)
At 31 December 2014	0.3	2.3	2.6
At 31 December 2014:			
Cost	8.8	18.2	27.0
Accumulated depreciation	(8.5)	(15.9)	(24.4)
Net book value	0.3	2.3	2.6
2013 Company			
Net Book Value:			
At 1 January 2013	0.5	4.2	4.7
Additions	-	0.9	0.9
Disposal	-	(0.1)	(0.1)
Depreciation	(0.1)	(1.5)	(1.6)
At 31 December 2013	0.4	3.5	3.9
At 31 December 2013:			
Cost	8.8	18.3	27.1
Accumulated depreciation	(8.4)	(14.8)	(23.2)
Net book value	0.4	3.5	3.9

17. PROPERTY DEVELOPMENT ACTIVITIES

	Group		
	2014		2013
(a) Land held for property development:			
Freehold land	258.7		336.0
Development costs	84.6		87.9
	<u>343.3</u>		<u>423.9</u>
At 1 January			
- freehold land	336.0	344.7	
- development costs	<u>87.9</u>	<u>122.5</u>	467.2
Costs incurred during the financial year			
- development costs	23.0		7.1
Costs charged to income statement	(12.3)		-
Freehold land reclassified to property, plant and equipment (see Note 16)	(74.2)		-
Costs transferred to property development costs (see Note 17(b))			
- freehold land	(2.7)	(0.6)	
- development costs	<u>(11.1)</u>	<u>(3.3)</u>	(3.9)
Costs transferred to assets classified as held for sale			
- freehold land	(0.4)	(8.1)	
- development costs	<u>(2.9)</u>	<u>(38.4)</u>	(46.5)
At 31 December	<u>343.3</u>		<u>423.9</u>
(b) Property development costs:			
Freehold land	4.3		3.6
Development costs	104.6		116.6
Accumulated costs charged to income statement	(48.9)		(64.1)
	<u>60.0</u>		<u>56.1</u>
At 1 January			
- freehold land	3.6	3.5	
- development costs	116.6	59.6	
- accumulated costs charged to income statement	<u>(64.1)</u>	<u>(27.9)</u>	35.2
Costs incurred during the financial year			
- development costs	131.6		88.5
Costs charged to income statement	(100.4)		(66.0)
Costs transferred from land held for property development (see Note 17(a))	13.8		3.9
Costs transferred to inventories			
- freehold land	(2.0)	(0.5)	
- development costs	(154.7)	(34.8)	
- accumulated costs charged to income statement	<u>115.6</u>	<u>29.8</u>	(5.5)
At 31 December	<u>60.0</u>		<u>56.1</u>

18. INVESTMENT PROPERTIES

	Group	
	2014	2013
Net Book Value:		
At 1 January	1,589.5	1,149.9
Additions	70.2	267.2
Transfer from property, plant and equipment (see Note 16)	0.5	125.4
Transfer to land held for property development	(0.5)	-
Depreciation charged for the financial year	(13.5)	(33.2)
Reversal of previously recognised impairment losses	17.4	-
Foreign exchange differences	66.0	80.2
At 31 December	<u>1,729.6</u>	<u>1,589.5</u>
At 31 December:		
Cost	1,960.4	1,810.7
Accumulated depreciation	(195.0)	(169.6)
Accumulated impairment losses	(35.8)	(51.6)
Net book value	<u>1,729.6</u>	<u>1,589.5</u>
Fair value at end of the financial year	<u>2,980.2</u>	<u>1,734.5</u>

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 comparable approach that reflects the recent transaction prices for similar properties and are within Level 2 of the fair value hierarchy.

The aggregate rental income and direct operating expenses arising from investment properties that generated rental income which was recognised during the financial year amounted to RM45.3 million and RM32.0 million (2013: RM46.9 million and RM56.8 million) respectively.

19. PLANTATION DEVELOPMENT

	Group	
	2014	2013
Net Book Value:		
At 1 January	1,505.0	1,425.8
Additions	114.7	177.9
Assets of subsidiaries acquired	80.7	-
Disposal	(0.1)	-
Depreciation of property, plant and equipment capitalised (see Note 16)	12.4	15.1
Amortisation of leasehold land use rights capitalised (see Note 20)	2.5	2.6
Foreign exchange differences	39.1	(116.4)
At 31 December	<u>1,754.3</u>	<u>1,505.0</u>

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20. LEASEHOLD LAND USE RIGHTS

	Group	
	2014	2013
Net Book Value:		
At 1 January	238.7	238.3
Additions	65.2	21.5
Amortisation	(0.8)	(0.8)
Amortisation capitalised under plantation development (see Note 19)	(2.5)	(2.6)
Reclassification to assets held for sale (see Note 33)	-	(2.9)
Foreign exchange differences	4.7	(14.8)
At 31 December	305.3	238.7
At 31 December:		
Cost	324.3	256.3
Accumulated amortisation	(19.0)	(17.6)
Net book value	305.3	238.7

Leasehold land use rights with an aggregate carrying value of RM202.3 million (2013: RM175.6 million) are pledged as securities for borrowings.

The Group holds land 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 2044. 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.

21. INTANGIBLE ASSETS

Group	Goodwill	Casino licences	Licences	Concession rights	Trademarks	Intellectual property rights and development costs	Other intangibles	Total
Net Book Value:								
At 1 January 2014	730.9	2,126.5	2,239.5	-	75.2	142.9	15.0	5,330.0
Foreign exchange differences	15.1	28.9	123.6	-	1.1	-	0.2	168.9
Additions	-	-	4.8	-	-	-	9.2	14.0
Acquisition of subsidiaries	51.7	-	-	-	-	-	-	51.7
Amortisation	-	(49.1)	(80.2)	-	-	(12.2)	(2.4)	(143.9)
Transfer from property, plant and equipment (see Note 16)	-	-	42.8	-	-	-	-	42.8
Disposal	-	-	-	-	-	-	(0.3)	(0.3)
Impairment losses	-	(49.2)	-	-	-	-	-	(49.2)
At 31 December 2014	<u>797.7</u>	<u>2,057.1</u>	<u>2,330.5</u>	<u>-</u>	<u>76.3</u>	<u>130.7</u>	<u>21.7</u>	<u>5,414.0</u>
At 31 December 2014:								
Cost	2,198.1	2,789.5	2,603.1	-	76.3	175.9	81.8	7,924.7
Accumulated amortisation	-	(95.4)	(272.6)	-	-	(45.2)	(23.6)	(436.8)
Accumulated impairment losses	(1,400.4)	(637.0)	-	-	-	-	(36.5)	(2,073.9)
Net book value	<u>797.7</u>	<u>2,057.1</u>	<u>2,330.5</u>	<u>-</u>	<u>76.3</u>	<u>130.7</u>	<u>21.7</u>	<u>5,414.0</u>
Net Book Value:								
At 1 January 2013	673.3	1,938.8	2,063.5	1,166.2	69.5	155.1	47.9	6,114.3
Foreign exchange differences	15.9	148.8	149.0	112.9	5.7	-	1.3	433.6
Additions	-	147.9	23.8	45.2	-	-	1.3	218.2
Acquisition of subsidiary	41.7	-	-	-	-	-	3.2	44.9
Amortisation	-	(45.7)	(74.5)	(98.3)	-	(12.2)	(7.0)	(237.7)
Transfer from property, plant and equipment (see Note 16)	-	-	47.6	-	-	-	-	47.6
Reclassification to assets held for sale (see Note 33)	-	-	-	(1,226.0)	-	-	-	(1,226.0)
Reclassification	-	-	30.1	-	-	-	(30.1)	-
Written off	-	-	-	-	-	-	(1.6)	(1.6)
Impairment losses	-	(63.3)	-	-	-	-	-	(63.3)
At 31 December 2013	<u>730.9</u>	<u>2,126.5</u>	<u>2,239.5</u>	<u>-</u>	<u>75.2</u>	<u>142.9</u>	<u>15.0</u>	<u>5,330.0</u>
At 31 December 2013:								
Cost	2,110.2	2,752.9	2,417.0	-	75.2	175.9	71.8	7,603.0
Accumulated amortisation	-	(44.4)	(177.5)	-	-	(33.0)	(20.8)	(275.7)
Accumulated impairment losses	(1,379.3)	(582.0)	-	-	-	-	(36.0)	(1,997.3)
Net book value	<u>730.9</u>	<u>2,126.5</u>	<u>2,239.5</u>	<u>-</u>	<u>75.2</u>	<u>142.9</u>	<u>15.0</u>	<u>5,330.0</u>

The other intangible assets comprised software development, patents and research and development costs.

Included in the licences is an amount of RM2,266.5 million (2013: RM2,185.6 million) which has been pledged as collateral for the GENM Group's USD borrowing.

INTANGIBLE ASSETS (Cont'd)

The intellectual property rights represents the fair value of genomic data arising from the GENP Group's acquisition of the remaining 50% equity interest in ACGT Intellectual Limited in 2010.

The intellectual property development costs comprise expenditure incurred on intellectual property development relating to the use of genomics-based techniques and other methods or tools thereof to increase the yields and profit streams principally from oil palm and other crops where it can be reasonably anticipated that the costs will be recovered through commercialisation, sale and marketing of all the resulting products from the aforesaid development.

As at 31 December 2014, the expenditure incurred on these intellectual property development represents mainly payments made in respect of the oil palm and jatropha genome sequencing data received by GENP Group. The remaining amortisation period of the intellectual property rights and development costs as at 31 December 2014 is 10.75 years (2013: 11.75 years).

(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	2014	2013
Goodwill – leisure and hospitality segment:		
Malaysia	277.1	277.1
United Kingdom	27.3	27.0
United States of America	38.8	36.4
Singapore	334.2	328.5
Goodwill – investment segment:		
United Kingdom	42.3	41.7
Indonesia	78.0	20.2
Intangible assets other than goodwill:		
United Kingdom – leisure and hospitality segment		
- casino licences	2,002.0	2,023.1
- trademarks	73.5	72.5
Isle of Man		
- trademarks	2.8	2.7

Goodwill – Malaysia

The impairment test for goodwill relating to the Malaysia CGU was assessed using the value-in-use ("VIU") method. Cash flow projections used in this calculation were based on financial budgets approved by management covering 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 & hospitality industry in which the CGU operates.

Key assumptions used in the VIU calculation for 2014 include a growth rate and discount rate of 1.0% and 9.1% (2013: 1.0% and 6.0%) respectively.

INTANGIBLE ASSETS (Cont'd)

Goodwill – Malaysia (cont'd)

Based on the impairment assessment, no impairment is required for goodwill attributed to the Malaysia 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.

Goodwill and other intangible assets with indefinite useful lives – UK

(i) Goodwill and other intangible assets with indefinite useful lives – casino business in UK

Goodwill and other intangible assets with indefinite useful lives that have been allocated to the UK Group were tested for impairment. Goodwill is allocated to the UK segment for the purpose of impairment review. The casino licences, considered to have an indefinite useful life, are assigned to smaller CGUs for the purposes of impairment review.

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 VIU. VIU has been calculated using cash flow projections. The cash flow projections are based on current financial budgets approved by the Directors for the next financial year and projections for the following four years.

Key assumptions used for VIU calculations include:

	Leisure and hospitality	
	2014	2013
Growth rate	2.25%	2.25%
Discount rate	9.00%	10.15%

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, the Group recorded impairment losses of RM49.2 million (2013: RM63.3 million) on casino licences and RM34.1 million (2013: RM13.9 million) on property, plant and equipment in respect of certain casinos outside London on the basis that the carrying values exceeded recoverable amounts based on VIU method.

If the growth rate is reduced to 2% (2013: 2%) or the discount rate is 1% (2013: 1%) higher with all other variables including tax rate being held constant, the impairment loss on the casino licences will be increased by RM3.8 million and RM12.4 million respectively (2013: RM2.5 million and RM13.8 million) based on VIU method.

INTANGIBLE ASSETS (Cont'd)

Goodwill and other intangible assets with indefinite useful lives – UK (cont'd)

(ii) Acquisition of DNA Electronics Limited (“DNAe”)

On 25 October 2013, the Group through its indirect wholly owned subsidiary, EGL completed a series of transactions which has resulted in DNAe, a 46.65% associate of EGL, becoming a 63.9% owned subsidiary of EGL. The amount of goodwill had initially been determined based on provisional fair values assigned to the identifiable assets and liabilities as at acquisition date pending finalisation of the Purchase Price Allocation (“PPA”) exercise. The PPA exercise was subsequently completed during the current financial year and no adjustments were required to the provisional fair value assigned to the identifiable assets and liabilities on the date of acquisition.

The impairment test for goodwill relating to the acquisition of DNAe was assessed using the value-in-use (“VIU”) method. Cash flow projections used in this calculation 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 stated below.

Key assumptions used in the VIU calculation include a growth rate and discount rate of 1.0% and 30% respectively.

Based on the impairment assessment, no impairment is required for goodwill attributed to the acquisition of DNAe.

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.

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 valuer to carry out a formal valuation of Omni Center, which includes a hotel, retail shops and office building. The recoverable amounts of the Omni Center were determined based on VIU of the respective properties. Key assumptions used in the VIU method include the growth rates of 1.5% to 23.5% (2013: 1.7% to 16.8%) and discount rates of 10.6% to 27.9% (2013: 11.9% to 20.2%). Based on 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 arises from the acquisition of 25% equity interest in Resorts World at Sentosa Pte. Ltd. (“RWSPL”) 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 covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below. The growth rate is below 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 2014 include a growth rate and discount rate of 2.0% and 7.8% (2013: 2.0% and 8.3%) respectively.

Based on the impairment assessment, no impairment is required for goodwill attributed to the Singapore 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.

Goodwill – Indonesia

(i) Acquisition of AsianIndo Holdings Pte Ltd (“AIH”)

Goodwill arose in 2010 when the GENP Group increased its equity interest from 60% to 77% in a subsidiary of GENP, AIH. This goodwill represents the excess of the purchase consideration over the incremental share of net assets, which was based on the then existing GENP Group’s carrying amounts, instead of fair values of the net assets in AIH when the additional equity interest was acquired.

The impairment test for goodwill was based on the most recent transacted prices of plantation lands in Indonesia. Based on the impairment assessment, there is no indication of impairment for the goodwill attributed to the plantation lands in Indonesia.

(ii) Acquisition of PT Varita Majutama (“PTVM”)

The goodwill arose from the acquisition of 95% equity interest in PTVM which was completed on 18 July 2014 (see Note 46(e)). The goodwill is currently based on provisional fair values assigned to the identifiable assets and liabilities as at acquisition date. Any adjustments to these provisional fair values upon finalisation of the detailed Purchase Price Allocation exercise will be adjusted to the relevant assets and liabilities, including intangible assets within 12 months of the acquisition date. As the provisional fair value assigned to the identifiable assets and liabilities were carried out during the current financial year and the identifiable assets and liabilities have been recorded at their respective fair values, the goodwill is not tested for impairment at the year end.

Details of net assets acquired and goodwill arising on the above acquisition are set out in Note (a) to the consolidated statements of cash flows.

22. RIGHTS OF USE OF OIL AND GAS ASSETS

2014 Group	Exploration costs	Rights and concessions	Production wells, related equipment and facilities*	Total
Cost:				
At 1 January 2014	1,481.4	-	-	1,481.4
Addition	908.0	523.5	161.3	1,592.8
Exchange differences	86.0	43.9	10.1	140.0
At 31 December 2014	<u>2,475.4</u>	<u>567.4</u>	<u>171.4</u>	<u>3,214.2</u>
Depletion, depreciation and amortisation:				
At 1 January 2014	-	-	-	-
Charge for the financial year	-	(35.1)	(5.3)	(40.4)
Exchange differences	-	(2.2)	(0.3)	(2.5)
At 31 December 2014	<u>-</u>	<u>(37.3)</u>	<u>(5.6)</u>	<u>(42.9)</u>
Net book value:				
As at 31 December 2014	<u>2,475.4</u>	<u>530.1</u>	<u>165.8</u>	<u>3,171.3</u>
2013 Group				
Cost:				
At 1 January 2013	932.6	-	-	932.6
Exchange differences	68.8	-	-	68.8
Addition	480.0	-	-	480.0
At 31 December 2013	<u>1,481.4</u>	<u>-</u>	<u>-</u>	<u>1,481.4</u>
Depletion, depreciation and amortisation:				
At 1 January 2013	-	-	-	-
Charge for the financial year	-	-	-	-
Written off	-	-	-	-
At 31 December 2013	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value:				
As at 31 December 2013	<u>1,481.4</u>	<u>-</u>	<u>-</u>	<u>1,481.4</u>

Exploration costs remain capitalised as the Group is committed to continue exploring and developing these interests.

* Included in production wells, related equipment and facilities is work in progress amounting to RM0.1 million (2013: Nil).

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23. SUBSIDIARIES

	Company	
	2014	2013
Investment in subsidiaries:		
Quoted shares in Malaysia – at cost	803.2	803.2
Quoted warrants in Malaysia – at cost	134.3	134.3
Unquoted shares – at cost	13,120.3	11,769.2
	<u>14,057.8</u>	<u>12,706.7</u>
Less: Accumulated impairment losses	(120.0)	(31.6)
	<u>13,937.8</u>	<u>12,675.1</u>
Market value of quoted shares and warrants	<u>15,680.3</u>	<u>17,042.4</u>
Amounts due from subsidiaries are unsecured and comprise:		
Current:		
Interest bearing	-	1,096.6
Interest free	44.8	69.6
	<u>44.8</u>	<u>1,166.2</u>
Non-current:		
Interest free	71.0	133.7
	<u>71.0</u>	<u>133.7</u>
	<u>115.8</u>	<u>1,299.9</u>
Amounts due to subsidiaries are unsecured and comprise:		
Current:		
Interest bearing	-	985.7
Interest free	17.4	10.2
	<u>17.4</u>	<u>995.9</u>
Non-current:		
Interest bearing	3,591.8	3,441.6
	<u>3,591.8</u>	<u>3,441.6</u>
	<u>3,609.2</u>	<u>4,437.5</u>

The subsidiaries are listed in Note 49.

- (a) The market values of quoted shares and warrants are traded in active market and are within Level 1 of the fair value hierarchy.

SUBSIDIARIES (Cont'd)

- (b) Apart from the interest free portion of the amounts due from subsidiaries classified as non-current which are considered as part of net investment, the carrying value of other interest free and interest bearing amounts due from/to subsidiaries which have no fixed repayment terms approximate their fair values based on the discounted cash flows using the market interest rate. The fair values are within Level 2 of the fair value hierarchy.

There were no interest bearing amounts due from subsidiaries as at 31 December 2014. The interest bearing portion of the amounts due from subsidiaries bore interest at a rate of 5.9% per annum in the previous financial year.

Included in the interest bearing amounts due to subsidiaries are loans obtained by the Company from the following subsidiaries:

- (i) Loan from Prime Holdings (Labuan) Limited (“PHLL”), a wholly owned subsidiary of the Company, was fully repaid during the current financial year (2013: USD300.0 million (RM985.7 million)). The loan bore an effective interest rate of Nil (2013: 5.9%) per annum as at the reporting date.
- (ii) 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% (2013: 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.
- (iii) 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% 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.
- (iv) 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% 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) the 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.

SUBSIDIARIES (Cont'd)

- (c) As at 31 December 2014, the Company's percentage shareholding in GENM was 49.3% (2013: 49.3%).

GENM's financial results are consolidated with those of the Company as its subsidiary notwithstanding the Company's shareholding of less than 50% in GENM. The Company is the single largest shareholder of GENM with all other shareholders having dispersed shareholding, and has consistently and regularly held a majority of the voting rights exercised at GENM'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 GENM by virtue of the ability to manage the financial and operating policies of GENM's principal asset, Resorts World Genting, pursuant to an agreement between one of the Company's wholly owned subsidiaries and GENM.

- (d) During the current financial year, the Company subscribed to 303,000 Convertible, Non-Cumulative Irredeemable Preference Shares issued by its wholly owned subsidiary, Genting Overseas Holdings Limited, which amounted to RM979.9 million.
- (e) During the current financial year, the Company subscribed to 31,000 Convertible, Non-Cumulative Redeemable Preference Shares issued by its wholly owned subsidiary, Logan Rock Limited, which amounted to RM99.9 million.
- (f) During the current financial year, the Company subscribed to 26,000,000 Convertible, Non-Cumulative Irredeemable Preference Shares issued by its wholly owned subsidiary, Genting Genomics Limited, which amounted to RM89.6 million.
- (g) During the current financial year, the Company subscribed to 41,000 Non-convertible, Non-Cumulative Redeemable Preference Shares issued by its wholly owned subsidiary, Genting Energy Limited, which amounted to RM142.9 million.
- (h) During the current financial year, the Company subscribed to 33,073 Convertible, Non-Cumulative Irredeemable Preference Shares issued by its wholly owned subsidiary, Genting Strategic Investments (Singapore) Pte Ltd, which amounted to RM88.4 million.
- (i) During the current financial year, the Company subscribed to 63,560,000 Ordinary Shares issued by its subsidiary, Genting TauRx Diagnostics Centre Sdn Bhd, which amounted to RM63.7 million.
- (j) During the current financial year, the Company redeemed 113,332 Non-convertible, Non-Cumulative Redeemable Preference Shares issued by its wholly owned subsidiary, Genting Sanyen (Malaysia) Sdn Bhd, which amounted to RM113.3 million.

SUBSIDIARIES (Cont'd)

(k) 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.

2014

Summarised financial information	GENS	GENM	GENP
Statements of Financial Position:			
Current assets	16,657.9	4,980.5	1,657.4
Non-current assets	16,823.7	15,816.7	3,933.0
Current liabilities	(4,073.9)	(2,252.6)	(369.2)
Non-current liabilities	(3,770.3)	(2,270.9)	(1,068.1)
Net assets	<u>25,637.4</u>	<u>16,273.7</u>	<u>4,153.1</u>
Accumulated non-controlling interests of the Group at the end of the reporting period	<u>9,377.8</u>	<u>8,318.8</u>	<u>1,979.6</u>
Income Statements:			
Revenue for the financial year	7,393.2	8,229.4	1,642.9
Profit for the financial year	1,640.6	1,140.3	383.8
Total comprehensive income for the financial year	<u>1,103.6</u>	<u>1,191.6</u>	<u>402.7</u>
Profit for the financial year attributable to non-controlling interests of the Group	<u>639.7</u>	<u>537.3</u>	<u>179.2</u>
Statements of Cash Flows:			
Cash inflows from operating activities	2,524.8	1,540.7	491.3
Cash inflow/(outflows) from investing activities	183.8	(2,055.4)	(389.4)
Cash (outflows)/inflow from financing activities	(2,594.9)	(531.5)	142.2
Net increase/(decrease) in cash and cash equivalents	<u>113.7</u>	<u>(1,046.2)</u>	<u>244.1</u>
Dividend paid to non-controlling interests of the Group	<u>155.6</u>	<u>198.4</u>	<u>14.1</u>

SUBSIDIARIES (Cont'd)**2013****Summarised financial information****GENS****GENM****GENP****Statements of Financial Position:**

Current assets	16,073.2	5,417.4	1,397.9
Non-current assets	17,828.2	14,434.5	3,456.5
Current liabilities	(3,751.5)	(2,040.2)	(330.2)
Non-current liabilities	(5,134.5)	(2,334.1)	(920.3)
Net assets	<u>25,015.4</u>	<u>15,477.6</u>	<u>3,603.9</u>

Accumulated non-controlling interests of the Group
at the end of the reporting period

9,294.7	7,957.5	1,629.8

Income Statements:

Revenue for the financial year	7,163.4	8,327.5	1,384.0
Profit for the financial year	1,780.6	1,584.1	219.9
Total comprehensive income for the financial year	<u>2,377.3</u>	<u>2,683.3</u>	<u>91.9</u>

Profit for the financial year attributable to non-
controlling interests of the Group

720.1	787.0	95.5

Statements of Cash Flows:

Cash inflows from operating activities	2,127.6	2,101.8	332.3
Cash outflows from investing activities	(2,073.6)	(1,777.8)	(400.7)
Cash (outflows)/inflow from financing activities	(2,018.8)	120.5	(52.4)
Net (decrease)/increase in cash and cash equivalents	<u>(1,964.8)</u>	<u>444.5</u>	<u>(120.8)</u>

Dividend paid to non-controlling interests of the
Group

152.2	200.6	147.8

24. JOINT VENTURES

	Group	
	2014	2013
Unquoted:		
Shares in foreign corporations	503.3	157.1
Shares in a Malaysian company	6.4	14.5
Group's share of post acquisition reserves	129.4	35.7
Less: Accumulated impairment losses	(1.5)	(1.5)
	637.6	205.8
Amounts due from joint ventures	220.3	16.3
Amounts due to joint ventures	(29.0)	(57.9)
Less: Balance included in other non-current assets (see Note 28)	(211.0)	(10.3)
Balance included in current assets	(9.3)	(6.0)
Balance included in current liabilities	29.0	57.9
	-	-
	637.6	205.8

JOINT VENTURES (Cont'd)

The joint ventures are listed in Note 49.

The amounts due from joint ventures included in current assets are unsecured, interest free and are receivable within the next twelve months. The amounts due from joint ventures which are more than one year represent the amount from one of joint venture which is repayable in 2019 and the balance of purchase price receivable from the sale of land to Genting Simon Sdn Bhd by Genting Property Sdn Bhd, a wholly owned subsidiary of GENP.

On 10 July 2014, the Group completed the disposal of its 51% equity interest in Fujian Pacific Electric Company Limited ("FPECL"). Subsequent to the disposal, the financial results of the Meizhou Wan power plant have been accounted for as a joint venture from the date of the completion of the partial disposal (see Note 46(b)). The Group's interest in FPECL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of FPECL is set out below:

Summarised financial information FPECL 2014

Statement of Financial Position:

Current assets	697.1
Non-current assets	1,238.3
Current liabilities	(393.2)
Non-current liabilities	(727.5)
Net assets	<u>814.7</u>

Included the Statement of Financial Position are:

Cash and cash equivalents	477.1
Current financial liabilities (excluding trade and other payables and provisions)	(297.0)
Non-current financial liabilities (excluding trade and other payables and provisions)	<u>(727.5)</u>

Statement of comprehensive income:

Profit for the financial year from continuing operations	<u>112.4</u>

Included in the Income Statement are:

Revenue	472.8
Depreciation and amortisation	(61.2)
Interest income	5.5
Interest expense	(24.0)
Income tax expense	<u>(34.9)</u>

Reconciliation of Net Assets to Carrying Amount:

As at 31 December 2014	
Group's share of net assets	399.2
Elimination of unrealised profit	(0.1)
Others	3.3
Carrying amount as at 31 December 2014	<u>402.4</u>

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JOINT VENTURES (Cont'd)

No comparative of financial information was presented for the above as FPECL was previously accounted as an indirect subsidiary.

FPECL is a private company and therefore no quoted market prices are available for its shares.

There are no significant restrictions on the ability of FPECL to transfer funds to the Group in the form of cash dividends.

The following table summarises, in aggregate, the financial information of all other individually immaterial joint ventures that are accounted for using the equity method:

	All Other Joint Ventures	
	2014	2013
Carrying amount at 31 December	235.2	205.8
Share of profit from continuing operations	31.2	119.7
Share of other comprehensive income	2.5	2.7
Share of total comprehensive income	33.7	122.4

There are no contingent liabilities relating to the Group's interest in joint ventures at the reporting date (2013: Nil).

25. ASSOCIATES

	Group	
	2014	2013
Quoted:		
Shares in a Malaysian company	299.7	299.7
Group's share of post acquisition reserves	33.9	39.2
Less: Accumulated impairment losses	(197.6)	(197.6)
	136.0	141.3
Unquoted – at cost:		
Shares in foreign corporations	694.0	456.8
Shares in Malaysian companies	2.1	2.1
Group's share of post acquisition reserves	232.1	243.8
	928.2	702.7
Amounts due from associates	270.7	-
Less: Balance included in other non-current assets (see Note 28)	(267.6)	-
Balance included in current assets	(3.1)	-
	-	-
	1,064.2	844.0
Market value of quoted shares	142.8	155.9

ASSOCIATES (Cont'd)

The market values of quoted shares of associates are traded in active market and are within Level 1 of the fair value hierarchy.

On 25 October 2013, DNAe ceased to be an associate of the Group and became an indirect subsidiary of the Company following a series of transactions which were completed in October 2013. The results of DNAe have therefore been fully consolidated from that date.

On 27 March 2014, the Group completed the acquisition of 50% equity interest in Landing Jeju Development Co., Ltd ("LJDC") for approximately RM254.0 million (SGD97.5 million). As at 31 December 2014, the Group has finalised the notional purchase price allocation and recognised a gain from bargain purchase of RM28.7 million (SGD11.1 million) in the share of results of associate in the income statement (see Note 46(a)).

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.

The Group has interests in a number of associates, none of which is individually material to the Group. The following table summarises, in aggregate, the financial information of all these associates that are accounted for using the equity method:

	All Associates	
	2014	2013
Carrying amount at 31 December	<u>1,064.2</u>	<u>844.0</u>
Share of loss from continuing operations	(37.0)	(52.7)
Share of other comprehensive income	<u>15.4</u>	<u>6.3</u>
Share of total comprehensive loss	<u>(21.6)</u>	<u>(46.4)</u>

There are no contingent liabilities relating to the Group's interest in associates at the reporting date (2013: Nil).

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The carrying amounts of financial assets at fair value through profit or loss are classified as follows:

	Group	
	2014	2013
Current		
Held for trading		
- Equity investments (quoted foreign corporations)	<u>7.2</u>	<u>3.8</u>

The fair values of quoted equity investments are determined by reference to the bid prices on the relevant stock exchanges.

27. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	2014	2013	2014	2013
Equity investments in foreign corporations				
- Quoted	3,077.5	4,766.9	-	-
- Unquoted	1,004.7	741.1	-	-
Equity investments in Malaysian corporations				
- Unquoted	1.7	1.7	-	-
Debt securities in foreign corporations				
- Unquoted	82.0	90.2	-	-
Income funds in Malaysian corporation				
- Unquoted	900.0	500.0	200.0	-
Receivable from foreign corporation				
- Unquoted	-	11.7	-	-
Compound financial instruments (debt securities)				
- Unquoted	<u>3,471.1</u>	<u>3,280.8</u>	<u>-</u>	<u>-</u>
	<u>8,537.0</u>	<u>9,392.4</u>	<u>200.0</u>	<u>-</u>
Analysed as follows:				
Current	5,680.8	5,456.3	200.0	-
Non-current	<u>2,856.2</u>	<u>3,936.1</u>	<u>-</u>	<u>-</u>
	<u>8,537.0</u>	<u>9,392.4</u>	<u>200.0</u>	<u>-</u>

Included in the available-for-sale financial assets 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 the quoted equity investments and portfolio of 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.

The fair values of certain unquoted equity investments are determined based on valuation techniques supported by observable market data.

Other unquoted equity investments are measured at cost less impairment losses at each reporting date because the fair values cannot be obtained directly from quoted market price or indirectly using valuation techniques supported by observable market data.

AVAILABLE-FOR-SALE FINANCIAL ASSETS (Cont'd)

The Group invested in compound financial instruments which have nominal values amounting in aggregate of USD2,000.0 million (approximately RM6,953.0 million) (2013: USD1,575.0 million or approximately RM5,175.1 million). Upon maturity, the compound financial instruments will be repaid at their nominal values and adjusted for features stipulated in the term sheets. A nominal value of USD1,000.0 million (approximately RM3,476.5 million) (2013: USD575.0 million or approximately RM1,889.3 million) of these instruments matured during the current financial year ended 31 December 2014. Where the derivative is not closely related to the host contract, the derivative and debt securities are separately valued as derivative financial liabilities (see Note 42) and available-for-sale financial assets.

The difference between the fair value of the derivatives and the fair value of the compound financial instruments, representing the value of the debt securities, is recognised as available-for-sale financial assets until extinguished on maturity date. The fair values of the compound financial instruments are within Level 2 of the fair value hierarchy.

The interest rates for unquoted debt securities was 4.25% (2013: 4.25%) per annum and have remaining maturity period of less than 1 year as at 31 December 2014 (2013: less than 2 years).

28. OTHER NON-CURRENT ASSETS

	Group	
	2014	2013
Trade receivables	1,465.4	252.7
Other receivables	387.7	346.7
	1,853.1	599.4
Amounts due from joint ventures (see Note 24)	211.0	10.3
Amounts due from associates (see Note 25)	267.6	-
Prepayments	81.8	24.3
	2,413.5	634.0

The carrying amounts of the Group's trade and other receivables approximate their fair values, which are based on cash flows discounted using the current market interest rates. The fair values are within Level 2 of the fair value hierarchy.

Included in trade receivables of the Group is an amount due from customers on contract of RM972.2 million (2013: RM165.1 million) in relation to the construction of the Group's power plant in Indonesia. The amount will be recovered throughout the concession period upon commercial operation of the power plant.

Included in other receivables of the Group is an investment of RM250.0 million (2013: RM250.0 million) in unquoted preference shares in a Malaysian corporation. The preference shares carry a cumulative, non-compounding fixed dividend of 4% (2013: 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.

The other long term receivables bear an effective annual interest rate of 2.87% to 11.40% (2013: 2.87% to 9.34%).

As at 31 December 2014, there were no trade and other receivables (2013: Nil) that were past due but not impaired. 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.

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	
	2014	2013	2014	2013
Deferred tax assets				
- subject to income tax (see (i) below)	303.5	270.7	18.4	15.9
Deferred tax liabilities				
- subject to income tax	(1,406.5)	(1,476.5)	-	-
- subject to Real Property Gain Tax ("RPGT")	(9.5)	(9.5)	-	-
Total deferred tax liabilities (see (ii) below)	(1,416.0)	(1,486.0)	-	-
	(1,112.5)	(1,215.3)	18.4	15.9
At 1 January	(1,215.3)	(1,593.1)	15.9	13.6
(Credited)/charged to income statements (see Note 12)				
- property, plant and equipment and investment properties	(38.8)	290.6	0.2	0.1
- plantation development	(19.0)	(21.6)	-	-
- intangible assets	(14.2)	8.5	-	-
- provisions	130.0	15.5	2.3	2.2
- impairment loss on intangible asset	9.8	(0.2)	-	-
- unutilised tax losses	32.7	158.6	-	-
- others	(5.9)	0.4	-	-
	94.6	451.8	2.5	2.3
Disposal of assets held for sale	10.7	-	-	-
Reclassification to assets held for sale (see Note 33)	-	(72.3)	-	-
Others	(2.5)	(1.7)	-	-
At 31 December	(1,112.5)	(1,215.3)	18.4	15.9

DEFERRED TAXATION (Cont'd)

	Group		Company	
	2014	2013	2014	2013
Subject to income tax/RPGT:				
(i) Deferred tax assets (before offsetting)				
- property, plant and equipment	21.4	31.6	-	-
- land held for property development	4.9	4.7	-	-
- provisions	303.4	168.6	18.7	16.5
- tax losses	306.1	256.5	-	-
- others	21.7	12.0	-	-
	657.5	473.4	18.7	16.5
- offsetting	(354.0)	(202.7)	(0.3)	(0.6)
Deferred tax assets (after offsetting)	303.5	270.7	18.4	15.9
(ii) Deferred tax liabilities (before offsetting)				
- property, plant and equipment and investment properties	(1,607.9)	(1,538.6)	(0.3)	(0.6)
- plantation development	(58.5)	(40.3)	-	-
- land held for property development	(5.2)	(5.2)	-	-
- intangible assets	(39.8)	(70.3)	-	-
- others	(58.6)	(34.3)	-	-
	(1,770.0)	(1,688.7)	(0.3)	(0.6)
- offsetting	354.0	202.7	0.3	0.6
Deferred tax liabilities (after offsetting)	(1,416.0)	(1,486.0)	-	-

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	
	2014	2013	2014	2013
Unutilised tax losses				
- Expiring more than one year and not more than five years	86.7	35.2	-	-
- No expiry period	427.9	359.7	-	-
	514.6	394.9	-	-
Property, plant and equipment (no expiry date)	203.6	170.4	-	-
Provision (no expiry date)	6.2	5.5	-	-
	724.4	570.8	-	-

With regards to FRS 112 "Income Taxes", the Group will continue to recognise in the profit or loss the tax impact arising from the Group's unutilised Investment Tax Allowance of RM955.7 million (2013: RM992.2 million) as and when it is utilised.

30. INVENTORIES

	Group	
	2014	2013
Stores and spares	227.2	219.7
Completed properties	80.9	59.9
Food, beverages and other hotel supplies	92.0	92.8
Produce stocks and finished goods	19.4	12.8
	<u>419.5</u>	<u>385.2</u>

31. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2014	2013	2014	2013
Trade receivables	4,587.4	4,104.4	-	-
Other receivables	709.2	435.7	1.0	0.5
Less: Impairment losses on receivables	(1,552.6)	(1,135.5)	-	(0.2)
	<u>3,744.0</u>	<u>3,404.6</u>	<u>1.0</u>	<u>0.3</u>
Accrued billings in respect of property development	13.1	19.6	-	-
Deposits	157.7	129.2	0.7	0.6
Prepayments	169.0	419.1	-	-
	<u>4,083.8</u>	<u>3,972.5</u>	<u>1.7</u>	<u>0.9</u>

Included in the other receivables of the Group as at 31 December 2014 is an investment of RM241.2 million (2013: RM135.3 million) in unquoted promissory notes of a foreign corporation. The promissory notes carry a fixed interest rate of 15% (2013: 15%) per annum.

The carrying amounts of the Group's and the Company's trade and other receivables approximate their fair value.

As at 31 December 2014, trade and other receivables of RM2,390.7 million (2013: RM2,190.2 million) of the Group were past due but not impaired. The ageing analysis of these trade and other receivables is as follows:

	Group		Company	
	2014	2013	2014	2013
Receivables past due:				
Past due 0 to 3 months	800.3	732.3	-	-
Past due 3 to 6 months	431.9	591.0	-	-
Past due over 6 months	1,158.5	866.9	-	-
	<u>2,390.7</u>	<u>2,190.2</u>	<u>-</u>	<u>-</u>

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 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 RM1,552.6 million (2013: RM1,135.5 million) as at 31 December 2014. These receivables are not secured by any collateral.

TRADE AND OTHER RECEIVABLES (Cont'd)

The movements on the provision for impairment loss on receivables are as follows:

	Group		Company	
	2014	2013	2014	2013
At 1 January	1,135.5	870.9	0.2	0.2
Charge for the financial year	689.2	463.3	-	-
Write-off against provision	(310.1)	(262.6)	(0.2)	-
Reclassification	-	20.2	-	-
Foreign exchange differences	38.0	43.7	-	-
At 31 December	<u>1,552.6</u>	<u>1,135.5</u>	<u>-</u>	<u>0.2</u>

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

32. CASH AND CASH EQUIVALENTS

	Group		Company	
	2014	2013	2014	2013
Deposits with licensed banks	10,890.9	11,787.2	493.4	487.7
Cash and bank balances	<u>4,485.5</u>	<u>4,076.2</u>	<u>7.8</u>	<u>7.5</u>
	15,376.4	15,863.4	501.2	495.2
Less: Restricted cash	<u>(584.2)</u>	<u>(420.1)</u>	-	-
Bank balances and deposits	<u>14,792.2</u>	<u>15,443.3</u>	<u>501.2</u>	<u>495.2</u>
Add: Money market instruments	<u>1,599.0</u>	<u>2,520.4</u>	<u>422.5</u>	<u>845.8</u>
Cash and cash equivalents	<u>16,391.2</u>	<u>17,963.7</u>	<u>923.7</u>	<u>1,341.0</u>

The deposits of the Group and the Company as at 31 December 2014 have an average maturity period of 25 days (2013: 22 days). 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 2014 have maturity periods ranging between overnight and one month (2013: overnight and one month).

Included in deposits with licensed banks for the Group is an amount of RM32.0 million (2013: RM16.5 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 deposits pledged with licensed banks to secure certain bank facilities, mainly denominated in SGD, USD and INR. These deposits have weighted average interest rates ranging from 0.6% to 6.8% (2013: 0.4% to 7.9%) per annum.

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33. ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE

As at 31 December 2014, the following assets or liabilities were classified as held for sale:

(i) Disposal of Meizhou Wan (see Note 13)

	Group	
	2014	2013
Assets classified as held for sale		
Property, plant and equipment	-	29.5
Leasehold land use rights	-	2.9
Intangible assets	-	1,226.0
Other non-current assets	-	1.9
Deferred tax assets	-	72.3
Inventories	-	80.1
Trade and other receivables	-	148.1
Restricted cash	-	87.9
Cash and bank balance	-	321.7
	-	1,970.4
Liabilities classified as held for sale		
Long term borrowings	-	(782.3)
Other non-current liabilities	-	(1.7)
Trade and other payables	-	(88.5)
Short term borrowings	-	(127.0)
Taxation	-	(19.5)
	-	(1,019.0)

The disposal of Meizhou Wan was completed on 10 July 2014, resulting in a loss on disposal of RM3.5 million. Subsequent to the disposal, the financial results of Meizhou Wan have been accounted for as a joint venture from the date of completion (see Note 13).

ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE (Cont'd)

(ii) Planned disposal of land and infrastructure costs and golf course - GENP

	Group	
	2014	2013
Assets classified as held for sale		
Property, plant and equipment	14.7	14.7
Land held for property development	20.4	46.5
Inventories	2.0	2.0
Trade and other receivables	0.8	0.8
	37.9	64.0
Liabilities classified as held for sale		
Other non-current liabilities	(0.7)	(0.7)

The assets and liabilities held for sale comprised of:

- (a) land and infrastructure costs measuring approximately 213.2 acres (2013: 355.42 acres) located in the Mukim of Kulai and Mukim of Sg Petani; and
- (b) a golf course and its recreational club.

(iii) Planned disposal of a power plant's remaining physical assets

	Group	
	2014	2013
Assets classified as held for sale		
Inventories	-	0.7
Other receivables	-	0.3
Cash and bank balance	-	23.3
	-	24.3
Liabilities classified as held for sale		
Other payables	-	(0.4)
Taxation	-	-
	-	(0.4)

The Group was no longer actively looking for interested buyer for the above assets/liabilities classified as held for sale as at 31 December 2013. As a result, the assets/liabilities classified as held for sale had been reclassified to the respective assets and liabilities in the statement of financial position during the current financial year.

(iv) Planned disposal of two pieces of freehold land

The Group's assets classified as held for sale of RM1.8 million as at 31 December 2013 comprised two pieces of freehold land measuring approximately 12.9 acres in the Mukim Tanjung Dua Belas, Kuala Langat, Selangor, which was subsequently sold to a third party.

The assets classified as held for sale as at 31 December 2013 were disposed of during the current financial year, resulting in a gain on disposal of RM7.1 million.

34. SHARE CAPITAL

	Group/Company	
	2014	2013
Authorised:		
8,000.0 million ordinary shares of 10 sen each	800.0	800.0
Issued and fully paid:		
Ordinary shares of 10 sen each		
At beginning of the financial year		
- 3,719.5 million (2013: 3,719.5 million)	371.9	371.9
Issues of shares:		
- pursuant to exercise of warrants: 23.6 million (2013: Nil)	2.4	-
At end of the financial year		
- 3,743.1 million (2013: 3,719.5 million)	374.3	371.9

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.

35. TREASURY SHARES

At the Annual General Meeting of the Company held on 12 June 2014, 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.

During the current financial year, the Company had purchased a total of 160,000 (2013: 60,000) ordinary shares of RM0.10 each of its issued share capital from the open market at an average price of RM9.86 (2013: RM9.41) per share. The total consideration paid for the purchase, including transaction costs, was RM1.6 million (2013: RM0.6 million) and was financed by internally generated funds. The purchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965. 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 2014, of the total 3,743,049,706 (2013: 3,719,484,770) issued and fully paid ordinary shares, 25,070,000 (2013: 24,910,000) are held as treasury shares by the Company. As at 31 December 2014, the number of outstanding ordinary shares in issue after the offset is therefore 3,717,979,706 (2013: 3,694,574,770) ordinary shares of RM0.10 each.

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TREASURY SHARES (Cont'd)

Details relating to the purchase during the current financial year 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 2014	24,910.0	210.9	10.80	3.40	8.47
Shares purchased during the financial year					
- February	61.5	0.6	10.10	10.10	10.11
- September	98.5	1.0	9.70	9.69	9.70
At 31 December 2014	25,070.0	212.5			8.47

* Average price includes stamp duty, brokerage and clearing fees.

The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the purchase plan is being applied in the best interests of the Company and its shareholders.

36. RESERVES

	Group		Company	
	2014	2013	2014	2013
Share premium	1,416.0	1,195.5	1,416.0	1,195.5
Warrants reserve	1,109.1	1,144.4	1,109.1	1,144.4
Revaluation reserve	305.9	307.2	-	-
Fair value reserve	1,259.5	2,093.9	-	-
Cash flow hedge reserve	(124.9)	(1.6)	-	-
Reserve on exchange differences	1,052.9	161.9	-	-
Retained earnings	21,650.6	20,251.7	8,779.3	8,250.9
	26,669.1	25,153.0	11,304.4	10,590.8

The Company is under the single tier tax system with effect from year of assessment 2014 and hence, there is no restriction on the Company to declare the payment of dividends out of its retained earnings.

The warrants reserve represents monies received from the issuance of 764,201,920 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 of RM0.10 each 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.

RESERVES (Cont'd)

The movements in the warrants reserve and number of warrants during the financial year are summarised below:

	Group/Company		Warrants Reserve	
	No. of Warrants		RM'million	
	2014	2013	2014	2013
At 1 January	764,201,920	-	1,144.4	-
Arising from the issue of warrants	-	764,201,920	-	1,146.3
Exercise of warrants	(23,564,936)	-	(35.3)	-
Less: Issuance costs	-	-	-	(1.9)
At 31 December	<u>740,636,984</u>	<u>764,201,920</u>	<u>1,109.1</u>	<u>1,144.4</u>

37. PERPETUAL CAPITAL SECURITIES OF A SUBSIDIARY

On 12 March 2012 and 18 April 2012, GENS issued SGD1,800 million 5.125% perpetual capital securities ("Institutional Securities") and SGD500 million 5.125% perpetual capital securities ("Retail Securities") respectively at issue prices of 100 per cent each.

Holders of these Institutional and Retail securities are conferred a right to receive distribution on a semi-annual basis from their issue date at the rate of 5.125% per annum, subject to a step-up rate from 12 September 2022 and 18 October 2022 respectively. GENS has a right to defer this distribution under certain conditions.

The Institutional and Retail securities have no fixed maturity and are redeemable in whole, but not in part, at GENS's option on or after 12 September 2017 for the Institutional securities and 18 October 2017 for the Retail securities at their principal amounts together with any accrued, unpaid or deferred distributions. While any distributions are unpaid or deferred, GENS will not declare, pay dividends or make similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank.

These perpetual capital securities were issued for GENS's general corporate purposes as well as to finance capital expenditure and the expansion of its business.

During the current financial year, the Board of Directors of GENS have approved the payments of the second and third distribution in respect of the Institutional and Retail Securities. Accordingly, distributions for Institutional Securities amounting to RM120.9 million (SGD45.8 million) and RM122.9 million (SGD46.5 million) were paid on 11 March 2014 and 11 September 2014 respectively. Distributions for Retail Securities amounting to RM33.8 million (SGD12.8 million) and RM33.9 million (SGD12.9 million) were paid on 17 April 2014 and 20 October 2014 respectively.

38. BORROWINGS

	Group	
	2014	2013
Current		
Secured:		
Term loans	1,661.8	1,561.9
Finance lease liabilities	2.1	17.5
Unsecured:		
Fixed rate notes	-	981.9
Term loans	173.8	-
	<u>1,837.7</u>	<u>2,561.3</u>
Non-current		
Secured:		
Term loans	6,306.7	6,427.6
Finance lease liabilities	0.2	1.3
Unsecured:		
Medium term notes	3,595.3	3,595.0
Term loans	812.7	800.2
	<u>10,714.9</u>	<u>10,824.1</u>
	<u>12,552.6</u>	<u>13,385.4</u>

The borrowings (excluding finance lease liabilities) bear an effective annual interest rate of 1.9% to 5.0% (2013: 1.4% to 6.7%) per annum.

The carrying amounts of the borrowings are denominated in the following currencies:

	Group	
	2014	2013
SGD	4,572.4	5,769.6
USD	3,572.2	3,220.0
RM	3,595.3	3,595.0
GBP	812.7	800.8
	<u>12,552.6</u>	<u>13,385.4</u>

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 2014:			
Less than one year	1,661.8	175.9	1,837.7
More than one year and less than two years	1,760.9	0.1	1,761.0
More than two years and less than five years	4,144.3	1,599.8	5,744.1
More than five years	1,214.1	1,995.7	3,209.8
	8,781.1	3,771.5	12,552.6
As at 31 December 2013:			
Less than one year	1,561.9	999.4	2,561.3
More than one year and less than two years	1,506.0	1.3	1,507.3
More than two years and less than five years	5,006.6	-	5,006.6
More than five years	715.2	3,595.0	4,310.2
	8,789.7	4,595.7	13,385.4

(b) Finance lease liabilities

The minimum lease payments of the finance lease liabilities at the reporting date are as follows:

	Group 2014	2013
Not more than one year	2.2	20.7
More than one year and not more than five years	0.2	1.3
	2.4	22.0
Future finance charges	(0.1)	(3.2)
Present value	2.3	18.8

Finance lease liabilities are effectively secured as the rights to the leased assets, which will revert to the lessor in the event of default. The finance lease liabilities have an effective interest rate of 1.9% to 16.5% (2013: 1.9% to 16.5%) per annum.

(c) Fair values of the borrowings as at 31 December 2014 are as follows:

	Group 2014	2013
Current	1,837.7	2,561.3
Non-current	10,760.8	11,375.5

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) Fixed Rate Notes

On 22 September 2004 (“Issue Date”), the Company through its wholly owned subsidiary, Prime Holdings (Labuan) Limited, issued USD300.0 million Guaranteed Notes (“Notes”) of up to 10 years. The Notes which are guaranteed by the Company, were offered outside the United States in accordance with Regulation S. The Notes were only offered for subscription or sale outside Malaysia (except the Federal Territory of Labuan) to non-residents of Malaysia. The purpose of the issue is to fund the Group’s future overseas investments.

The main features of the Notes are as follows:

- (i) the Notes bear coupon interest from Issue Date at 5.375% per annum payable in arrears on 22 March and 22 September each year commencing on 22 March 2005; and
- (ii) unless previously purchased and cancelled, the Notes will be redeemed on 22 September 2014 at their principal amount.

On 22 September 2014, Prime Holdings (Labuan) Limited had fully redeemed the Notes.

- (e) 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.
- (f) On 8 June 2012, the Company through its 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.

Details of assets pledged as securities for the borrowings are disclosed in Notes 16, 20, 21 and 32.

39. PROVISIONS

	Group		Company	
	2014	2013	2014	2013
Provision for retirement gratuities (see (a) below)	267.1	237.2	78.3	68.6
Provision for contingent losses (see (b) below)	-	-	-	22.5
Asset retirement obligations (see (c) below)	114.4	-	-	-
Other provision	43.5	41.5	-	-
	425.0	278.7	78.3	91.1
Less: Provision for retirement gratuities shown as current liabilities (see (a) below)	(15.5)	(13.6)	-	-
	409.5	265.1	78.3	91.1
(a) Provision for Retirement Gratuities				
Beginning of the financial year	237.2	203.7	68.6	57.0
Charge for the financial year	35.8	41.6	9.8	12.1
Write-back of provision	(0.5)	(0.6)	-	-
Payments during the financial year	(5.6)	(7.5)	(0.1)	(0.5)
Foreign exchange differences	0.2	-	-	-
End of the financial year	267.1	237.2	78.3	68.6
Analysed as follows:				
Current (see Note 41)	15.5	13.6	-	-
Non-current	251.6	223.6	78.3	68.6
	267.1	237.2	78.3	68.6

(b) Provision for Contingent Losses

	Company	
	2014	2013
Beginning of the financial year	22.5	24.4
Reversal for the financial year	(22.5)	(1.9)
End of the financial year	-	22.5

The contingent losses arise from guarantees issued to financial institutions on borrowings extended to a wholly owned subsidiary for the purpose of raising funding for the Group's investments. During the current financial year, the subsidiary had fully settled the outstanding borrowing (see Note 38(d)).

(c) Asset retirement obligations

Asset retirement obligations consist primarily of estimated cost of dismantlement, removal, site reclamation and similar activities associated with oil and gas assets.

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40. OTHER NON-CURRENT LIABILITIES

	Group	
	2014	2013
Advance membership fees	13.7	17.0
Accruals and other payables	28.3	27.4
	<u>42.0</u>	<u>44.4</u>

The advance membership fees relate to fees received on sale of timeshare units by an indirect subsidiary offering a timeshare ownership scheme. These fees are recognised as income over the next twenty four years from commencement of membership.

41. TRADE AND OTHER PAYABLES

	Group		Company	
	2014	2013	2014	2013
Trade payables	670.5	533.6	-	-
Accruals	2,061.7	1,899.9	35.2	33.4
Retirement gratuities (see Note 39(a))	15.5	13.6	-	-
Deposits	24.9	38.7	-	-
Provision for onerous lease	14.8	6.7	-	-
Accrued capital expenditure	348.1	385.9	-	-
Deferred income	198.4	305.2	-	-
Other payables	1,013.4	915.2	-	0.2
	<u>4,347.3</u>	<u>4,098.8</u>	<u>35.2</u>	<u>33.6</u>

The carrying amounts of the Group's and the Company's trade and other payables approximate their fair values.

42. DERIVATIVE FINANCIAL INSTRUMENTS

<u>Group</u>	2014		2013	
	Assets	Liabilities	Assets	Liabilities
Interest Rate Swap - designated as hedge (see Note (a) below)	-	(166.8)	2.0	-
Interest Rate Swap - not designated as hedge (see Note (b) below)	-	(7.3)	-	(20.7)
Cross Currency Swap - not designated as hedge (see Note (c) below)	94.3	(1.3)	109.5	(8.1)
Cross Currency Swap - designated as hedge (see Note (d) below)	-	(32.6)	-	-
Interest Rate Capped Libor-In-Arrears Swap - cash flow hedge (see Note (e) below)	-	(1.7)	-	(3.1)
Forward Foreign Currency Exchange Contracts - cash flow hedge (see Note (f) below)	3.8	(0.1)	-	(2.5)
Forward Foreign Currency Exchange Contracts (see Note (g) below)	-	-	1.0	-
Compound financial instruments (see Note 27)	-	(652.2)	-	(23.7)
Call Option to purchase shares in an investment (see Note (h) below)	-	-	9.0	-
Warrants to purchase shares in an investment (see Note (i) below)	3.5	-	-	-
Total derivative financial instruments	101.6	(862.0)	121.5	(58.1)
Analysed as follows:				
Current	2.5	(658.2)	9.4	(35.5)
Non-current	99.1	(203.8)	112.1	(22.6)
	101.6	(862.0)	121.5	(58.1)

The Group's derivative financial instruments relate to the following:

(a) Interest Rate Swaps ("IRS") – designated as hedge

The GENM Group has entered into IRS to hedge the UK Group's exposure to interest rate risk on its borrowings in UK. This contract entitles the GENM Group to receive interest at floating rates on notional principal amounts and oblige the UK Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the GENM Group to raise borrowings at floating rates and swap them into fixed rates. The total notional principal amount of this outstanding IRS contract at 31 December 2014 was approximately RM359.3 million (2013: RM177.2 million). As at 31 December 2014, the estimated fair value of this IRS contract was approximately RM5.3 million which was unfavourable to the Group (2013: RM1.5 million which was favourable to the Group).

The GENP Group has also entered into IRS to hedge the exposure to interest rate risk on its USD borrowing. The total notional principal amount of this outstanding IRS contract at 31 December 2014 was approximately RM69.5 million (2013: RM65.7 million). As at 31 December 2014, the estimated fair value of this IRS contract was approximately RM0.2 million which was unfavourable to the Group (2013: RM0.5 million which was favourable to the Group).

DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

The Group had also adopted hedge accounting on 1 April 2014 (hedge inception date) for the IRS contracts to hedge the Group's exposure to interest rate risk on its borrowing in Indonesia as disclosed in Note 42(b).

The total notional principal amount of these IRS contracts at 31 December 2014 was approximately RM1,791.1 million. As at 31 December 2014, the estimated fair value of these IRS contracts was approximately RM161.3 million, which was unfavourable to the Group.

These IRS contracts are accounted for using the hedge accounting method. The changes of fair value of these IRS contracts are included as hedging reserve in equity and continuously released to the income statement until the repayment of the bank borrowings or maturity of IRS whichever is earlier.

(b) Interest Rate Swaps ("IRS") – not designated as hedge

The GENS Group has entered into IRS to hedge the GENS Group's exposure to interest rate risk on its borrowings in Singapore. These contracts entitle the GENS Group to receive interest at floating rates on notional principal amounts and oblige the GENS 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 rate. These IRS have expired upon maturity in June 2014. As at 31 December 2013, the total notional principal amount of these outstanding IRS contracts was approximately RM1,296.5 million and the estimated fair value of these IRS contracts was approximately RM4.6 million, which was unfavourable to the Group.

The Group has also entered into IRS contracts to hedge the Group's exposure to interest rate risk on its borrowings in India and Indonesia. These contracts entitle 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 Group subsequently adopted hedge accounting on 1 April 2014 (hedge inception date) for the IRS contracts to hedge the Group's exposure to interest rate risk on its borrowing in Indonesia. The Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objective and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. All these IRS contracts qualify as cash flow hedges (see Note 42(a)). IRS contracts to hedge the Group's exposure to interest rate risk on its borrowings in India remain not designated as hedges.

As at 31 December 2014, the total notional principal amount of these outstanding IRS contracts was approximately RM139.1 million (2013: RM880.4 million) and the estimated fair value of these IRS contracts was approximately RM7.3 million (2013: RM16.1 million), which was unfavourable to the Group.

The changes in the fair value of these IRS contracts are recognised as other income or other expense in the income statement.

DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

(c) Cross Currency Swap – not designated as hedge

The Group has entered into a Cross Currency Swap contract to pay INR and SGD in exchange of USD for both principal and interest payments to hedge against the exposure of its borrowings to interest rate risk and foreign exchange risk in India and Singapore respectively.

The Group subsequently adopted hedge accounting on 1 April 2014 (hedge inception date) for the Cross Currency Swap contracts to pay SGD in exchange of USD against the exposure of its borrowings to interest rate risk and foreign exchange risk in Singapore. The Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objective and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. All these Cross Currency Swap contracts qualify as cash flow hedges (see Note 42(d)). Cross currency swap contracts to pay INR in exchange of USD against the exposure of its borrowings to interest rate risk and foreign exchange risk in India remain not designated as hedges.

The total notional principal amount of these outstanding Cross Currency Swap contracts at 31 December 2014 was approximately RM292.2 million (2013: RM496.2 million). As at 31 December 2014, the estimated fair value of these Cross Currency Swap contracts was approximately RM93.0 million (2013: RM101.4 million), which was favourable to the Group.

This Cross Currency Swap contract is not designated as cash flow or fair value hedges. The changes in the fair value of these Cross Currency Swap contracts are recognised as other income or other expense in the income statement.

(d) Cross Currency Swap – designated as cash flow hedge

These relate to Cross Currency Swap contracts to pay SGD in exchange for USD against the exposure of its borrowings to interest rate risk and foreign exchange risk in Singapore, which adopted the hedge accounting on 1 April 2014 as disclosed in Note 42(c).

The total notional principal amount of these outstanding Cross Currency Swap contracts at 31 December 2014 was approximately RM158.5 million. As at 31 December 2014, the estimated fair value of these Cross Currency Swap contracts was approximately RM32.6 million, which was unfavourable to the Group.

These Cross Currency Swap contracts are accounted for using the hedge accounting method. The changes of fair value of these Cross Currency Swap contracts 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.

DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

(e) Interest Rate Capped Libor-In-Arrears Swap (“IRCLIA”) – cash flow hedge

The total notional principal amount of the outstanding IRCLIA contracts at 31 December 2014 was approximately RM208.6 million (2013: RM197.1 million). As at 31 December 2014, the estimated fair value of these IRCLIA contracts was approximately RM1.7 million (2013: RM3.1 million), which was unfavourable to the Group.

These IRCLIA contracts are accounted for using the hedge accounting method. The changes of fair value of these IRCLIA are included as hedging reserves in equity and are recognised in the income statement as the underlying hedged items are recognised.

(f) Forward Foreign Currency Exchange – cash flow hedge

The GENP Group entered into USD forward foreign currency exchange contracts to manage the exposure to foreign currency exchange risk in relation to its operations in Indonesia.

The total notional principal amount of the outstanding USD forward foreign currency exchange contracts as at 31 December 2014 was approximately RM24.6 million (2013: RM14.8 million). As at 31 December 2014, the estimated fair value of these forward foreign currency exchange contracts was RM0.1 million (2013: RM2.5 million) which was unfavourable to the Group.

The Group had also adopted hedge accounting on 1 April 2014 (hedge inception date) for the USD forward contracts to hedge the Group’s exposure to foreign currency exchange risk on its SGD term loan as disclosed in Note 42(g).

The total notional principal amount of these forward contracts at 31 December 2014 was approximately RM65.1 million. As at 31 December 2014, the estimated fair value of these forward contracts was approximately RM3.8 million, which was favourable to the Group.

These forward foreign currency exchange contracts are accounted for using the hedge accounting method. The changes of fair value of these forward foreign currency exchange contracts are included as hedging reserves in equity and are recognised in the income statement as the underlying hedged items are recognised.

DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

(g) Forward Foreign Currency Exchange – designated as hedge with effect from 1 April 2014

The Group entered into USD forward foreign currency exchange contracts to hedge the Group's exposure to foreign currency exchange risk on its SGD term loan. The Group had adopted hedge accounting on 1 April 2014 (hedge inception date) for these USD forward contracts. The Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objective and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship (see Note 42(f)).

As at 31 December 2013, the total notional principal amount of these forward foreign currency contracts was approximately RM97.5 million and the estimated fair value of these forward foreign currency exchange contracts was RM1.0 million, which was favourable to the Group.

(h) Call Option to purchase shares in an investment

The Group entered into a Call Option Agreement with a third party granting the Group the right that requires the third party to issue up to 10,750,000 new ordinary shares at a consideration of SGD1.20 per share.

The fair value of the Call Option is negligible at inception and is subsequently carried at its fair value with fair value changes recognised in profit or loss. As at 31 December 2013, the estimated fair value of the option was RM9.0 million which was favourable to the Group. The call option was subsequently exercised on its expiry date 17 June 2014 at the consideration of SGD1.20 per share.

(i) Warrants to purchase shares in an investment

The Group purchased the warrants attached to the subscription of preference shares in an investment that give the right to the Group to purchase from a third party up to 103,114 preference shares at the lower of (i) USD23.76 per share or (ii) 20% discount on the next round financing pricing. The warrants are exercisable any time from 12 August 2014 to 12 August 2022.

The warrants are initially recognised at fair value and are subsequently carried at fair value through profit or loss. The fair value changes are recognised in profit or loss. As at 31 December 2014, the estimated fair value of the option was RM3.5 million which was favourable to the Group.

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 had no significant concentrations of credit risk as at 31 December 2014.

43. ON GOING LITIGATION

GENP and Genting Tanjung Bahagia Sdn Bhd (“GTBSB”), a wholly owned subsidiary of GENP, were named as the Second and Third Defendants respectively (“the Defendants”) in a legal suit filed in the High Court of Sabah and Sarawak at Kota Kinabalu (“High Court”) under Suit No. K22-245-2002 (“the Suit”) dated 11 October 2002. The Suit was instituted by certain natives (“the Plaintiffs”) claiming Native Customary Rights over the agricultural land or part thereof held under title number CL095330724 measuring approximately 8,830 hectares situated at Sungai Tongod, District of Kinabatangan, Sandakan, Sabah which was acquired by GTBSB from Hap Seng Consolidated Berhad.

On 11 February 2003, the Defendants filed an application to strike out the Plaintiffs’ Suit (“Application to Strike Out”) and on 13 June 2003 the Application to Strike Out was dismissed with cost. The Defendants appealed against the said decision (“Appeal for Application to Strike Out”).

During the High Court’s hearing of the Suit for an interlocutory injunction on 5 July 2004, the Defendants had raised a preliminary objection that the High Court has no original jurisdiction to hear the Suit and that this Suit will lead to multiplicity of actions as the Plaintiffs had already made an application to the Assistant Collector of Land Revenue for similar claims. On 20 June 2008, the High Court upheld the preliminary objection with cost awarded to the Defendants (“PO Decision”) and struck out the Plaintiffs’ suit.

On 7 July 2008, the Plaintiffs filed a Notice of Appeal to the Court of Appeal against PO Decision. On 9 June 2011, the Court of Appeal upheld the PO Decision of the High Court and dismissed the Plaintiffs’ appeal against the PO Decision (“Court of Appeal Ruling”).

The Plaintiffs had filed a motion for leave to appeal before the Federal Court against the Court of Appeal’s Ruling (“Federal Court Appeal”) and the Federal Court granted Plaintiff leave for the appeal on 25 July 2011. The Federal Court had on 24 November 2011 heard and allowed the Federal Court Appeal. The Federal Court further ordered that the matter be remitted to the High Court to hear the Appeal for the Application to Strike Out. The High Court had on 13 March 2012 dismissed the Appeal for Application to Strike Out with cost (“High Court Decision”) and ordered the parties to proceed with trial.

The Defendants had on 17 April 2012 filed a Notice of Appeal to the Court of Appeal against the High Court Decision. The Court of Appeal heard the appeal on 8 May 2013. On 9 May 2013, the Court of Appeal dismissed the appeal. The Defendants’ motion for leave to appeal to the Federal Court was dismissed with costs on 25 February 2014 and the Federal Court directed that the trial at the High Court should continue.

On an application by the Plaintiffs, the High Court allowed the Plaintiffs’ application to amend the Statement of Claim and for joinder of three additional parties as the Sixth, Seventh and Eight Defendants, namely the Assistant Collector of Land Revenue, Tongod, the Registrar of Titles and Assistant Collector of Land Revenues, Kota Kinabatangan.

The High Court had proceeded with trial since 26 November 2012 and the trial is still ongoing.

The solicitors engaged by the GENP Group maintained their opinion that the Plaintiffs’ action is misconceived and unsustainable.

There have been no changes to the status of the aforesaid litigation as at 26 February 2015.

44. CONTINGENCY

Contingent Liability – GENM

In the previous financial year ended 31 December 2013, a legal claim of RM41.3 million has been made against a subsidiary of the GENM Group. The GENM Group was of the view that the obligation to pay was not probable based on legal advice received, and this claim was disclosed as a contingent liability in accordance with FRS 137 “Provisions, Contingent Liabilities and Contingent Assets”.

In October 2014, the court ruled in favour of the GENM Group and the GENM Group has no obligation to pay. Based on legal advice received, the GENM Group is of the view that the obligation to pay is remote and therefore is not a contingent liability as at 31 December 2014.

Other than the above development, there were no other contingent liabilities or contingent assets since the financial year ended 31 December 2014.

45. COMMITMENTS

(a) Capital Commitments

	Group		Company	
	2014	2013	2014	2013
Authorised capital expenditure not provided for in the financial statements:				
- contracted	5,437.6	4,968.1	-	-
- not contracted	8,604.0	8,667.0	-	-
	<u>14,041.6</u>	<u>13,635.1</u>	<u>-</u>	<u>-</u>
Analysed as follows:				
(i) Group				
- Property, plant and equipment	8,545.8	8,254.0	-	-
- Power concession assets (intangible assets and other non-current assets)	2,097.3	2,684.1	-	-
- Rights of use of oil and gas assets	1,803.4	1,305.6	-	-
- Investments	991.0	980.6	-	-
- Plantation development	572.4	310.8	-	-
- Leasehold land use rights	15.5	47.9	-	-
- Intellectual property development	11.0	0.5	-	-
- Investment properties	4.2	9.7	-	-
- Intangible assets	0.5	-	-	-
- Available-for-sale financial assets	-	33.4	-	-
	<u>14,041.1</u>	<u>13,626.6</u>	<u>-</u>	<u>-</u>
(ii) Share of capital commitments in joint ventures				
- Investment properties	0.5	8.0	-	-
- Property, plant and equipment	-	0.5	-	-
	<u>0.5</u>	<u>8.5</u>	<u>-</u>	<u>-</u>
	<u>14,041.6</u>	<u>13,635.1</u>	<u>-</u>	<u>-</u>

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	
	2014	2013
Not later than one year	79.4	74.1
Later than one year but not later than five years	237.4	246.5
Later than five years	336.1	328.6
	<u>652.9</u>	<u>649.2</u>

The operating lease commitments mainly relate to leases of offices, land and buildings and equipment 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	
	2014	2013
Not later than one year	51.3	45.3
Later than one year but not later than five years	50.8	65.2
Later than five years	0.5	0.5
	<u>102.6</u>	<u>111.0</u>

The Group leases out retail space to non-related parties under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights.

46. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 7 February 2014, GENS Group entered into a conditional shareholders agreement (“SHA”) with Landing International Development Limited (“LIDL”) to subscribe for 8,250,000 new ordinary shares in Landing Jeju Development Co., Ltd (“LJDC”) and to provide a shareholders loan to LJDC, amounting to SGD195.0 million. LIDL, an investment holding company listed on the Hong Kong Stock Exchange, has established LJDC to own, develop, manage and operate an integrated resort in Jeju, South Korea. The GENS Group has also entered into an operator agreement with LJDC on the same date to provide services to LJDC for its gaming business. Completion of the transaction is conditional upon fulfilment of certain conditions precedent set out in the SHA. On 27 March 2014, GENS announced that on 26 March 2014, all the conditions precedent under the SHA have been completed and LJDC is now recognised as an associate of GENS.

In addition to the above investment, the GENS Group has also entered into a conditional subscription agreement on the same date to acquire new shares in LIDL for a total purchase consideration of approximately SGD39.8 million. This represents approximately 5% of the enlarged share capital in LIDL. On 1 April 2014, GENS further announced that on 28 March 2014, all the conditions precedent under the subscription agreement have been satisfied and the subscription agreement was completed on 1 April 2014.

- (b) On 13 November 2013, Fujian Electric (Hong Kong) LDC (“FEHK”) signed a Sale and Purchase Agreement for the disposal of a 51% equity interest in Fujian Pacific Electric Company Limited (“FPEC”), a wholly owned subsidiary of FEHK to SDIC Power Holdings Co., Ltd. FPEC owns and operates the 724MW coal fired Meizhou Wan power plant in Putian, Fujian Province, China.

On 10 July 2014, the Company announced the completion of the disposal for a total cash consideration of RMB694 million and FPEC ceased to be an indirect subsidiary of the Company on the same date. Subsequent to the disposal, the financial results of the Meizhou Wan power plant have been accounted for as a joint venture from the date of completion.

- (c) On 4 June 2014, Genting CDX Singapore Pte Ltd (“Genting CDX”), which is a 95% indirect subsidiary of the Company, signed a Sale and Purchase Agreement with Energy Development Corporation (China) Inc. (“EDC”) to acquire EDC’s 57% participating interest in the Chengdaoqi Block (“CDX”) located in the shallow waters of Bohai Bay, China (the “Transaction”). Genting CDX took control of this participating interest in CDX, which is an oil producing field that is jointly operated by Genting CDX and the China Petrochemical Corporation, with effect from 1 July 2014. The total purchase price of the Transaction was USD186.1 million plus an additional USD10.0 million contribution towards future development cost in CDX.
- (d) On 1 April 2014, GENP announced that the proposed reorganisation of joint venture for oil palm cultivation in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia had been completed and accordingly, Borneo Palma Mulia Pte Ltd and Palma Citra Investama Pte Ltd (“PCitra”) have become 73.685% owned subsidiaries of GENP while PT Permata Sawit Mandiri, a 95% owned subsidiary of PCitra, has become a 70% owned subsidiary of GENP.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (Cont'd)

- (e) On 18 July 2014, Newquest Resources Pte Ltd (“NRPL”), an indirect wholly owned subsidiary of the Company has on the same date, completed the acquisition of 2 ordinary shares of RM1.00 each representing the entire issued and paid-up share capital in Lion Agriculture (Indonesia) Sdn Bhd (formerly known as LFIB Plantations Sdn Bhd) (“LAI”) from Akurjaya Sdn Bhd (“Akurjaya”) for a cash consideration of RM2.00 and a sum of USD6.9 million for taking over the existing shareholder loans extended to LAI (“Acquisition”).

LAI has also on 18 July 2014, completed the acquisition of 95% equity interest comprising 17,100 ordinary shares of Indonesia Rp. 1,000,000 each in PT Varita Majutama (“PTVM”), an Indonesian company which has interest in approximately 52,000 hectares of plantation land in West Papua, Indonesia for a cash consideration of USD1.9 million and a sum of USD52.7 million for taking over the existing shareholder loans extended to PTVM. Arising from the Acquisition, LAI and PTVM have become indirect subsidiaries of the Company.

- (f) On 8 August 2014, GENP announced the completion of GENP’s proposed share sale to dispose 72 million fully paid up ordinary shares of RM1.00 each representing 25% of the entire share capital of Genting Integrated Biorefinery Sdn Bhd (“GIB”) to Elevance Renewable Sciences Singapore Pte Ltd (“ERS Singapore”), a wholly owned subsidiary of Elevance Renewable Sciences, Inc (“Elevance”) for a cash consideration of RM72 million. Hence, GENP’s shareholding in GIB has reduced from 100% to 75%.

- (g) On 11 July 2014, GENP had entered into a share sale with ERS Singapore. On the same date, GENP had entered into a Master Agreement for collaboration to produce high value palm oil derivatives such as oleofins, specialty chemicals and saturated methyl esters. The Master Agreement will involve, inter-alia, the following agreements to be executed to consummate the said collaboration:

- (i) a Licence and Catalyst Supply Agreement and a Project Design and Consultancy Agreement between GIB and Elevance which were both executed on 11 July 2014 whereby:

- (a) Elevance shall grant GIB a fee-bearing, irrevocable, non-transferable, non-exclusive licence under its patent rights for its metathesis technology, and utilising the catalysts to produce and sell the high value palm oil derivatives; and
- (b) Elevance shall provide GIB its knowledge transfer, technical and consulting services in connection with the engineering, design and construction of the Metathesis Plant referred to below,

for a total cash consideration of USD28.05 million (approximately RM89.48 million) payable by GIB to Elevance; and

- (ii) the ancillary agreements to be executed by the relevant parties to facilitate the operations of the Metathesis Plant covering offtake, marketing and the provision of management services as well as to set out the rights and obligations of the shareholders of GIB.

The Metathesis Plant refers to GIB’s existing 200,000 metric tonnes biodiesel plant located in the Palm Oil Industrial Cluster, Lahad Datu, Sabah which will be transformed to produce high value palm oil derivatives using Elevance’s metathesis technology. Barring unforeseen circumstances, the Metathesis Plant is expected to commence operation and production of these high value palm oil derivatives by year 2017.

The share sale was completed on 8 August 2014.

47. SIGNIFICANT SUBSEQUENT EVENTS

- (a) On 16 January 2015, the Company announced that DNA Electronics Limited (“DNAe”), an indirect 82.1% owned subsidiary of the Company had on 15 January 2015 completed the acquisition of the entire issued share capital of NanoMR, Inc. (“NanoMR”) for a total cash consideration of approximately USD24.0 million (“Acquisition”) by way of merger under the laws of Delaware, United States of America. NanoMR is a development-stage diagnostics company based in New Mexico, United States of America.

On completion of the Acquisition, DNA Electronics US, Inc. (“DNAE US”), a wholly owned subsidiary of DNAe which was incorporated in the State of Delaware, United States of America on 2 January 2015, was merged with and into NanoMR (“Merger”), with NanoMR as the surviving entity and wholly owned subsidiary of DNAe. Consequently, DNAE US ceased to be an indirect subsidiary of the Company and NanoMR became an indirect subsidiary of the Company pursuant to the Acquisition and Merger.

Pursuant to a rights issue by DNAe to fund the Acquisition, Edith Grove Limited, an indirect wholly owned subsidiary of the Company, had on 9 January 2015 subscribed for additional new ordinary shares in DNAe, thereby increasing its shareholding in DNAe from 63.8% as at 31 December 2014 to 82.1%.

- (b) On 11 September 2014, BB Entertainment Limited (“BBEL”), an indirect 70% owned subsidiary of GENM, entered into an agreement to acquire land from RAV Bahamas Limited, a shareholder of BBEL with a 30% interest currently, for a consideration of USD24.6 million (equivalent to approximately RM85.5 million) (“Acquisition”).

On 12 February 2015, following the fulfilment of all conditions precedent, the Acquisition is closed pursuant to the terms of the agreement.

- (c) On 26 February 2015, GENM announced the establishment of an employee share grant scheme for eligible employees and executive directors of GENM and its subsidiaries, excluding subsidiaries which are dormant or incorporated outside Malaysia (“GENM Group”) (“Eligible Employees”). The scheme serves to attract, retain, motivate and reward Eligible Employees for their contribution to the GENM Group through the award of GENM Shares without any consideration payable by Eligible Employees, subject to Eligible Employees fulfilling certain vesting conditions.

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	
	2014	2013	2014	2013
(a) Transactions with subsidiaries				
(i) Licensing fees from the subsidiaries to the Company for the use of name and accompanying logo of “Genting” and “Awana” owned by the Company.	-	-	191.9	198.0
(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 GENM.	-	-	408.0	430.8
(iii) Interest income earned by the Company from its subsidiaries on the interest bearing portion of the amount due from subsidiaries.	-	-	30.8	41.4
(iv) Finance cost charged by subsidiaries to the Company on the interest bearing portion of the amount due to subsidiaries.	-	-	216.9	228.8
(v) 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.	-	-	4.1	4.0
(vi) Rental charges for office space and related services by a subsidiary of GENM to the Company.	-	-	2.7	2.4

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

	Group		Company	
	2014	2013	2014	2013
(vii) Provision of management and/or support services by the Company to its subsidiaries, associates and joint ventures.	<u>-</u>	<u>-</u>	<u>17.4</u>	<u>14.6</u>
(b) Transactions with associates and joint ventures				
(i) Licensing fee for the use of the name “Genting” charged by wholly owned subsidiaries of the Company to Genting Simon Sdn Bhd, a joint venture of the GENP Group.	<u>0.5</u>	<u>0.3</u>	<u>-</u>	<u>-</u>
(ii) Provision of management services by GaiaAgri Services Limited, an associate of GENP, to AsianIndo Holdings Pte Ltd, a wholly owned subsidiary of GENP.	<u>-</u>	<u>1.9</u>	<u>-</u>	<u>-</u>
(iii) Provision of management services by Genting Awanpura Sdn Bhd, a wholly owned subsidiary of GENP, to Genting Simon Sdn Bhd, a joint venture of GENP.	<u>0.4</u>	<u>0.6</u>	<u>-</u>	<u>-</u>
(iv) Provision of goods and services by DCP (Sentosa) Pte Ltd, a joint venture of GENS to GENS Group.	<u>78.0</u>	<u>76.3</u>	<u>-</u>	<u>-</u>
(v) Shareholders loan provided by GENS Group to its associate.	<u>253.1</u>	<u>-</u>	<u>-</u>	<u>-</u>
(vi) Interest income earned by GENS Group from its associate.	<u>9.7</u>	<u>-</u>	<u>-</u>	<u>-</u>
(vii) Provision of professional and marketing services by GENM Group to RWI Group.	<u>22.7</u>	<u>14.1</u>	<u>-</u>	<u>-</u>
(viii) Licensing fee for the use of “Resorts World” and “Genting” intellectual property in the United States of America and the Bahamas charged by RWI to GENM Group.	<u>55.0</u>	<u>50.3</u>	<u>-</u>	<u>-</u>

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

	Group		Company	
	2014	2013	2014	2013
(c) Transactions with other related parties				
(i) Rental of premises and provision of connected services by GENM to Oriregal Creations Sdn Bhd ("Oriregal"). Puan Sri Lim (Nee Lee) Kim Hua, mother of Tan Sri Lim Kok Thay ("TSLKT") and grandmother of Mr Lim Keong Hui, is a director and substantial shareholder of Oriregal.	<u>1.5</u>	<u>1.5</u>	<u>-</u>	<u>-</u>
(ii) Letting of premises by Genting Development Sdn Bhd ("GDSB") to the Group. Puan Sri Lim (Nee Lee) Kim Hua, is a director and shareholder of GDSB.	<u>1.1</u>	<u>0.4</u>	<u>-</u>	<u>-</u>
(iii) Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by GENM Group to GENHK Group, a company in which certain Directors of the Company have interests.	<u>1.0</u>	<u>1.2</u>	<u>-</u>	<u>-</u>
(iv) Disposal of 72 million fully paid ordinary shares of RM1.00 each representing 25% of the entire share capital of GIB, a subsidiary of GENP, to ERS Singapore where the Company, GENP's immediate and ultimate holding company, holds 16% equity interest in Elevance, which in turn holds 100% in ERS Singapore.	<u>72.0</u>	<u>-</u>	<u>-</u>	<u>-</u>
(v) Provision of a license and design and consultancy services in relation to the construction and operation of a metathesis plant by Elevance.	<u>39.0</u>	<u>-</u>	<u>-</u>	<u>-</u>
(vi) Air ticketing services and provision of reservation and booking services rendered by GENHK to GENS Group and a wholly owned subsidiary of the Company.	<u>6.4</u>	<u>6.0</u>	<u>-</u>	<u>-</u>
(vii) Provision of management and support services by GENM Group to SE Mass II, LLC, an entity connected with Directors of GENM.	<u>4.7</u>	<u>9.0</u>	<u>-</u>	<u>-</u>

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

		Group		Company	
		2014	2013	2014	2013
(viii)	Purchase of an asset by GENM Group from Wider SRL, an entity connected with Directors of GENM.	-	2.5	-	-
(ix)	Provision of information technology, implementation, support and maintenance services, hotel accommodation, food and beverage and theme park charges by GENS Group to GENHK Group.	1.2	-	-	-
(x)	Acquisition of aircraft by GENM Group from GENHK Group.	57.5	-	-	-
(xi)	Provision of management and consultancy service on theme park and resort development and operations by International Resort Management Services Pte Ltd ("IRMS") to GENM Group, an entity connected with certain Directors of GENM.	30.0	-	-	-
(xii)	Purchase of an art sculpture by GENM from TSLKT.	7.1	-	-	-
(xiii)	Provision of management services by GENS Group to Ambadell Pty Ltd.	0.3	0.3	-	-
(xiv)	Leasing of office space by GENS Group to IRMS.	1.0	1.5	-	-
(xv)	Sales of development properties by GENP Group to an Executive Director and key management personnel of the Company.	-	7.6	-	-

SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Cont'd)

	Group		Company	
	2014	2013	2014	2013
(d) Directors and key management personnel				
The remuneration of Directors and other key management personnel is as follows:				
Fees, salaries and bonuses	121.2	104.4	49.0	45.2
Defined contribution plan	16.4	15.7	8.7	8.0
Other short term employee benefits	2.9	0.6	2.4	-
Share-based payments	4.1	4.6	-	-
Provision for retirement gratuities	16.4	19.5	8.5	10.0
Estimated money value of benefits-in-kind (not charged to the income statements)	1.7	1.4	0.1	0.2

The outstanding balances as at 31 December 2014 and 2013, arising from sale/purchase of services, and payments made on behalf/receipts from the subsidiaries, associates and joint ventures are disclosed in Notes 23, 24 and 25. The outstanding balances arising from other related sales/purchases are not material as at 31 December 2014 and 2013.

49. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
Direct Subsidiaries					
	GB Services Berhad	100.0	100.0	Malaysia	Issuance of private debt securities
	Genting Bio Cellular Sdn Bhd	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	Offshore financing
+	Genting Energy Limited	100.0	100.0	Isle of Man	Investment holding
+	Genting Equities (Hong Kong) Limited	100.0	100.0	Hong Kong, SAR	Investments
	Genting Genomics Limited	100.0	100.0	Isle of Man	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, Malaysia	Rent-A-Captive Offshore insurance business
	Genting Malaysia Berhad (see Note 23)	49.3	49.3	Malaysia	Resort, hotel and gaming operations
	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	Isle of Man	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
+	Genting Overseas Investments Limited	100.0	100.0	Isle of Man	Investments
	Genting Plantations Berhad	53.8	54.6	Malaysia	Plantation, investment holding 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
+	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	Isle of Man	Investments
	Maxitage Sdn Bhd	100.0	100.0	Malaysia	Investments
	Peak Avenue Limited	100.0	100.0	Isle of Man	Investment holding
	Phoenix Spectrum Sdn Bhd	100.0	100.0	Malaysia	Investments
	Prime Offshore (Labuan) Limited	100.0	100.0	Labuan, Malaysia	Offshore financing
+	Vista Knowledge Pte Ltd	100.0	100.0	Singapore	Investments
	Genting Sanyen Newsprint Sdn Bhd	100.0	100.0	Malaysia	Dormant
+	Resorts World Bhd (Hong Kong) Limited	100.0	100.0	Hong Kong, SAR	Dormant
+	Resorts World (Singapore) Pte Ltd	100.0	100.0	Singapore	Dormant

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
+	Genting Bhd (Hong Kong) Limited	100.0	100.0	Hong Kong, SAR	Pre-operating
	Genting Digital Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
+	Genting Games Pte Ltd	100.0	100.0	Singapore	Pre-operating
+	Genting Gaming Solutions 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	Isle of Man	Pre-operating
+	Genting (Singapore) Pte Ltd	100.0	100.0	Singapore	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	-	Labuan, Malaysia	Pre-operating
+	Resorts World Limited	100.0	100.0	Hong Kong, SAR	Pre-operating
	Sri Highlands Express Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
	Suasana Duta Sdn Bhd	100.0	-	Malaysia	Pre-operating
	Prime Holdings (Labuan) Limited (In Member's Voluntary Liquidation)	100.0	100.0	Labuan, Malaysia	In liquidation
Indirect Subsidiaries					
#	ABC Biscayne LLC	49.3	49.3	United States of America	Letting of property
#	ACGT Intellectual Limited	51.0	51.5	British Virgin Islands	Genomics research and development
	ACGT Sdn Bhd	51.0	51.5	Malaysia	Genomics research and development

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
#	Acorn Co., Ltd.	52.5	-	Japan	Development, management, marketing and promotion of integrated resort and leisure destinations; Real estate and any related businesses
+	Adriana Limited	52.5	52.0	Isle of Man	Sales coordinator for the leisure and hospitality related business
	Alfa Raya Development Sdn Bhd	53.8	54.6	Malaysia	Refining and selling of palm oil products
+	Algona Pte Ltd	52.5	52.0	Singapore	Investment holding
	Aliran Tunas Sdn Bhd	49.3	49.3	Malaysia	Provision of water services at Genting Highlands
+	Ascend International Holdings Limited	49.3	49.3	Hong Kong, SAR	Provision of IT related services and marketing services; and investment holding
	Ascend Solutions Sdn Bhd	49.3	49.3	Malaysia	Provision of IT and consultancy services
+	Asia Pacific Agri Investment Pte Ltd	34.0	34.5	Singapore	Investment holding
+	Asian Palm Oil Pte Ltd	53.8	54.6	Singapore	Investment holding
+	AsianIndo Holdings Pte Ltd	53.8	54.6	Singapore	Investment holding
+	AsianIndo Palm Oil Pte Ltd	53.8	54.6	Singapore	Investment holding

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
	Asiaticom Sdn Bhd	53.8	54.6	Malaysia	Oil palm plantation
	Awana Hotels & Resorts Management Sdn Bhd	100.0	100.0	Malaysia	Provision of hotels and resorts management services
	Awana Vacation Resorts Development Berhad	49.3	49.3	Malaysia	Proprietary time share ownership scheme
#	Azzon Limited	53.8	54.6	Isle of Man	Investment holding
#	BayCity Co., Ltd.	52.5	-	Japan	Development, management, marketing and promotion of integrated resort and leisure destinations; Real estate and any related businesses
#	Bayfront 2011 Development, LLC	49.3	49.3	United States of America	Property development
+	BB Entertainment Ltd	34.5	34.5	Commonwealth of The Bahamas	Casino owner and operator
#	BB Investment Holdings Ltd	49.3	49.3	Commonwealth of The Bahamas	Investment holding
	Benih Restu Berhad	53.8	54.6	Malaysia	Issuance of debt securities under Sukuk programme
+	Bestlink Global International Limited	52.5	-	British Virgin Islands	Investment holding
#	Bimini SuperFast Charter Limited	49.3	49.3	Isle of Man	Ferry operator

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
#	Bimini SuperFast Limited	49.3	49.3	Isle of Man	Owner of sea vessels
#	Bimini SuperFast Operations LLC	49.3	49.3	United States of America	Provision of support operations for ferry service
+	Blackford Limited	52.5	-	Hong Kong	Investment holding
#	BlueBell Co., Ltd.	52.5	-	Japan	Development, management, marketing and promotion of integrated resort and leisure destinations; Real estate and any related businesses
+	Blue Shell International Limited	52.5	52.0	British Virgin Islands	Provision of sales and marketing services
+	Borneo Palma Mulia Pte Ltd	39.6	-	Singapore	Investment holding
+	Bradden Pte Ltd	52.5	52.0	Singapore	Investment holding
	Bromet Limited	49.3	49.3	Isle of Man	Investment holding
+	Calidone Limited	52.5	52.0	Isle of Man	Investment holding
+	Callisto Business Limited	52.5	-	British Virgin Islands	Investment holding
	Chelsea Court Limited	49.3	49.3	Isle of Man	Investment holding
#	Coastal Nanjing Power Ltd	100.0	100.0	Cayman Islands	Investment holding
#	Coastal Wuxi Power Ltd	100.0	100.0	Cayman Islands	Investment holding

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
+	Coastbright Limited	49.3	49.3	United Kingdom	Casino owner and operator
#	Degan Limited	51.0	51.5	Isle of Man	Investment holding
#	Digital Tree LLC	49.3	49.3	United States of America	Collection of royalties
#	Digital Tree (USA) Inc	49.3	49.3	United States of America	Investment holding
*	DNA Electronics Limited	63.8	63.9	United Kingdom	Research & development on technologies for genetic analysis and sequencing
	Dragasac Limited	100.0	100.0	Isle of Man	Investments
+	Dynamic Sales Investments Limited	52.5	52.0	British Virgin Islands	Investment holding
	Eastern Wonder Sdn Bhd	49.3	49.3	Malaysia	Support services
	Edith Grove Limited	100.0	100.0	Isle of Man	Investment holding
	Equarius Resort Sdn Bhd	52.5	52.0	Malaysia	Hotel, resort and leisure related activities
	E-Genting Holdings Sdn Bhd	49.3	49.3	Malaysia	Provision of management services, IT related services and investment holding
	E-Genting Sdn Bhd	49.3	49.3	Malaysia	Research in software development, provision of IT and consultancy services
	First World Hotels & Resorts Sdn Bhd	49.3	49.3	Malaysia	Hotel business

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
+	Fitzroy Limited	52.5	-	Hong Kong	Investment holding
#	Fujian Electric (Hong Kong) LDC	100.0	100.0	Cayman Islands	Investment holding
#	GBD Holdings Ltd	53.8	54.6	Cayman Islands	Investment holding
	Genasa Sdn Bhd	49.3	49.3	Malaysia	Property development, sale and letting of apartment units
	Genmas Sdn Bhd	49.3	49.3	Malaysia	Sale and letting of land
	Gensa Sdn Bhd	49.3	49.3	Malaysia	Sale and letting of land and property
	Genting Administrative Services Sdn Bhd	49.3	49.3	Malaysia	Investment holding
#	Genting Americas Inc	49.3	49.3	United States of America	Investment holding
#	Genting Assets, INC	100.0	100.0	United States of America	Investment holding
	Genting Awanpura Sdn Bhd	53.8	54.6	Malaysia	Provision of technical and management services
	Genting Biodiesel Sdn Bhd	53.8	-	Malaysia	Manufacturing and sale of biodiesel
#	Genting Bioscience Limited	53.8	54.6	Isle of Man	Investment holding
	Genting Biotech Sdn Bhd	53.8	54.6	Malaysia	Investment holding

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2014	2013		
+ Genting Casinos UK Limited	49.3	49.3	United Kingdom	Casino owner and operator
+ Genting CDX Singapore Pte Ltd (formerly known as Genting International Industries (Singapore) Pte Ltd)	95.0	97.7	Singapore	Oil & gas development and production
Genting Centre of Excellence Sdn Bhd	49.3	49.3	Malaysia	Provision of training services
Genting CSR Sdn Bhd	49.3	49.3	Malaysia	Investment holding
Genting East Coast USA Limited	49.3	49.3	Isle of Man	Investment holding
+ Genting Energy Property Pte Ltd	95.0	95.0	Singapore	Investment holding
Genting Entertainment Sdn Bhd	49.3	49.3	Malaysia	Show agent
# Genting Florida LLC	49.3	49.3	United States of America	Investment holding
Genting Golf Course Bhd	49.3	49.3	Malaysia	Condotel and hotel business, golf resort and property development
Genting Green Tech Sdn Bhd	53.8	54.6	Malaysia	Research and development and production of superior oil palm planting materials
Genting Highlands Berhad	49.3	49.3	Malaysia	Land and property development
Genting Highlands Tours and Promotion Sdn Bhd	49.3	49.3	Malaysia	Letting of land and premises
Genting Ibico Holdings Limited	49.3	49.3	Isle of Man	Investment holding
Genting Indahpura Development Sdn Bhd	53.8	54.6	Malaysia	Property development

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2014	2013		
+ Genting Industrial Holdings Limited	97.7	97.7	Isle of Man	Investment holding
Genting Information Knowledge Enterprise Sdn Bhd	49.3	49.3	Malaysia	Research in software development, provision of IT and consultancy services
Genting Integrated Biorefinery Sdn Bhd	40.3	-	Malaysia	Manufacturing and sale of downstream palm oil derivatives
+ Genting Integrated Resorts Operations Management Pte Ltd	52.5	52.0	Singapore	Provision of resort management and consultancy services
+ Genting Integrated Resorts (Singapore) Pte Ltd	52.5	52.0	Singapore	Provide consultancy and management services for leisure, hospitality, resorts and entertainment industry
+ Genting Integrated Resorts II (Singapore) Pte Ltd	52.5	-	Singapore	Investment holding company
+ Genting Integrated Resorts III (Singapore) Pte Ltd	52.5	-	Singapore	International resort management
# Genting International Corp	52.5	52.0	United States of America	Investment
+ Genting International Gaming & Resort Technologies Pte Ltd	52.5	52.0	Singapore	Providing information technology services relating to the gaming and resort industry

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2014	2013		
+ Genting International Investment Properties (UK) Limited	49.3	49.3	United Kingdom	Property investment and development
+ Genting International Investment (UK) Limited	49.3	49.3	United Kingdom	Investment holding
# Genting International Japan Co., Ltd	52.5	52.0	Japan	Marketing and promotion of resort destinations
+ Genting International Limited	52.5	52.0	Isle of Man	Investment holding
+ Genting International Management Limited	52.5	52.0	Isle of Man	Investment holding and ownership of intellectual property rights
+ Genting International Management Services Pte Ltd	52.5	52.0	Singapore	Investment holding
Genting International Paper Limited	100.0	100.0	Isle of Man	Investment holding
+ Genting International Resorts Management Limited	52.5	52.0	Isle of Man	Investment holding
Genting International Sdn Bhd	52.5	52.0	Malaysia	Provision of management services
+ Genting International Services (HK) Limited	52.5	-	Hong Kong	Investment holding

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
+	Genting International Services Singapore Pte Ltd	52.5	52.0	Singapore	Provision of international sales and marketing services and corporate services
+	Genting International (Singapore) Pte Ltd	52.5	52.0	Singapore	Tour promotion
+	Genting International (UK) Limited	49.3	49.3	United Kingdom	Investment holding
	Genting Irama Sdn Bhd	49.3	49.3	Malaysia	Investment holding
+	Genting Lanco Power (India) Pvt Ltd	74.0	74.0	India	Provision of operation and maintenance services for power plant
	Genting Land Sdn Bhd	53.8	54.6	Malaysia	Property investment
	Genting Leisure Sdn Bhd	49.3	49.3	Malaysia	Investment holding
+	Genting MZW Pte Ltd	100.0	-	Singapore	Investment holding
#	Genting Nevada Inc	49.3	49.3	United States of America	Investment holding
+	Genting New York LLC	49.3	49.3	United States of America	Developer and operator of a video lottery facility
+	Genting (NSW) Pty Ltd	52.5	52.0	Australia	Investments and provision of management services
+	Genting Oil & Gas Limited	95.0	95.0	Isle of Man	Investment holding
+	Genting Oil Kasuri Pte Ltd	95.0	95.0	Singapore	Oil & gas exploration

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2014	2013		
Genting Oil Mill Sdn Bhd	53.8	54.6	Malaysia	Processing of fresh fruit bunches
Genting Overseas Management Limited	100.0	100.0	Isle of Man	Investment holding
+ Genting (Park Lane Mews Hotel) Limited	49.3	49.3	United Kingdom	Hotel operator
Genting Permaipura Golf Course Berhad	53.8	54.6	Malaysia	Operation of golf and recreational club
Genting Plantations (WM) Sdn Bhd	53.8	54.6	Malaysia	Oil palm plantation
Genting Power China Limited	100.0	100.0	Bermuda	Investment holding
+ Genting Power Holdings Limited	100.0	100.0	Isle of Man	Investment holding
+ Genting Power (India) Limited	100.0	100.0	Mauritius	Investment holding
Genting Power Indonesia Limited	100.0	100.0	Isle of Man	Investment holding
+ Genting Power (M) Limited	100.0	100.0	Isle of Man	Investment holding
+ Genting Properties (UK) Pte Ltd	49.3	49.3	Singapore	Property investment
Genting Property Sdn Bhd	53.8	54.6	Malaysia	Property development
Genting Sanyen (Malaysia) Sdn Bhd	97.7	97.7	Malaysia	Investment holding and management company
Genting Sanyen Power (Labuan) Limited	100.0	100.0	Labuan, Malaysia	Investment holding
Genting SDC Sdn Bhd	53.8	54.6	Malaysia	Oil palm plantation and processing of fresh fruit bunches
+ Genting Singapore Aviation	52.5	52.0	Cayman Islands	Purchasing, owning and operating of aircrafts for passenger air transportation
+ Genting Singapore Aviation Management	52.5	52.0	Cayman Islands	Managing of aircrafts for passenger air transportation
+ Genting Singapore Aviation III Ltd	52.5	52.0	Bermuda	Purchasing, owning and operating of aircrafts for passenger air transportation

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2014	2013		
+ Genting Singapore PLC	52.5	52.0	Isle of Man	Investment holding
Genting Skyway Sdn Bhd	49.3	49.3	Malaysia	Provision of cable car services
+ Genting Solihull Limited	49.3	49.3	United Kingdom	Property development
# Genting Star Limited	52.5	52.0	British Virgin Islands	Investment holding
# Genting Star (Macau) Limited	52.5	52.0	Macau	Entertainment, leisure and hospitality
Genting Tanjung Bahagia Sdn Bhd	53.8	54.6	Malaysia	Oil palm plantation
+ Genting UK Plc	49.3	49.3	United Kingdom	Investment holding
Genting (USA) Limited	49.3	49.3	Isle of Man	Investment holding
Genting Utilities & Services Sdn Bhd	49.3	49.3	Malaysia	Provision of electricity supply services at Genting Highlands and investment holding
Genting World Sdn Bhd	49.3	49.3	Malaysia	Leisure and entertainment business
Genting WorldCard Services Sdn Bhd	49.3	49.3	Malaysia	Provision of loyalty programme services
Genting Worldwide (Labuan) Limited	49.3	49.3	Labuan, Malaysia	Offshore financing
Genting Worldwide Limited	49.3	49.3	Isle of Man	Investment holding
Genting Worldwide (UK) Limited	49.3	49.3	Isle of Man	Investment holding
Gentinggi Sdn Bhd	49.3	49.3	Malaysia	Investment holding
GHR Risk Management (Labuan) Limited	49.3	49.3	Labuan, Malaysia	Offshore captive insurance
+ Global Agri Investment Pte Ltd	34.0	34.5	Singapore	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
	Global Bio-Diesel Sdn Bhd	53.8	54.6	Malaysia	Investment holding
+	GlobalIndo Holdings Pte Ltd (formerly known as Global Agripalm Investment Holdings Pte Ltd)	34.0	34.5	Singapore	Investment holding
+	Golden Site Limited	49.3	49.3	Hong Kong, SAR	International sales and marketing services
+	Golden Site Pte Ltd	49.3	49.3	Singapore	International sales and marketing services
#	GP Overseas Limited	53.8	54.6	Isle of Man	Investment holding
+	GP (Raigad) Pte Ltd	100.0	100.0	Singapore	Investment holding
+	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
	GProperty Construction Sdn Bhd	53.8	54.6	Malaysia	Provision of project management services
+	Grand Knight International Limited	52.5	52.0	British Virgin Islands	Investment holding
+	Green Synergy Holdings Pte Ltd	100.0	100.0	Singapore	Investment holding
+	Green Synergy Limited	100.0	100.0	Hong Kong, SAR	Investment holding
+	Greenfield Resources Capital Limited	52.5	52.0	British Virgin Islands	Investment holding
+	GSHK Capital Limited	52.5	52.0	Hong Kong, SAR	Provision of marketing coordination and promotion services for resorts, hotels and other facilities owned by related companies
+	Happy Bay Pte Ltd	52.5	52.0	Singapore	Investment holding
#	Hill Crest LLC	49.3	49.3	United States of America	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
+	Kara Palm Oil Pte Ltd	53.8	54.6	Singapore	Investment holding
+	Ketapang Agri Holdings Pte Ltd	39.6	54.6	Singapore	Investment holding
	Kijal Facilities Services Sdn Bhd	49.3	49.3	Malaysia	Letting of its apartments units
	Kijal Resort Sdn Bhd	49.3	49.3	Malaysia	Property development and property management
	Lacustrine Limited	100.0	100.0	Isle of Man	Investments
	Lafleur Limited	49.3	49.3	Isle of Man	Investment holding
+	Landsdale Pte Ltd	52.5	52.0	Singapore	Investment holding
	Landworthy Sdn Bhd	45.2	45.9	Malaysia	Oil palm plantation
+	Legold Pte Ltd	52.5	52.0	Singapore	Investment holding
	Leisure & Cafe Concept Sdn Bhd	49.3	49.3	Malaysia	Karaoke business
+	Lestari Listrik Pte Ltd	100.0	100.0	Singapore	Investment holding
	Lingkaran Cergas Sdn Bhd	49.3	49.3	Malaysia	Provision of services at Genting Highlands
	Lion Agriculture (Indonesia) Sdn Bhd	100.0	-	Malaysia	Investment holding
	Maxims Clubs Sdn Bhd	52.5	52.0	Malaysia	Leisure and hospitality
	Mediglove Sdn Bhd	53.8	54.6	Malaysia	Investment holding
+	Medo Investment Pte Ltd	52.5	52.0	Singapore	Investment holding
+	Medo Limited	52.5	52.0	Isle of Man	Investment holding
#	Meizhou Wan Power Production Holding Company, Ltd	100.0	100.0	Cayman Islands	Investment holding
#	MoonLake Co., Ltd.	52.5	-	Japan	Development, management, marketing and promotion of integrated resort and leisure destinations; Real estate and any related businesses

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
	Nature Base Sdn Bhd	49.3	49.3	Malaysia	Provision of services at Genting Highlands
	Nedby Limited	49.3	49.3	Isle of Man	Investment holding
	Netyield Sdn Bhd	49.3	49.3	Malaysia	Provision of services at Genting Highlands
	Newquest Limited	100.0	100.0	Isle of Man	Investments
+	Newquest Resources Pte Ltd	100.0	-	Singapore	Investment holding
+	Northspring Capital Ltd	52.5	52.0	British Virgin Islands	Investment holding
+	Northspring Global Ltd	52.5	52.0	British Virgin Islands	Investment holding
+	Northspring International Ltd	52.5	52.0	British Virgin Islands	Investment holding
+	Northspring Management Ltd	52.5	52.0	British Virgin Islands	Investment holding
+	Northspring Resources Ltd	52.5	52.0	British Virgin Islands	Investment holding
*	North Spring Capital Blue LLC	52.5	52.0	Mongolia	Real estate activities and management consulting
*	North Spring Capital Mongolia LLC	52.5	52.0	Mongolia	Buying, leasing, selling, renting immovable properties, foreign trading activities and business consulting
+	North Spring Enterprises LLC	52.5	52.0	Mongolia	Real estate activities and business consulting

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
+	North Spring Investments LLC	52.5	52.0	Mongolia	Real estate activities and management consulting
	Oakwood Sdn Bhd	49.3	49.3	Malaysia	Property investment and management
+	Ocean Star Resources Limited	52.5	52.0	British Virgin Islands	Provision of sales and marketing services
	Orbit Crescent Sdn Bhd	53.8	54.6	Malaysia	Investment holding
	Orient Star International Limited	49.3	49.3	Bermuda	Ownership and operation of aircraft
	Orient Wonder International Limited	49.3	49.3	Bermuda	Ownership and operation of aircraft
+	Oriental Explorer Pte Ltd	95.0	95.0	Singapore	Leasing of land rig
	Oxalis Limited	100.0	100.0	Isle of Man	Coal trading
+	Palma Citra Investama Pte Ltd	39.6	-	Singapore	Investment holding
	Palma Ketara Sdn Bhd	53.8	-	Malaysia	Investment holding
+	PalmIndo Holdings Pte Ltd (formerly known as Palm Agri Holdings Pte Ltd)	39.6	54.6	Singapore	Investment holding
	PalmIndo Sdn Bhd	53.8	54.6	Malaysia	Investment holding
+	Palomino Limited	52.5	52.0	Isle of Man	Investment holding
+	Palomino Sun Limited	52.5	52.0	Isle of Man	Investment holding
*	Palomino Sun (UK) Limited	52.5	52.0	United Kingdom	Investment holding
	Papago Sdn Bhd	49.3	49.3	Malaysia	Resort and hotel business
+	Phoenix Express Limited (formerly known as Northspring Group Ltd)	52.5	52.0	British Virgin Islands	Investment holding
+	PineGlory Pte Ltd	52.5	-	Singapore	Investment holding
+	Poppleton Limited	52.5	-	British Virgin Islands	Investment holding
	Possible Wealth Sdn Bhd	49.3	49.3	Malaysia	International sales and marketing services; and investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
+	Prestelle Pte Ltd	52.5	52.0	Singapore	Investment holding
+	Prospero Development Limited	52.5	-	British Virgin Islands	Investment holding
+	PT Citra Sawit Cemerlang	37.6	38.2	Indonesia	Oil palm plantation
+	PT Dwie Warna Karya	51.1	51.9	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Genting Plantations Nusantara	53.8	54.6	Indonesia	Provision of management services
+	PT GlobalIndo Agung Lestari	32.3	32.8	Indonesia	Oil palm plantation
+	PT GlobalIndo Investama Lestari	32.3	32.8	Indonesia	Oil palm plantation
+	PT GlobalIndo Mitra Abadi Lestari	32.3	32.8	Indonesia	Oil palm plantation
+	PT Kapuas Maju Jaya	51.1	51.9	Indonesia	Oil palm plantation
+	PT Lestari Banten Energi	95.0	95.0	Indonesia	Generation and supply of electric power
+	PT Lestari Properti Investama	95.0	95.0	Indonesia	Property investment
+	PT Permata Sawit Mandiri	37.6	-	Indonesia	Oil palm plantation
+	PT Sawit Mitra Abadi	37.6	38.2	Indonesia	Oil palm plantation
+	PT Sepanjang Intisurya Mulia	37.6	38.2	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Surya Agro Palma	37.6	38.2	Indonesia	Oil palm plantation
+	PT Susantri Permai	51.1	51.9	Indonesia	Oil palm plantation
+	PT Varita Majutama	95.0	-	Indonesia	Oil palm plantation
	Resorts Facilities Services Sdn Bhd	49.3	49.3	Malaysia	Property upkeep services
	Resorts Tavern Sdn Bhd	49.3	49.3	Malaysia	Land and property development
+	Resorts World at Sentosa Pte Ltd	52.5	52.0	Singapore	Construction, development and operation of an integrated resort at Sentosa
	Resorts World at Sentosa Sdn Bhd	52.5	52.0	Malaysia	Hotel, resort and leisure related activities

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
#	Resorts World Aviation LLC (formerly known as RWD US LLC)	49.3	49.3	United States of America	Owner of aeroplanes
	Resorts World Capital Limited	49.3	49.3	Isle of Man	Investment holding
#	Resorts World Japan Co., Ltd.	52.5	-	Japan	Investment holding; Development, management, marketing and promotion of integrated resort and leisure destinations; Real estate and any related businesses
#	Resorts World Las Vegas LLC	100.0	100.0	United States of America	Investment holding
+	Resorts World Limited	49.3	49.3	Isle of Man	Investment holding and investment trading
+	Resorts World Marketing Pte Ltd	52.5	52.0	Singapore	Sales and marketing services
#	Resorts World Miami LLC	49.3	49.3	United States of America	Property investment
#	Resorts World OMNI LLC	49.3	49.3	United States of America	Hotel business
#	Resorts World Osaka Co., Ltd.	52.5	-	Japan	Development, management, marketing and promotion of integrated resort and leisure destinations; Real estate and any related businesses
+	Resorts World Properties Pte Ltd	52.5	52.0	Singapore	Investment holding
+	Resorts World Properties II Pte Ltd	52.5	52.0	Singapore	Constructing and operating a fish farm
	Resorts World Properties Sdn Bhd	49.3	49.3	Malaysia	Investment holding

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
#	Resorts World Tokyo Co., Ltd.	52.5	-	Japan	Investment holding; Development, management, marketing and promotion of integrated resort and leisure destinations; Real estate and any related businesses
	Resorts World Tours Sdn Bhd	49.3	49.3	Malaysia	Provision of tour and travel related services
*	Resorts World Travel Services Private Limited	49.3	49.3	India	Travel agency
	Roundhay Limited	95.0	95.0	Isle of Man	Investment holding
#	RWBB Management Ltd	49.3	49.3	Commonwealth of The Bahamas	Provision of casino management services
#	RWBB Resorts Management Ltd	49.3	49.3	Commonwealth of The Bahamas	Provision of resort management services
+	Sandai Maju Pte Ltd	39.6	54.6	Singapore	Investment holding
+	Sanggau Holdings Pte Ltd	39.6	54.6	Singapore	Investment holding
	Sawit Sukau Usahasama Sdn Bhd	30.1	30.5	Malaysia	Oil palm plantation
	Seraya Mayang Sdn Bhd	49.3	49.3	Malaysia	Investment holding
	Setiacahaya Sdn Bhd	76.9	77.3	Malaysia	Property investment
	Setiamas Sdn Bhd	53.8	54.6	Malaysia	Oil palm plantation and property development
	Setiaseri Sdn Bhd	49.3	49.3	Malaysia	Letting of its apartment units
	Sierra Springs Sdn Bhd	49.3	49.3	Malaysia	Investment holding
+	South East Asia Agri Investment Pte Ltd	34.0	34.5	Singapore	Investment holding
	SPC Biodiesel Sdn Bhd	53.8	-	Malaysia	Manufacturing and sale of biodiesel
+	Sri Nangatayap Pte Ltd	39.6	54.6	Singapore	Investment holding
#	Stanley Casinos Holdings Limited	49.3	49.3	United Kingdom	Investment holding

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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
#	Stanley Overseas Holdings Limited	49.3	49.3	United Kingdom	Investment holding
+	Star Eagle Holdings Limited	52.5	52.0	British Virgin Islands	Investment holding
#	StarLight Co., Ltd.	52.5	-	Japan	Development, management, marketing and promotion of integrated resort and leisure destinations; Real estate and any related businesses
#	SunLake Co., Ltd.	52.5	-	Japan	Development, management, marketing and promotion of integrated resort and leisure destinations; Real estate and any related businesses
	Sunyield Success Sdn Bhd	53.8	54.6	Malaysia	Investment holding
+	Swallow Creek Limited	95.0	95.0	Isle of Man	Investment holding
+	Tamerton Pte Ltd	52.5	52.0	Singapore	Investment holding, hotel developer and owner
	Technimode Enterprises Sdn Bhd	53.8	54.6	Malaysia	Property investment
+	Trevena Limited	52.5	-	British Virgin Islands	Investment holding
	Trushidup Plantations Sdn Bhd	53.8	54.6	Malaysia	Investment holding
#	Two Digital Trees LLC	49.3	49.3	United States of America	Investment holding
+	Vestplus (Hong Kong) Limited	49.3	49.3	Hong Kong, SAR	Payment and collection agent
	Vestplus Sdn Bhd	49.3	49.3	Malaysia	Sale and letting of apartment units; and payment and collection agent

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
	Wawasan Land Progress Sdn Bhd	53.8	54.6	Malaysia	Oil palm plantation
+	WEB Energy Ltd	100.0	100.0	Mauritius	Investment holding
	Widuri Pelangi Sdn Bhd	49.3	49.3	Malaysia	Golf resort and hotel business
+	WorldCard Overseas Holdings Limited	52.5	52.0	Isle of Man	Service provider of loyalty programmes
	WorldCard Services Sdn Bhd	49.3	49.3	Malaysia	Provision of loyalty programme services
+	Xi'an Ascend Software Technology Co., Ltd.	49.3	49.3	China	Research and development and provision of IT related services
	Genting Bio-Oil Sdn Bhd	97.7	97.7	Malaysia	Ceased operation
*	Wuxi Huada Gas Turbine Electric Power Company	60.0	60.0	China	Ceased operation
	Aberdeen Avenue Limited	49.3	49.3	Isle of Man	Dormant
#	Advanced Technologies Ltd	49.3	49.3	Dominica	Dormant
#	Annabel's Casino Limited	49.3	49.3	United Kingdom	Dormant
	Aura Empire Sdn Bhd	53.8	54.6	Malaysia	Dormant
#	Baychain Limited	49.3	49.3	United Kingdom	Dormant
#	C C Derby Limited	49.3	49.3	United Kingdom	Dormant
#	Capital Casinos Group Limited	49.3	49.3	United Kingdom	Dormant
#	Capital Clubs Limited	49.3	49.3	United Kingdom	Dormant
#	Capital Corporation (Holdings) Limited	49.3	49.3	United Kingdom	Dormant

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
#	Capital Corporation Limited	49.3	49.3	United Kingdom	Dormant
#	Cascades Casinos Limited	49.3	49.3	United Kingdom	Dormant
#	Cascades Clubs Limited	49.3	49.3	United Kingdom	Dormant
#	Castle Casino Limited	49.3	49.3	United Kingdom	Dormant
	Cengkeh Emas Sdn Bhd	53.8	54.6	Malaysia	Dormant
#	Churchstirling Limited	49.3	49.3	United Kingdom	Dormant
	Cosmo-Jupiter Sdn Bhd	53.8	54.6	Malaysia	Dormant
#	Cotedale Limited	49.3	49.3	United Kingdom	Dormant
#	Crockfords Club Limited	49.3	49.3	United Kingdom	Dormant
#	Crockfords Investments Limited	49.3	49.3	Guernsey	Dormant
#	Cromwell Sporting Enterprises Limited	49.3	49.3	United Kingdom	Dormant
	Dasar Pinggir (M) Sdn Bhd	97.7	97.7	Malaysia	Dormant
#	Dealduo Limited	49.3	49.3	United Kingdom	Dormant
	Delquest Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Dianti Plantations Sdn Bhd	53.8	54.6	Malaysia	Dormant
#	Drawlink Limited	49.3	49.3	United Kingdom	Dormant
+	Freeany Enterprises Limited	49.3	49.3	United Kingdom	Dormant
#	Gameover Limited	49.3	49.3	United Kingdom	Dormant
	GBD Ventures Sdn Bhd	53.8	54.6	Malaysia	Dormant
	Genas Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Genawan Sdn Bhd	49.3	49.3	Malaysia	Dormant
	GENM Capital Berhad	49.3	-	Malaysia	Dormant

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2014	2013		
Gentas Sdn Bhd	49.3	49.3	Malaysia	Dormant
Gentasa Sdn Bhd	49.3	49.3	Malaysia	Dormant
Genting Biofuels Sdn Bhd	97.7	97.7	Malaysia	Dormant
Genting Commodities Trading Sdn Bhd	53.8	54.6	Malaysia	Dormant
+ Genting International Enterprises (Singapore) Pte Ltd	49.3	49.3	Singapore	Dormant
# Genting Las Vegas LLC	49.3	49.3	United States of America	Dormant
Genting Newsprint Sdn Bhd	100.0	100.0	Malaysia	Dormant
Genting Project Services Sdn Bhd	49.3	49.3	Malaysia	Dormant
+ Genting Property Limited	100.0	100.0	Isle of Man	Dormant
Genting Vegetable Oils Refinery Sdn Bhd	53.8	54.6	Malaysia	Dormant
Genting West Coast USA Limited	49.3	49.3	Isle of Man	Dormant
Gentinggi Quarry Sdn Bhd	49.3	49.3	Malaysia	Dormant
Glugor Development Sdn Bhd	53.8	54.6	Malaysia	Dormant
# Grosmont Limited	53.8	54.6	Isle of Man	Dormant
# Harbour House Casino Limited	49.3	49.3	United Kingdom	Dormant
# Hazelman Limited	49.3	49.3	United Kingdom	Dormant
Hijauan Cergas Sdn Bhd	53.8	-	Malaysia	Dormant
Hitechwood Sdn Bhd	49.3	49.3	Malaysia	Dormant

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
	Ikhlas Tiasa Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	Incomeactual Limited	49.3	49.3	United Kingdom	Dormant
	Infomart Sdn Bhd	100.0	100.0	Malaysia	Dormant
#	International Sporting Club (London) Limited	49.3	49.3	United Kingdom	Dormant
	Jomara Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Kenyalang Borneo Sdn Bhd	53.8	54.6	Malaysia	Dormant
	Kinavest Sdn Bhd	53.8	54.6	Malaysia	Dormant
#	Langway Limited	49.3	49.3	United Kingdom	Dormant
	Larisan Prima Sdn Bhd	53.8	54.6	Malaysia	Dormant
#	Maxims Casinos Limited	49.3	49.3	United Kingdom	Dormant
	Merriwa Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	Metro Leisure Group Limited	49.3	49.3	United Kingdom	Dormant
#	MLG Investments Limited	49.3	49.3	United Kingdom	Dormant
	Neutrino Space Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	Ocean Front Acquisition, LLC	49.3	49.3	United States of America	Dormant
#	Palm Beach Club Limited	49.3	49.3	United Kingdom	Dormant
#	Palomino World (UK) Limited	49.3	49.3	United Kingdom	Dormant
#	Pellanfayre Limited	49.3	49.3	United Kingdom	Dormant
	Possible Affluent Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Profile Rhythm Sdn Bhd	53.8	-	Malaysia	Dormant
	Rapallo Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Resorts World Enterprise Limited	49.3	49.3	Isle of Man	Dormant
	Resorts World Ventures Limited	49.3	49.3	Isle of Man	Dormant
#	RW Orange County LLC	49.3	-	United States of America	Dormant
#	RWD US Holding Inc	49.3	49.3	United States of America	Dormant
	R.W. Investments Limited	49.3	49.3	Isle of Man	Dormant

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2014	2013		
Sahabat Alam Sdn Bhd	97.7	97.7	Malaysia	Dormant
Space Fair Sdn Bhd	49.3	49.3	Malaysia	Dormant
# Sportcrest Limited	49.3	49.3	United Kingdom	Dormant
# St Aubin Properties Limited	49.3	49.3	United Kingdom	Dormant
# Stanley Genting Casinos (Leeds) Limited	50.9	50.7	United Kingdom	Dormant
# Stanley Genting Casinos Limited	50.9	50.7	United Kingdom	Dormant
# Stanley Interactive Limited	49.3	49.3	United Kingdom	Dormant
+ Stanley Leisure Group (Malta) Limited	49.3	49.3	Malta	Dormant
+ Stanley Leisure (Ireland)	49.3	49.3	Ireland	Dormant
# Stanley Online Limited	49.3	49.3	United Kingdom	Dormant
# Stanley Snooker Clubs Limited	49.3	49.3	United Kingdom	Dormant
# Star City Casino Limited	49.3	49.3	United Kingdom	Dormant
Sweet Bonus Sdn Bhd	49.3	49.3	Malaysia	Dormant
# Tameview Properties Limited	49.3	49.3	United Kingdom	Dormant
# The Colony Club Limited	49.3	49.3	United Kingdom	Dormant
# The Kings Casino (Yarmouth) Limited	49.3	49.3	United Kingdom	Dormant
# The Midland Wheel Club Limited	49.3	49.3	United Kingdom	Dormant
# Tower Casino Group Limited	49.3	49.3	United Kingdom	Dormant
# Tower Clubs Management Limited	49.3	49.3	United Kingdom	Dormant
# Triangle Casino (Bristol) Limited	49.3	49.3	United Kingdom	Dormant
Tullamarine Sdn Bhd	49.3	49.3	Malaysia	Dormant
# TV-AM Enterprises Limited	49.3	49.3	United Kingdom	Dormant
# TV-AM Limited	49.3	49.3	United Kingdom	Dormant
# TV-AM (News) Limited	49.3	49.3	United Kingdom	Dormant
Twinkle Glow Sdn Bhd	49.3	49.3	Malaysia	Dormant

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
	Twinmatics Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	VendWorld, LLC	49.3	49.3	United State of America	Dormant
	Vintage Action Sdn Bhd	49.3	49.3	Malaysia	Dormant
#	Westcliff Casino Limited	49.3	49.3	United Kingdom	Dormant
#	Westcliff (CG) Limited	49.3	49.3	United Kingdom	Dormant
#	William Crockford Limited	49.3	49.3	United Kingdom	Dormant
#	Worthchance Limited	49.3	49.3	United Kingdom	Dormant
	Yarrowin Sdn Bhd	49.3	49.3	Malaysia	Dormant
	Zillionpoint Project Sdn Bhd	53.8	54.6	Malaysia	Dormant
#	ACGT Global Pte Ltd	53.8	54.6	Singapore	Pre-operating
#	ACGT Singapore Pte Ltd	53.8	54.6	Singapore	Pre-operating
	Awana Hotels & Resorts Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
	Awana Vacation Resorts Management Sdn Bhd	100.0	100.0	Malaysia	Pre-operating
+	Full East Enterprise Limited	53.8	54.6	Hong Kong, SAR	Pre-operating
+	Genting Casinos Egypt Limited	49.3	49.3	United Kingdom	Pre-operating
	Genting Energy Sdn Bhd	97.7	97.7	Malaysia	Pre-operating
#	Genting Leisure LLC	100.0	100.0	United States of America	Pre-operating
#	Genting Management Services LLC	49.3	49.3	United States of America	Pre-operating
	Genting Petroleum Ventures Limited	95.0	95.0	Isle of Man	Pre-operating
	Genting Power International Limited	100.0	100.0	Isle of Man	Pre-operating

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
	Genting Power Philippines Limited	100.0	100.0	Isle of Man	Pre-operating
	Genting Sanyen Incineration Sdn Bhd	97.7	97.7	Malaysia	Pre-operating
	Genting Sanyen Indonesia Limited	95.0	95.0	Isle of Man	Pre-operating
#	GGT Singapore Pte Ltd	53.8	54.6	Singapore	Pre-operating
#	GP Equities Pte Ltd	53.8	54.6	Singapore	Pre-operating
#	Ketapang Holdings Pte Ltd	39.6	54.6	Singapore	Pre-operating
+	Lestari Energi Pte Ltd	100.0	100.0	Singapore	Pre-operating
#	Sri Kenyalang Pte Ltd	53.8	54.6	Singapore	Pre-operating
	Tamanaco Limited	100.0	100.0	Isle of Man	Pre-operating
#	Transworld Agri Investment Pte Ltd	34.0	34.5	Singapore	Pre-operating
#	Universal Agri Investment Pte Ltd	34.0	34.5	Singapore	Pre-operating
+	Gecoun Limited (In Member's Voluntary Liquidation)	100.0	100.0	Isle of Man	In liquidation
+	Genting International (Thailand) Limited (In Member's Voluntary Liquidation)	47.8	47.3	Thailand	In liquidation
+	Genting Oil Morocco Limited (In Member's Voluntary Liquidation)	95.0	95.0	Isle of Man	In liquidation
	GP China Limited (In Members' Voluntary Liquidation)	100.0	100.0	Isle of Man	In liquidation
	Highlands Exploration Limited (In Members' Voluntary Liquidation)	95.0	95.0	Isle of Man	In liquidation
	Highlands Power Development Limited (In Members' Voluntary Liquidation)	100.0	100.0	Isle of Man	In liquidation
	Jamberoo Limited (In Members' Voluntary Liquidation)	95.0	95.0	Isle of Man	In liquidation
+	Laila Limited (In Member's Voluntary Liquidation)	95.0	95.0	Isle of Man	In liquidation
*	Myanmar Genting Sanyen Limited (In Member's Voluntary Liquidation)	100.0	100.0	Myanmar	In liquidation

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
*	Nanjing Coastal Xingang Cogeneration Power Plant (Placed under early dissolution and Members' Voluntary Liquidation)	80.0	80.0	China	In liquidation
	Sorona Limited (In Members' Voluntary Liquidation)	100.0	100.0	Isle of Man	In liquidation
+	Suzhou Ascend Technology Co., Limited (In Member's Voluntary Liquidation)	49.3	49.3	China	In liquidation
	Tetha Limited (In Members' Voluntary Liquidation)	95.0	95.0	Isle of Man	In liquidation
	Torrens Limited (In Member's Voluntary Liquidation)	97.7	97.7	Isle of Man	In liquidation
#	Genting 3 Limited	-	52.0	United Kingdom	Dissolved
#	Genting Assets, LLC	-	100.0	United States of America	Dissolved
#	Genting Investments Corp	-	100.0	United States of America	Dissolved
#	Setiabahagia Sdn Bhd	-	49.3	Malaysia	Dissolved
#	Pacific Sky LLC	-	52.0	Mongolia	De-registered
#	Fox Poker Club Limited	-	49.3	United Kingdom	Struck-off
+	Genting India Travel Services Private Limited	-	52.0	India	Struck-off

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

					Effective Percentage of Ownership		Country of Incorporation	Principal Activities
					2014	2013		
Joint Ventures								
+	Autumnglow Pte Ltd				26.2	-	Singapore	Provision of management and operation services
+	DCP (Sentosa) Pte Ltd				42.0	41.6	Singapore	Construction, development and operation of a district cooling plant supplying chilled water for air-conditioning needs at Sentosa
+	FreeStyle Gaming Limited				50.0	50.0	Hong Kong, SAR	Interactive and online software solutions including intranet solutions
*	Fujian Pacific Electric Company Limited				49.0	100.0	China	Generation and supply of electric power
+	Genting Alderney Limited				50.0	50.0	Alderney Channel Islands	Online gaming operator
	Genting Simon Sdn Bhd				26.9	27.3	Malaysia	Development, ownership and management of outlet shopping centres
+	Resorts World Inc Pte Ltd				50.0	50.0	Singapore	Investment holding

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
#	RW Services Inc	50.0	50.0	United States of America	Provision of technical and consulting services and programme management
	RW Tech Labs Sdn Bhd (formerly known as RW Services (M) Sdn Bhd)	50.0	50.0	Malaysia	Provision of management services
+	RW Services Pte Ltd	50.0	50.0	Singapore	Provision of technical and consulting services and programme management
#	RWI International Investments Limited	50.0	50.0	British Virgin Island	Investment holding
#	Simon Genting Limited	26.9	27.3	Isle of Man	Investment holding
#	Apollo Genting London Limited	24.7	24.7	United Kingdom	Dormant
	Genting INTI Education Sdn Bhd	17.3	17.3	Malaysia	Dormant
#	Genting Nevada Interactive Gaming LLC	50.0	50.0	United States of America	Pre-operating
#	Genting U.S. Interactive Gaming Inc	50.0	50.0	United States of America	Pre-operating
*	808 Holdings Pte Ltd	17.5	17.3	Singapore	In liquidation
*	Gemstones Investments Pte Ltd	17.5	17.3	Singapore	In liquidation
*	Kensington Hotel Pte Ltd	17.5	17.3	Singapore	In liquidation
*	Kensington Residential Pte Ltd	17.5	17.3	Singapore	In liquidation
*	KHS Management Limited	17.5	17.3	United Kingdom	In liquidation

Genting Berhad (Company No: 7916-A)

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (Cont'd)

		Effective Percentage of Ownership		Country of Incorporation	Principal Activities
		2014	2013		
Associates					
*	Lanco Kondapalli Power Limited	30.0	30.0	India	Generation and supply of electric power
*	Lanco Tanjore Power Company Limited	41.6	41.6	India	Generation and supply of electric power
+	Landing Jeju Development Co., Ltd.	26.2	-	Korea	To own, develop, manage and operate an integrated resort in Seowipo City, Jeju, Korea
*	Landmarks Berhad	30.3	30.3	Malaysia	Resort, property investment and property development
*	Serian Palm Oil Mill Sdn Bhd	21.5	21.8	Malaysia	Processing of fresh fruit bunches
*	Sri Gading Land Sdn Bhd	26.3	26.8	Malaysia	Property development
*	TauRx Pharmaceuticals Ltd	20.7	20.7	Singapore	Development of novel treatments and diagnostics for Alzheimer’s disease and other neurodegenerative diseases
+	GaiaAgri Services Ltd	16.1	16.4	Mauritius	Pending de-registration
	Asiatic Ceramics Sdn Bhd (In liquidation)	26.3	26.8	Malaysia	In liquidation (Receiver appointed)

Genting Berhad (Company No: 7916-A)

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, Malaysia.
- # These entities are either exempted or have no statutory audit requirement.

50. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 26 February 2015.

Genting Berhad (Company No: 7916-A)

51. REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the retained profits of the Group and the Company as at 31 December 2014 and 2012, into realised and unrealised profits, pursuant to a directive issued by Bursa Malaysia Securities Berhad (“Bursa Securities”) on 25 March 2010 and 20 December 2010 is as follows:

	Group		Company	
	2014	2013	2014	2013
Total retained profits/(accumulated losses):				
- Realised	30,964.7	28,735.9	8,750.1	8,213.7
- Unrealised	(1,009.8)	(766.8)	29.2	37.2
	29,954.9	27,969.1	8,779.3	8,250.9
Total share of retained profits/(accumulated losses) from associates:				
- Realised	359.4	394.8	-	-
- Unrealised	(30.8)	(22.8)	-	-
Total share of retained profits/(accumulated losses) from joint ventures:				
- Realised	92.7	55.2	-	-
- Unrealised	3.1	-	-	-
	30,379.3	28,396.3	8,779.3	8,250.9
Less: Consolidation adjustments	(8,728.7)	(8,144.6)	-	-
Total retained profits	21,650.6	20,251.7	8,779.3	8,250.9

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purposes of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

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, 1965 ("Act"), 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 state of affairs of the Group and of the Company as at 31 December 2014 and of the results and the cash flows of the Group and of the Company for the financial year ended on that date in accordance with Financial Reporting Standards, the MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and comply with the provisions 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 26 February 2015.

STATUTORY DECLARATION PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, **CHONG KIN LEONG**, the Officer primarily responsible for the financial management of **GENTING BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 11 to 169 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)
CHONG KIN LEONG at KUALA LUMPUR on)
26 February 2015


Before me,



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Lot 360, 3rd Floor, Wisma MPL,
Jalan Raja Chulan,
50200 Kuala Lumpur.



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GENTING BERHAD**
(Incorporated in Malaysia)
(Company No. 7916-A)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Genting Berhad on pages 11 to 168 which comprise the statements of financial position as at 31 December 2014 of the Group and of the Company, the statements of income, 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 a summary of significant accounting policies and other explanatory notes, as set out on Notes 1 to 50.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*PricewaterhouseCoopers (AF 1146), Chartered Accountants,
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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GENTING BERHAD (CONTINUED)**
(Incorporated in Malaysia)
(Company No. 7916-A)

REPORT ON THE FINANCIAL STATEMENTS (CONTINUED)

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 December 2014 and of their financial performance and cash flows for the financial year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 49 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 51 on page 169 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GENTING BERHAD (CONTINUED)
(Incorporated in Malaysia)
(Company No. 7916-A)

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers'.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Lee Tuck Heng'.

LEE TUCK HENG
(No. 2092/09/16 (J))
Chartered Accountant

Kuala Lumpur
26 February 2015

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR NINE MONTHS ENDED 30 SEPTEMBER 2016 (UNAUDITED)**

(In Singapore Dollars)

	For the Nine Months Ended 30 September	
	2016	2015
	S\$'000	S\$'000
Revenue	1,670,390	1,853,762
Cost of sales	(1,191,865)	(1,308,418)
Gross profit	478,525	545,344
Other operating income	65,717	196,303
Fair value loss on derivative financial instruments	-	(274,460)
Administrative expenses	(126,160)	(44,289)
- Prior years' property tax refund	635	102,742
- Others	(126,795)	(147,031)
Selling and distribution costs	(40,465)	(42,731)
Other operating expenses	(65,775)	(85,477)
Profit from operations	311,842	294,690
Finance costs	(35,731)	(39,993)
Share of results in joint ventures and associate	(1,766)	(3,201)
Profit before taxation	274,345	251,496
Taxation	(78,373)	(79,913)
Net profit for the financial period	195,972	171,583
Net profit attributable to:		
Equity holder of the Company	57,006	44,129
Holders of perpetual capital securities	88,487	88,164
Non-controlling interests	50,479	39,290
	195,972	171,583

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR NINE MONTHS ENDED 30 SEPTEMBER 2016 (UNAUDITED)**

(In Singapore Dollars)

	For the Nine Months Ended 30 September	
	2016	2015
	S\$'000	S\$'000
Net profit for the financial period	195,972	171,583
Other comprehensive income/(loss), may be reclassified subsequently to profit or loss:		
Available-for-sale financial assets		
- Fair value loss	(27,134)	(172,403)
- Reclassification to profit or loss	8,308	70,760
Foreign currency exchange differences	9,716	(448)
Reclassification of foreign currency exchange differences	-	(130)
Other comprehensive loss for the financial period, net of tax	(9,110)	(102,221)
Total comprehensive income for the financial period	186,862	69,362
 Total comprehensive income attributable to:		
Equity holder of the Company	51,463	(9,651)
Holders of perpetual capital securities	88,487	88,164
Non-controlling interests	46,912	(9,151)
	186,862	69,362

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

**STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016 (UNAUDITED)**

(In Singapore Dollars)

	Group		Company	
	As at		As at	
	30 September		30 September	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-Current Assets				
Property, plant and equipment	5,304,003	5,563,002	-	-
Intangible assets	183,699	136,803	-	-
Interests in subsidiaries	-	-	2,888,323	2,888,323
Interests in joint ventures and associate	314,491	129,660	-	-
Available-for-sale financial assets	169,670	362,928	-	9,294
Trade and other receivables	260,541	109,054	-	-
Deferred tax assets	2,072	21	-	-
	<u>6,234,476</u>	<u>6,301,468</u>	<u>2,888,323</u>	<u>2,897,617</u>
Current Assets				
Asset classified as held for sale	36,627	28,574	7,513	-
Inventories	59,928	56,627	-	-
Trade and other receivables	239,945	772,911	15	33
Available-for-sale financial assets	-	142,227	-	-
Restricted cash	104,432	112,945	-	-
Cash and cash equivalents	4,811,116	4,571,133	26,155	5,023
	<u>5,252,048</u>	<u>5,684,417</u>	<u>33,683</u>	<u>5,056</u>
Total Assets	<u>11,486,524</u>	<u>11,985,885</u>	<u>2,922,006</u>	<u>2,902,673</u>
EQUITY AND LIABILITIES				
Equity Attributable to Equity Holder of the Company				
Share capital	2,858	2,858	2,858	2,858
Reserves	3,886,497	3,765,035	2,918,811	2,899,464
	<u>3,889,355</u>	<u>3,767,893</u>	<u>2,921,669</u>	<u>2,902,322</u>
Perpetual capital securities of a subsidiary	2,279,812	2,279,812	-	-
Non-controlling interests	3,405,183	3,306,881	-	-
Option reserves	30,554	141,456	-	-
Total Equity	<u>9,604,904</u>	<u>9,496,042</u>	<u>2,921,669</u>	<u>2,902,322</u>

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF FINANCIAL POSITION**AS AT 30 SEPTEMBER 2016 (UNAUDITED)**

(In Singapore Dollars)

	Group		Company	
	As at		As at	
	30 September		30 September	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
Non-Current Liabilities				
Bank borrowings	975,785	1,457,791	-	-
Finance leases	1,096	4,141	-	-
Deferred tax liabilities	286,818	257,490	-	-
Provision for retirement gratuities	760	988	-	-
Other long term liabilities	4,634	9,326	-	-
	<u>1,269,093</u>	<u>1,729,736</u>	<u>-</u>	<u>-</u>
Current Liabilities				
Trade and other payables	353,605	432,702	337	351
Bank borrowings	182,112	163,980	-	-
Finance leases	2,977	2,457	-	-
Income tax liabilities	73,833	106,502	-	-
Derivative financial instruments	-	54,466	-	-
	<u>612,527</u>	<u>760,107</u>	<u>337</u>	<u>351</u>
Total Liabilities	<u>1,881,620</u>	<u>2,489,843</u>	<u>337</u>	<u>351</u>
Total Equity and Liabilities	<u>11,486,524</u>	<u>11,985,885</u>	<u>2,922,006</u>	<u>2,902,673</u>

GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR NINE MONTHS ENDED 30 SEPTEMBER 2016 (UNAUDITED)**
(In Singapore Dollars)

← Attributable to equity holder of the Company →

Group	Share capital S\$'000	Share premium S\$'000	Capital redemption reserve S\$'000	Exchange translation reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Perpetual capital securities of a subsidiary S\$'000	Non-controlling interest S\$'000	Share option and performance share reserve of a subsidiary S\$'000	Total equity S\$'000
At 1 January 2016	2,858	2,786,500	415	1,486	23,147	1,088,575	3,902,981	2,308,330	3,428,387	32,423	9,672,121
Total comprehensive income/(loss)	-	-	-	5,140	(10,683)	57,006	51,463	88,487	46,912	-	186,862
Transactions with owners:											
Interim Preference Share dividends for financial year ending 31 December 2016	-	-	-	-	-	(74,494)	(74,494)	-	-	-	(74,494)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(84,880)	-	(84,880)
Perpetual capital securities distribution paid	-	-	-	-	-	-	-	(117,005)	-	-	(117,005)
Tax credit arising from perpetual capital securities	-	-	-	-	-	6,451	6,451	-	5,744	-	12,195
Treasury shares reissued pursuant to performance share schemes	-	-	-	-	-	2,954	2,954	-	9,020	(11,974)	-
Performance share scheme	-	-	-	-	-	-	-	-	-	10,105	10,105
Total transactions with owners	-	-	-	-	-	(65,089)	(65,089)	(117,005)	(70,116)	(1,869)	(254,079)
Balance as at 30 September 2016	2,858	2,786,500	415	6,626	12,464	1,080,492	3,889,355	2,279,812	3,405,183	30,554	9,604,904

GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR NINE MONTHS ENDED 30 SEPTEMBER 2016 (UNAUDITED)**
(In Singapore Dollars)

	Attributable to equity holder of the Company							Share option and performance share reserve of a subsidiary S\$'000			
Group	Share capital S\$'000	Share premium S\$'000	Capital redemption reserve S\$'000	Exchange translation reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Perpetual capital securities of a subsidiary S\$'000	Non-controlling interest S\$'000	Total equity S\$'000	
At 1 January 2015	2,858	2,786,500	415	967	(432)	1,076,718	3,867,026	2,308,330	3,448,327	125,615	9,749,298
Total comprehensive (loss)/ income	-	-	-	(307)	(53,473)	44,129	(9,651)	88,164	(9,151)	-	69,362
Transactions with owners:											
Interim Preference Share dividends for financial year ended 31 December 2015	-	-	-	-	-	(63,389)	(63,389)	-	-	-	(63,389)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(57,310)	-	(57,310)
Effects on changes in group composition	-	-	-	-	-	(9,156)	(9,156)	-	12,765	-	3,609
Repurchase of shares by GENS	-	-	-	-	-	(22,637)	(22,637)	-	(92,888)	-	(115,525)
Perpetual capital securities distribution payable and paid	-	-	-	-	-	-	-	(116,682)	-	-	(116,682)
Tax credit arising from perpetual capital securities	-	-	-	-	-	5,700	5,700	-	5,138	-	10,838
Performance share scheme	-	-	-	-	-	-	-	-	-	15,841	15,841
Total transactions with owners	-	-	-	-	-	(89,482)	(89,482)	(116,682)	(132,295)	15,841	(322,618)
Balance as at 30 September 2015	2,858	2,786,500	415	660	(53,905)	1,031,365	3,767,893	2,279,812	3,306,881	141,456	9,496,042

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF CHANGES IN EQUITY
FOR NINE MONTHS ENDED 30 SEPTEMBER 2016 (UNAUDITED)(In Singapore Dollars)

	Non-distributable					Distributable	Total equity S\$'000
	Share capital S\$'000	Share premium S\$'000	Capital redemption reserve S\$'000	Fair value reserve S\$'000	Exchange translation reserve S\$'000	Retained earnings S\$'000	
<u>Company</u>							
At 1 January 2016	2,858	2,786,500	415	2,741	43	109,492	2,902,049
Total comprehensive (loss)/income	-	-	-	(1,535)	-	95,649	94,114
<u>Transaction with owner:</u>							
Interim Preference Shares dividends for financial year ending 31 December 2016	-	-	-	-	-	(74,494)	(74,494)
Total transaction with owner	-	-	-	-	-	(74,494)	(74,494)
Balance as at 30 September 2016	2,858	2,786,500	415	1,206	43	130,647	2,921,669
At 1 January 2015	2,858	2,786,500	415	2,948	43	108,912	2,901,676
Total comprehensive income	-	-	-	38	-	63,997	64,035
<u>Transactions with owner:</u>							
Interim Preference Shares dividends for financial year ended 31 December 2015	-	-	-	-	-	(63,389)	(63,389)
Total transactions with owner	-	-	-	-	-	(63,389)	(63,389)
Balance as at 30 September 2015	2,858	2,786,500	415	2,986	43	109,520	2,902,322

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF CASH FLOWS**FOR NINE MONTHS ENDED 30 SEPTEMBER 2016 (UNAUDITED)**

(In Singapore Dollars)

		Group		Company	
		For the Nine Months		For the Nine Months	
		Ended 30 September		Ended 30 September	
		2016	2015	2016	2015
	Note	S\$'000	S\$'000	S\$'000	S\$'000
NET CASH FROM/ (USED IN) OPERATING ACTIVITIES	A	903,974	951,826	323	(52)
INVESTING ACTIVITIES					
Property, plant and equipment:					
- purchases		(53,811)	(158,460)	-	-
- proceeds from disposal		38	522	-	-
Available-for-sale financial assets:					
- purchases		-	(51,922)	-	-
- proceeds from disposal		12,063	474,296	-	-
- repayment received by a subsidiary		-	-	-	-
Purchase of intangible assets		(67,684)	(1,231)	-	-
Dividend income received		-	7,109	95,305	63,812
Advances to fellow subsidiaries		(162)	(46)	(51)	(49)
Repayment from fellow subsidiaries		162	172	193	172
Increase in amount due from joint venture		(2)	-	-	-
Investment in an associate and transaction costs		(176,662)	-	-	-
Proceeds from disposal of joint venture		-	171	-	-
Net cash (used in)/from investing activities		<u>(286,058)</u>	<u>270,611</u>	<u>95,447</u>	<u>63,935</u>

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF CASH FLOWS**FOR NINE MONTHS ENDED 30 SEPTEMBER 2016 (UNAUDITED)**

(In Singapore Dollars)

	Group		Company	
	For the Nine Months		For the Nine Months	
	Ended 30 September		Ended 30 September	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
FINANCING ACTIVITIES				
Net repayments of bank borrowings and transaction costs	(475,000)	(88,775)	-	-
Repurchase of shares by GENS	-	(115,525)	-	-
Advances from holding corporation	163	126	163	126
Repayment to holding corporation	(163)	(126)	(163)	(126)
Interest paid	(28,001)	(31,021)	-	-
Net proceeds from issuance of shares by GENS	-	3,609	-	-
Dividend paid	(74,494)	(63,389)	(74,494)	(63,389)
Dividend paid by subsidiary to non-controlling interests	(84,880)	(57,310)	-	-
Restricted cash (deposit released as security for loan and interest repayments)	8,791	26,311	-	-
Perpetual capital securities distribution paid	(105,351)	(105,027)	-	-
Repayment of finance lease liabilities	(1,628)	(1,739)	-	-
Net cash outflow in financing activities	<u>(760,563)</u>	<u>(432,866)</u>	<u>(74,494)</u>	<u>(63,389)</u>
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(142,647)</u>	<u>789,571</u>	<u>21,276</u>	<u>494</u>
Beginning of financial period:	5,006,942	3,701,793	4,879	4,300
Net (outflow)/inflow	(142,647)	789,571	21,276	494
Effect of currency rate changes	(53,179)	79,769	-	229
End of the financial period	<u>4,811,116</u>	<u>4,571,133</u>	<u>26,155</u>	<u>5,023</u>
Represented by:				
Bank balances and deposits	<u>4,811,116</u>	<u>4,571,133</u>	<u>26,155</u>	<u>5,023</u>

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE STATEMENTS OF CASH FLOWS**FOR NINE MONTHS ENDED 30 SEPTEMBER 2016 (UNAUDITED)**

(In Singapore Dollars)

	Group		Company	
	For the Nine Months		For the Nine Months	
	Ended 30 September		Ended 30 September	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
A. NET CASH FROM OPERATING ACTIVITIES				
Profit before taxation	274,345	251,496	95,649	63,997
Adjustments for:				
Property, plant and equipment:				
- depreciation	206,428	243,128	-	-
- written off	2,656	8,715	-	-
- net gain on disposal	(4)	(208)	-	-
- Impairment loss	761	6,734	-	-
Amortisation of:				
- intangible assets	17,311	15,768	-	-
- borrowing costs	8,312	8,178	-	-
Impairment loss on trade receivables	196,206	225,349	-	-
Impairment on asset classified as held for sale	2,827	-	-	-
Write-back for retirement gratuities	(14)	(122)	-	-
Share-based payments	10,105	15,841	-	-
Finance charges	27,419	31,815	-	-
Interest income	(63,775)	(44,089)	(139)	(45)
Dividend income	-	(7,109)	(95,305)	(63,812)
Share of results of joint ventures and associate	1,766	3,201	-	-
Net unrealised exchange loss/(gain)	51,696	(42,656)	(15)	(206)
Inventory write-down	124	142	-	-
(Gain)/Loss on disposal of available-for-sale financial assets, net of transaction costs	(1,621)	7,408	-	-
Impairment on available-for-sale financial assets	9,943	63,374	-	-
Fair value loss on derivative financial instruments	-	274,460	-	-
Net gain on disposal of joint ventures	-	(12)	-	-
	470,140	809,917	(95,459)	(64,063)
Operating income/(loss) before working capital changes	744,485	1,061,413	190	(66)

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE STATEMENTS OF CASH FLOWS**FOR NINE MONTHS ENDED 30 SEPTEMBER 2016 (UNAUDITED)**

(In Singapore Dollars)

	Group		Company	
	For the Nine Months		For the Nine Months	
	Ended 30 September		Ended 30 September	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
A. NET CASH FROM/(USED IN)				
OPERATING ACTIVITIES (CONTINUED)				
Operating income/(loss) before working capital changes	744,485	1,061,413	190	(66)
Changes in working capital:				
Increase in inventories	(2,866)	(3,123)	-	-
Decrease in receivables	209,866	108,837	2	-
Decrease in payables	(45,953)	(134,481)	(7)	(31)
	161,047	(28,767)	(5)	(31)
Cash generated from/(used in) operations	905,532	1,032,646	185	(97)
Interest received	55,535	31,002	138	45
Retirement gratuities paid	(126)	(212)	-	-
Net taxation paid	(56,967)	(111,610)	-	-
Net cash from/(used in) operating activities	903,974	951,826	323	(52)

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
GENTING OVERSEAS HOLDINGS LIMITED**
(Incorporated in the Isle of Man with limited liability No. 23737)

Report on the Financial Statements

We have audited the accompanying consolidated and parent company financial statements ('the financial statements') of Genting Overseas Holdings Limited and its subsidiaries (the 'Group') which comprise the consolidated and parent company statements of financial position as of 31 December 2015 and the consolidated statement of comprehensive income, consolidated and parent company statements of changes in shareholder's equity and consolidated and parent company statements of cash flows for the financial year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these consolidated and parent company financial statements in accordance with applicable Isle of Man law, Malaysian Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report, including the opinion, has been prepared for and only for the company's member as a body in accordance with Section 15 of the Isle of Man Companies Act 1982 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We conducted our audit in accordance with Approved Auditing Standards in Malaysia. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
GENTING OVERSEAS HOLDINGS LIMITED (CONTINUED)**

(Incorporated in the Isle of Man with limited liability No. 23737)

Report on the Financial Statements (continued)

Opinion

In our opinion:

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2015, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards;
- the parent company financial statements give a true and fair view of the financial position of the parent company as at 31 December 2015 and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards as applied in accordance with the provisions of the Isle of Man Companies Acts 1982; and
- the financial statements have been properly prepared in accordance with the Isle of Man Companies Acts, 1931 to 2004.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Isle of Man Companies Acts 1931-2004 require us to report to you if, in our opinion :

- Proper books of account have not been kept by the parent company or, proper returns adequate for our audit have not been received from branches not visited by us; or
- The parent company's statement of financial position is not in agreement with the books of account and returns; or
- We have not received all the information and explanations necessary for the purposes of our audit; and
- Certain disclosures of Directors' loans and remuneration specified by law have not been complied with.

PricewaterhouseCoopers LLC

PricewaterhouseCoopers LLC
Chartered Accountants
Douglas, Isle of Man

Date: *4 April 2016*

GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015
(In Singapore Dollars)

		Group	
	Note	2015 S\$'000	2014 S\$'000
Revenue	4	2,401,173	2,862,736
Cost of sales		(1,708,244)	(1,868,742)
Gross profit		692,929	993,994
Other operating income	5	197,714	288,918
Fair value loss on derivative financial instruments		(239,341)	(136,141)
Administrative expenses		(92,499)	(235,775)
- Prior years' property tax refund		102,742	-
- Others		(195,241)	(235,775)
Selling and distribution costs		(56,855)	(56,711)
Other operating expenses		(163,883)	(17,184)
Profit from operations		338,065	837,101
Finance costs		(54,523)	(61,502)
Share of results in joint ventures and associate		(3,828)	10,624
Profit before taxation	6	279,714	786,223
Taxation	7	(86,204)	(169,591)
Net profit for the financial year		193,510	616,632
Net profit attributable to:			
Equity holder of the Company		39,993	249,925
Holders of perpetual capital securities		117,875	117,875
Non-controlling interests		35,642	248,832
		193,510	616,632

The notes on pages 18 to 88 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

(In Singapore Dollars)

	Group	
	2015	2014
	S\$'000	S\$'000
Net profit for the financial year	193,510	616,632
Other comprehensive income/(loss), may be reclassified subsequently to profit or loss:		
Available-for-sale financial assets		
- Fair value loss	(106,277)	(69,795)
- Reclassification to profit or loss	150,376	(153,446)
Foreign currency exchange differences	533	1,546
Reclassification of foreign currency exchange differences	451	2,488
Other comprehensive income/(loss) for the financial year, net of tax	45,083	(219,207)
Total comprehensive income for the financial year	238,593	397,425
 Total comprehensive income attributable to:		
Equity holder of the Company	64,091	135,421
Holders of perpetual capital securities	117,875	117,875
Non-controlling interests	56,627	144,129
	238,593	397,425

The notes on pages 18 to 88 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF FINANCIAL POSITION**AS AT 31 DECEMBER 2015**

(In Singapore Dollars)

		Group		Company	
	Note	2015	2014	2015	2014
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	8	5,487,403	5,809,092	-	-
Intangible assets	9	133,326	151,340	-	-
Interests in subsidiaries	10	-	-	2,888,323	2,888,323
Interests in joint ventures and associate	11	129,972	133,282	-	-
Available-for-sale financial assets	12	216,395	207,905	9,048	9,255
Trade and other receivables	14	248,566	107,342	-	-
Deferred tax assets	15	1,743	89	-	-
		6,217,405	6,409,050	2,897,371	2,897,578
Current Assets					
Asset classified as held for sale	27	31,941	-	-	-
Inventories	13	57,186	53,646	-	-
Trade and other receivables	14	646,382	1,100,615	166	163
Available-for-sale financial assets	12	-	1,313,745	-	-
Restricted cash	16	113,223	139,256	-	-
Cash and cash equivalents	16	5,006,942	3,701,793	4,879	4,300
		5,855,674	6,309,055	5,045	4,463
Total Assets		12,073,079	12,718,105	2,902,416	2,902,041
EQUITY AND LIABILITIES					
Equity Attributable to Equity Holder of the Company					
Share capital	17	2,858	2,858	2,858	2,858
Reserves	18	3,900,123	3,864,168	2,899,191	2,898,818
		3,902,981	3,867,026	2,902,049	2,901,676
Perpetual capital securities of a subsidiary	19	2,308,330	2,308,330	-	-
Non-controlling interests		3,428,387	3,448,327	-	-
Option reserves	20	32,423	125,615	-	-
Total Equity		9,672,121	9,749,298	2,902,049	2,901,676

The notes on pages 18 to 88 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015 (CONTINUED)
(In Singapore Dollars)

		Group		Company	
	Note	2015	2014	2015	2014
		S\$'000	S\$'000	S\$'000	S\$'000
Non-Current Liabilities					
Bank borrowings	21	1,460,361	1,184,480	-	-
Finance leases	22	3,418	85	-	-
Deferred tax liabilities	15	283,247	230,420	-	-
Provision for retirement gratuities	25	900	1,335	-	-
Other long term liabilities	26	6,011	10,696	-	-
		<u>1,753,937</u>	<u>1,427,016</u>	<u>-</u>	<u>-</u>
Current Liabilities					
Trade and other payables	24	412,245	595,554	367	365
Bank borrowings	21	164,224	517,887	-	-
Finance leases	22	2,606	789	-	-
Income tax liabilities		67,946	180,692	-	-
Derivative financial instruments	23	-	246,869	-	-
		<u>647,021</u>	<u>1,541,791</u>	<u>367</u>	<u>365</u>
Total Liabilities		<u>2,400,958</u>	<u>2,968,807</u>	<u>367</u>	<u>365</u>
Total Equity and Liabilities		<u>12,073,079</u>	<u>12,718,105</u>	<u>2,902,416</u>	<u>2,902,041</u>

The financial statements set out on pages 7 to 88 were approved and authorised for issue by the Board of Directors on
30 MAR 2016 and signed in its behalf by:


TAN SRI LIM KOK THAY
Director


TUN MOHAMMED HANIF BIN OMAR
Director

GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**
(In Singapore Dollars)

← Attributable to equity holder of the Company →

Group	Share capital S\$'000	Share premium S\$'000	Capital redemption reserve S\$'000	Exchange translation reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Perpetual capital securities of a subsidiary S\$'000	Non-controlling interest S\$'000	Share option and performance share reserve of a subsidiary S\$'000	Total equity S\$'000
At 1 January 2015	2,858	2,786,500	415	967	(432)	1,076,718	3,867,026	2,308,330	3,448,327	125,615	9,749,298
Total comprehensive income	-	-	-	519	23,579	39,993	64,091	117,875	56,627	-	238,593
Transactions with owners:											
Interim Preference Share dividends for financial year ended 31 December 2015	-	-	-	-	-	(63,389)	(63,389)	-	-	-	(63,389)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(57,310)	-	(57,310)
Effects on changes in group composition	-	-	-	-	-	(9,798)	(9,798)	-	13,407	-	3,609
Repurchase of shares by GENS	-	-	-	-	-	(22,637)	(22,637)	-	(92,888)	-	(115,525)
Perpetual capital securities distribution paid	-	-	-	-	-	-	-	(117,875)	-	-	(117,875)
Tax credit arising from perpetual capital securities	-	-	-	-	-	7,713	7,713	-	6,927	-	14,640
Transfer of share option and performance share reserve to retained earnings	-	-	-	-	-	59,975	59,975	-	53,297	(113,272)	-
Performance share scheme	-	-	-	-	-	-	-	-	-	20,080	20,080
Total transactions with owners	-	-	-	-	-	(28,136)	(28,136)	(117,875)	(76,567)	(93,192)	(315,770)
Balance as at 31 December 2015	2,858	2,786,500	415	1,486	23,147	1,088,575	3,902,981	2,308,330	3,428,387	32,423	9,672,121

The notes on pages 18 to 88 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**
(In Singapore Dollars)

	Attributable to equity holder of the Company										
	Share capital S\$'000	Share premium S\$'000	Capital redemption reserve S\$'000	Exchange translation reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Perpetual capital securities of a subsidiary S\$'000	Non-controlling interest S\$'000	Share option and performance share reserve of a subsidiary S\$'000	Total equity S\$'000
At 1 January 2014	2,474	2,403,104	415	(1,127)	116,166	925,211	3,446,243	2,308,330	3,480,425	94,447	9,329,445
Total comprehensive income	-	-	-	2,094	(116,598)	249,925	135,421	117,875	144,129	-	397,425
Transactions with owners:											
Interim Preference Share dividends for financial year ended 31 December 2014	-	-	-	-	-	(63,330)	(63,330)	-	-	-	(63,330)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(58,902)	-	(58,902)
Effects on changes in group composition	-	-	-	-	-	(43,884)	(43,884)	-	44,982	-	1,098
Issuance of Irredeemable Preference Shares	384	383,396	-	-	-	-	383,780	-	-	-	383,780
Repurchase of shares by GENS	-	-	-	-	-	-	-	-	(170,458)	-	(170,458)
Perpetual capital securities distribution paid	-	-	-	-	-	-	-	(117,875)	-	-	(117,875)
Tax credit arising from perpetual capital securities	-	-	-	-	-	8,972	8,972	-	8,314	-	17,286
Share of changes in equity of associate	-	-	-	-	-	(176)	(176)	-	(163)	-	(339)
Share options expense	-	-	-	-	-	-	-	-	-	21	21
Performance share scheme	-	-	-	-	-	-	-	-	-	31,147	31,147
Total transactions with owners	384	383,396	-	-	-	(98,418)	285,362	(117,875)	(176,227)	31,168	22,428
Balance as at 31 December 2014	2,858	2,786,500	415	967	(432)	1,076,718	3,867,026	2,308,330	3,448,327	125,615	9,749,298

The notes on pages 18 to 88 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

(In Singapore Dollars)

	Non-distributable					Distributable	Total equity S\$'000
	Share capital S\$'000	Share premium S\$'000	Capital redemption reserve S\$'000	Fair value reserve S\$'000	Exchange translation reserve S\$'000	Retained earnings S\$'000	
<u>Company</u>							
At 1 January 2015	2,858	2,786,500	415	2,948	43	108,912	2,901,676
Total comprehensive income	-	-	-	(207)	-	63,969	63,762
<u>Transaction with owner:</u>							
Interim Preference Shares dividends for financial year ended 31 December 2015	-	-	-	-	-	(63,389)	(63,389)
Total transaction with owner	-	-	-	-	-	(63,389)	(63,389)
Balance as at 31 December 2015	2,858	2,786,500	415	2,741	43	109,492	2,902,049
At 1 January 2014	2,474	2,403,104	415	4,642	43	118,280	2,528,958
Total comprehensive income	-	-	-	(1,694)	-	53,962	52,268
<u>Transactions with owner:</u>							
Interim Preference Shares dividends for financial year ended 31 December 2014	-	-	-	-	-	(63,330)	(63,330)
Issuance of Irredeemable Preference Shares	384	383,396	-	-	-	-	383,780
Total transactions with owner	384	383,396	-	-	-	(63,330)	320,450
Balance as at 31 December 2014	2,858	2,786,500	415	2,948	43	108,912	2,901,676

The notes on pages 18 to 88 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF CASH FLOWS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

(In Singapore Dollars)

		Group		Company	
	Note	2015	2014	2015	2014
		S\$'000	S\$'000	S\$'000	S\$'000
NET CASH FROM/ (USED IN) OPERATING ACTIVITIES	A	1,261,819	955,568	(96)	(19)
INVESTING ACTIVITIES					
Property, plant and equipment:					
- purchases	B	(174,182)	(195,081)	-	-
- proceeds from disposal		1,070	1,067	-	-
Available-for-sale financial assets:					
- purchases		(51,922)	(1,212,648)	-	-
- proceeds from disposal		808,162	1,653,263	-	-
- repayment received by a subsidiary		-	2,002	-	-
Purchase of intangible assets		(2,212)	-	-	-
Dividend income received		13,035	16,597	63,812	72,781
Advances to fellow subsidiaries		(179)	(54,406)	(191)	(63,764)
Repayment from fellow subsidiaries		176	72,034	176	72,035
Increase in amount due from joint venture		(4)	-	-	-
Investment in an associate and transaction costs		-	(97,862)	-	-
Loan to an associate		(138,374)	(97,529)	-	-
Proceeds from disposal of joint venture		192	-	-	-
Net cash inflow from investing activities		<u>455,762</u>	<u>87,437</u>	<u>63,797</u>	<u>81,052</u>

The notes on pages 18 to 88 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

(In Singapore Dollars)

		Group		Company	
		2015	2014	2015	2014
	Note	S\$'000	S\$'000	S\$'000	S\$'000
FINANCING ACTIVITIES					
Net repayments of bank borrowings and transaction costs		(88,775)	(525,000)	-	-
Repayment of loan from GENT		-	(434,749)	-	(434,749)
Repurchase of shares by GENS		(115,525)	(170,458)	-	-
Advances from holding corporation		293	360	293	360
Repayment to holding corporation		(293)	(360)	(293)	(360)
Interest paid		(42,365)	(33,010)	-	-
Net proceeds from issuance of shares by GENS		3,609	1,098	-	-
Proceeds from issuance of irredeemable preference shares to GENT		-	383,780	-	383,780
Dividend paid		(63,389)	(63,330)	(63,389)	(63,330)
Dividend paid by subsidiary to non-controlling interests		(57,310)	(58,902)	-	-
Restricted cash (deposit released/(pledged) as security for loan and interest repayments)		26,033	(8,054)	-	-
Perpetual capital securities distribution paid		(117,875)	(117,875)	-	-
Repayment of finance lease liabilities		(2,211)	(6,374)	-	-
Net cash outflow in financing activities		<u>(457,808)</u>	<u>(1,032,874)</u>	<u>(63,389)</u>	<u>(114,299)</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<u>1,259,773</u>	<u>10,131</u>	<u>312</u>	<u>(33,266)</u>
Beginning of financial year:		3,701,793	3,667,685	4,300	37,534
Net inflow/(outflow)		1,259,773	10,131	312	(33,266)
Effect of currency rate changes		45,376	23,977	267	32
End of the financial year		<u>5,006,942</u>	<u>3,701,793</u>	<u>4,879</u>	<u>4,300</u>
Represented by:					
Bank balances and deposits	16	<u>5,006,942</u>	<u>3,701,793</u>	<u>4,879</u>	<u>4,300</u>

The notes on pages 18 to 88 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE STATEMENTS OF CASH FLOWS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

(In Singapore Dollars)

	Group		Company	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
A. NET CASH FROM OPERATING ACTIVITIES				
Profit before taxation	279,714	786,223	63,969	53,962
Adjustments for:				
Property, plant and equipment:				
- depreciation*	323,923	399,123	-	-
- written off	9,283	12,290	-	-
- net gain on disposal	(599)	(369)	-	-
- impairment	4,774	5,854	-	-
Amortisation of:				
- intangible assets	20,226	20,323	-	-
- borrowing costs	10,992	9,130	-	-
Impairment loss on trade receivables	270,693	262,005	-	-
(Write-back)/provision for retirement gratuities	(211)	27	-	-
Share based payments	20,080	31,204	-	-
Finance charges	43,531	52,372	-	19,375
Interest income	(61,719)	(50,525)	(49)	(122)
Dividend income	(13,035)	(16,597)	(63,812)	(72,781)
Share of results of joint ventures and associate	3,828	(10,624)	-	-
Net unrealised exchange loss/(gain)	1,804	(60,245)	(238)	(573)
Inventory write-down	227	648	-	-
Loss/(gain) on disposal of available-for-sale financial assets, net of transaction costs	87,208	(153,038)	-	-
Impairment on available-for-sale financial assets	63,374	-	-	-
Fair value loss on derivative financial instruments	239,341	136,141	-	-
Bad debts written off	23	-	-	-
Net gain on disposal of subsidiaries and joint ventures	(60)	(21)	-	-
	1,023,683	637,698	(64,099)	(54,101)
Operating income/(loss) before working capital changes	1,303,397	1,423,921	(130)	(139)

The notes on pages 18 to 88 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE STATEMENTS OF CASH FLOWS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

(In Singapore Dollars)

	Group		Company	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
A. NET CASH FROM/(USED IN)				
OPERATING ACTIVITIES (CONTINUED)				
Operating income/(loss) before working capital changes	1,303,397	1,423,921	(130)	(139)
Changes in working capital:				
(Increase)/decrease in inventories	(3,767)	1,803	-	-
Decrease/(increase) in receivables	194,180	(251,029)	(1)	-
Decrease in payables	(147,762)	(108,719)	(14)	(4)
	42,651	(357,945)	(15)	(4)
Cash generated from/(used in) operations	1,346,048	1,065,976	(145)	(143)
Interest received	43,171	42,957	49	124
Retirement gratuities paid	(212)	(138)	-	-
Net taxation paid	(127,188)	(153,227)	-	-
Net cash from/(used in) operating activities	1,261,819	955,568	(96)	(19)

* Depreciation is analysed as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
Depreciation charged to profit or loss	323,923	399,123
Depreciation capitalised to construction-in-progress	827	2,479
	324,750	401,602

B. Purchase of property, plant and equipment is analysed as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
Cash and cash equivalents	174,182	195,081
Other payable and accruals	(88,567)	(44,815)
Finance lease	7,636	125
Capitalisation of amortisation, depreciation expenses, interest expenses and share option expenses	827	2,445
	94,078	152,836

The notes on pages 18 to 88 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

(In Singapore Dollars)

1. GENERAL INFORMATION

The Company is a limited liability company incorporated and domiciled in the Isle of Man and is principally an investment holding company.

The Group comprises the Company and its subsidiaries. The principal subsidiaries are listed in Note 30 of the financial statements.

The principal activities of the Company's subsidiaries include the development and operation of integrated resort, operation of casinos, provision of sales and marketing support services to leisure and hospitality related businesses and investments.

The immediate and ultimate holding corporation is Genting Berhad, a company incorporated in Malaysia and whose shares are listed on the main market of Bursa Malaysia Securities Berhad.

The address of the registered office of the Company is International House, Castle Hill, Victoria Road, Douglas, Isle of Man, British Isles, IM2 4RB.

2. SIGNIFICANT ACCOUNTING POLICIES**Basis of preparation**

The financial statements of the Group and the Company have been prepared in accordance with and comply with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the provisions of the Isle of Man Companies Act, 1931 to 2004. The financial statements have been prepared on a the historical cost basis, except as disclosed in the significant accounting policies below.

The preparation of financial statements in conformity with the MFRS, IFRS and the provisions of the Isle of Man Companies Acts, 1931 to 2004 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 and the Company's accounting policies. Although these judgements and estimations are based on the Directors' best knowledge of current events and actions, actual results could differ from those judgements and estimations. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(a).

(a) Judgements and estimations

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will not necessarily equal the related actual results.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of preparation (Continued)

(a) Judgements and estimations (Continued)

(i) Taxation

The Group is subject 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, the taxability of certain income 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 liabilities and deferred tax assets and liabilities (Note 7 and Note 15), where applicable, in the period in which such determination is made.

(ii) Property, plant and equipment

Significant expenditures were incurred in the construction and development of the integrated resort and the amount recognised in property, plant and equipment is based on the work done to date (Note 8). As the costs for completed components are being finalised, management has applied significant judgement to capitalise the amount under the respective classes of property, plant and equipment based on the available best estimates as advised by quantity surveyors. The difference between actual cost of completion and the estimates is recognised as cost adjustments.

In addition, annual depreciation of property, plant and equipment forms a significant component of total operating costs recognised in the profit or loss. In determining the depreciation, management applies significant judgement in determining the classes to which the costs are to be capitalised under and their respective useful lives, when depreciation should commence, the residual value and the method of depreciation for each class of the property, plant and equipment.

During the financial year, the estimated useful lives of certain assets have been revised after conducting a review. The change in estimates has been applied prospectively from 1 January 2015.

Accordingly, the revision of the estimated useful lives of these assets has resulted in an S\$28,360,000 decrease in current year's depreciation expense. The impact of the change in estimated useful lives for each of the next five years approximates that of the current financial year.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Basis of preparation (Continued)****(a) Judgements and estimations (Continued)****(iii) Impairment of trade receivables**

Management reviews its trade receivables for objective evidence of impairment. Adverse changes in background reputation and financial capability of the debtor, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor.

Where there is objective evidence of impairment, management uses estimates based on credit-worthiness of the debtors, past repayment history for each debtor and historical loss experience for debtors with similar credit risk characteristics to determine the amount to be impaired. The methodology and assumptions used are reviewed regularly to reduce any differences between the estimated loss and actual loss experience. See Note 3 for the Group's management of credit risk and carrying amount of trade receivables that are past due and impaired/not impaired, and movement in impairment on allowance for doubtful debts.

Standards, amendments to published standards and interpretations that are effective

The Group and the Company have applied the following amendments for the first time for the financial year beginning on 1 January 2015:

- Annual improvements to MFRS – 2010-2012 Cycle
- Annual improvements to MFRS – 2011-2013 Cycle
- Amendments to MFRS 119 “Defined Benefit Plans: Employee Contributions”

The adoption of these amendments did not have any significant impact on the current or prior year and are not likely to affect future periods.

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/after 1 January 2016. None of these is expected to have a significant effect on the Group and the Company, except for the following set out below:

(i) Financial year beginning on/after 1 January 2016

- Amendment to MFRS 11 “Joint arrangements” (effective from 1 January 2016) requires an investor to apply the principles of MFRS 3 “Business Combination” when it acquires an interest in a joint operation that constitutes a business. The amendments are applicable to both the acquisition of the initial interest in a joint operation and the acquisition of additional interest in the same joint operation. However, a previously held interest is not re-measured when the acquisition of an additional interest in the same joint operation results in retaining joint control. It is not expected to have significant financial impact on the financial statements of the Group.

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NOTES TO THE FINANCIAL STATEMENTS

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective (Continued)

(ii) Financial year beginning on/after 1 January 2018

- MFRS 9 “Financial Instruments” will replace MFRS 139 “Financial Instruments: Recognition and Measurement”. MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income (“OCI”). The basis of classification depends on the entity's business model and the cash flow characteristics of the financial asset. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in OCI rather than the income statement, unless this creates an accounting mismatch.

MFRS 9 introduces an expected credit loss model on impairment for all financial assets that replaces the incurred loss impairment model used in MFRS 139. The expected credit loss model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The adoption of MFRS 9 will result in a change in accounting policy. The Group and the Company are in the process of making an assessment of the potential impact of this standard on the financial statements.

- MFRS 15 “Revenue from Contracts with Customers” replaces MFRS 118 “Revenue” and MFRS 111 “Construction contracts” and related interpretations. The standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Group and the Company are in the process of making an assessment of the potential impact of this standard on the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Basis of consolidation****a) Subsidiaries**

Subsidiaries are 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. 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 re-measured 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 139 either in profit or loss or in OCI. Contingent consideration that is classified as equity is not re-measured, 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. When 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.

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NOTES TO THE FINANCIAL STATEMENTS

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (Continued)

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. 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 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.

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NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Basis of consolidation (Continued)****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 ventures have rights to the net assets of the arrangement.

A joint operation is a joint arrangement whereby the joint operators 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.

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 other comprehensive income. 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.

The Group recognises the portion of gains or losses on the sale of assets by the Group to joint venture that is attributable to the other parties in the ventures. The Group does not recognise its share of profits or losses from 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 venture (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 other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income 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 other comprehensive income is reclassified to profit or loss where appropriate.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (Continued)

e) Associates

Associates are entities over which the Group has significant influence but not control, generally accompanied by a shareholding giving rise to between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss (see accounting policy note on impairment of non-financial assets).

The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements and distributions received from associates are adjusted against the carrying amount of the investments.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

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 an impairment of the asset transferred.

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

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 loses significant influence, investments in associates are derecognised. Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence is lost, its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Investments in subsidiaries, joint ventures and associate

Investments in subsidiaries, joint ventures and associate are carried at cost less accumulated impairment losses in the Group's and Company's statement of financial position. On disposal of investments in subsidiaries, joint ventures and associate, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the profit or loss. When an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount (see accounting policy note on impairment of non-financial assets).

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NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Intangible assets****a) Goodwill on acquisition**

Goodwill on acquisition represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary and joint venture at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of joint venture is included in the carrying amount of the investment and is tested for impairment as part of the investment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill on acquisitions of subsidiaries is tested at least annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of 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, identified according to operating segment.

b) Trademarks and tradenames

Trademarks and tradenames are initially recognised at cost and are subsequently carried at cost less any accumulated impairment losses. Trademarks and tradenames have an indefinite useful life as it is maintained through continuous marketing and upgrading. Trademarks and tradenames are tested annually for impairment. Where an indication of impairment exists, the carrying amount of trademarks and tradenames are assessed and written down immediately to its recoverable amount (see accounting policy note on impairment of non-financial assets).

c) Licences

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 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.

NOTES TO THE FINANCIAL STATEMENTS
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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (Continued)

d) Computer software

Computer software 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 computer software programmes by the Group are capitalised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads. Costs associated with maintaining computer software 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.

Computer software programmes under development are not amortised.

Property, plant and equipment

All property, plant and equipment except for freehold land is initially recognised at cost and is subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items including borrowing costs and realised gains or losses on qualifying cash flow hedges incurred specifically for the construction or development of the asset. Depreciation is calculated using the straight-line method to allocate the depreciable amounts of property, plant and equipment less their estimated residual values over their estimated useful lives as follows:

	<u>Estimated useful life</u>
Freehold properties and improvements	30 - 60 years
Leasehold land, properties and improvements	30 - 99 years
Machinery, computer equipment, fixtures, fittings, motor vehicles and exhibit animals	2 - 30 years

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Property, plant and equipment (Continued)**

Freehold land is stated at cost and is not depreciated. Leasehold land is depreciated over the lease period of 60 to 99 years. Leasehold properties and improvements are depreciated over the 30 to 60 years on a straight-line basis.

The depreciation of leasehold land is capitalised during the period of construction as part of construction-in-progress in property, plant and equipment until the construction is completed.

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. Repairs and maintenance costs are charged to profit or loss during the financial year that they are incurred.

Construction-in-progress consists of assets and property under construction. Assets include acquired computer hardware, computer software license, implementation cost incurred in bringing the computer system to use.

Construction-in-progress is stated at cost and is not depreciated. Cost includes borrowing costs and other directly related expenditure incurred during the period of construction and up to the completion of the construction. Construction-in-progress relating to assets and property under construction is reclassified to the respective categories of property, plant and equipment upon completion of the project.

For major construction-in-progress, the cost is supported by qualified quantity surveyors' certification of work done.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the recoverable amount of the asset is assessed and if it is estimated to be less than its carrying amount, the carrying amount of the assets is written down immediately to its recoverable amount (see accounting policy note on impairment of non-financial assets).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)
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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

Assets that have an indefinite useful life, including goodwill, are not subject to amortisation and are tested at least annually for impairment. Assets that are subject to amortisation and depreciation, and investments in subsidiaries, joint ventures and associate are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment is charged to the profit or loss. Impairment is reversed only to the extent that the reversal does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment been recognised in prior years for the same asset. The reversal is recognised in the profit or loss. Impairment on goodwill is not reversed once recognised.

Financial assets

a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss on initial recognition are those that are managed and their performances are evaluated on a fair value basis, in accordance with the investment strategy of the Group. 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 of the reporting date.

(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 with maturities or expected to be realised later than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables are presented as 'trade and other receivables', 'restricted cash' and 'cash and cash equivalents' in the statements of financial position.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)
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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (Continued)

a) Classification (Continued)

(iii) Available-for-sale financial assets

Available-for-sale financial assets 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 the investment matures or management intends to dispose of within 12 months after the reporting date.

b) Recognition and derecognition

Purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or to 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 risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sales proceeds is recognised in profit or loss. Any amount in other comprehensive income relating to the asset is reclassified to profit or loss.

c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss, which are recognised at fair value, and transaction costs are expensed in profit and loss.

d) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of the financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in profit or loss when the changes arise.

Interest and dividend income on available-for-sale financial assets are recognised separately in income. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in other comprehensive income and accumulated in the fair value reserve. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

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NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Financial assets (Continued)****e) Impairment**

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For loans and receivables, an impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the financial assets. Adverse changes in background, reputation and financial capability of the debtor, and default or significant delay in payments are objective evidence that receivables are impaired. The carrying amount of loans and receivables is reduced through the use of an impairment allowance account. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line items in the profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

For debt securities classified as available-for-sale, the Group uses the criteria as above for loans and receivables. For 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 available-for-sale financial assets, the cumulative loss that was previously recognised in other comprehensive income is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised as an expense in profit or loss. Impairment losses recognised in profit or loss on equity securities are not reversed through profit or loss.

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 the functional currency of the Company which is Singapore Dollars ("S\$").

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation (Continued)

b) Transactions and balances

Foreign currency transactions of each entity in the Group are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the closing rates at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing rate at the reporting date;
- (ii) income and expenses 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 in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated and qualifying as net investment hedges, are taken to other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rate at the reporting date.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Cost of inventories comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

a) When the Group is the lessee – Operating leases

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 profit or loss on a straight-line basis over the period of the lease.

b) When the Group is the lessee – Finance leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Lease payments are allocated between liability and finance charges. The interest element of the finance cost is charged to 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. The property, plant and equipment acquired under a finance lease is depreciated over the shorter of the estimated useful life of the asset and the lease term.

c) When the Group is the lessor – Operating leases

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 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.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents include cash and bank balances (net of bank overdrafts), deposits held at call with banks and other short term highly liquid investments with original maturities of twelve months or less.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue attributable to the award of benefits measured at fair value is deferred until they are utilised. Revenue is shown as net of goods and services tax, and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

a) Revenue from integrated resort

Gaming revenue represents net house takings.

Hotel room revenue is recognised based on room occupancy. Other hotel revenue, food and beverage and retails sales are recognised when the goods are delivered or services are rendered to the customers.

Attraction revenue is recognised when tickets are used. Revenue from annual passes is amortised over the period of their validity.

Convention revenue is recognised when the related service is rendered or the event is held.

Rental income 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.

b) Dividend income

Dividend income is recognised when the right to receive payment is established.

c) Management fee income

Management fee income represents fees for management services provided and is recognised in the period in which the services are rendered.

d) Revenue from sales and marketing services

Revenue from sales and marketing services is recognised in the period in which the services are rendered.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired receivables is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event; it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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.

Contingent liabilities and contingent assets

The Group does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control 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. When a change in the probability of an outflow of economic resources occurs so that outflow is probable, it will then be recognised as a provision.

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 an inflow of economic benefits is probable, but not virtually certain. When an inflow of economic resources is virtually certain, the asset is recognised.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it arises from a transaction or event which is recognised, in the same or different period, in other comprehensive income or directly in equity. Tax relating to transactions or events recognised in other comprehensive income or directly in equity is also recognised in other comprehensive income or directly in equity, respectively.

a) Current tax

Current tax is calculated according to the tax laws of each jurisdiction in which the Company and its subsidiaries operates and includes all taxes based upon the taxable income and is measured using the tax rates and tax laws which are applicable at the reporting date.

b) Deferred tax

Deferred tax is recognised in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled; and based on the tax consequences that will follow from the manner in which the Group expects, at the same reporting date, to recover or settle the carrying amount of its assets or liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associate, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Employee benefits

a) Short-term employee benefits

Short-term employee benefits include wages, salaries, bonus and paid annual leave. These benefits are recognised in profit or loss when incurred and are measured on an undiscounted basis, unless they can be capitalised as part of the cost of a self-constructed asset.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits (Continued)

b) Post-employment benefits

The Group contributes to defined contribution plans for some of its employees under which the Group pays fixed contributions into the employees provident funds in certain countries in which it operates on a mandatory, contractual or voluntary basis and will have no legal or constructive obligations to pay further contributions if those funds do not hold sufficient assets to pay all employees the benefits relating to services provided in the current and prior periods. The Group's contributions to such plans are recognised in profit or loss as employee benefits expense when they are due, unless they can be capitalised as part of the cost of a self-constructed asset.

c) Long-term employee benefits

The Group's subsidiary, Genting Singapore PLC Group long-term employee benefits include retirement gratuities payable under a retirement gratuity scheme which was established in 1991 by the Board of Directors of the holding corporation for executives and executive directors of GENS and certain subsidiaries. The level of retirement gratuities payable is in relation to past services rendered. The gratuity is calculated based on employees' basic salary for each completed year of service. Such benefit vest on the employees when they reach 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 or government bond which have terms to maturity approximating the terms of the related liability. Employee turnover is also factored in arriving at the level of provision for retirement gratuities. The differences arising from the application of such discounting as well as any past-service costs and the effects of any curtailments or settlements, if any, are recognised immediately in 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 of the holding corporation.

d) Share-based compensation benefits

GENS Group operates equity-settled, share-based compensation plans, where shares and/or options are issued to eligible executives and directors of GENS Group. The value of the employee services received in exchange for the grant of the shares and/or options is recognised as an expense with a corresponding entry to reserves over the vesting period. The total amount to be expensed over the vesting period is determined by reference to the fair value of the 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.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits (Continued)

d) Share-based compensation benefits (Continued)

The fair value of services received from the employees of the holding corporation and its subsidiaries in exchange for the grant of the shares and/or options are essentially services rendered in the past, are charged out to profit or loss immediately, unless they can be capitalised as part of the cost of a self-constructed asset. Before the end of the vesting period, at each reporting date, GENS will revise its estimates of the number of shares and/or options that are expected to be vested at the vesting date and it recognises the impact of this revision in profit or loss with a corresponding adjustment to equity. After the vesting date, no adjustment to profit or loss is made. The proceeds received net of any directly attributable transaction costs are credited to share capital account when the shares and/or options are exercised. 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. Upon expiry of options and vesting of shares, reserves relating to the expired options and vested shares will be transferred to retained earnings.

The grant by GENS of options over its equity instruments to the employees of subsidiary undertakings in GENS Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

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 modification.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Share capital, treasury shares and perpetual capital securities

Ordinary shares, preference shares and 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 liabilities with another person or entity that are potentially unfavourable to the issuer.

Incremental costs directly attributable to the issue of new shares or options or 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 share capital or perpetual capital securities.

When shares recognised as equity are acquired, the consideration paid, including any directly attributable transaction costs, are recorded in the capital redemption reserve or treasury shares account.

Upon completion of share cancellation, the carrying amounts of the shares purchased are immediately transferred from the capital redemption reserve and deducted against share capital.

When GENS purchases its own ordinary shares ("treasury share"), they are presented as a deduction from total equity until they are cancelled, sold or reissued.

When treasury shares are subsequently sold or reissued pursuant to equity compensation plans, the cost of treasury shares is reversed from the treasury shares account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs, is recognised in equity.

At Group level, the repurchase of GENS ordinary shares are recorded as a transaction with non-controlling interest.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings and borrowing costs

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are recognised initially at fair value (net of transaction costs) and subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs including commitment fees on credit facilities, amortisation of transaction costs, interest expenses and reclassifications from the cash flow hedge reserve, are recognised in profit or loss unless they are directly attributable to the construction-in-progress, in which case, they are capitalised as part of the cost of the self-constructed asset during the construction period.

Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Approved government grants relating to qualifying expenditure are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate, unless they are directly attributable to the construction of an item of property, plant and equipment, in which case, they are set off against the asset.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts are recognised initially at fair value plus transactions costs and thereafter, at the higher of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period and the amount initially recognised less, where appropriate, cumulative amortisation recognised.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. 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 derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when changes arises.

Assets classified as held for sale

Assets are classified as held for sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

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3. FINANCIAL RISK MANAGEMENT

The Group's overall financial risk management objective is to optimise value creation for shareholders. The Group seeks to minimise the potential adverse impacts arising from fluctuations in foreign exchange and interest rates and the unpredictability of the financial markets on the Group's financial performance.

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 operational units. This process is further enhanced by effective internal controls, a group-wide insurance programme and adherence to the financial risk management policies.

The main areas of financial risks faced by the Group are as follows:

(a) Foreign currency exchange risk

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

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. To manage these exposures, the Group takes advantage of any natural offsets of the Group's revenues and expenses denominated in foreign currencies and from time to time enters into foreign exchange forward contracts for a portion of the remaining exposure relating to these forecast transactions when deemed appropriate.

The Group's principal net foreign currency exposure mainly relates to the United States Dollar ("US\$"), Korean Won ("KRW") and Hong Kong Dollar ("HK\$"), for the current financial year.

The Company's principal net foreign currency exposure mainly relates to the US\$ for the current financial year.

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Foreign currency exchange risk (Continued)

The Group's exposure to foreign currencies, net of those denominated in the respective entities' functional currencies is as follows:

	US\$ S\$'000	KRW S\$'000	HK\$ S\$'000	Others S\$'000	Total S\$'000
At 31 December 2015					
Financial assets					
Cash and cash equivalents	1,528,674	-	58,195	11	1,586,880
Available-for-sale financial assets	9,048	-	-	-	9,048
Trade and other receivables	5,293	138,980	48	200	144,521
	<u>1,543,015</u>	<u>138,980</u>	<u>58,243</u>	<u>211</u>	<u>1,740,449</u>
Financial liabilities					
Trade and other payables	(3,280)	(1)	(33)	(2,370)	(5,684)
Finance lease	(5,939)	-	-	-	(5,939)
	<u>(9,219)</u>	<u>(1)</u>	<u>(33)</u>	<u>(2,370)</u>	<u>(11,623)</u>
Net currency exposure	<u>1,533,796</u>	<u>138,979</u>	<u>58,210</u>	<u>(2,159)</u>	<u>1,728,826</u>
	US\$ S\$'000	KRW S\$'000	HK\$ S\$'000	Others S\$'000	Total S\$'000
At 31 December 2014					
Financial assets					
Cash and cash equivalents	1,094,499	-	59,073	208	1,153,780
Available-for-sale financial assets	1,323,000	-	-	-	1,323,000
Trade and other receivables	8,681	-	4	197	8,882
	<u>2,426,180</u>	<u>-</u>	<u>59,077</u>	<u>405</u>	<u>2,485,662</u>
Financial liabilities					
Trade and other payables	(6,372)	-	(37)	(1,432)	(7,841)
Finance lease	(755)	-	-	-	(755)
Derivative financial instruments	(246,869)	-	-	-	(246,869)
	<u>(253,996)</u>	<u>-</u>	<u>(37)</u>	<u>(1,432)</u>	<u>(255,465)</u>
Net currency exposure	<u>2,172,184</u>	<u>-</u>	<u>59,040</u>	<u>(1,027)</u>	<u>2,230,197</u>

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Foreign currency exchange risk (Continued)

If the US\$, HK\$ and KRW change against the S\$ by 5% (2014: 4%) each respectively with all other variables being held constant, the effects arising from the change in net financial asset position for the Group for 2015 and 2014 will be as follows:

	← Increase/(Decrease) →	
	Profit after tax	OCI
	S\$'000	S\$'000
2015		
Group		
S\$ against US\$		
- strengthened	(76,237)	(452)
- weakened	76,237	452
S\$ against HK\$		
- strengthened	(2,911)	-
- weakened	2,911	-
S\$ against KRW		
- strengthened	(6,949)	-
- weakened	6,949	-
2014		
Group		
S\$ against US\$		
- strengthened	(33,967)	(52,920)
- weakened	33,967	52,920
S\$ against HK\$		
- strengthened	(2,362)	-
- weakened	2,362	-

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Foreign currency exchange risk (Continued)

The Company's exposure to foreign currencies is as follows:

	US\$ S\$'000	Others S\$'000	Total S\$'000
At 31 December 2015			
Financial assets			
Cash and cash equivalents	4,293	-	4,293
Available-for-sale financial assets	9,048	-	9,048
Trade and other receivables	1	-	1
	<u>13,342</u>	<u>-</u>	<u>13,342</u>
Financial liabilities			
Trade and other payables	-	(31)	(31)
Net currency exposure	<u>13,342</u>	<u>(31)</u>	<u>13,311</u>
	US\$ S\$'000	Others S\$'000	Total S\$'000
At 31 December 2014			
Financial assets			
Cash and cash equivalents	4,077	-	4,077
Available-for-sale financial assets	9,255	-	9,255
Trade and other receivables	1	-	1
	<u>13,333</u>	<u>-</u>	<u>13,333</u>
Financial liabilities			
Trade and other payables	-	(44)	(44)
Net currency exposure	<u>13,333</u>	<u>(44)</u>	<u>13,289</u>

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Foreign currency exchange risk (Continued)

If the US\$ changes against the S\$ by 5% (2014: 4%) each respectively with all other variables being held constant, the effects arising from the change in net financial asset position for the Company for 2015 and 2014 will be as follows:

	← Increase/(Decrease) →	
	Profit after tax	OCI
	S\$'000	S\$'000
2015		
Company		
S\$ against US\$		
- strengthened	(215)	(452)
- weakened	<u>215</u>	<u>452</u>
2014		
Company		
S\$ against US\$		
- strengthened	(163)	(370)
- weakened	<u>163</u>	<u>370</u>

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Price risk

The Group and the Company are exposed to equity securities price risk from its quoted securities classified as available-for-sale financial assets and derivative financial instruments. To manage its price risk arising from these investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

If prices for quoted securities classified as available-for-sale financial assets and derivative financial instruments change by 1% (2014: 1%) respectively with all other variables being held constant, the effects on profit before taxation and other comprehensive income will be as follows:

	2015	
	← Increase/Decrease →	
	Profit after tax	OCI
	S\$'000	S\$'000
Group		
- increased by 1%	-	1,449
- decreased by 1%	-	(1,449)
Company		
- increased by 1%	-	91
- decreased by 1%	-	(91)
	2014	
	← Increase/Decrease →	
	Profit after tax	OCI
	S\$'000	S\$'000
Group		
- increased by 1%	8,666	1,654
- decreased by 1%	(8,369)	(1,654)
Company		
- increased by 1%	-	92
- decreased by 1%	-	(92)

(c) Interest rate risk

Interest rate risk arises mainly from the Group's short-term deposits and borrowings. The Group's short-term deposits are placed at prevailing interest rates.

The Group manages this risk through the use of floating rate debt and derivative financial instruments. The Group enters into interest rates swaps from time to time, where appropriate, to generate the desired interest rate profile.

If the annual interest rates had increased/decreased by 100 basis point (2014: 100 basis point) with all other variables including tax rate being held constant, the profit before taxation will be lower/higher by S\$17,151,000 (2014: S\$19,980,000) as a result of higher/lower interest expenses on these borrowings.

The Company is not exposed to interest rate risk

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Credit risk

Credit risk is the potential financial loss resulting from the failure of counterparties of the Group, to settle their financial and contractual obligation, as and when they fall due.

Financial assets that potentially subject the Group to concentrations of credit risk consist principally of available-for-sale financial assets, trade and other receivables and cash and cash equivalents. The Group's cash and cash equivalents and short-term deposits are placed with creditworthy financial institutions.

In managing credit risk exposure from trade receivables, GENS Group 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 the ongoing credit evaluation.

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.

The top 10 trade debtors of the Group represented 22% (2014: 16%) of trade receivables. The Group also establishes an allowance account for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to specific counterparties. Subsequently when the Group is satisfied that no recovery of such losses is possible, the trade receivables are considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired trade receivables.

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Credit risk (Continued)

At the Company level, credit risks arise from amounts due from subsidiaries and fellow subsidiaries, cash and cash equivalents. The Company's exposure to credit risk is not significant since the subsidiaries and fellow subsidiaries do not have historical default risk. The credit risk with cash and cash equivalents is limited as these are deposited with creditworthy financial institutions.

(i) Financial assets that are neither past due nor impaired

Cash and cash equivalents, restricted cash and available-for-sale financial assets of the Group are neither past due nor impaired as they are placed with creditworthy financial institutions. Trade receivables that are neither past due nor impaired are substantially from companies and individuals with a good collection track record with the Group and individuals with good creditworthiness.

The Company's financial assets are neither past due nor impaired.

(ii) Financial assets that are past due and/or impaired

For the Group, there is no other class of financial assets that is past due and/or impaired except for the Group's trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
Past due less than 3 months	88,300	280,288
Past due 3 to 6 months	93,518	160,257
Past due 6 to 12 months	147,941	323,157
Past due over 12 months	145,821	101,160
	475,580	864,862

The movement in impairment allowance on doubtful debts is as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
Beginning of financial year	574,275	429,384
Allowance charged to profit or loss	270,693	262,005
Allowance utilised	(624,246)	(117,114)
End of financial year	220,722	574,275

The Group's gross trade receivables individually determined to be past due and for which impairment loss has been provided, amounted to S\$220,722,000 (2014: S\$574,275,000). In assessing these individual debts for impairment, the Group has considered the factors as elaborated in Note 2(a)(iii) under Judgements and estimations.

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) 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.

Cash flow forecasting is performed in the operating entities of the Group and aggregated for Group purposes. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal ratio targets.

The table below analyses the financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period as at reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year S\$'000	Between 1 and 2 years S\$'000	Between 2 and 5 years S\$'000
Group			
At 31 December 2015			
Trade and other payables	351,102	-	-
Other long term liabilities	-	-	8
Bank borrowings	224,277	245,365	1,404,396
Finance lease	3,804	3,514	326
	<u>579,183</u>	<u>248,879</u>	<u>1,404,730</u>
At 31 December 2014			
Trade and other payables	520,474	-	-
Other long term liabilities	-	2,866	-
Bank borrowings	552,546	546,067	676,298
Finance lease	810	28	63
	<u>1,073,830</u>	<u>548,961</u>	<u>676,361</u>
			Less than 1 year S\$'000
Company			
At 31 December 2015			
Trade and other payables			367
			<u>367</u>
At 31 December 2014			
Trade and other payables			365
			<u>365</u>

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(f) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group defines "capital" as all components of equity.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on a gearing ratio. This ratio is calculated as total debt divided by total capital. Total debt is calculated as total borrowings (including 'current and non-current borrowings' and 'finance leases' as shown in the statement of financial position). Total capital is calculated as the sum of total equity and total debt.

The gearing ratios as at 31 December 2015 and 2014 were as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
Total debt	1,630,609	1,703,241
Total equity	9,672,121	9,749,298
Total capital	11,302,730	11,452,539
Gearing ratio	14%	15%

The Group was in compliance with externally imposed capital requirements at the reporting dates.

(g) Fair value estimation

The following table presents the Group's assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(g) Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2015 and 31 December 2014.

Group	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
At 31 December 2015				
Asset				
Available-for-sale financial assets (Note 12)	<u>144,881</u>	<u>-</u>	<u>71,514</u>	<u>216,395</u>
Total asset	<u>144,881</u>	<u>-</u>	<u>71,514</u>	<u>216,395</u>
At 31 December 2014				
Asset				
Available-for-sale financial assets (Note 12)	<u>165,409</u>	<u>1,313,745</u>	<u>42,496</u>	<u>1,521,650</u>
Total asset	<u>165,409</u>	<u>1,313,745</u>	<u>42,496</u>	<u>1,521,650</u>
Liability				
Derivative financial instruments (Note 23)	<u>-</u>	<u>246,869</u>	<u>-</u>	<u>246,869</u>
Total liability	<u>-</u>	<u>246,869</u>	<u>-</u>	<u>246,869</u>

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2015 and 31 December 2014 respectively.

Company	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
At 31 December 2015				
Asset				
Available-for-sale financial assets (Note 12)	<u>9,048</u>	<u>-</u>	<u>-</u>	<u>9,048</u>
At 31 December 2014				
Asset				
Available-for-sale financial assets (Note 12)	<u>9,255</u>	<u>-</u>	<u>-</u>	<u>9,255</u>

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(g) Fair value estimation (Continued)

There were no transfers between Level 1 and Level 2.

The fair value of financial instruments traded in active markets is based on closing quoted market prices on the last market day 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.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long term debt for disclosure purposes. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Changing one or more of the unobservable inputs in the valuation technique used for Level 3 instruments will not significantly impact the fair value of these instruments. The assessment of the fair value of unquoted equity securities is performed on a quarterly basis based on the latest available data such as underlying net asset value of the investee entity to approximate the fair value as at reporting date.

The following table presents the changes in Level 3 instruments:

	Group	
	2015	2014
	S\$'000	S\$'000
Beginning of financial year	42,496	30,516
Additions	-	9,862
Disposals	-	(2,358)
Fair value gain recognised in other comprehensive income	31,018	6,391
Repayment	(2,000)	(2,002)
Exchange differences	-	87
End of financial year	71,514	42,496

The fair value of current and non-current financial assets and liabilities approximate their carrying amounts.

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(h) Financial instruments by category

The aggregate carrying amounts of financial instruments are as follows:

	Group		Company	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Loans and receivables	6,004,037	5,037,124	5,045	4,463
Available-for-sale financial assets	216,395	1,521,650	9,048	9,255
Financial liabilities at amortised cost	1,981,220	2,239,213	-	-
Derivative financial instruments	-	246,869	-	-

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4. REVENUE

	Group	
	2015	2014
	S\$'000	S\$'000
Gaming operations	1,749,053	2,207,325
Revenue from sales and marketing services	650,308	653,053
Others	1,537	2,107
Dividend income	275	251
	<u>2,401,173</u>	<u>2,862,736</u>

Classification of certain comparative items had been changed from previous year to achieve a clearer or more appropriate presentation.

5. OTHER OPERATING INCOME

	Group	
	2015	2014
	S\$'000	S\$'000
Dividend income	12,760	16,346
Gain on disposal of available-for-sale financial assets	-	153,038
Foreign exchange gain	121,669	67,203
Interest income	61,719	50,525
Others	1,566	1,806
	<u>197,714</u>	<u>288,918</u>

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6. PROFIT BEFORE TAXATION

Included in the profit before taxation are the following expenses/(income) by nature:

	Group	
	2015	2014
	S\$'000	S\$'000
Expenses/(income) :		
Property, plant and equipment:		
- depreciation	323,923	399,123
- written off	9,283	12,290
- net gain on disposal	(599)	(369)
- impairment	4,774	5,854
Amortisation of:		
- intangible assets	20,226	20,323
- borrowing costs	10,992	9,130
Impairment loss on trade receivables	270,693	262,005
Fair value loss on derivative financial instruments	239,341	136,141
Directors' remuneration:		
- fees and meeting allowances	27	30
- other emoluments	11,147	13,427
Staff costs (excluding directors' remuneration)*:		
- salaries and related costs	492,521	523,192
- (write-back)/provision for retirement gratuities	(211)	27
- pension costs (defined contribution plans)	45,654	42,697
- share-based payment	19,359	29,629
Rental of office premises – operating lease	5,102	5,511
Advertising and promotion	40,284	41,876
Repairs and maintenance	37,630	37,460
Utilities	65,276	74,491
Auditors' remuneration	1,975	2,164
Finance charges	43,531	52,372
Shared service fees paid to holding corporation	234	166
Inventory write-down	227	648
Legal, professional and management fees	18,236	19,663
Net exchange gain	(121,669)	(66,655)
Loss/(gain) on disposal of available-for-sale financial assets, net of transaction costs	87,208	(153,038)
Impairment on available-for-sale financial assets	63,374	-
Duties and taxes**	217,068	395,519

* The GENS Group received government grants of S\$12,938,000 (2014: S\$6,402,000) that were set off against the qualifying employee compensation.

** Includes property tax and casino tax that is levied on the casino's Gross Gaming Revenue.

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7. TAXATION

	Group	
	2015	2014
	S\$'000	S\$'000
Taxation for current financial year:		
- Current tax	83,519	206,290
- Deferred tax (Note 15)	51,168	(34,795)
	134,687	171,495
(Over)/under provision in prior years:		
- Current tax	(48,483)	(1,904)
Total tax expense	86,204	169,591

Reconciliation of effective tax rate

	Group	
	2015	2014
	%	%
Applicable tax rate *	0.0	0.0
Tax effects of:		
- different tax regime#	17.0	20.2
- expenses not deductible for tax purpose	29.4	5.6
- withholding tax	2.6	1.6
- over provision from prior financial years	(11.9)	(0.2)
- income not subject to tax	(5.6)	(5.6)
- others	(0.7)	-
Average effective tax rate	30.8	21.6

* All the Group's and the Company's profits in respect of activities undertaken outside the Isle of Man are subject to 0% taxation in the Isle of Man.

Taxation on overseas profits has been calculated based on the taxable income for the respective financial year at rates of taxation prevailing in the countries in which the Group operates, including profits from the Isle of Man, which is subject to 0% tax rate.

Income tax recognised directly in equity is as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
Tax credit arising from perpetual capital securities	14,640	17,286

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8. PROPERTY, PLANT AND EQUIPMENT

Group 2015	Freehold land S\$'000	Freehold properties and improvements S\$'000	Leasehold land, properties and improvements S\$'000	Machinery, computer equipment, fixtures, fittings, motor vehicles and exhibit animals S\$'000	Construction -in-progress S\$'000	Total S\$'000
Cost						
Beginning of financial year	132,445	18,142	3,848,444	3,394,990	135,740	7,529,761
Exchange differences	-	-	116	(16)	-	100
Additions	-	-	4,740	45,833	43,505	94,078
Reclassification	-	-	71,610	100,947	(172,557)	-
Written off	-	-	(3,660)	(22,247)	(1,178)	(27,085)
Disposals	-	-	-	(5,548)	-	(5,548)
Cost adjustment	-	-	(62,837)	18,773	-	(44,064)
Reclassification to asset held for sale (Note 27)	-	-	-	(62,506)	-	(62,506)
End of financial year	132,445	18,142	3,858,413	3,470,226	5,510	7,484,736
Accumulated depreciation and impairment						
Beginning of financial year	-	2,713	390,642	1,327,314	-	1,720,669
Exchange differences	-	-	9	(11)	-	(2)
Depreciation	-	724	74,082	249,944	-	324,750
Disposals	-	-	-	(4,491)	-	(4,491)
Written off	-	-	(177)	(17,625)	-	(17,802)
Reclassification to asset held for sale (Note 27)	-	-	-	(30,565)	-	(30,565)
Impairment	-	-	1,407	3,367	-	4,774
End of financial year	-	3,437	465,963	1,527,933	-	1,997,333
Net book value						
End of financial year	132,445	14,705	3,392,450	1,942,293	5,510	5,487,403

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8. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group 2014	Freehold land S\$'000	Freehold properties and improvements S\$'000	Leasehold land, properties and improve-ments S\$'000	Machinery, computer equipment, fixtures, fittings, motor vehicles and exhibit animals S\$'000	Construction -in-progress S\$'000	Total S\$'000
Cost						
Beginning of financial year	132,445	18,142	3,841,112	3,390,829	36,963	7,419,491
Exchange differences	-	-	(1,469)	(49)	(1)	(1,519)
Additions	-	-	9,484	27,710	115,642	152,836
Reclassification	-	-	435	14,097	(14,532)	-
Written off	-	-	(4,266)	(13,986)	(2,332)	(20,584)
Disposals	-	-	-	(3,978)	-	(3,978)
Cost adjustment	-	-	3,148	(19,633)	-	(16,485)
End of financial year	132,445	18,142	3,848,444	3,394,990	135,740	7,529,761
Accumulated depreciation and impairment						
Beginning of financial year	-	2,010	302,548	1,020,311	-	1,324,869
Exchange differences	-	-	(75)	(7)	-	(82)
Depreciation	-	703	88,435	312,464	-	401,602
Disposals	-	-	-	(3,280)	-	(3,280)
Written off	-	-	(266)	(8,028)	-	(8,294)
Impairment	-	-	-	5,854	-	5,854
End of financial year	-	2,713	390,642	1,327,314	-	1,720,669
Net book value	132,445	15,429	3,457,802	2,067,676	135,740	5,809,092

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8. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Company did not own any property, plant and equipment during the financial years 2015 and 2014.

The net book value of leasehold land, and machinery, equipment and motor vehicles held under finance leases are S\$774,378,000 (2014: S\$787,335,000) and S\$6,586,000 (2014: S\$2,273,000) respectively. Included in additions are machineries acquired under finance leases amounting to S\$7,636,000 (2014: S\$250,000).

Depreciation charge on leasehold land, properties and improvements of S\$827,000 (2014: S\$2,479,000) has been capitalised as part of construction-in-progress.

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9. INTANGIBLE ASSETS

	Trademarks/ Tradenames S\$'000	Goodwill on acquisition S\$'000	Licences S\$'000	Computer software S\$'000	Total S\$'000
Group					
2015					
Cost					
Beginning of financial year	1,057	115,357	72,162	11,622	200,198
Additions	-	-	-	2,212	2,212
End of financial year	<u>1,057</u>	<u>115,357</u>	<u>72,162</u>	<u>13,834</u>	<u>202,410</u>
At 31 December 2015					
Accumulated amortisation					
Beginning of financial year	-	-	40,217	8,641	48,858
Amortisation	-	-	19,521	705	20,226
End of financial year	<u>-</u>	<u>-</u>	<u>59,738</u>	<u>9,346</u>	<u>69,084</u>
Net book value					
End of financial year	<u>1,057</u>	<u>115,357</u>	<u>12,424</u>	<u>4,488</u>	<u>133,326</u>
2014					
Cost					
Beginning and end of financial year	<u>1,057</u>	<u>115,357</u>	<u>72,162</u>	<u>11,622</u>	<u>200,198</u>
Accumulated amortisation					
Beginning of financial year	-	-	20,696	7,839	28,535
Amortisation	-	-	19,521	802	20,323
Net book value	<u>-</u>	<u>-</u>	<u>40,217</u>	<u>8,641</u>	<u>48,858</u>
Net book value					
End of financial year	<u>1,057</u>	<u>115,357</u>	<u>31,945</u>	<u>2,981</u>	<u>151,340</u>

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9. INTANGIBLE ASSETS (CONTINUED)

Amortisation expense of S\$20,226,000 (2014: S\$20,323,000) has been included in cost of sales.

a) During the financial year, the completed computer software programmes recognised as assets are amortised using the straight-line method over their estimated useful lives of 10 years. The revision of the estimated useful lives from 5 years to 10 years of these assets has resulted in a S\$2,514,000 decrease in current year's amortisation expense. The impact of the change in estimated useful lives for each of the next five years approximates that of the current financial year.

b) Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to geographical area. A segment-level summary of the allocation of goodwill with indefinite useful life is as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
Goodwill attributable to:		
Singapore	115,353	115,353
Malaysia	4	4
	<u>115,357</u>	<u>115,357</u>

The goodwill attributed to the Singapore CGU mainly arose from the Company's acquisition of shares in GENS and GENS' acquisition of the remaining 25% equity interest in Resorts World at Sentosa Pte. Ltd. ("RWSPL") which developed the first integrated resort in Singapore. The impairment test for goodwill relating to the Singapore CGU was assessed using the value-in-use method. Cash flow projections used in this calculation were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below. The growth rate is below the long-term average growth rate for the leisure and hospitality industry in which the CGU operates.

Key assumptions used in the value-in-use calculation for 2015 include a growth rate and weighted average cost of capital ("WACC") of 2.00% and 6.64% (2014: 2.00% and 7.80%) respectively.

Based on the impairment test, no impairment is required for goodwill attributed to the Singapore CGU.

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10. INTERESTS IN SUBSIDIARIES

	Company	
	2015	2014
	S\$'000	S\$'000
Quoted – at cost	2,888,323	2,888,323
Unquoted – at cost	*	*
	<u>2,888,323</u>	<u>2,888,323</u>
Market value of quoted shares (based on Level 1 in fair value hierarchy)	<u>4,892,338</u>	<u>6,861,980</u>

* This represents the cost of investment of S\$3 (2014: S\$3).

The principal subsidiaries are listed in Note 30 to the financial statements.

Summarised GENS Group financial information

	2015	2014
	S\$'000	S\$'000
Statements of Financial Position:		
Current assets	5,850,792	6,304,754
Non-current assets	6,176,051	6,367,489
Current liabilities	(647,148)	(1,541,901)
Non-current liabilities	(1,753,937)	(1,427,016)
Net assets	<u>9,625,758</u>	<u>9,703,326</u>
Accumulated non-controlling interest of the Group at the end of the reporting period	<u>3,428,387</u>	<u>3,448,327</u>
Income Statements:		
Revenue for the financial year	2,400,898	2,862,485
Net profit for the financial year	193,060	635,206
Total comprehensive income for the financial year	<u>238,351</u>	<u>417,694</u>
Profit for the financial year attributable to non-controlling interest of the Group	<u>35,642</u>	<u>248,832</u>

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10. INTERESTS IN SUBSIDIARIES (CONTINUED)

Summarised GENS Group financial information (continued)

	2015	2014
	S\$'000	S\$'000
Statements of Cash Flows:		
Cash inflow from operating activities	1,261,927	955,602
Cash inflow from investing activities	455,490	69,558
Cash outflow from financing activities	(457,956)	(982,112)
	<u>1,259,461</u>	<u>43,048</u>
Net increase in cash and cash equivalents		

11. INTERESTS IN JOINT VENTURES AND ASSOCIATE

	2015	Group 2014
	S\$'000	S\$'000
Share of net assets/(liabilities) of joint ventures:		
DCP (Sentosa) Pte. Ltd. ^(a)	46,861	42,035
Autumnglow Pte. Ltd.	(3)	-
808 Holdings Pte. Ltd.	-	149
	<u>46,858</u>	<u>42,184</u>
Share of net assets of an associate:		
Landing Jeju Development Co., Ltd. ^(b)	83,114	91,098
	<u>129,972</u>	<u>133,282</u>

(a) On 15 April 2008, RWSPL, a wholly-owned subsidiary of Star Eagle Holdings Limited ("SEHL"), a wholly-owned subsidiary of GENS Group, entered into a joint venture with Sentosa Leisure Management Pte. Ltd. ("SLM") to build and operate a district cooling plant on Sentosa Island, Singapore, through the formation of DCP (Sentosa) Pte. Ltd. ("DCP"), a private company incorporated in Singapore. RWSPL and SLM own 80% and 20% of the share capital of DCP respectively. DCP is deemed to be a joint venture of GENS Group, as both RWSPL and SLM have contractually agreed to the sharing of control in DCP.

(b) On 27 March 2014, the Group completed its acquisition of 50% equity interest in Landing Jeju Development Co., Ltd ("LJDC"), a company incorporated in Korea, for approximately S\$97,471,000.

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11. INTERESTS IN JOINT VENTURES AND ASSOCIATE (CONTINUED)

(a) The summarised financial information of DCP is as follows:

	2015 S\$'000	2014 S\$'000
Non-current assets		
Intangible assets - leasehold land use right	5,526	5,634
Property, plant and equipment	56,826	57,692
	62,352	63,326
Current assets		
Trade and other receivables	2,561	5,264
Cash and cash equivalents	10,778	8,028
	13,339	13,292
Current liabilities		
Trade and other payables	(11,352)	(11,564)
Bank borrowings	-	(7,964)
	(11,352)	(19,528)
Non-current liabilities		
Deferred tax liabilities	(5,763)	(4,546)
	(5,763)	(4,546)
Net assets	58,576	52,544
Revenue	25,378	30,204
(Expenses)/income include:		
- Depreciation and amortisation	(2,956)	(4,639)
- Interest income	63	39
- Interest expense	(179)	(376)
Profit before taxation	7,250	8,068
Taxation	(1,218)	(1,415)
Profit after taxation/total comprehensive income	6,032	6,653

DCP does not have any contingent liabilities as at 31 December 2015 and 2014.

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11. INTERESTS IN JOINT VENTURES AND ASSOCIATE (CONTINUED)

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in DCP, is as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
Net assets		
Beginning of financial year	52,544	45,891
Profit after taxation/Total comprehensive income	6,032	6,653
End of financial year	58,576	52,544
Carrying value of Group's interest in DCP	46,861	42,035
Proportionate share in joint venture's capital commitment	-	95

(b) The summarised financial information of LJDC is as follows:

	2015	2014
	S\$'000	S\$'000
Non-current assets	185,368	105,207
Current assets	490,167	305,176
Current liabilities	(5,693)	(21,327)
Non-current liabilities	(503,615)	(206,860)
Net assets	166,227	182,196
Revenue	-	-
Loss before taxation	(21,941)	(14,864)
Taxation	4,650	3,247
Loss after taxation/total comprehensive loss	(17,291)	(11,617)

LJDC does not have any contingent liabilities as at 31 December 2015 and 2014.

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11. INTERESTS IN JOINT VENTURES AND ASSOCIATE (CONTINUED)

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in LJDC, is as follows:

	2015	2014
	S\$'000	S\$'000
Net assets		
Beginning of financial year/ Net assets at acquisition date	182,196	190,675
Loss after taxation and total comprehensive loss	(17,291)	(11,617)
Currency translation differences	1,322	3,138
End of financial year	166,227	182,196
 Carrying value of Group's interest in LJDC	 83,114	 91,098
 Proportionate share in associate's capital commitment	 177,301	 24,386

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12. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Non-current</u>				
- Quoted equity securities ^(a)	37,910	61,264	9,048	9,255
- Quoted debt securities ^(a)	106,971	104,145	-	-
- Unquoted equity securities ^(b)	71,514	42,496	-	-
	216,395	207,905	9,048	9,255
<u>Current</u>				
- Compound financial instruments ^(c)	-	1,313,745	-	-
	216,395	1,521,650	9,048	9,255

- (a) The Group's investment in quoted foreign corporations consists of investment in Genting Hong Kong Limited and quoted equity securities and portfolio of quoted debt securities. The investments in quoted equity securities and portfolio of quoted debt securities have no fixed maturity or coupon rate.

During the current financial year, GENS Group recognised an impairment of S\$63,374,000 (2014: Nil) on quoted equity securities due to a significant and prolonged decline in value.

- (b) The Group's investments in unquoted equity securities represent unquoted investment in foreign corporations and investments funds.
- (c) The nominal value of US\$1,000,000,000 (approximately S\$1,314,745,000) as at 31 December 2014 has matured in 2015 and was adjusted for features stipulated in the term sheets.

Since the derivative was not closely related to the host contract, the derivative and debt securities were separately valued as derivative financial liabilities (Note 23) and available-for-sale financial assets. The difference between the fair value of the derivatives and the fair value of the compound financial instruments, representing the value of the debt securities, is recognised as available-for-sale financial assets until extinguished on maturity.

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13. INVENTORIES

	Group	
	2015	2014
	S\$'000	S\$'000
Retail stocks	6,224	7,147
Food, beverage and hotel supplies	27,369	24,714
Stores and technical spares	23,593	21,785
	<u>57,186</u>	<u>53,646</u>

The cost of inventories recognised as an expense and included in “cost of sales” amounted to S\$76,265,000 (2014: S\$76,201,000).

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14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Current				
Trade receivables	793,866	1,617,432	1	1
Less: Accumulated impairment loss	(220,722)	(574,275)	-	-
	573,144	1,043,157	1	1
Deposits	30,149	33,600	-	-
Prepayments	7,927	8,600	-	-
Other receivables	34,003	14,055	2	-
Amounts due from:				
- subsidiaries	-	-	163	162
- fellow subsidiaries	16	31	-	-
- an associate	1,071	1,172	-	-
- joint ventures	72	-	-	-
	646,382	1,100,615	166	163
Non-current				
Other receivables	290	2,790	-	-
Prepayments	3,149	3,282	-	-
Amount due from:				
- an associate	245,127	101,270	-	-
	248,566	107,342	-	-
Total	894,948	1,207,957	166	163

The amounts due from fellow subsidiaries are trade in nature, unsecured, interest-free and are repayable on demand.

The amounts due from subsidiaries are mainly non-trade in nature, unsecured, interest-free and repayable on demand.

The amount due from associate and joint ventures are non-trade in nature, unsecured and interest-free except for S\$235,903,000 (2014: S\$97,529,000) which bears a fixed interest rate.

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15. DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

	Group	
	2015	2014
	S\$'000	S\$'000
Deferred tax assets		
To be recovered after one year	<u>1,743</u>	<u>89</u>
Deferred tax liabilities		
To be settled after one year	<u>(283,247)</u>	<u>(230,420)</u>

The following amounts, determined prior to offsetting, are shown in the statement of financial position:

	Beginning of financial year	Credited/ (charged) to profit or loss	Exchange differences	End of financial year
Group	S\$'000	S\$'000	S\$'000	S\$'000
2015				
Deferred tax assets				
Property, plant and equipment	-	1,349	-	1,349
Provisions	89	(58)	(5)	26
Tax losses	-	368	-	368
	<u>89</u>	<u>1,659</u>	<u>(5)</u>	<u>1,743</u>
Deferred tax (liabilities)/assets				
Property, plant and equipment	(311,590)	2,341	-	(309,249)
Intangible assets	(1,107)	(199)	-	(1,306)
Provisions	82,277	(54,969)	-	27,308
	<u>(230,420)</u>	<u>(52,827)</u>	<u>-</u>	<u>(283,247)</u>
2014				
Deferred tax assets				
Provisions	<u>88</u>	<u>(11)</u>	<u>12</u>	<u>89</u>
Deferred tax (liabilities)/assets				
Property, plant and equipment	(304,170)	(7,420)	-	(311,590)
Intangible assets	(1,275)	168	-	(1,107)
Provisions	<u>40,219</u>	<u>42,058</u>	<u>-</u>	<u>82,277</u>
	<u>(265,226)</u>	<u>34,806</u>	<u>-</u>	<u>(230,420)</u>

Deferred tax assets are recognised for tax losses and capital allowances carried forward to the extent that the realisation of the related tax benefits through future taxable profits is probable.

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16. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

	Group		Company	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Short term deposits with banks and finance companies	4,258,270	2,699,135	3,397	-
Cash and bank balances	748,672	1,002,658	1,482	4,300
Cash and cash equivalents in the statements of cash flows	5,006,942	3,701,793	4,879	4,300
Restricted cash	113,223	139,256	-	-

Restricted cash represents deposit pledged as security for loan and interest repayments.

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17. SHARE CAPITAL

<u>Group and Company</u>	2015 No. of shares '000	2014 No. of shares '000
Authorised:		
Ordinary shares of US\$1 each		
Beginning and end of financial year	100	100
Convertible, Non-Cumulative Redeemable Preference shares of US\$1 each		
Beginning and end of financial year	500	500
Convertible, Non-Cumulative Irredeemable Preference shares of US\$1 each		
Beginning and end of financial year	3,000	3,000
	3,600	3,600

<u>Group and Company</u>	2015		2014	
	No. of shares '000	S\$'000	No. of shares '000	S\$'000
Issued and fully paid				
Ordinary shares of US\$1 each				
Beginning and end of financial year	45	69	45	69
Convertible, Non-Cumulative Redeemable Preference shares of US\$1 each				
Beginning and end of financial year	170	257	170	257
Convertible, Non-Cumulative Irredeemable Preference shares of US\$1 each				
Beginning of financial year	1,785	2,532	1,482	2,148
Issued during the financial year	-	-	303	384
End of financial year	1,785	2,532	1,785	2,532
	2,000	2,858	2,000	2,858

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17. SHARE CAPITAL (CONTINUED)

The Convertible, Non-Cumulative Irredeemable Preference shares ("CNCF") shall have the following rights :

- i. The holders of the Preference Shares shall be entitled to receive out of the profits of the Company resolved to be distributed in respect of any financial year a non-cumulative preferential dividend at the rate to be fixed at the discretion of the Company on the capital for the time being paid-up or credited as paid up thereon, such preferential dividend to be paid, as regards to each financial year, out of the profits of such financial year only with no right in case of deficiency to resort to the profits of subsequent years, and such preferential dividend shall be payable annually or at such other times as the Directors may from time to time determine. The Preference Shares shall not confer any further right to participate in profits or assets of the Company.
- ii. The preference dividend payable on the Preference Shares as may be determined by the Directors shall be paid in priority to the dividend payable on the Ordinary Shares.
- iii. The Company shall be entitled from time to time to create and issue further preference shares ranking pari passu in all respects with the existing Preference Shares.
- iv. In the event of the winding up of the Company, the holders of the Preference Shares shall after the Company has fully satisfied the rights attached to the Convertible, Non-Cumulative Redeemable Preference Shares in a winding up situation as stipulated under the Company's Articles of Association be entitled to have the surplus assets applied, firstly, in paying off the capital paid up on the Preference Shares, secondly, in paying off any preferential dividend declared but unpaid at the commencement of the winding up, and subject as aforesaid, the residue of such surplus assets shall be paid to the holders of the Ordinary Shares of the Company and the holders of the Preference Shares shall not be entitled to be paid any of such surplus assets.
- v. Except as provided in the Isle of Man Companies Acts, the Preference Shares shall not confer any voting rights on the holders thereof at any general meeting.
- vi. The holders of any Preference Shares which are paid up or credited as paid up, shall be entitled upon notice in writing to the Company at any time and from time to time to convert such Preference Shares or any of them into Ordinary Shares.
- vii. The Company shall have the right at any time and from time to time upon notice in writing to the holders of any Preference Shares which are paid up or credited as paid up, to convert all or any of the Preference Shares into Ordinary Shares.

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17. SHARE CAPITAL (CONTINUED)

The CNCI shall have the following rights (continued):

- viii. Conversion of the Preference Shares whether by the holders thereof or by the Company shall be at the par value of the Preference Shares. The Ordinary Shares issued pursuant to any conversion shall, for all dividends declared and paid on the existing issued Ordinary Shares of the Company after the date of conversion and in all respects, rank *pari passu* with such Ordinary Shares.
- ix. The Company shall be entitled at any time and from time to time to issue all or any of the Preference Shares at par value or at a premium as the Directors deem fit.

The Convertible, Non-Cumulative Redeemable Preference Shares shall have the following rights:

- i. The holders of the Preference Shares shall at the full discretion of the Board of Directors of the Company, be entitled to receive out of the profits of the Company resolved to be distributed in respect of any financial year a non-cumulative preferential dividend at the rate to be determined by the Directors on the capital for the time being paid up or credited as paid up thereon, such preferential dividend to be paid out of the profits of such financial year only with no right in case of deficiency to resort to the profits of subsequent years. The Preference Shares shall not confer any further right to participate in profits or assets.
- ii. The preference dividend payable on the Preference Shares as may be determined by the Directors shall be paid in priority to the dividend payable on the ordinary shares.
- iii. The Company shall be entitled from time to time to create and issue further preference shares ranking *pari passu* in all respects with the existing Preference Shares.
- iv. In the event of the winding up of the Company, the holders of the Preference Shares shall be entitled to have the surplus assets applied, firstly, in paying off the capital paid-up on the Preference Shares, secondly, in paying off any preferential dividend declared but unpaid at the commencement of the winding up and subject as aforesaid the residue of such surplus assets shall be paid to the holders of the ordinary shares of the Company and the holders of the Preference Shares shall not be entitled to be paid any of such surplus assets.
- v. Except as provided in the Isle of Man Companies Acts, the Preference Shares shall not confer voting rights on the holders thereof at any general meeting.
- vi. The holders of any Preference Shares which are paid up or credited as paid up shall be entitled upon notice in writing to the Company at any time and from time to time to convert such Preference Shares or any of them into ordinary shares.
- vii. The Company shall have the right at any time and from time to time upon notice in writing to the holders of any Preference Shares which are paid up or credited as paid up to convert all or any of the Preference Shares into ordinary shares.

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17. SHARE CAPITAL (CONTINUED)

- viii Conversion of the Preference Shares whether by the holders thereof or by the Company shall be at such value of the Preference Shares mutually agreed between the holders of the Preference Shares and the Company. The ordinary shares issued pursuant to any conversion shall, for all dividends declared and paid on the existing issued ordinary shares of the Company after the date of conversion and in all respects, rank pari passu with such ordinary shares.
- ix. The Company shall be entitled at any time and from time to time to issue all or any of the Preference Shares at par value or at a premium as the Directors of the Company deem fit.
- x. The Company shall be entitled at any time and from time to time to redeem all or any of the Preference Shares for the time being issued out of any monies which may lawfully be applied for the purpose whether by way of cash payments or by way of distribution of specific assets wholly or in part, and where any difficulty arises in such distribution, the Directors may settle such difficulty as they think expedient, and in particular may fix the value of any such specific assets and may determine that cash payments shall be made to holders of Preference Shares upon the footing of the value so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Directors at par value of the Preference Shares and at such premium as the Directors shall determine upon giving to the holders notice in writing to redeem all or any of the Preference Shares and the holders thereof shall surrender to the Company the certificates pertaining thereto and the Company shall pay to the holders the amounts payable in respect of such redemption.
- xi. Redemption must be in proportion to the shareholdings of each Preference Shareholder.

18. RESERVES

	Group		Company	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Non-distributable reserves:				
Share premium	2,786,500	2,786,500	2,786,500	2,786,500
Capital redemption reserve	415	415	415	415
Exchange translation reserve	1,486	967	43	43
Fair value reserve	23,147	(432)	2,741	2,948
Distributable reserve:				
Retained earnings	1,088,575	1,076,718	109,492	108,912
	3,900,123	3,864,168	2,899,191	2,898,818

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19. PERPETUAL CAPITAL SECURITIES OF A SUBSIDIARY

On 12 March 2012, GENS issued S\$1,800,000,000 5.125% perpetual capital securities (“Institutional Securities”) at an issue price of 100 per cent.

On 18 April 2012, GENS issued S\$500,000,000 5.125% perpetual capital securities (“Retail Securities”) at an issue price of 100 per cent.

Holders of these Institutional and Retail Securities are conferred a right to receive distribution on a semi-annual basis from their issue date at the rate of 5.125% per annum, subject to a step-up rate from 12 September 2022 and 18 October 2022 respectively. GENS has a right to defer this distribution under certain conditions.

The Institutional and Retail Securities have no fixed maturity and are redeemable in whole, but not in part, at GENS’ option on or after 12 September 2017 for the Institutional Securities and 18 October 2017 for the Retail Securities at their principal amounts together with any accrued, unpaid or deferred distributions. While any distributions are unpaid or deferred, GENS will not declare, pay dividends or make similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank.

These perpetual capital securities were issued for GENS’ general corporate purposes as well as to finance capital expenditure and the expansion of its business.

During the financial year, Board of Directors of GENS has approved to distribute the payments for the Institutional and Retail Securities. Accordingly, the Institutional Securities distributions amounting to S\$45,746,000 and S\$46,504,000 were paid on 11 March 2015 and 11 September 2015 respectively. The distribution for Retail Securities amounting to S\$12,777,000 and S\$12,848,000 were paid on 20 April 2015 and 19 October 2015 respectively.

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20. OPTION RESERVES

Genting Singapore PLC Employee Share Option Scheme (the “Scheme”)

On 8 September 2005, the Board of Directors of GENS, pursuant to their powers under the then existing Articles of Association of GENS and Isle of Man law, adopted the Scheme. The Scheme comprises share options (“Options”) issued to selected executive employees and certain directors of GENS, its subsidiaries, its ultimate holding corporation and its subsidiaries.

The Scheme will provide an opportunity for selected executive employees and certain directors of GENS Group, its ultimate holding corporation and its subsidiaries (“grantees”), who have contributed significantly to the performance and development of the Group to participate in the growth of GENS Group.

Under the Scheme, the total number of shares over which the Remuneration Committee may grant options shall not exceed two and one half per cent of the total issued shares of GENS as at the date of offer of options. On 8 September 2005 (“Offer Date”), Options were granted to the grantees to subscribe for an aggregate of 63,206,000 shares. The consideration for the grant of the Options to each of the grantees was US\$1.

The issue of Options pursuant to the Scheme was one-off and there will be no further issue of any options under the Scheme. The Options granted can only be exercised by the grantees with effect from the third year of the Offer Date and the number of new shares comprised in the Options which a grantee can subscribe for from the third year onwards shall at all times be subject to a maximum of 12.5% rounded up to the next 1,000 shares of the allowable allotment for each grantee. The Scheme was for a duration of ten years and the Options expire on 7 September 2015.

The exercise price for each share in respect of an Option was initially US\$0.1876 and was fixed by the Board of Directors of GENS at a price equal to the average of the middle market quotations of the shares of GENS on the Central Limit Order Book International (“CLOB International”, on which GENS’ shares were quoted and traded at that time) for forty Market Days immediately preceding the Offer Date.

At the Extraordinary General Meeting (“EGM”) held on 8 August 2007, GENS’ shareholders approved certain amendments to the Scheme. The Remuneration Committee considered it necessary to amend some of the existing rules of the Scheme to provide flexibility to make certain adjustments to the terms of the share options granted under the Scheme to be in line with industry practice. The proposed amendments included adjustments to be made to the number and exercise price of the option shares upon the occurrence of certain events. As a result of the 2007 Rights Issue, the exercise price per share and number of option shares outstanding were adjusted. The adjusted exercise price per share was US\$0.1658.

Following the 2009 Rights Issue, the exercise price per share was again adjusted to US\$0.1579.

The fair value of the options was determined using the “Trinomial” model based on the closing market price at the Offer Date, the exercise price, expected volatility based on its historical volatility, option life and a risk free interest rate of 3.95% to 4.15% based on the yield on US Treasury Bonds maturing between 5 to 10 years and an assumption of zero dividends.

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20. OPTION RESERVES (CONTINUED)

Genting Singapore PLC Employee Share Option Scheme (the “Scheme”) (Continued)

The cumulative number of option shares at the adjusted exercise price per share of US\$0.1579 (2014: US\$0.1579) outstanding are:

Exercise period	Adjusted number of option shares outstanding	
	2015	2014
08/09/2007 – 07/09/2015	-	542,000
08/09/2008 – 07/09/2015	-	694,000
08/09/2009 – 07/09/2015	-	887,000
08/09/2010 – 07/09/2015	-	1,144,000
08/09/2011 – 07/09/2015	-	2,274,000
08/09/2012 – 07/09/2015	-	2,806,000
08/09/2013 – 07/09/2015	-	3,637,000
08/09/2014 – 07/09/2015	-	5,050,048
	<u>-</u>	<u>17,034,048</u>

Movements in the number of option shares outstanding are as follows:

	Option shares	
	2015	2014
Beginning of the financial year	17,034,048	23,526,321
Forfeited	(249,461)	(65,233)
Exercised	(16,784,587)	(6,427,040)
End of the financial year	<u>-</u>	<u>17,034,048</u>

The weighted average market price per share during the period of exercise was S\$0.913 (2014: S\$1.227).

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20. OPTION RESERVES (CONTINUED)**Genting Singapore PLC Employee Share Option Scheme (the “Scheme”) (Continued)**

A summary of the cumulative options granted to the Directors of GENS since the commencement of the Scheme to 31 December 2015 are set out as below:

<u>Name of Directors of GENS</u>	Adjusted number of option shares granted *
1. Tan Sri Lim Kok Thay	5,941,463
2. Mr. Tan Hee Teck	3,501,177
3. Mr. Lim Kok Hoong	583,496
4. Mr. Tjong Yik Min	583,496
	<u>10,609,632</u>

* Incorporating adjustments for the Rights Issue

a. At the reporting date, there were no options granted at :

- (i) a discount of 10% or less off market price; or
- (ii) a discount of more than 10% off market price.

b. None of the grantees as disclosed above received 5% or more of the total number of options available under the Scheme.

c. A total of 33,945,641 option shares were granted since commencement of the Scheme in 2009 to the Directors and Employees of the GENS' ultimate holding company and its subsidiaries.

d. No options to take up unissued shares of any subsidiary were granted and there were no shares of any subsidiary issued by virtue of the exercise of an option to take up unissued shares.

e. These options do not entitle the holder to participate by virtue of the options, in any share issue of any other corporations.

f. There were no unissued shares of any subsidiary under option.

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20. OPTION RESERVES (CONTINUED)

Genting Singapore Performance Share Scheme (“PSS”)

GENS recognises the fact that the services of GENS Group’s employees and directors are important to the on-going development, growth and success of GENS Group and it has, therefore, introduced the PSS which will give GENS more flexibility in relation to the GENS Group’s remuneration package for its employees and allow the GENS Group to better manage its fixed overheads. GENS Group executives and executive and non-executive directors are eligible to participate in the PSS. GENS will deliver shares granted under an award by issuing new shares to the participants. The awards represent the right of a participant to receive fully-paid shares free of charge, upon the participant satisfying the criteria set out in the PSS and upon satisfying such criteria as may be imposed. The number of shares to be granted to a participant shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as his/her capability, scope of responsibility, skill and vulnerability to leaving the employment of the GENS Group. The total number of shares which may be issued and/or issuable pursuant to awards granted under the PSS on any date shall not exceed 208,853,893 shares and when added to the number of shares issued and/or issuable under such other share-based incentives schemes of GENS, shall not exceed 5% of the total number of shares of GENS from time to time. The PSS shall continue to be in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years, commencing from adoption date, provided always that the PSS may continue beyond the stipulated period with the approval of GENS’ shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The PSS was approved by GENS’ shareholders at the EGM held on 8 August 2007.

The vesting of performance shares granted under PSS is subject to the achieving of pre-agreed service and/or performance conditions over the performance period.

For performance share grants with pre-agreed service conditions, the fair value was determined based on the GENS’s closing market price at the date of grant.

For performance share grants with pre-agreed performance conditions, the fair value was determined based on the Monte Carlo simulation model. Key inputs to the model include GENS’ closing market price at the date of grant and assumptions as below:

	Year of grant	
	2011	2012
3-Year monthly volatility	44.14% - 44.25%	23.64% - 42.79%
Dividend yield	0.46% - 0.50%	0.59% - 0.75%
Risk-free interest rate	0.46% - 0.49%	0.34% - 0.40%

The volatility measured as the standard deviation of expected share price returns was estimated based on statistical analysis of share prices over the last 3 years.

The weighted average fair value per share granted in 2015 was S\$0.933 (2014: S\$1.315).

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

(In Singapore Dollars)

20. OPTION RESERVES (CONTINUED)**Genting Singapore Performance Share Scheme ("PSS") (Continued)**

Movements in the number of performance shares outstanding are as follows:

	PSS shares	
	2015	2014
Beginning of financial year	53,453,500	29,215,000
Granted	15,580,000	41,540,000
Forfeited	(5,300,950)	(2,281,500)
Issued	(20,352,550)	(15,020,000)
End of the financial year	43,380,000	53,453,500

A summary of the cumulative performance shares granted to the Directors of GENS since the commencement of the PSS are set out below:

	Number of PSS granted	
	2015	2014
Name of Directors of GENS		
Tan Sri Lim Kok Thay	6,750,000	6,000,000
Mr. Tan Hee Teck	33,130,000	32,380,000
Mr. Lim Kok Hoong	900,000	800,000
Mr. Tjong Yik Min	900,000	800,000
Mr. Koh Seow Chuan	780,000	680,000
	42,460,000	40,660,000

No employee has received 5% or more of the total number of awards granted during the financial year.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

(In Singapore Dollars)

21. BANK BORROWINGS

	Group	
	2015	2014
	S\$'000	S\$'000
Current		
Secured, interest bearing	164,224	517,887
Non-current		
Secured, interest bearing	1,460,361	1,184,480

On 23 March 2015, GENS Group executed a facility agreement for syndicated senior secured credit facilities ("New Facilities") of S\$2,270,000,000 for the purpose of refinancing GENS Group existing facilities of S\$4,192,500,000 obtained in 2011.

The repayment of the bank borrowings commenced on 23 September 2015 (2014: 30 June 2011) with half-yearly (2014: quarterly) repayment dates. All bank borrowings must be repaid by 23 March 2020 (2014: 31 December 2017). The carrying amounts of non-current borrowings approximate their fair values at the reporting date.

Banker guarantees of S\$10,000,000 (2014: S\$20,000,000) were obtained and held by Sentosa Development Corporation ("SDC"), as a part of the conditions in the Development Agreement entered into with SDC.

These banker's guarantees and the bank borrowings of the Group are substantially secured over assets of the Singapore leisure and hospitality business segment.

22. FINANCE LEASES

The GENS Group leases certain machinery and motor vehicles from third parties under finance leases. The lease agreements do not have renewal clauses but provide GENS Group with options to purchase the leased assets at nominal value at the end of the lease term.

	Group	
	2015	2014
	S\$'000	S\$'000
Finance lease liabilities – minimum lease payments:		
- No later than one year	3,804	810
- Between one and five years	3,840	91
	7,644	901
Less: Future finance charges on finance leases	(1,620)	(27)
Present value of finance lease liabilities	6,024	874
The present value of finance lease liabilities is as follows:		
- No later than one year	2,606	789
- Between one and five years	3,418	85
	6,024	874

Finance lease liabilities are secured by the rights to the leased assets (Note 8), where the lessors shall be entitled to ownership of the assets in the event of default by GENS Group.

GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)
(In Singapore Dollars)

23. DERIVATIVE FINANCIAL INSTRUMENTS

	Group
	2015
	S\$'000
Current, at fair value	
Compound financial instruments (Note 12(c))	2014 S\$'000
	246,869
	-

24. TRADE AND OTHER PAYABLES

	Group		Company
	2015	2014	2015
	S\$'000	S\$'000	S\$'000
Current			
Trade payables	4,273	4,098	-
Accrued operating liabilities	193,808	222,218	30
Accrued capital expenditure	15,854	96,994	-
Retention monies and deposits	34,874	40,147	-
Deferred income	61,642	75,080	-
Other payables	101,695	154,299	-
Amount due to holding corporation	57	30	-
Amounts due to fellow subsidiaries	42	68	-
Amount due to a subsidiary	-	-	337
Amount due to a joint venture	-	2,620	-
	412,245	595,554	367
	-	-	365

Retention monies refer to amounts withheld from contractors' claim for work done in accordance with contractual rights, which are progressively released upon the completion of the project.

The amounts due to holding corporation, subsidiary, fellow subsidiaries and joint venture are mainly non-trade in nature, unsecured, interest free and are repayable on demand.

GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)
(In Singapore Dollars)

25. PROVISION FOR RETIREMENT GRATUITIES

	Group	
	2015	2014
	S\$'000	S\$'000
<u>Non-current liability:</u>		
Beginning of financial year	1,335	1,444
(Credited)/charged to profit or loss	(211)	27
Payment made	(212)	(138)
Exchange differences	(12)	2
End of financial year	900	1,335

Retirement gratuities are payable to certain employees upon their retirement. The gratuities provided are factored for discount rates, based on interest rates available in the market for bonds with AAA ratings, and attrition rates based on age bands.

26. OTHER LONG TERM LIABILITIES

	Group	
	2015	2014
	S\$'000	S\$'000
Retention monies and deposits	8	2,866
Deferred income	6,003	7,830
Total	6,011	10,696

Retention monies refer to amounts withheld from contractors' claim for work done in accordance with contractual rights, which are progressively released upon the completion of the project.

The carrying values of non-current retention monies and deposits approximate their fair values.

27. ASSET CLASSIFIED AS HELD FOR SALE

As at 31 December 2015, the asset classified as held for sale represents an aircraft owned by a wholly-owned subsidiary of GENS. The sale of this asset is expected to be completed within the next twelve months.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAT ENDED 31 DECEMBER 2015 (CONTINUED)**

(In Singapore Dollars)

28. SIGNIFICANT RELATED PARTY DISCLOSURES

The holding corporation is Genting Berhad ("GENT"), a company incorporated in Malaysia and whose shares are listed on the main market of Bursa Malaysia Securities Berhad.

In addition to the information disclosed elsewhere in the consolidated financial statements, the following significant transactions took place between the Group and related parties:

	Group	
	2015	2014
	S\$,000	S\$,000
i. Sales of goods and/or services to:		
- Fellow subsidiaries	167	384
- Subsidiaries of a substantial shareholder	812	895
	979	1,279
ii. Purchases of goods and/or services from:		
- Subsidiaries of a substantial shareholder	(2,526)	(616)
- A joint venture	(25,378)	(30,204)
	(27,904)	(30,820)
iii. Management services from a subsidiary of a substantial shareholder	-	(1,891)
iv. Interest income receivable from an associate	5,496	3,741
v. Finance costs charged by holding corporation	-	19,375
vi. Dividend paid to holding corporation *	(63,389)	(63,330)

* Dividend per share has been disclosed in the Report of the Directors.

Key management remuneration

Key management remuneration includes fees, salaries, bonus, commission and other emoluments computed based on the cost incurred by the Directors, and where the Group did not incur any costs, the value of the benefit. The remuneration of Directors and key management personnel are analysed as follows:

	Group	
	2015	2014
	S\$,000	S\$,000
Fees and meeting allowances	27	30
Salaries, bonus and other emoluments	10,427	11,852
Share-based payment	720	1,575
	11,174	13,457

GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)
(In Singapore Dollars)

29. COMMITMENTS

Capital commitments

	Group	
	2015	2014
	S\$'000	S\$'000
Authorised capital expenditure not provided for in the financial statements:		
Contracted - property, plant and equipment	14,363	53,893

Capital commitments of joint ventures and associate are disclosed in Note 11.

Operating lease commitments - lessee

GENS Group leases offices, buildings and equipment under non-cancellable operating lease agreements. These leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases are payable as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
Not later than one year	1,975	1,246
Between one year and five years	566	1,087
	2,541	2,333

Operating lease commitments - lessor

GENS Group leases out retail space under non-cancellable operating leases. These 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.

The future minimum lease receivables under non-cancellable operating leases are as follows:

	Group	
	2015	2014
	S\$'000	S\$'000
Not later than one year	19,271	19,411
Between one year and five years	12,389	19,249
More than five years	131	179
	31,791	38,839

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONTINUED)**

(In Singapore Dollars)

30. PRINCIPAL SUBSIDIARIES

The details of the Company's significant subsidiaries as at 31 December 2015 and 2014 are as follows:

	Country of incorporation	Effective percentage of ownership		Principal activities
		2015 %	2014 %	
DIRECT SUBSIDIARY				
Genting Singapore PLC	Isle of Man	52.94	52.48	Investment holding
INDIRECT SUBSIDIARY				
Resorts World at Sentosa Pte Ltd	Singapore	52.94	52.48	Developer and operator of an integrated resort

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
GENTING OVERSEAS HOLDINGS LIMITED**

(Incorporated in the Isle of Man with limited liability No. 23737)

Report on the Financial Statements

We have audited the accompanying consolidated and parent company financial statements ('the financial statements') of Genting Overseas Holdings Limited and its subsidiaries (the 'Group') which comprise the consolidated and parent company statements of financial position as of 31 December 2014 and the consolidated statement of comprehensive income, consolidated and parent company statements of changes in shareholder's equity and consolidated and parent company statements of cash flows for the financial year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these consolidated and parent company financial statements in accordance with applicable Isle of Man law, Malaysian Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report, including the opinion, has been prepared for and only for the company's member as a body in accordance with Section 15 of the Isle of Man Companies Act 1982 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We conducted our audit in accordance with Approved Auditing Standards in Malaysia. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
GENTING OVERSEAS HOLDINGS LIMITED (CONTINUED)**
(Incorporated in the Isle of Man with limited liability No. 23737)

Report on the Financial Statements (continued)

Opinion

In our opinion:

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2014, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards;
- the parent company financial statements give a true and fair view of the financial position of the parent company as at 31 December 2014 and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards as applied in accordance with the provisions of the Isle of Man Companies Acts 1982; and
- the financial statements have been properly prepared in accordance with the Isle of Man Companies Acts, 1931 to 2004.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Isle of Man Companies Acts 1931-2004 require us to report to you if, in our opinion :

- Proper books of account have not been kept by the parent company or, proper returns adequate for our audit have not been received from branches not visited by us; or
- The parent company's statement of financial position is not in agreement with the books of account and returns; or
- We have not received all the information and explanations necessary for the purposes of our audit; and
- Certain disclosures of Directors' loans and remuneration specified by law have not been complied with.

PricewaterhouseCoopers LLC

PricewaterhouseCoopers LLC
Chartered Accountants
Douglas, Isle of Man

Date: *12 August 2015*

GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014
(In Singapore Dollars)

		Group	
	Note	2014 S\$'000	2013 S\$'000
Revenue	4	2,862,736	2,847,314
Cost of sales		<u>(1,868,742)</u>	<u>(1,844,915)</u>
Gross profit		993,994	1,002,399
Other operating income	5	288,918	116,513
Fair value (loss)/gain on derivative financial instruments		(136,141)	104,882
Selling and distribution costs		(56,711)	(64,914)
Administrative expenses		(235,775)	(273,838)
Other operating expenses		<u>(17,184)</u>	<u>(35,334)</u>
Profit from operations		837,101	849,708
Finance costs		(61,502)	(72,895)
Share of results in joint ventures and associate		<u>10,624</u>	<u>36,301</u>
Profit before taxation	6	786,223	813,114
Taxation	7	<u>(169,591)</u>	<u>(137,760)</u>
Net profit for the financial year		<u>616,632</u>	<u>675,354</u>
Attributable to:			
Equity holder of the Company		249,925	274,100
Holders of perpetual capital securities		117,875	117,875
Non-controlling interests		<u>248,832</u>	<u>283,379</u>
		<u>616,632</u>	<u>675,354</u>

The notes on pages 19 to 90 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)**

(In Singapore Dollars)

	Group	
	2014	2013
	S\$'000	S\$'000
Profit for the financial year	616,632	675,354
Other comprehensive (loss)/income, may be reclassified subsequently to profit or loss:		
Available-for-sale financial assets		
- Fair value (loss)/gain	(69,795)	234,087
- Reclassification to profit or loss	(153,446)	(31,719)
Foreign currency exchange differences	1,546	8,838
Reclassification of foreign currency exchange differences	2,488	611
Other comprehensive (loss)/income for the financial year, net of tax	(219,207)	211,817
Total comprehensive income for the financial year	397,425	887,171
 Total comprehensive income attributable to:		
Equity holder of the Company	135,421	385,825
Holders of perpetual capital securities	117,875	117,875
Non-controlling interests	144,129	383,471
	397,425	887,171

The notes on pages 19 to 90 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF FINANCIAL POSITION**AS AT 31 DECEMBER 2014**

(In Singapore Dollars)

		Group		Company	
	Note	2014 S\$'000	2013 S\$'000	2014 S\$'000	2013 S\$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	8	5,809,092	6,094,622	-	-
Intangible assets	9	151,340	171,663	-	-
Subsidiaries	10	-	-	2,888,323	2,888,323
Joint ventures and associate	11	133,282	36,832	-	-
Available-for-sale financial assets	12	207,905	606,644	9,255	10,949
Other receivables	14	107,342	8,839	-	-
Deferred tax assets	15	89	88	-	-
		<u>6,409,050</u>	<u>6,918,688</u>	<u>2,897,578</u>	<u>2,899,272</u>
Current Assets					
Inventories	13	53,646	56,097	-	-
Trade and other receivables	14	1,100,615	1,133,240	163	17,446
Available-for-sale financial assets	12	1,313,745	1,265,240	-	-
Restricted cash	16	139,256	131,202	-	-
Cash and cash equivalents	16	3,701,793	3,667,685	4,300	37,534
		<u>6,309,055</u>	<u>6,253,464</u>	<u>4,463</u>	<u>54,980</u>
Total Assets		<u>12,718,105</u>	<u>13,172,152</u>	<u>2,902,041</u>	<u>2,954,252</u>
EQUITY AND LIABILITIES					
Equity Attributable to Equity Holder of the Company					
Share capital	17	2,858	2,474	2,858	2,474
Reserves	18	3,864,168	3,443,769	2,898,818	2,526,484
		<u>3,867,026</u>	<u>3,446,243</u>	<u>2,901,676</u>	<u>2,528,958</u>
Perpetual capital securities of a subsidiary	19	2,308,330	2,308,330	-	-
Non-controlling interests		3,448,327	3,480,425	-	-
Option reserves	20	125,615	94,447	-	-
Total Equity		<u>9,749,298</u>	<u>9,329,445</u>	<u>2,901,676</u>	<u>2,528,958</u>

The notes on pages 19 to 90 form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

		Group		Company	
	Note	2014 S\$'000	2013 S\$'000	2014 S\$'000	2013 S\$'000
Non-Current Liabilities					
Long term borrowings	21	1,184,480	1,702,367	-	-
Finance lease	22	85	487	-	-
Deferred tax liabilities	15	230,420	265,226	-	-
Provision for retirement gratuities	25	1,335	1,444	-	-
Other long term liabilities	26	10,696	10,578	-	-
		<u>1,427,016</u>	<u>1,980,102</u>	<u>-</u>	<u>-</u>
Current Liabilities					
Trade and other payables	24	595,554	758,268	365	9,366
Loan due to holding corporation	24	-	415,928	-	415,928
Short term borrowings	21	517,887	515,870	-	-
Finance lease	22	789	6,534	-	-
Taxation		180,692	155,106	-	-
Derivative financial instruments	23	246,869	10,899	-	-
		<u>1,541,791</u>	<u>1,862,605</u>	<u>365</u>	<u>425,294</u>
Total Liabilities		<u>2,968,807</u>	<u>3,842,707</u>	<u>365</u>	<u>425,294</u>
Total Equity and Liabilities		<u>12,718,105</u>	<u>13,172,152</u>	<u>2,902,041</u>	<u>2,954,252</u>

The financial statements set out on pages 8 to 90 were approved and authorised for issue by the Board of Directors on
12 AUG 2015 and signed in its behalf by:



TAN SRI LIM KOK THAY
Director



TUN MOHAMMED HANIF BIN OMAR
Director

(Incorporated in the Isle of Man with limited liability No. 23737)

(In Singapore Dollars)

Transactions with owners:

Balance at
31 December 2014

The notes on pages 19 to 90 form an integral part of these financial statements.

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)**
(In Singapore Dollars)

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GENTING OVERSEAS HOLDINGS LIMITED
(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

	Non-distributable					Distributable	Total equity S\$'000
	Share capital S\$'000	Share premium S\$'000	Capital redemption reserve S\$'000	Fair value reserve S\$'000	Exchange translation reserve S\$'000	Retained earnings S\$'000	
<u>Company</u>							
<u>2014</u>							
At beginning of the financial year	2,474	2,403,104	415	4,642	43	118,280	2,528,958
Total comprehensive income	-	-	-	(1,694)	-	53,962	52,268
<u>Transactions with owner:</u>							
Interim Preference Shares dividends for financial year ended 31 December 2014	-	-	-	-	-	(63,330)	(63,330)
Issuance of Irredeemable Preference Shares	384	383,396	-	-	-	-	383,780
Total transactions with owner	384	383,396	-	-	-	(63,330)	320,450
At end of the financial year	2,858	2,786,500	415	2,948	43	108,912	2,901,676
<u>2013</u>							
At beginning of the financial year	2,474	2,403,104	415	2,151	43	87,502	2,495,689
Total comprehensive income	-	-	-	2,491	-	30,778	33,269
At end of the financial year	2,474	2,403,104	415	4,642	43	118,280	2,528,958

The notes on pages 19 to 90 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF CASH FLOWS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

(In Singapore Dollars)

		Group		Company	
	Note	2014	2013	2014	2013
		S\$'000	S\$'000	S\$'000	S\$'000
NET CASH FROM/ (USED IN) OPERATING ACTIVITIES	A	955,568	820,559	(19)	39
INVESTING ACTIVITIES					
Property, plant and equipment:					
- purchases	B	(195,081)	(391,809)	-	-
- proceeds from disposal		1,067	1,585	-	-
Available-for-sale financial assets:					
- purchases		(1,212,648)	(1,278,262)	-	-
- proceeds from disposal		1,653,263	838,969	-	-
- repayment received by a subsidiary		2,002	127	-	-
Purchase of licences		-	(57,000)	-	-
Dividend income received		16,597	18,225	72,781	63,537
Advances to fellow subsidiaries		(54,406)	(18,172)	(63,764)	(18,172)
Repayment from fellow subsidiaries		72,034	807	72,035	807
Investment in an associate and transaction costs		(97,862)	-	-	-
Loan to an associate		(97,529)	-	-	-
Repayment of shareholders' loan and dividend from joint venture		-	68,467	-	-
Net cash from/(used in) investing activities		87,437	(817,063)	81,052	46,172

The notes on pages 19 to 90 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

STATEMENTS OF CASH FLOWS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)**

(In Singapore Dollars)

		Group		Company	
		2014	2013	2014	2013
Note		S\$'000	S\$'000	S\$'000	S\$'000
FINANCING ACTIVITIES					
Repayments of bank borrowings and transaction costs		(525,000)	(590,000)	(50,969)	(100,000)
Repayment of loan from GENT		(434,749)	-	-	-
Break funding cost paid		-	(163)	-	(163)
Repurchase of shares		(170,458)	-	-	-
Advances from holding corporation		360	1,007	360	1,007
Repayment to holding corporation		(360)	(1,007)	(360)	(1,007)
Advances from fellow subsidiaries		-	377	-	375
Repayment to fellow subsidiaries		-	(375)	-	(375)
Interest paid		(33,010)	(43,189)	-	(609)
Proceeds from issue of shares by GENS		1,098	1,543	-	-
Proceeds from issue of irredeemable preference shares to GENT		383,780	-	-	-
Dividend paid		(63,330)	-	(63,330)	-
Dividend paid by subsidiary to non-controlling interests		(58,902)	(58,709)	-	-
Restricted cash (deposit pledged as security for loan and interest repayments)		(8,054)	(3,073)	-	-
Perpetual capital securities distribution paid		(117,875)	(117,875)	-	-
Repayment of finance lease liabilities		(6,374)	(4,307)	-	-
Net cash used in financing activities		<u>(1,032,874)</u>	<u>(815,771)</u>	<u>(114,299)</u>	<u>(100,772)</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS					
		<u>10,131</u>	<u>(812,275)</u>	<u>(33,266)</u>	<u>(54,561)</u>
At beginning of the financial year:		3,667,685	4,474,258	37,534	90,703
Net inflow/(outflow) before adjustments for the effect of exchange rate changes		10,131	(812,275)	(33,266)	(54,561)
Effect of currency translation		23,977	5,702	32	1,392
At the end of the financial year		<u>3,701,793</u>	<u>3,667,685</u>	<u>4,300</u>	<u>37,534</u>
Represented by:					
Bank balances and deposits	16	3,701,793	3,667,685	4,300	37,534

The notes on pages 19 to 90 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE STATEMENTS OF CASH FLOWS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)**

(In Singapore Dollars)

	Group		Company	
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
A. NET CASH FROM OPERATING ACTIVITIES				
Profit before taxation	786,223	813,114	53,962	30,778
Adjustments for:				
Property, plant and equipment:				
- depreciation*	399,123	401,395	-	-
- written off	12,290	12,719	-	-
- net (gain)/loss on disposal	(369)	1,326	-	-
- impairment loss	5,854	3,966	-	-
Amortisation of:				
- intangible assets	20,323	20,951	-	-
- borrowing costs	9,130	11,087	-	-
Impairment loss on trade receivables	262,005	184,912		
Provision for retirement gratuities	27	553	-	-
Share based payments	31,204	17,725	-	-
Finance charges	52,372	61,645	19,375	18,698
Interest income	(50,525)	(38,958)	(122)	(146)
Dividend income	(16,597)	(18,225)	(72,781)	(63,537)
Share of results of joint ventures and associate	(10,624)	(36,301)	-	-
Net unrealised exchange (gain)/loss	(60,245)	(36,134)	(573)	13,908
Inventory written off	648	263	-	-
Gain on disposal of available-for-sale financial assets, net of transaction costs	(153,038)	(31,738)	-	-
Fair value loss/(gain) on derivative financial instruments	136,141	(104,882)	-	-
Net gain on disposal of subsidiaries	(21)	(327)	-	-
Break funding cost	-	163	-	163
	637,698	450,140	(54,101)	(30,914)
Operating income/(loss) before working capital changes	1,423,921	1,263,254	(139)	(136)

The notes on pages 19 to 90 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

**NOTES TO THE STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)**

(In Singapore Dollars)

	Group		Company	
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Operating income/(loss) before working capital changes	1,423,921	1,263,254	(139)	(136)
Changes in working capital:				
Decrease/(increase) in inventories	1,803	(2,828)	-	-
Increase in receivables	(251,029)	(341,213)	-	-
(Decrease)/increase in payables	(108,719)	82,295	(4)	25
	(357,945)	(261,746)	(4)	25
Cash generated from/(used in) operations	1,065,976	1,001,508	(143)	(111)
Interest received	42,957	34,507	124	150
Retirement gratuities paid	(138)	(239)	-	-
Net taxation paid	(153,227)	(215,217)	-	-
Net cash from/(used in) operating activities	955,568	820,559	(19)	39

* Depreciation is analysed as follows:

	Group	
	2014	2013
	S\$'000	S\$'000
Depreciation charged to profit or loss	399,123	401,395
Depreciation capitalised to construction-in-progress	2,479	2,232
	401,602	403,627

B. Purchase of property, plant and equipment is analysed as follows:

	Group	
	2014	2013
	S\$'000	S\$'000
Cash and cash equivalents	195,081	391,809
Other payable and accruals	(44,815)	(63,334)
Finance lease	125	5
Capitalisation of amortisation, depreciation expenses, interest expenses and share option expenses	2,445	2,333
	152,836	330,813

The notes on pages 19 to 90 form an integral part of these financial statements.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

(In Singapore Dollars)

1. GENERAL INFORMATION

The Company is a limited liability company incorporated and domiciled in the Isle of Man and is principally an investment holding company.

The Group comprises the Company and its subsidiaries.

The principal activities of the Company's subsidiaries during the financial year include the development and operation of integrated resort, operation of casinos, investments, and provision of sales and marketing support services to leisure and hospitality related businesses.

The immediate and ultimate holding company is Genting Berhad, a company incorporated in Malaysia and whose shares are listed on the Bursa Malaysia Securities Berhad.

The address of the registered office of the Company is International House, Castle Hill, Victoria Road, Douglas, Isle of Man, British Isles, IM2 4RB.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements of the Group and the Company have been prepared in accordance with and comply with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the provisions of the Isle of Man Companies Act, 1931 to 2004. The financial statements have been prepared under the historical basis, except as disclosed in the significant accounting policies below.

The preparation of financial statements in conformity with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Isle of Man Companies Acts, 1931 to 2004 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 and the Company's accounting policies. Although these judgements and estimations are based on the Directors' best knowledge of current events and actions, actual results could differ from those judgements and estimations. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(a).

(a) Judgements and estimations

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will not necessarily equal the related actual results.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of preparation (Continued)

(a) Judgements and estimations (Continued)

(i) Taxation

The Group is subject 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, the taxability of certain income and the deductibility of certain expenses.

The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. Total tax liabilities (including current and deferred) amounted to S\$411,112,000 as at 31 December 2014 (2013: S\$420,332,000). Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax liabilities and deferred tax assets and liabilities, where applicable, in the period in which such determination is made.

(ii) Property, plant and equipment

Significant expenditures were incurred in the construction and development of the integrated resort and the amount recognised in property, plant and equipment is based on the work done to date (Note 8). As the costs for completed components are being finalised, management has applied significant judgement to capitalise the amount under the respective classes of property, plant and equipment based on the available best estimates as advised by quantity surveyors. The difference between actual cost of completion and the estimates is recognised as cost adjustments.

In addition, annual depreciation of property, plant and equipment forms a significant component of total operating costs recognised in the profit or loss. In determining the depreciation, management applies significant judgement in determining the classes to which the costs are to be capitalised under and their respective useful lives, when depreciation should commence, the residual value and the method of depreciation for each class of the property, plant and equipment.

(iii) Impairment of trade receivables

Management reviews its trade receivables for objective evidence of impairment. Adverse changes in background reputation and financial capability of the debtor, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor.

Where there is objective evidence of impairment, management uses estimates based on credit-worthiness of the debtors, past repayment history for each debtor and historical loss experience for debtors with similar credit risk characteristics to determine the amount to be impaired. The methodology and assumptions used are reviewed regularly to reduce any differences between the estimated loss and actual loss experience. See Note 3 for the Group's management of credit risk and carrying amount of trade receivables that are past due and impaired/not impaired, and movement in impairment on allowance for doubtful debts.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company and effective

The following standards have been adopted by the Group and the Company for the first time for the financial year beginning on or after 1 January 2014 and do not have a material impact to the Group and the Company:

- Amendment to MFRS 132 “Financial instruments: Presentation” (effective from 1 January 2014) does not change the current offsetting model in MFRS 132. It clarifies the meaning of “currently has a legally enforceable right of set-off” that the right of set-off must be available today (not contingent on a future event) and legally enforceable for all counterparties in the normal course of business. It clarifies that some gross settlement mechanism with features that are effectively equivalent to net settlement will satisfy the MFRS 132 offsetting criteria. There is no financial impact on the results of the Group and the Company as these changes only affect disclosure.
- Amendments to MFRS 10, MFRS 12 and MFRS 127 introduce an exception to consolidation for investment entities. Investment entities are entities whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both and evaluate the performance of its investments on fair value basis. The amendments require investment entities to measure particular subsidiaries at fair value instead of consolidating them.
- Amendments to MFRS 136 “Impairment of assets” removed certain disclosures of recoverable amount of CGUs which had been included in MFRS 136 by the issuance of MFRS 13.

Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective

(i) Financial year beginning on/after 1 January 2016

- Amendment to MFRS 11 ‘Joint arrangements’ (effective from 1 January 2016) requires an investor to apply the principles of MFRS 3 ‘Business Combination’ when it acquires an interest in a joint operation that constitutes a business. The amendments are applicable to both the acquisition of the initial interest in a joint operation and the acquisition of additional interest in the same joint operation. However, a previously held interest is not re-measured when the acquisition of an additional interest in the same joint operation results in retaining joint control.
- Amendments to MFRS 116 ‘Property, plant and equipment’ and MFRS 138 ‘Intangible assets’ (effective from 1 January 2016) clarify that the use of revenue-based methods to calculate the depreciation and amortisation of an item of property, plant and equipment and intangible are not appropriate. This is because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.
- Amendments to MFRS 10 and MFRS 128 regarding sale or contribution of assets between an investor and its associate or joint venture (effective from 1 January 2016) resolve a current inconsistency between MFRS 10 and MFRS 128. The accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a ‘business’. Full gain or loss shall be recognised by the investor where the non-monetary assets constitute a ‘business’. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor to the extent of the other investors’ interests. The amendments will only apply when an investor sells or contributes assets to its associate or joint venture. They are not intended to address accounting for the sale or contribution of assets by an investor in a joint operation.

GENTING OVERSEAS HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective (continued)

(ii) Financial year beginning on/after 1 January 2017

- MFRS 15 “Revenue from contracts with customers” (effective from 1 January 2017) deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces MFRS 18 “Revenue” and MFRS 11 “Construction contracts” and related interpretations. The Group is assessing the impact of the adoption of MFRS 15.

(iii) Financial year beginning on/after 1 January 2018

- MFRS 9 “Financial instruments - Classification and measurement of financial assets and financial liabilities” replaces the parts of MFRS 139 that relate to the classification and measurement of financial instruments. MFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity’s business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the MFRS 139 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Group and the Company are in the process of making an assessment of the potential impact of this standard on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation

Investments in subsidiaries are eliminated on consolidation while investments in joint ventures and associates are accounted for using the equity method of accounting.

a) **Subsidiaries**

Subsidiaries are 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 over 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. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are 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, previously held equity interest in the acquiree is re-measured 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 139 either in profit or loss or as change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the profit or loss.

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. When necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

GENTING OVERSEAS HOLDINGS LIMITED

(Incorporated in the Isle of Man with limited liability No. 23737)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (Continued)

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. 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 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 other comprehensive income are reclassified to the profit or loss.

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 ventures have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities, relating to the arrangement.

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 other comprehensive income. 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.

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 venturers. 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 in the profit or loss.

Equity accounting is discontinued when the carrying amount of the investment in joint venture (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.

GENTING OVERSEAS HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (Continued)

e) Associates

Associates are entities over which the Group has significant influence but not control, generally accompanying by a shareholding giving rise to between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss (see accounting policy note on impairment of non-financial assets).

The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investments.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal and constructive obligations or made payments on behalf of the associate.

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 an impairment of the asset transferred.

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

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.

Investments in subsidiaries, joint ventures and associate

Investments in subsidiaries, joint ventures and associate are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of investments in subsidiaries, joint ventures and associate, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the profit or loss. When an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount (see accounting policy note on impairment of non-financial assets).

GENTING OVERSEAS HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets

a) Goodwill on acquisition

Goodwill on acquisition represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary and joint venture at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of joint venture is included in the carrying amount of the investment and is tested for impairment as part of the investment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill on acquisitions of subsidiaries is tested at least annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of 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, identified according to operating segment.

b) Trademarks and tradenames

Trademarks and tradenames are initially recognised at cost and are subsequently carried at cost less any accumulated impairment losses. Trademarks and tradenames have an indefinite useful life as it is maintained through continuous marketing and upgrading. Trademarks and tradenames are tested annually for impairment. Where an indication of impairment exists, the carrying amount of trademarks and tradenames are assessed and written down immediately to its recoverable amount (see accounting policy note on impairment of non-financial assets).

c) Licences

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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (Continued)

d) Computer software

Computer software 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 computer software programmes by the Group are capitalised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads. Costs associated with maintaining computer software 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 computer software programmes recognised as assets are amortised using the straight-line method over their estimated useful lives of 5 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.

Computer software programmes under development are not amortised.

Property, plant and equipment

All property, plant and equipment except for freehold land is initially recognised at cost and is subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items including borrowing costs and realised gains or losses on qualifying cash flow hedges incurred specifically for the construction or development of the asset. Depreciation is calculated using the straight-line method to allocate the depreciable amounts of property, plant and equipment less their estimated residual values over their estimated useful lives as follows:

	<u>Estimated useful life</u>
Freehold properties and improvements	50 - 60 years
Leasehold land, properties and improvements	30 - 99 years
Machinery, computer equipment, fixtures, fittings, motor vehicles and exhibit animals	2 - 20 years

GENTING OVERSEAS HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)

(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (Continued)

Freehold land is stated at cost and is not depreciated. Leasehold land is depreciated over the lease period of 60 to 99 years. Leasehold properties and improvements are depreciated over the shorter of the term of the associated lease or 30 to 50 years on a straight-line basis.

The depreciation of leasehold land is capitalised during the period of construction as part of construction-in-progress in property, plant and equipment until the construction is completed.

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. Repairs and maintenance costs are charged to profit or loss during the financial year that they are incurred.

Construction-in-progress consists of assets and property in construction. Assets include acquired computer hardware, computer software license, implementation cost incurred in bringing the computer system to use.

Construction-in-progress is stated at cost and is not depreciated. Cost includes borrowing costs and other directly related expenditure incurred during the period of construction and up to the completion of the construction. Construction-in-progress relating to assets and property under construction is reclassified to the respective categories of property, plant and equipment upon completion of the project.

For major construction-in-progress, the cost is supported by qualified quantity surveyors' certification of work done.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the recoverable amount of the asset is assessed and if it is estimated to be less than its carrying amount, the carrying amount of the assets is written down immediately to its recoverable amount (see accounting policy note on impairment of non-financial assets).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

Assets that have an indefinite useful life, including goodwill, are not subject to amortisation and are tested at least annually for impairment. Assets that are subject to amortisation and depreciation, and investments in subsidiaries, joint ventures and associate are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

An impairment loss is charged to the profit or loss. An impairment loss is reversed only to the extent that the reversal does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised in prior years for the same asset. The reversal is recognised in the profit or loss. Impairment loss on goodwill is not reversed once recognised.

Financial assets

a) **Classification**

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) **Financial assets at fair value through profit or loss**

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss on initial recognition are those that are managed and their performances are evaluated on a fair value basis, in accordance with the investment strategy of the Group. 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 of the reporting date.

(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 with maturities or expected to be realised later than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables are presented as 'trade and other receivables', 'restricted cash' and 'cash and cash equivalents' in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (Continued)

a) Classification (Continued)

(iii) Available-for-sale financial assets

Available-for-sale financial assets 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 the investment matures or management intends to dispose of within 12 months after the reporting date.

b) Recognition and derecognition

Purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or to 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 risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sales proceeds is recognised in profit or loss. Any amount in other comprehensive income relating to the asset is reclassified to profit or loss.

c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss, which are recognised at fair value, and transaction costs are expensed in profit and loss.

d) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of the financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in profit or loss when the changes arise.

Interest and dividend income on available-for-sale financial assets are recognised separately in profit or loss. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in other comprehensive income and accumulated in the fair value reserve. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (Continued)

e) Impairment

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For loans and receivables, an impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the financial assets. Adverse changes in background, reputation and financial capability of the debtor, and default or significant delay in payments are objective evidence that receivables are impaired. The carrying amount of loans and receivables is reduced through the use of an impairment allowance account. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line items in the profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

For debt securities classified as available-for-sale, the Group uses the criteria as above for loans and receivables. For 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 available-for-sale financial assets, the cumulative loss that was previously recognised in other comprehensive income is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised as an expense in profit or loss. Impairment losses recognised in profit or loss on equity securities are not reversed through profit or loss.

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 the functional currency of the Company which is Singapore Dollars ("S\$").

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation (Continued)

b) Transactions and balances

Foreign currency transactions of each entity in the Group are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the closing rates at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing rate at the reporting date;
- (ii) income and expenses for each 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 in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated and qualifying as net investment hedges, are taken to other comprehensive income.

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 at the reporting date.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Cost of inventories comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

a) When the Group is the lessee – Operating leases

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) When the Group is the lessee – Finance leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Lease payments are allocated between liability and finance charges. The interest element of the finance cost 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. The property, plant and equipment acquired under a finance lease is depreciated over the shorter of the estimated useful life of the asset and the lease term.

c) When the Group is the lessor – Operating leases

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 the profit or loss over the lease term on the same basis as the lease income. Contingent rents are recognised as income in the profit or loss when earned.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents include cash and bank balances (net of bank overdrafts), deposits held at call with banks and other short term highly liquid investments with original maturities of twelve months or less.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue attributable to the award of benefits measured at fair value is deferred until they are utilised. Revenue is shown as net of goods and services tax, and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

a) Revenue from integrated resort

Gaming revenue represents net house takings.

Hotel room revenue is recognised based on room occupancy. Other hotel revenue, food and beverage and retails sales are recognised when the goods are delivered or services are rendered to the customers.

Attraction revenue is recognised when tickets are used. Revenue from annual passes is amortised over the period of their validity.

Convention revenue is recognised when the related service is rendered or the event is held.

Rental income 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.

b) Dividend income

Dividend income is recognised when the right to receive payment is established.

c) Management fee income

Management fee income represents fees for management services provided and is recognised in the accounting period in which the services are rendered.

d) Revenue from sales and marketing services

Revenue from sales and marketing services is recognised in the period in which the services are rendered.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired receivables is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event; it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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.

Contingent liabilities and contingent assets

The Group does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control 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. When a change in the probability of an outflow of economic resources occurs so that outflow is probable, it will then be recognised as a provision.

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 an inflow of economic benefits is probable, but not virtually certain. When an inflow of economic resources is virtually certain, the asset is recognised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it arises from a transaction or event which is recognised, in the same or different period, in other comprehensive income or directly in equity. Tax relating to transactions or events recognised in other comprehensive income or directly in equity is also recognised in other comprehensive income or directly in equity, respectively.

a) Current tax

Current tax is calculated according to the tax laws of each jurisdiction in which the Company and its subsidiaries operates and includes all taxes based upon the taxable income and is measured using the tax rates and tax laws which are applicable at the reporting date.

b) Deferred tax

Deferred tax is recognised in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled; and based on the tax consequences that will follow from the manner in which the Group expects, at the same reporting date, to recover or settle the carrying amount of its assets or liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associate, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Employee benefits

a) Short-term employee benefits

Short-term employee benefits include wages, salaries, bonus and paid annual leave. These benefits are recognised in profit or loss when incurred and are measured on an undiscounted basis, unless they can be capitalised as part of the cost of a self-constructed asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits (Continued)

b) Post-employment benefits

The Group contributes to defined contribution plans for some of its employees under which the Group pays fixed contributions into the employees provident funds in certain countries in which it operates on a mandatory, contractual or voluntary basis and will have no legal or constructive obligations to pay further contributions if those funds do not hold sufficient assets to pay all employees the benefits relating to services provided in the current and prior periods. The Group's contributions to such plans are recognised in profit or loss as employee benefits expense when they are due, unless they can be capitalised as part of the cost of a self-constructed asset.

c) Long-term employee benefits

GENS Group long-term employee benefits include retirement gratuities payable under a retirement gratuity scheme which was established in 1991 by the Board of Directors of the holding corporation for Executives and Executive Directors of GENS 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.

d) Share-based compensation benefits

GENS Group operates an equity-settled, share-based compensation plan, where shares and/or options are issued to eligible executives and directors of GENS Group. The value of the employee services received in exchange for the grant of the shares and/or options is recognised as an expense with a corresponding entry to reserves over the vesting period. The total amount to be expensed over the vesting period is determined by reference to the fair value of the 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits (Continued)

d) Share-based compensation benefits (Continued)

The fair value of services received from the employees of the ultimate holding company and its subsidiaries in exchange for the grant of the shares and/or options are essentially services rendered in the past, are charged out to profit or loss immediately, unless they can be capitalised as part of the cost of a self-constructed asset. Before the end of the vesting period, at each reporting date, GENS will revise its estimates of the number of shares and/or options that are expected to be vested at the vesting date and it recognises the impact of this revision in profit or loss with a corresponding adjustment to equity. After the vesting date, no adjustment to profit or loss is made. The proceeds received net of any directly attributable transaction costs are credited to share capital account when the shares and/or options are exercised. 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 grant by GENS of options over its equity instruments to the employees of subsidiary undertakings in GENS Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

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 modification.

Share capital and perpetual capital securities

Ordinary shares and 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 liabilities with another person or entities that are potentially unfavourable to the issuer.

Incremental costs directly attributable to the issue of new shares or options or 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 share capital or perpetual capital securities.

When GENS purchases its own ordinary shares, the consideration paid, including any directly attributable transaction costs, are recorded in the capital redemption reserve. Upon completion of share cancellation, the carrying amounts of the shares purchased are immediately transferred from the capital redemption reserve and deducted against share capital.

At Group level, the repurchase of GENS ordinary shares are recorded as a transaction with non-controlling interest.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings and borrowing costs

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are recognised initially at fair value (net of transaction costs) and subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs including commitment fees on credit facilities, amortisation of transaction costs, interest expenses and reclassifications from the cash flow hedge reserve, are recognised in profit or loss unless they are directly attributable to the construction-in-progress, in which case, they are capitalised as part of the cost of the self-constructed asset during the construction period.

Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Approved government grants relating to qualifying expenditure are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate, unless they are directly attributable to the construction of an item of property, plant and equipment, in which case, they are set off against the asset.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts are recognised initially at fair value plus transactions costs and thereafter, at the higher of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period and the amount initially recognised less, where appropriate, cumulative amortisation recognised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. 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 derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when changes arises.

GENS 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. GENS 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.

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 and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

GENS Group has entered into interest rate swaps that are cash flow hedges for GENS Group's exposure to floating interest rate on certain of its bank borrowings. These contracts entitle GENS Group to receive interest at floating rates on notional principal amounts and oblige GENS Group to pay interest at fixed rates on the same notional principal amounts, thus allowing GENS Group to raise these borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated and qualify as cash flow hedges are recognised in the cash flow hedge reserve and reclassified to profit or loss when the interest expense on the borrowings is recognised in 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 profit or loss.

When an interest rate swap expires or is sold, or when the cash flow hedge is discontinued or no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in 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 profit or loss.

The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

3. FINANCIAL RISK MANAGEMENT

The Group's overall financial risk management objective is to optimise value creation for shareholders. The Group seeks to minimise the potential adverse impacts arising from fluctuations in foreign exchange and interest rates and the unpredictability of the financial markets on the Group's financial performance.

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 operational units. This process is further enhanced by effective internal controls, a group-wide insurance programme and adherence to the financial risk management policies.

The main areas of financial risks faced by the Group are as follows:

(a) Foreign currency exchange risk

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

The main areas of financial risk faced by the Group are as follows:

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. To manage these exposures, the Group takes advantage of any natural offsets of the Group's revenues and expenses dominated in foreign currencies and from time to time enters into foreign exchange forward contracts for a portion of the remaining exposure relating to these forecast transactions when deemed appropriate.

The Group's principal net foreign currency exposure mainly relates to the United States Dollar ("US\$"), Ringgit Malaysia ("RM"), Hong Kong Dollar ("HK\$") and Great Britain Pound ("GBP") for the current financial year.

The Company's principal net foreign currency exposure mainly relates to the US\$ and RM for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Foreign currency exchange risk (Continued)

The Group's exposure to foreign currencies, net of those denominated in the respective entities' functional currencies is as follows:

	US\$ S\$'000	RM S\$'000	GBP S\$'000	HK\$ S\$'000	Others S\$'000	Total S\$'000
At 31 December 2014						
Financial assets						
Cash and cash equivalents	1,094,499	2	1	59,073	205	1,153,780
Available-for-sale financial assets	1,323,000	-	-	-	-	1,323,000
Trade and other receivables	8,681	9	-	4	188	8,882
	<u>2,426,180</u>	<u>11</u>	<u>1</u>	<u>59,077</u>	<u>393</u>	<u>2,485,662</u>
Financial liabilities						
Trade and other payables	(6,372)	(85)	(123)	(37)	(1,224)	(7,841)
Finance lease	(755)	-	-	-	-	(755)
Derivative financial instruments	(246,869)	-	-	-	-	(246,869)
	<u>(253,996)</u>	<u>(85)</u>	<u>(123)</u>	<u>(37)</u>	<u>(1,224)</u>	<u>(255,465)</u>
Net currency exposure	<u>2,172,184</u>	<u>(74)</u>	<u>(122)</u>	<u>59,040</u>	<u>(831)</u>	<u>2,230,197</u>
	US\$ S\$'000	RM S\$'000	GBP S\$'000	HK\$ S\$'000	Others S\$'000	Total S\$'000
At 31 December 2013						
Financial assets						
Cash and cash equivalents	384,003	3,408	-	46,821	12	434,244
Available-for-sale financial assets	1,276,190	-	-	-	-	1,276,190
Trade and other receivables	18,457	44	696	199	1,231	20,627
	<u>1,678,650</u>	<u>3,452</u>	<u>696</u>	<u>47,020</u>	<u>1,243</u>	<u>1,731,061</u>
Financial liabilities						
Trade and other payables	(4,419)	(3,059)	(17)	(10,592)	(298)	(18,385)
Finance lease	(6,658)	(1)	-	-	-	(6,659)
Derivative financial instruments	(9,143)	-	-	-	-	(9,143)
Loan due to holding corporation	(415,928)	-	-	-	-	(415,928)
	<u>(436,148)</u>	<u>(3,060)</u>	<u>(17)</u>	<u>(10,592)</u>	<u>(298)</u>	<u>(450,115)</u>
Net currency exposure	<u>1,242,502</u>	<u>392</u>	<u>679</u>	<u>36,428</u>	<u>945</u>	<u>1,280,946</u>

NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
(In Singapore Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Foreign currency exchange risk (Continued)

If the US\$, HK\$ and GBP change against the S\$ by 4% (2013: 4%) each respectively with all other variables including tax rate being held constant, the effects arising from the net financial asset position for the Group for 2014 and 2013 will be as follows:

2014	← Increase/(Decrease) →	
	Profit after tax	OCI
Group	S\$'000	S\$'000
S\$ against US\$		
- strengthened	(33,967)	(52,920)
- weakened	33,967	52,920
	<u> </u>	<u> </u>
S\$ against HK\$		
- strengthened	(2,362)	-
- weakened	2,362	-
	<u> </u>	<u> </u>
S\$ against GBP		
- strengthened	5	-
- weakened	(5)	-
	<u> </u>	<u> </u>
2013	← Increase/(Decrease) →	
Group	Profit after tax	OCI
	S\$'000	S\$'000
S\$ against US\$		
- strengthened	1,348	(51,048)
- weakened	(1,348)	51,048
	<u> </u>	<u> </u>
S\$ against HK\$		
- strengthened	(1,457)	-
- weakened	1,457	-
	<u> </u>	<u> </u>
S\$ against GBP		
- strengthened	(27)	-
- weakened	27	-
	<u> </u>	<u> </u>

The effect of changes in the exchange rate of RM is not significant.

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Foreign currency exchange risk (Continued)

The Company's exposure to foreign currencies is as follows:

	US\$ S\$'000	RM S\$'000	GBP S\$'000	Total S\$'000
At 31 December 2014				
Financial assets				
Cash and cash equivalents	4,077	-	-	4,077
Available-for-sale financial assets	9,255	-	-	9,255
Trade and other receivables	1	-	-	1
	<u>13,333</u>	<u>-</u>	<u>-</u>	<u>13,333</u>
Financial liabilities				
Trade and other payables	-	(37)	(7)	(44)
	<u>13,333</u>	<u>(37)</u>	<u>(7)</u>	<u>13,289</u>
Net currency exposure				
	<u>13,333</u>	<u>(37)</u>	<u>(7)</u>	<u>13,289</u>
	US\$ S\$'000	RM S\$'000	GBP S\$'000	Total S\$'000
At 31 December 2013				
Financial assets				
Cash and cash equivalents	37,524	-	-	37,524
Available-for-sale financial assets	10,949	-	-	10,949
Trade and other receivables	2	-	-	2
	<u>48,475</u>	<u>-</u>	<u>-</u>	<u>48,475</u>
Financial liabilities				
Trade and other payables	-	(48)	-	(48)
Loan due to holding corporation	(415,928)	-	-	(415,928)
	<u>(415,928)</u>	<u>(48)</u>	<u>-</u>	<u>(415,976)</u>
Net currency exposure	<u>(367,453)</u>	<u>(48)</u>	<u>-</u>	<u>(367,501)</u>

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Foreign currency exchange risk (Continued)

If the US\$ changes against the S\$ by 4% (2013: 4%) each respectively with all other variables including tax rate being held constant, the effects arising from the net financial asset position for the Company for 2014 and 2013 will be as follows:

2014	← Increase/(Decrease) →	
	Profit after tax	OCI
Company	S\$'000	S\$'000
S\$ against US\$		
- strengthened	(163)	(370)
- weakened	163	370
2013	← Increase/(Decrease) →	
	Profit after tax	OCI
Company	S\$'000	S\$'000
S\$ against US\$		
- strengthened	15,136	(438)
- weakened	(15,136)	438

The effect of changes in the exchange rate of RM and GBP is not significant.

NOTES TO THE FINANCIAL STATEMENTS
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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Interest rate risk

Interest rate risk arises mainly from the Group's short-term deposits and borrowings. The Group's short-term deposits are placed at prevailing interest rates.

The Group manages this risk through the use of floating rate debt and derivative financial instruments. The Group enters into interest rates swaps from time to time, where appropriate, to generate the desired interest rate profile.

The Group's outstanding bank borrowings as at year end at floating interest rate are denominated in S\$ (2013: S\$). If the S\$ (2013: S\$) annual interest rates had increased/decreased by 100 basis point (2013: 100 basis point) with all other variables including tax rate being held constant, the profit before tax will be lower/higher by S\$19,980,000 (2013: S\$20,041,000) as a result of higher/lower interest expenses on these borrowings.

The Company is not exposed to interest rate risk.

(c) Credit risk

Credit risk is the potential financial loss resulting from the failure of counterparties of the Group, to settle their financial and contractual obligation, as and when they fall due.

Financial assets that potentially subject the Group to concentrations of credit risk consist principally of available-for-sale financial assets, trade and other receivables, bank balances and deposits. The Group's cash and cash equivalents and short-term deposits are placed with creditworthy financial institutions.

In managing credit risk exposure from trade receivables, the Group 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 the ongoing credit evaluation.

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.

The top 10 trade debtors of the Group as at 31 December 2014 represented 16% (2013: 20%) of trade receivables. The Group also establishes an allowance account for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to specific counterparties. Subsequently when the Group is satisfied that no recovery of such losses is possible, the trade receivables are considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired trade receivables.

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Credit risk (Continued)

At the Company level, credit risks arise from amounts due from subsidiaries and fellow subsidiaries, cash and cash equivalents. The Company's exposure to credit risk is not significant since the subsidiaries and fellow subsidiaries do not have historical default risk. The credit risk with cash and cash equivalents is limited as these are deposited with creditworthy financial institutions.

(i) Financial assets that are neither past due nor impaired

Cash and cash equivalents, restricted cash and available-for-sale financial assets of the Group are neither past due nor impaired as they are placed with creditworthy financial institutions. Trade receivables that are neither past due nor impaired are substantially from companies and individuals with a good collection track record with the Group and individuals with good creditworthiness.

The Company's financial assets are neither past due nor impaired.

(ii) Financial assets that are past due and/or impaired

For the Group, there is no other class of financial assets that is past due and/or impaired except for the Group's trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	Group	
	2014	2013
	S\$'000	S\$'000
Past due less than 3 months	280,288	275,904
Past due 3 to 6 months	160,257	224,626
Past due 6 to 12 months	323,157	323,110
Past due over 12 months	101,160	-
	<u>864,862</u>	<u>823,640</u>

The movement in impairment allowance on doubtful debts is as follows:

	Group	
	2014	2013
	S\$'000	S\$'000
Beginning of financial year	429,384	345,727
Allowance charged to profit or loss	262,005	184,912
Allowance utilised	(117,114)	(101,255)
End of financial year	<u>574,275</u>	<u>429,384</u>

The Group's gross trade receivables individually determined to be past due and for which impairment loss has been provided, amounted to S\$574,275,000 (2013: S\$429,384,000). In assessing these individual debts for impairment, the Group has considered the factors as elaborated in Note 2(a)(iii) under Judgements and estimations.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) 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.

Cash flow forecasting is performed in the operating entities of the Group and aggregated for Group purposes. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal ratio targets.

The Group provided guarantee for a loan of S\$8,000,000 (2013: S\$16,000,000) drawn down under loan facilities entered into by a joint venture which maturity on 31 December 2015. The earliest date in which the guarantee could be called is 31 March 2014.

The table below analyses the financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period as at reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year S\$'000	Between 1 and 2 years S\$'000	Between 2 and 5 years S\$'000
Group			
At 31 December 2014			
Trade and other payables	520,474	-	-
Other long term liabilities	-	2,866	-
Bank borrowings	552,546	546,067	676,298
Finance lease	810	28	63
	<u>1,073,830</u>	<u>548,961</u>	<u>676,361</u>
At 31 December 2013			
Trade and other payables	650,051	-	-
Other long term liabilities	-	415	508
Bank borrowings	554,785	547,887	1,214,102
Amount due to holding corporation	435,165	-	-
Finance lease	7,775	492	-
Derivative financial instruments	1,755	-	-
	<u>1,649,531</u>	<u>548,794</u>	<u>1,214,610</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)
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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Liquidity risk (Continued)

	Less than 1 year S\$'000
Company	
At 31 December 2014	
Trade and other payables	365
	<u>365</u>
At 31 December 2013	
Trade and other payables	9,366
Amount due to holding corporation	435,165
	<u>444,531</u>

(e) Price risk

The Group and the Company are exposed to equity securities price risk from its quoted securities classified as available-for-sale financial assets and derivative financial instruments. To manage its price risk arising from these investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

If prices for quoted securities classified as available-for-sale financial assets and derivative financial instruments change by 1% (2013: 1%) respectively with all other variables being held constant, the effects on profit before tax and other comprehensive income will be as follows:

	2014	
	← Increase/Decrease →	
	Profit after tax S\$'000	OCI S\$'000
Group		
- increased by 1%	8,666	1,654
- decreased by 1%	<u>(8,369)</u>	<u>(1,654)</u>
Company		
- increased by 1%	-	92
- decreased by 1%	<u>-</u>	<u>(92)</u>
	2013	
	← Increase/Decrease →	
	Profit after tax S\$'000	OCI S\$'000
Group		
- increased by 1%	571	5,761
- decreased by 1%	<u>(610)</u>	<u>(5,761)</u>
Company		
- increased by 1%	-	109
- decreased by 1%	<u>-</u>	<u>(109)</u>

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NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)**

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(f) Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group defines "capital" as all components of equity.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on a gearing ratio. This ratio is calculated as total debt divided by total capital. Total debt is calculated as total borrowings (including 'current and non-current borrowings' and 'finance leases' as shown in the statement of financial position). Total capital is calculated as the sum of total equity and total debt.

The gearing ratios as at 31 December 2014 and 2013 were as follows:

	Group	
	2014	2013
	S\$'000	S\$'000
Total debt	1,703,241	2,225,258
The equity	9,749,298	9,329,445
Total capital	<u>11,452,539</u>	<u>11,554,703</u>
Gearing ratio	15%	19%

The Group was in compliance with externally imposed capital requirements for the financial years ended 31 December 2014 and 2013.

(g) Fair value estimation

The following table presents the Group's assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- 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 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(g) Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2014 and 31 December 2013.

Group	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
At 31 December 2014				
Asset				
Available-for-sale financial assets (Note 12)	<u>165,409</u>	<u>1,313,745</u>	<u>42,496</u>	<u>1,521,650</u>
Total asset	<u>165,409</u>	<u>1,313,745</u>	<u>42,496</u>	<u>1,521,650</u>
Liability				
Derivative financial instruments (Note 23)	<u>-</u>	<u>246,869</u>	<u>-</u>	<u>246,869</u>
Total liability	<u>-</u>	<u>246,869</u>	<u>-</u>	<u>246,869</u>
At 31 December 2013				
Asset				
Available-for-sale financial assets (Note 12)	<u>576,128</u>	<u>1,265,240</u>	<u>30,516</u>	<u>1,871,884</u>
Total asset	<u>576,128</u>	<u>1,265,240</u>	<u>30,516</u>	<u>1,871,884</u>
Liability				
Derivative financial instruments (Note 23)	<u>-</u>	<u>10,899</u>	<u>-</u>	<u>10,899</u>
Total liability	<u>-</u>	<u>10,899</u>	<u>-</u>	<u>10,899</u>

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2014 and 31 December 2013 respectively.

Company	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
At 31 December 2014				
Asset				
Available-for-sale financial assets (Note 12)	<u>9,255</u>	<u>-</u>	<u>-</u>	<u>9,255</u>
At 31 December 2013				
Asset				
Available-for-sale financial assets (Note 12)	<u>10,949</u>	<u>-</u>	<u>-</u>	<u>10,949</u>

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(g) Fair value estimation (Continued)

There were no transfers between Level 1 and Level 2 during the financial years ended 31 December 2014 and 2013.

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.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long term debt for disclosure purposes. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting date, with the resulting value discounted back to present value. Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Changing one or more of the inputs in the valuation technique used for Level 3 instruments will not significantly impact the fair value of these instruments.

The following table presents the changes in Level 3 instruments:

	Group	
	2014	2013
	S\$'000	S\$'000
Beginning of financial year	30,516	12,785
Additions	9,862	17,961
Disposals	(2,358)	(127)
Fair value gain recognised in other comprehensive income	6,391	152
Repayment	(2,002)	-
Exchange differences	87	(255)
End of financial year	<u>42,496</u>	<u>30,516</u>

The fair value of current and non-current financial assets and liabilities approximate their carrying amounts.

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(h) Financial instruments by category

The aggregate carrying amounts of financial instruments are as follows:

	Group		Company	
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Loans and receivables	5,037,124	4,930,703	4,463	54,980
Available-for-sale financial assets	1,521,650	1,871,884	9,255	10,949
Financial liabilities at amortised cost	2,239,213	3,304,452	-	425,294
Derivative financial instruments	246,869	10,899	-	-

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NOTES TO THE FINANCIAL STATEMENTS
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4. REVENUE

	Group	
	2014	2013
	S\$'000	S\$'000
Gaming operations	2,207,325	2,185,118
Revenue from sales and marketing services	654,852	661,820
Management fees	308	376
Dividend income	251	-
	<u>2,862,736</u>	<u>2,847,314</u>

5. OTHER OPERATING INCOME

	Group	
	2014	2013
	S\$'000	S\$'000
Dividend income	16,346	18,225
Gain on disposal of available-for-sale financial assets	153,038	31,738
Foreign exchange gain	67,203	27,234
Interest income	50,525	38,958
Others	1,806	358
	<u>288,918</u>	<u>116,513</u>

NOTES TO THE FINANCIAL STATEMENTS
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6. PROFIT BEFORE TAXATION

Included in the profit before taxation are the following charges/(credits) by nature:

	Group	
	2014	2013
	S\$'000	S\$'000
Charges/(credits) :		
Property, plant and equipment:		
- depreciation	399,123	401,395
- written off	12,290	12,719
- net (gain)/loss on disposal	(369)	1,326
- impairment loss	5,854	3,966
Amortisation of intangible assets		
- intangible assets	20,323	20,951
- borrowing costs	9,130	11,087
Impairment loss on trade receivables	262,005	184,912
Fair value loss/(gain) on derivative financial instruments	136,141	(104,882)
Directors' remuneration:		
- fees	30	24
- salaries and other short term employees benefits	11,852	7,068
- share options expense	1,575	1,818
Staff costs*:		
- salaries and related costs	517,052	531,560
- provision for retirement gratuities	27	553
- pension costs (defined contribution plans)	42,676	39,943
- share-based payment	16,034	13,444
Rental of office premises – operating lease	5,511	7,084
Advertising and promotion	41,876	57,230
Repairs and maintenance	37,460	41,194
Utilities	74,491	81,614
Auditors' remuneration	2,164	1,453
Finance charges	52,372	61,645
Shared service fees paid to holding corporation	166	125
Inventory written off	648	263
Legal, professional and management fees	19,663	23,658
Net exchange gain	(66,655)	(11,282)
Duties and taxes**	395,519	446,954

* The GENS Group received government grants of S\$6,402,000 (2013: S\$3,263,000) that were set off against the qualifying employee compensation.

** Includes casino tax that is levied on the casino's Gross Gaming Revenue ("GGR"). The GGR generated from premium players are taxed at 5% while the GGR from all other players are taxed at 15%.

NOTES TO THE FINANCIAL STATEMENTS
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7. TAXATION

	Group	
	2014	2013
	S\$'000	S\$'000
Taxation for current financial year:		
- Current tax	206,290	204,449
- Deferred tax (Note 15)	(34,795)	(66,802)
	171,495	137,647
(Over)/under provision in prior years:		
- Current tax	(1,904)	113
Total tax expense	169,591	137,760

	Group	
	2014	2013
	%	%
Applicable tax rate *	0.0	0.0
Tax effects of:		
- different tax regime#	20.2	19.1
- expenses not deductible for tax purpose	5.6	3.1
- withholding tax	1.6	2.4
- over provision from prior financial years	(0.2)	-
- income not subject to tax	(5.6)	(7.7)
Average effective tax rate	21.6	16.9

* All the Group's and the Company's profits in respect of activities undertaken outside the Isle of Man are subject to 0% taxation in the Isle of Man.

Taxation on overseas profits has been calculated based on the taxable income for the respective financial year at rates of taxation prevailing in the countries in which the Group operates, including profits from the Isle of Man, which is subject to 0% tax rate.

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NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014 (CONTINUED)**

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7. TAXATION (CONTINUED)

(a) The tax charge relating to each component of the Group's other comprehensive income/(loss) is as follows:

	Before Tax S\$'000	2014 Tax Charge S\$'000	After Tax S\$'000	Before Tax S\$'000	2013 Tax Credit S\$'000	After Tax S\$'000
Group						
Fair value (loss)/gain and reclassification to profit or loss on available-for-sale financial assets	(223,241)	-	(223,241)	202,349	19	202,368
Foreign currency exchange differences arising from consolidation, net of reclassification from disposal of subsidiaries	4,034	-	4,034	9,449	-	9,449
Other comprehensive (loss)/income	(219,207)	-	(219,207)	211,798	19	211,817

(b) Income tax recognised directly in equity is as follows:

	Group	
	2014 S\$'000	2013 S\$'000
Tax credit arising from perpetual capital securities	17,286	13,844

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**NOTES TO THE FINANCIAL STATEMENTS
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8. PROPERTY, PLANT AND EQUIPMENT

Group 2014	Freehold land S\$'000	Freehold properties and improvements S\$'000	Leasehold land, properties and improvements S\$'000	Machinery, computer equipment, fixtures, fittings, motor vehicles and exhibit animals S\$'000	Construction -in-progress S\$'000	Total S\$'000
Opening net book value	132,445	16,132	3,538,564	2,370,518	36,963	6,094,622
Exchange differences	-	-	(1,394)	(42)	(1)	(1,437)
Additions	-	-	9,484	27,710	115,642	152,836
Reclassification	-	-	435	14,097	(14,532)	-
Written off	-	-	(4,000)	(5,958)	(2,332)	(12,290)
Disposals	-	-	-	(698)	-	(698)
Depreciation charge	-	(703)	(88,435)	(312,464)	-	(401,602)
Impairment losses	-	-	-	(5,854)	-	(5,854)
Cost adjustment	-	-	3,148	(19,633)	-	(16,485)
Closing net book value	132,445	15,429	3,457,802	2,067,676	135,740	5,809,092
At 31 December 2014						
Cost	132,445	18,142	3,848,444	3,394,990	135,740	7,529,761
Accumulated depreciation	-	(2,713)	(390,642)	(1,317,494)	-	(1,710,849)
Accumulated impairment losses	-	-	-	(9,820)	-	(9,820)
Net book value	132,445	15,429	3,457,802	2,067,676	135,740	5,809,092

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8. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land S\$'000	Freehold properties and improvements S\$'000	Leasehold land, properties and improve-ments S\$'000	Machinery, computer equipment, fixtures, fittings, motor vehicles and exhibit animals S\$'000	Construction -in-progress S\$'000	Total S\$'000
Group 2013						
Opening net book value	132,445	16,854	3,370,185	2,600,379	78,445	6,198,318
Exchange differences	-	-	(1,968)	(288)	(11)	(2,267)
Additions	-	1	255,825	48,296	26,691	330,813
Reclassification	-	-	5,451	61,907	(67,358)	-
Written off	-	-	(2,262)	(9,643)	(814)	(12,719)
Disposals	-	-	(766)	(2,145)	-	(2,911)
Depreciation charge	-	(723)	(83,957)	(318,947)	-	(403,627)
Impairment losses	-	-	-	(3,966)	-	(3,966)
Cost adjustment	-	-	(3,944)	(5,075)	-	(9,019)
Closing net book value	132,445	16,132	3,538,564	2,370,518	36,963	6,094,622
At 31 December 2013						
Cost	132,445	18,142	3,841,112	3,390,829	36,963	7,419,491
Accumulated depreciation	-	(2,010)	(302,548)	(1,016,345)	-	(1,320,903)
Accumulated impairment	-	-	-	(3,966)	-	(3,966)
Net book value	132,445	16,132	3,538,564	2,370,518	36,963	6,094,622

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8. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Company did not own any property, plant and equipment during the financial years 2014 and 2013.

The net book value of leasehold land, and machinery, equipment and motor vehicles held under finance leases are S\$787,335,000 (2013: S\$796,414,000) and S\$2,273,000 (2013: S\$6,114,000) respectively at 31 December 2014. Included in additions in the financial statements are equipment and motor vehicles acquired under finance leases amounting to S\$250,000 (2013: S\$4,000).

Depreciation charge on leasehold land, properties and improvements, computer equipment and motor vehicles of S\$2,479,000 (2013: S\$2,232,000) has been capitalised as part of construction-in-progress of the Group during the financial year.

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9. INTANGIBLE ASSETS

	Trademarks/ Tradenames S\$'000	Goodwill on acquisition S\$'000	Casino licence S\$'000	Computer software S\$'000	* Others S\$'000	Total S\$'000
Group 2014						
Opening net book value	1,057	115,357	39,866	3,783	11,600	171,663
Amortisation for the financial year	-	-	(19,000)	(802)	(521)	(20,323)
End of financial year	1,057	115,357	20,866	2,981	11,079	151,340
At 31 December 2014						
Cost	1,057	115,357	57,000	11,622	15,162	200,198
Accumulated amortisation/ impairment	-	-	(36,134)	(8,641)	(4,083)	(48,858)
Net book value	1,057	115,357	20,866	2,981	11,079	151,340
2013						
Opening net book value	1,057	115,357	1,042	6,037	12,166	135,659
Exchange differences	-	-	-	-	(45)	(45)
Additions	-	-	57,000	-	-	57,000
Amortisation for the financial year	-	-	(18,176)	(2,254)	(521)	(20,951)
End of financial year	1,057	115,357	39,866	3,783	11,600	171,663
At 31 December 2013						
Cost	1,057	115,357	57,000	11,622	15,162	200,198
Accumulated amortisation/ impairment	-	-	(17,134)	(7,839)	(3,562)	(28,535)
Net book value	1,057	115,357	39,866	3,783	11,600	171,663

* Others primarily comprise theme park licence.

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9. INTANGIBLE ASSETS (CONTINUED)

Amortisation expense of S\$20,323,000 (2013: S\$20,951,000) has been included in cost of sales.

The Casino Regulatory Authority of Singapore had approved the Group's application on the renewal of casino licence agreement for another 3 years commencing 6 February 2013.

Goodwill and other intangible assets with indefinite useful life are allocated to the Group's cash-generating units ("CGUs") identified according to geographical area and business segments.

A segment-level summary of the allocation of goodwill with indefinite useful life is as follows:

	Group	
	2014	2013
	S\$'000	S\$'000
Goodwill attributable to:		
Singapore	115,353	115,353
Malaysia	4	4
	<u>115,357</u>	<u>115,357</u>

The goodwill attributed to the Singapore CGU mainly arises from the Company's acquisition of shares in GENS and GENS' acquisition of the remaining 25% equity interest in Resorts World at Sentosa Pte. Ltd. ("RWSPL") which developed the first integrated resort in Singapore. The impairment test for goodwill relating to the Singapore CGU was assessed using the value-in-use method. Cash flow projections used in this calculation were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below. The growth rate is below the long-term average growth rate for the leisure and hospitality industry in which the CGU operates.

Key assumptions used in the value-in-use calculation for 2014 include a growth rate and weighted average cost of capital ("WACC") of 2.00% and 7.80% (2013: 2.00% and 8.30%,) respectively.

Based on the impairment test, no impairment is required for goodwill attributed to the Singapore CGU.

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10. SUBSIDIARIES

	Company	
	2014	2013
	S\$'000	S\$'000
Quoted – at cost	2,888,323	2,888,323
Unquoted – at cost	*	*
	<u>2,888,323</u>	<u>2,888,323</u>
Market value of quoted shares (based on level 1 in fair value hierarchy)	<u>6,861,980</u>	<u>9,498,759</u>

* This represents the cost of investment of S\$3 (2013: S\$3).

The principal subsidiaries are listed in Note 31 to the financial statements.

Summarised GENS Group financial information

	2014	2013
	S\$'000	S\$'000
Statements of Financial Position:		
Current assets	6,304,754	6,198,637
Non-current assets	6,367,489	6,875,433
Current liabilities	(1,541,901)	(1,446,776)
Non-current liabilities	(1,427,016)	(1,980,102)
Net assets	<u>9,703,326</u>	<u>9,647,192</u>
Accumulated non-controlling interest of the Group at the end of the reporting period	<u>3,448,327</u>	<u>3,480,425</u>
Income Statements:		
Revenue for the financial year	2,862,485	2,847,314
Profit for the financial year	635,206	707,748
Total comprehensive income for the financial year	<u>417,694</u>	<u>916,803</u>
Profit for the financial year attributable to non-controlling interest of the Group	<u>248,832</u>	<u>283,379</u>

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10. SUBSIDIARIES (CONTINUED)

Summarised GENS Group financial information (continued)

	2014 S\$'000	2013 S\$'000
Statements of Cash Flows:		
Cash inflow from operating activities	955,602	820,522
Cash inflow/(outflow) from investing activities	69,558	(799,698)
Cash outflow from financing activities	(982,112)	(778,538)
	<u>43,048</u>	<u>(757,714)</u>
Net increase/(decrease) in cash and cash equivalents	<u>43,048</u>	<u>(757,714)</u>

11. JOINT VENTURES AND ASSOCIATE

	2014 S\$'000	Group 2013 S\$'000
Share of net assets of joint ventures:		
DCP (Sentosa) Pte. Ltd. ^(a)	42,035	36,713
808 Holdings Pte. Ltd.	149	119
	<u>42,184</u>	<u>36,832</u>
Share of net assets of an associate		
Landing Jeju Development Co., Ltd. ^(b)	91,098	-
	<u>133,282</u>	<u>36,832</u>

- (a) On 15 April 2008, RWSPL, a wholly-owned subsidiary of Star Eagle Holdings Limited ("SEHL"), a wholly-owned subsidiary of GENS Group, entered into a joint venture with Sentosa Leisure Management Pte. Ltd. ("SLM") to build and operate a district cooling plant on Sentosa Island, Singapore, through the formation of DCP (Sentosa) Pte. Ltd. ("DCP"), a private company incorporated in Singapore. RWSPL and SLM own 80% and 20% of the share capital of DCP respectively. DCP is deemed to be a joint venture of GENS Group, as both RWSPL and SLM have contractually agreed to the sharing of control in DCP.
- (b) On 27 March 2014, the Group completed its acquisition of 50% equity interest in Landing Jeju Development Co., Ltd ("LJDC"), a company incorporated in Korea, for approximately S\$97,471,000. As at 31 December 2014, the Group has finalised the notional purchase price allocation and recognised a gain from bargain purchase of S\$11,117,000, which has been included in the share of results of associate in the statement of comprehensive income.

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11. JOINT VENTURES AND ASSOCIATE (CONTINUED)

(a) The summarised financial information of DCP is as follows:

	2014 S\$'000	2013 S\$'000
Non-current assets		
Intangible assets - leasehold land use right	5,634	5,742
Property, plant and equipment	57,692	59,363
	63,326	65,105
Current assets		
Trade and other receivables	5,264	5,545
Cash and cash equivalents	8,028	6,438
	13,292	11,983
Current liabilities		
Trade and other payables	(11,564)	(12,197)
Bank borrowings	(7,964)	(7,906)
	(19,528)	(20,103)
Non-current liabilities		
Bank borrowings	-	(7,964)
Deferred tax liabilities	(4,546)	(3,130)
	(4,546)	(11,094)
Net assets	<u>52,544</u>	<u>45,891</u>
 Revenue	 30,204	 30,315
(Expenses)/Income include:		
- Depreciation and amortisation	(4,639)	(3,535)
- Interest income	39	29
- Interest expense	(376)	(613)
	<u>8,068</u>	<u>5,427</u>
Profit before taxation	8,068	5,427
Taxation	(1,415)	(977)
Profit after taxation/Total comprehensive income	<u>6,653</u>	<u>4,450</u>

DCP does not have any contingent liabilities as at 31 December 2014 and 2013.

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11. JOINT VENTURES AND ASSOCIATE (CONTINUED)

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in DCP, is as follows:

	Group	
	2014	2013
	S\$'000	S\$'000
Net assets		
Beginning of financial year	45,891	41,441
Profit after taxation/Total comprehensive income	6,653	4,450
End of financial year	<u>52,544</u>	<u>45,891</u>
Carrying value of Group's interest in DCP	<u>42,035</u>	<u>36,713</u>
Proportionate interest in joint venture's capital commitment	<u>95</u>	<u>1,700</u>

(b) The summarised financial information of LJDC is as follows:

	2014
	S\$'000
Non-current assets	105,207
Current assets	305,176
Current liabilities	(21,327)
Non-current liabilities	<u>(206,860)</u>
Net assets	<u>182,196</u>
Loss before taxation	(14,864)
Taxation	3,247
Loss after taxation/Total comprehensive loss	<u>(11,617)</u>

LJDC does not have any contingent liabilities as at 31 December 2014.

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11. JOINT VENTURES AND ASSOCIATE (CONTINUED)

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in LJDC, is as follows:

	2014 S\$'000
Net assets	
Net assets at acquisition date	190,675
Loss after taxation/Total comprehensive income	(11,617)
Currency translation differences	3,138
End of financial year	182,196
 Carrying value of Group's interest in LJDC	 91,098
 Proportionate interest in associate's capital commitment	 24,386

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12. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current				
Beginning of the financial year	606,644	354,764	10,949	8,459
Exchange differences	88	(256)	-	-
Additions	67,312	131,333	-	-
Repayment	(2,002)	(127)	-	-
(Loss)/gain recognised in other comprehensive income	(68,863)	231,139	(1,694)	2,490
Disposals	(395,274)	(110,209)	-	-
End of the financial year	<u>207,905</u>	<u>606,644</u>	<u>9,255</u>	<u>10,949</u>
Current				
Beginning of the financial year	1,265,240	700,446	-	-
Exchange differences	44,604	39,164	-	-
(Loss)/gain recognised in other comprehensive income	(932)	2,948	-	-
Gain recognised in profit or loss	10,787	6,742	-	-
Additions	1,252,443	1,244,700	-	-
Disposals/ redemption	(1,258,397)	(728,760)	-	-
End of the financial year	<u>1,313,745</u>	<u>1,265,240</u>	<u>-</u>	<u>-</u>
Available-for sale financial assets:				
- Quoted securities ^(a)	61,264	475,156	9,255	10,949
- Quoted debt securities ^(a)	104,145	100,972	-	-
- Unquoted equity securities ^(b)	42,496	30,516	-	-
- Compound financial instruments ^(c)	1,313,745	1,265,240	-	-
	<u>1,521,650</u>	<u>1,871,884</u>	<u>9,255</u>	<u>10,949</u>

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12. AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

- (a) The Group's investment in quoted foreign corporations consists of investment in Genting Hong Kong Limited and quoted equity securities and portfolio of quoted debt securities. The investments in quoted equity securities and portfolio of quoted debt securities have no fixed maturity or coupon rate. The fair values of these securities are based on the quoted closing market prices on the last market day of the financial year.
- (b) The Group's investments in unquoted equity securities represent unquoted investment in foreign corporations and investments funds.
- (c) The Group invested in compound financial instruments which have nominal values amounting in aggregate of US\$2,000,000,000 (approximately S\$2,632,000,000) (2013: US\$1,575,000,000 (approximately S\$1,996,000,000)). Upon maturity, the compound financial instruments will be repaid at their nominal values and adjusted for features stipulated in the term sheets. A nominal value of US\$1,000,000,000 (approximately S\$1,258,000,000) (2013: US\$575,000,000 (approximately S\$729,000,000)) of these instruments matured during the financial year ended 31 December 2014. Where the derivative is not closely related to the host contract, the derivative and debt securities are separately valued as derivative financial liabilities (Note 23) and available-for-sale financial assets.

The difference between the fair value of the derivatives and the fair value of the compound financial instruments, representing the value of the debt securities, is recognised as available-for-sale financial assets until extinguished on maturity.

13. INVENTORIES

	Group	
	2014	2013
	S\$'000	S\$'000
Retail stocks	7,147	9,973
Food, beverage and hotel supplies	24,714	23,656
Stores and technical spares	21,785	22,468
	<u>53,646</u>	<u>56,097</u>

The cost of inventories recognised as an expense and included in "cost of sales" amounted to S\$76,201,000 (2013: S\$90,457,000).

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14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Current				
Trade receivables	1,617,432	1,486,411	1	2
Less: Accumulated impairment loss	(574,275)	(429,384)	-	-
	<u>1,043,157</u>	<u>1,057,027</u>	<u>1</u>	<u>2</u>
Deposits	33,600	35,750	-	-
Prepayments	8,600	6,714	-	-
Other receivables	14,055	16,445	-	-
Amounts due from:				
- subsidiaries	-	-	162	164
- fellow subsidiaries	31	17,304	-	17,280
- an associate	1,172	-	-	-
	<u>1,100,615</u>	<u>1,133,240</u>	<u>163</u>	<u>17,446</u>
Non-current				
Other receivables	2,790	5,290	-	-
Prepayments	3,282	3,549	-	-
Amount due from:				
- an associate	101,270	-	-	-
	<u>107,342</u>	<u>8,839</u>	<u>-</u>	<u>-</u>
Total	<u>1,207,957</u>	<u>1,142,079</u>	<u>163</u>	<u>17,446</u>

The amounts due from fellow subsidiaries are trade in nature, unsecured, interest-free and are repayable on demand.

The amounts due from subsidiaries are mainly non-trade in nature, unsecured, interest-free and repayable on demand.

The amount due from an associate is non-trade in nature, unsecured and interest free except for S\$97,529,000 (31 December 2013: Nil) which bears a fixed interest rate.

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15. DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group	
	2014	2013
	S\$'000	S\$'000
Deferred tax assets		
To be recovered after one year	<u>89</u>	<u>88</u>
Deferred tax liabilities		
To be settled after one year	<u>(230,420)</u>	<u>(265,226)</u>
Beginning of the financial year	(265,138)	(331,957)
Credited to other comprehensive income	-	19
Credited/(charged) to the profit or loss (Note 7):		
- property, plant and equipment	(7,420)	63,252
- intangible assets	168	154
- provisions	42,047	1,252
- available-for-sale financial assets	-	2,144
	34,795	66,802
Exchange differences	<u>12</u>	<u>(2)</u>
End of the financial year	<u>(230,331)</u>	<u>(265,138)</u>
Subject to income tax		
Deferred tax assets (before offsetting)		
- provisions	82,737	40,307
Offsetting	<u>(82,648)</u>	<u>(40,219)</u>
Deferred tax assets (after offsetting)	<u>89</u>	<u>88</u>

There are certain comparative figures which have been restated to conform with the current year's presentation.

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15. DEFERRED TAX (CONTINUED)

	Group	
	2014	2013
	S\$'000	S\$'000
Deferred tax liabilities (before offsetting)		
- property, plant and equipment	(311,590)	(304,170)
- intangible assets	(1,104)	(1,275)
- others	(374)	-
	(313,068)	(305,445)
Offsetting	82,648	40,219
Deferred tax liabilities (after offsetting)	(230,420)	(265,226)

The Company has no deferred tax asset or liability.

16. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

	Group		Company	
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Short term deposits with banks and finance companies	2,699,135	2,701,950	-	34,287
Cash and bank balances	1,002,658	965,735	4,300	3,247
	3,701,793	3,667,685	4,300	37,534

Short term deposits are made for varying periods of between one day and one year depending on the expected cash requirements of the Group, and earn interest at the respective short term deposit rates.

Included in restricted cash are the following:

	Group	
	2014	2013
	S\$'000	S\$'000
Cash for borrowing repayment	139,256	131,202

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17. SHARE CAPITAL

	2014 No. of shares '000	2013 No. of shares '000
<u>Group and Company</u>		
Authorised:		
Ordinary shares of US\$1 each		
Beginning and end of financial year	100	100
Convertible, Non-Cumulative Redeemable Preference shares of US\$1 each		
Beginning and end of financial year	500	500
Convertible, Non-Cumulative Irredeemable Preference shares of US\$1 each		
Beginning and end of financial year	3,000	3,000
	<u>3,600</u>	<u>3,600</u>

	2014 No. of shares '000	S\$'000	2013 No. of shares '000	S\$'000
<u>Group and Company</u>				
Issued and fully paid				
Ordinary shares of US\$1 each				
Beginning and end of financial year	45	69	45	69
Convertible, Non-Cumulative Redeemable Preference shares of US\$1 each				
Beginning and end of financial year	170	257	170	257
Convertible, Non-Cumulative Irredeemable Preference shares of US\$1 each				
Beginning of financial year	1,482	2,148	1,482	2,148
Issued during the financial year	303	384	-	-
End of financial year	<u>1,785</u>	<u>2,532</u>	<u>1,482</u>	<u>2,148</u>
	<u>2,000</u>	<u>2,858</u>	<u>1,697</u>	<u>2,474</u>

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17. SHARE CAPITAL (CONTINUED)

The Convertible, Non-Cumulative Irredeemable Preference shares ("CNCI") shall have the following rights :

- i. The holders of the Preference Shares shall be entitled to receive out of the profits of the Company resolved to be distributed in respect of any financial year a non-cumulative preferential dividend at the rate to be fixed at the discretion of the Company on the capital for the time being paid-up or credited as paid up thereon, such preferential dividend to be paid, as regards to each financial year, out of the profits of such financial year only with no right in case of deficiency to resort to the profits of subsequent years, and such preferential dividend shall be payable annually or at such other times as the Directors may from time to time determine. The Preference Shares shall not confer any further right to participate in profits or assets of the Company.
- ii. The preference dividend payable on the Preference Shares as may be determined by the Directors shall be paid in priority to the dividend payable on the Ordinary Shares.
- iii. The Company shall be entitled from time to time to create and issue further preference shares ranking *pari passu* in all respects with the existing Preference Shares.
- iv. In the event of the winding up of the Company, the holders of the Preference Shares shall after the Company has fully satisfied the rights attached to the Convertible, Non-Cumulative Redeemable Preference Shares in a winding up situation as stipulated under the Company's Articles of Association be entitled to have the surplus assets applied, firstly, in paying off the capital paid up on the Preference Shares, secondly, in paying off any preferential dividend declared but unpaid at the commencement of the winding up, and subject as aforesaid, the residue of such surplus assets shall be paid to the holders of the Ordinary Shares of the Company and the holders of the Preference Shares shall not be entitled to be paid any of such surplus assets.
- v. Except as provided in the Isle of Man Companies Acts, the Preference Shares shall not confer any voting rights on the holders thereof at any general meeting.
- vi. The holders of any Preference Shares which are paid up or credited as paid up, shall be entitled upon notice in writing to the Company at any time and from time to time to convert such Preference Shares or any of them into Ordinary Shares.
- vii. The Company shall have the right at any time and from time to time upon notice in writing to the holders of any Preference Shares which are paid up or credited as paid up, to convert all or any of the Preference Shares into Ordinary Shares.

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17. SHARE CAPITAL (CONTINUED)

The CNCI shall have the following rights (continued):

- viii. Conversion of the Preference Shares whether by the holders thereof or by the Company shall be at the par value of the Preference Shares. The Ordinary Shares issued pursuant to any conversion shall, for all dividends declared and paid on the existing issued Ordinary Shares of the Company after the date of conversion and in all respects, rank *pari passu* with such Ordinary Shares.
- ix. The Company shall be entitled at any time and from time to time to issue all or any of the Preference Shares at par value or at a premium as the Directors deem fit.

On 22 September 2014, 303,000 CNCI of US\$1 each were issued to Genting Berhad ("GENT"), the holding company at a premium of US\$999 per share as part settlement of loan provided by GENT in 2005.

The Convertible, Non-Cumulative Redeemable Preference Shares shall have the following rights:

- i. The holders of the Preference Shares shall at the full discretion of the Board of Directors of the Company, be entitled to receive out of the profits of the Company resolved to be distributed in respect of any financial year a non-cumulative preferential dividend at the rate to be determined by the Directors on the capital for the time being paid up or credited as paid up thereon, such preferential dividend to be paid out of the profits of such financial year only with no right in case of deficiency to resort to the profits of subsequent years. The Preference Shares shall not confer any further right to participate in profits or assets.
- ii. The preference dividend payable on the Preference Shares as may be determined by the Directors shall be paid in priority to the dividend payable on the ordinary shares.
- iii. The Company shall be entitled from time to time to create and issue further preference shares ranking *pari passu* in all respects with the existing Preference Shares.
- iv. In the event of the winding up of the Company, the holders of the Preference Shares shall be entitled to have the surplus assets applied, firstly, in paying off the capital paid-up on the Preference Shares, secondly, in paying off any preferential dividend declared but unpaid at the commencement of the winding up and subject as aforesaid the residue of such surplus assets shall be paid to the holders of the ordinary shares of the Company and the holders of the Preference Shares shall not be entitled to be paid any of such surplus assets.
- v. Except as provided in the Isle of Man Companies Acts, the Preference Shares shall not confer voting rights on the holders thereof at any general meeting.
- vi. The holders of any Preference Shares which are paid up or credited as paid up shall be entitled upon notice in writing to the Company at any time and from time to time to convert such Preference Shares or any of them into ordinary shares.
- vii. The Company shall have the right at any time and from time to time upon notice in writing to the holders of any Preference Shares which are paid up or credited as paid up to convert all or any of the Preference Shares into ordinary shares.

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17. SHARE CAPITAL (CONTINUED)

- viii Conversion of the Preference Shares whether by the holders thereof or by the Company shall be at such value of the Preference Shares mutually agreed between the holders of the Preference Shares and the Company. The ordinary shares issued pursuant to any conversion shall, for all dividends declared and paid on the existing issued ordinary shares of the Company after the date of conversion and in all respects, rank *pari passu* with such ordinary shares.
- ix. The Company shall be entitled at any time and from time to time to issue all or any of the Preference Shares at par value or at a premium as the Directors of the Company deem fit.
- x. The Company shall be entitled at any time and from time to time to redeem all or any of the Preference Shares for the time being issued out of any monies which may lawfully be applied for the purpose whether by way of cash payments or by way of distribution of specific assets wholly or in part, and where any difficulty arises in such distribution, the Directors may settle such difficulty as they think expedient, and in particular may fix the value of any such specific assets and may determine that cash payments shall be made to holders of Preference Shares upon the footing of the value so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Directors at par value of the Preference Shares and at such premium as the Directors shall determine upon giving to the holders notice in writing to redeem all or any of the Preference Shares and the holders thereof shall surrender to the Company the certificates pertaining thereto and the Company shall pay to the holders the amounts payable in respect of such redemption.
- xi. Redemption must be in proportion to the shareholdings of each Preference Shareholder.

18. RESERVES

	Group		Company	
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Non-distributable reserves:				
Share premium	2,786,500	2,403,104	2,786,500	2,403,104
Capital redemption reserve	415	415	415	415
Exchange translation reserve	967	(1,127)	43	43
Fair value reserve	(432)	116,166	2,948	4,642
Distributable reserve:				
Retained earnings	1,076,718	925,211	108,912	118,280
	3,864,168	3,443,769	2,898,818	2,526,484

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19. PERPETUAL CAPITAL SECURITIES OF A SUBSIDIARY

On 12 March 2012, GENS issued S\$1,800 million 5.125% perpetual capital securities (“Institutional Securities”) at an issue price of 100 per cent.

On 18 April 2012, GENS issued S\$500 million 5.125% perpetual capital securities (“Retail Securities”) at an issue price of 100 per cent.

Holders of these Institutional and Retail Securities are conferred a right to receive distribution on a semi-annual basis from their issue date at the rate of 5.125% per annum, subject to a step-up rate from 12 September 2022 and 18 October 2022 respectively. GENS has a right to defer this distribution under certain conditions.

The Institutional and Retail Securities have no fixed maturity and are redeemable in whole, but not in part, at GENS option on or after 12 September 2017 for the Institutional Securities and 18 October 2017 for the Retail Securities at their principal amounts together with any accrued, unpaid or deferred distributions. While any distributions are unpaid or deferred, GENS will not declare, pay dividends or make similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank.

These perpetual capital securities were issued for GENS’ general corporate purposes as well as to finance capital expenditure and the expansion of its business.

In year 2013, the second and third payment of distribution in respect of the Institutional and Retail Securities amounting to S\$45,746,000 and S\$46,504,000 were paid on 12 March 2013 and 12 September 2013 respectively. Distributions for Retail Securities amounting to S\$12,777,000 and S\$12,848,000 were paid on 17 April 2013 and 18 October 2013 respectively. During the financial year, Board of Directors of GENS has approved to distribute the payments for the Institutional and Retail Securities. Accordingly, the Institutional Securities distributions amounting to S\$45,746,000 and S\$46,504,000 were paid on 11 March 2014 and 11 September 2014 respectively. The distribution for Retail Securities amounting to S\$12,777,000 and S\$12,848,000 were paid on 17 April 2014 and 20 October 2014 respectively.

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20. OPTION RESERVES

Employee Share Option Scheme

On 8 September 2005, the Board of Directors of GENS, pursuant to their powers under the then existing Articles of Association of GENS and Isle of Man law, adopted an Employee Share Option Scheme ("Scheme"). The Scheme comprises share options ("Options") issued to selected executive employees and certain directors of GENS, its subsidiaries, the ultimate holding corporation and its subsidiaries.

The Scheme will provide an opportunity for selected executive employees and certain directors of GENS Group, the ultimate holding corporation and its subsidiaries ("grantees"), who have contributed significantly to the performance and development of the Group to participate in the growth of GENS.

Under the Scheme, the total number of shares over which the Remuneration Committee may grant options shall not exceed two and one half per cent of the total issued shares of GENS as at the date of offer of options. On 8 September 2005 ("Offer Date"), Options were granted to the grantees to subscribe for an aggregate of 63,206,000 shares. The consideration for the grant of the Options to each of the grantees was US\$1.

The issue of Options pursuant to the Scheme is one-off and there will be no further issue of any options under the Scheme. The Options granted can only be exercised by the grantees with effect from the third year of the Offer Date and the number of new shares comprised in the Options which a grantee can subscribe for from the third year onwards shall at all times be subject to a maximum of 12.5% rounded up to the next 1,000 shares of the allowable allotment for each grantee. The Scheme is for a duration of ten years and the Options expire on 7 September 2015.

The exercise price for each share in respect of an Option was initially US\$0.1876 and was fixed by the Board of Directors of GENS at a price equal to the average of the middle market quotations of the shares of GENS on the Central Limit Order Book International ("CLOB International", on which GENS' shares were quoted and traded at that time) for forty Market Days immediately preceding the Offer Date.

At the Extraordinary General Meeting ("EGM") held on 8 August 2007, GENS' shareholders approved certain amendments to the Scheme. The Remuneration Committee considered it necessary to amend some of the existing rules of the Scheme to provide flexibility to make certain adjustments to the terms of the share options granted under the Scheme to be in line with industry practice. The proposed amendments included adjustments to be made to the number and exercise price of the option shares upon the occurrence of certain events. As a result of the 2007 Rights Issue, the exercise price per share and number of option shares outstanding were adjusted. The adjusted exercise price per share was US\$0.1658.

Following the 2009 Rights Issue, the exercise price per share was again adjusted to US\$0.1579.

The fair value of the options was determined using the "Trinomial" model based on the closing market price at the Offer Date, the exercise price, expected volatility based on its historical volatility, option life and a risk free interest rate of 3.95% to 4.15% based on the yield on US Treasury Bonds maturing between 5 to 10 years and an assumption of zero dividends.

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20. OPTION RESERVES (CONTINUED)

Employee Share Option Scheme (Continued)

The cumulative number of option shares at the adjusted exercise price per share of US\$0.1579 (2013: US\$0.1579) outstanding as at 31 December 2014 and 2013 are:

Exercise period	Adjusted number of option shares outstanding	
	2014	2013
08/09/2007 – 07/09/2015	542,000	588,000
08/09/2008 – 07/09/2015	694,000	759,000
08/09/2009 – 07/09/2015	887,000	1,034,000
08/09/2010 – 07/09/2015	1,144,000	1,513,000
08/09/2011 – 07/09/2015	2,274,000	2,725,000
08/09/2012 – 07/09/2015	2,806,000	3,663,000
08/09/2013 – 07/09/2015	3,637,000	5,424,000
08/09/2014 – 07/09/2015	5,050,048	7,820,321
	<u>17,034,048</u>	<u>23,526,321</u>

Movements in the number of option shares outstanding are as follows:

	Option shares	
	2014	2013
Beginning of the financial year	23,526,321	30,570,715
Forfeited	(65,233)	(144,394)
Exercised	(6,427,040)	(6,900,000)
End of the financial year	<u>17,034,048</u>	<u>23,526,321</u>

The weighted average market price per share during the period of exercise was S\$1.227 (2013: S\$1.460).

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20. OPTION RESERVES (CONTINUED)**Employee Share Option Scheme (Continued)**

A summary of the cumulative options granted to the Directors of GENS since the commencement of the Scheme to 31 December 2014 are set out as below:

		Adjusted number of option shares granted *
<u>Name of Directors</u>		
1.	Tan Sri Lim Kok Thay	5,941,463
2.	Mr. Tan Hee Teck	3,501,177
3.	Mr. Lim Kok Hoong	583,496
4.	Mr. Tjong Yik Min	583,496
		10,609,632

* Incorporating adjustments for the Rights Issue

a. During the financial year, there are no options granted at :

- (i) a discount of 10% or less off market price; or
- (ii) a discount of more than 10% off market price.

b. During the financial year, none of the grantees as disclosed above received 5% or more of the total number of options available under the Scheme.

c. A total of 33,945,641 option shares were granted since commencement of the Scheme in 2009 to the Directors and Employees of the GENS' ultimate holding company and its subsidiaries.

d. During the financial year, no options to take up unissued shares of any subsidiary were granted and there were no shares of any subsidiary issued by virtue of the exercise of an option to take up unissued shares.

e. These options do not entitle the holder to participate by virtue of the options, in any share issue of any other corporations.

f. At the end of the financial year, there were no unissued shares of any subsidiary under option.

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20. OPTION RESERVES (CONTINUED)

GENS Group Performance Share Scheme ("PSS")

GENS recognises the fact that the services of GENS' employees and directors are important to the on-going development, growth and success of GENS Group and it has, therefore, introduced the PSS which will give GENS more flexibility in relation to the GENS Group's remuneration package for its employees and allow the GENS Group to better manage its fixed overheads. GENS Group executives and executive and non-executive directors are eligible to participate in the PSS. GENS Group will deliver shares granted under an award by issuing new shares to the participants. The awards represent the right of a participant to receive fully-paid shares free of charge, upon the participant satisfying the criteria set out in the PSS and upon satisfying such criteria as may be imposed. The number of shares to be granted to a participant shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as his/her capability, scope of responsibility, skill and vulnerability to leaving the employment of the GENS Group. The total number of shares which may be issued and/or issuable pursuant to awards granted under the PSS on any date shall not exceed 208,853,893 shares and when added to the number of shares issued and/or issuable under such other share-based incentives schemes of GENS, shall not exceed 5% of the total number of shares of GENS Group from time to time. The PSS shall continue to be in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years, commencing from adoption date, provided always that the PSS may continue beyond the stipulated period with the approval of GENS' shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The PSS was approved by GENS' shareholders at the EGM held on 8 August 2007.

The vesting of performance shares granted under PSS is subject to the achieving of pre-agreed service and/or performance conditions over the performance period.

For performance share grants with pre-agreed service conditions, the fair value was determined based on the GENS's costing market price at the date of grant.

For performance share grants with pre-agreed performance conditions, the fair value was determined based on the Monte Carlo simulation model. Key inputs to the model include GENS' closing market price at the date of grant and assumptions as below:

	Year of grant	
	2011	2012
3-Year monthly volatility	44.14% - 44.25%	23.64% - 42.79%
Dividend yield	0.46% - 0.50%	0.59% - 0.75%
Risk-free interest rate	0.46% - 0.49%	0.34% - 0.40%

The volatility measured as the standard deviation of expected share price returns was estimated based on statistical analysis of share prices over the last 3 years.

The weighted average fair value per share granted in 2014 was S\$1.315 (2013: S\$1.466).

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20. OPTION RESERVES (CONTINUED)

Movements in the number of performance shares outstanding are as follows:

	PSS shares	
	2014	2013
Beginning of financial year	29,215,000	28,650,000
Granted	41,540,000	12,685,000
Forfeited	(2,281,500)	(3,280,000)
Issued	(15,020,000)	(8,840,000)
End of the financial year	53,453,500	29,215,000

A summary of the cumulative performance shares granted to the Directors of GENS Group since the commencement of the PSS are set out below:

	Number of PSS granted	
	2014	2013
Name of Directors		
Tan Sri Lim Kok Thay	6,000,000	5,250,000
Mr. Tan Hee Teck	32,380,000	4,630,000
Mr. Lim Kok Hoong	800,000	700,000
Mr. Tjong Yik Min	800,000	700,000
Mr. Koh Seow Chuan	680,000	580,000
	40,660,000	11,860,000

Other than Mr. Tan Hee Teck who has been granted 27,750,000 PSS shares during the financial year, no employee has received 5% or more of the total number of awards granted during the financial year.

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21. BANK BORROWINGS

	Group	
	2014	2013
	S\$'000	S\$'000
Current		
Secured, interest bearing	<u>517,887</u>	<u>515,870</u>
Non-current		
Secured, interest bearing	<u>1,184,480</u>	<u>1,702,367</u>

The repayment of the bank borrowings commenced on 30 June 2011 with quarterly repayment dates. All bank borrowings must be repaid by 31 December 2017. The carrying amounts of non-current borrowings approximate their fair values at the reporting date.

Banker guarantees of S\$20,000,000 (2013: S\$20,000,000) were obtained and held by Sentosa Development Corporation ("SDC"), as a part of the conditions in the Development Agreement entered into with SDC. These guarantees and the bank borrowings of the Group are substantially secured over assets of the leisure and hospitality operations in Singapore.

22. FINANCE LEASE

The GENS Group leases certain machinery and equipment and motor vehicles from non-related parties under finance leases. The lease agreements do not have renewal clauses but provide GENS Group with options to purchase the leased assets at nominal value at the end of the lease term.

	Group	
	2014	2013
	S\$'000	S\$'000
Finance lease liabilities – minimum lease payments:		
- No later than one year	810	7,775
- Between one and five years	<u>91</u>	<u>492</u>
	901	8,267
Less: Future finance charges on finance leases	<u>(27)</u>	<u>(1,246)</u>
Present value of finance lease liabilities	<u>874</u>	<u>7,021</u>
The present value of finance lease liabilities is as follows:		
- No later than one year	789	6,534
- Between one and five years	<u>85</u>	<u>487</u>
	<u>874</u>	<u>7,021</u>

Finance lease liabilities are secured by the rights to the leased assets (Note 8) which will revert to the lessor in the event of default by GENS Group.

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23. DERIVATIVE FINANCIAL INSTRUMENTS

	Group	
	2014	2013
	S\$'000	S\$'000
Current, at fair value		
Interest rate swaps	-	1,755
Compound financial instruments (Note 12(c))	<u>246,869</u>	<u>9,144</u>
	<u>246,869</u>	<u>10,899</u>

As at 31 December 2013, the notional principal amount of the outstanding interest rate swap contract was S\$500,000,000 with the fixed interest rate set at 0.92% per annum and the floating rate was fixed at quarterly Swap Offer Rate ("SOR"). The interest rate swaps have expired upon maturity during the financial year.

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24. TRADE AND OTHER PAYABLES

	Group		Company	
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Current				
Trade payables	4,098	4,651	-	-
Accrued operating liabilities	222,218	282,165	45	47
Accrued capital expenditure	96,994	131,802	-	-
Retention monies and deposits	40,147	47,354	-	-
Deferred income	75,080	117,688	-	-
Other payables	154,299	171,035	-	-
Amount due to holding corporation	30	55	-	-
Amounts due to fellow subsidiaries	68	878	-	-
Amount due to a subsidiary	-	-	320	9,319
Amount due to a joint venture	2,620	2,640	-	-
	595,554	758,268	365	9,366
 Loan due to holding corporation	 -	 415,928	 -	 415,928
	595,554	1,174,196	365	425,294

Retention monies refer to amounts withheld from contractors' claim for work done in accordance with contractual rights, which are progressively released upon the completion of the project.

The amounts due to holding corporation, subsidiary, fellow subsidiaries and joint venture are mainly non-trade in nature, unsecured, interest free and are repayable on demand.

The loan due to holding corporation (current) bears an effective interest rate of 4.63% (2013: 4.63%) per annum, is denominated in United States Dollar, unsecured and with maturity date on 22 September 2014. The loan was settled on its maturity date.

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25. PROVISION FOR RETIREMENT GRATUITIES

	Group	
	2014	2013
	S\$'000	S\$'000
<u>Non-current liability:</u>		
At the beginning of the financial year	1,444	1,133
Charged to the profit or loss	27	553
Payment made	(138)	(239)
Exchange differences	2	(3)
At the end of financial year	<u>1,335</u>	<u>1,444</u>

Retirement gratuities are payable to certain employees upon their retirement. The gratuities provided are factored for discount rates, based on interest rates available in the market for bonds with AAA ratings, and attrition rates based on age bands.

26. OTHER LONG TERM LIABILITIES

	Group	
	2014	2013
	S\$'000	S\$'000
Retention monies and deposits	2,866	923
Deferred income	7,830	9,655
Total	<u>10,696</u>	<u>10,578</u>

Retention monies refer to amounts withheld from contractors' claim for work done in accordance with contractual rights, which are progressively released upon the completion of the project.

The carrying values of non-current retention monies and deposits approximate their fair values.

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27. SIGNIFICANT EVENTS SUBSEQUENT TO THE REPORTING DATE

For the financial year ending 31 December 2015, an interim preference shares dividends on the Convertible Non-Cumulative Irredeemable Preference Shares ("CNCIP") and Convertible Non-Cumulative Redeemable Preference Shares ("CNCRP") of the Company amounting to a total of S\$63,389,242.20 was paid on 23 June 2015 as follows:

<u>Types of Shares</u>	<u>Dividend per share</u> <u>(S\$)</u>	<u>No. of Shares</u>	<u>Dividend (S\$)</u>
CNCIP	35.50	1,785,033	63,368,671.50
CNCRP	0.15	137,138	20,570.70
	Total	Total	63,389,242.20

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28. SIGNIFICANT RELATED PARTY DISCLOSURES

The holding corporation is Genting Berhad ("GENT"), a company incorporated in Malaysia and whose shares are listed on the Bursa Malaysia Securities Berhad.

In addition to related party disclosures mentioned elsewhere in the consolidated financial statements, set out below are other significant related party transactions and balances:

(a) The following significant transactions were carried out between the Group and related parties:

	Group	
	2014	2013
	S\$,000	S\$,000
i. Purchases of goods and/or services from a joint venture	<u>(30,204)</u>	<u>(30,315)</u>
ii. Management services from a subsidiary of a substantial shareholder	<u>(1,891)</u>	<u>(1,618)</u>
iii. Interest income receivable from an associate	<u>3,741</u>	<u>-</u>
iv. Dividend paid to holding corporation *	<u>(63,330)</u>	<u>-</u>

* Dividend per share has been disclosed in the Report of the Directors.

(b) Key management remuneration

Key management remuneration includes fees, salary, bonus, commission and other emoluments computed based on the cost incurred by the Directors, and where the Group did not incur any costs, the value of the benefit. The remuneration of Directors and key management personnel during the financial year is analysed as follows:

	Group	
	2014	2013
	S\$,000	S\$,000
Fees and meeting allowances	30	24
Salaries, bonus and other emoluments	11,852	7,068
Share-based payment	<u>1,575</u>	<u>1,818</u>
	<u>13,457</u>	<u>8,910</u>

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29. COMMITMENTS

Capital commitments

	Group	
	2014	2013
	S\$'000	S\$'000
Authorised capital expenditure not provided for in the financial statements:		
Contracted - property, plant and equipment	53,893	141,794

Capital commitments of joint ventures and associate are disclosed in Note 11.

Operating lease commitments - lessee

GENS Group leases offices, buildings and equipment under non-cancellable operating lease agreements. These leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases are payable as follows:

	Group	
	2014	2013
	S\$'000	S\$'000
Not later than one year	1,246	1,529
Between one year and five years	1,087	252
	2,333	1,781

Operating lease commitments - lessor

GENS Group leases out retail space to non-related parties under non-cancellable operating leases. These 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.

The future minimum lease receivables under non-cancellable operating leases are as follows:

	Group	
	2014	2013
	S\$'000	S\$'000
Not later than one year	19,411	17,486
Between one year and five years	19,249	25,129
More than five years	179	179
	38,839	42,794

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30. RECLASSIFICATION OF ACCOUNTS

The classification of certain items in the financial statements has been changed from the prior year to achieve a clearer or more appropriate presentation. The items reclassified are as follows:

	As previously classified 2013 S\$'000	Reclassification S\$'000	As reclassified 2013 S\$'000
Effect on statement of comprehensive income			
Other operating income – foreign exchange gain	89,279	27,234	116,513
Other operating expenses – foreign exchange gain	(8,100)	(27,234)	(35,334)

31. PRINCIPAL SUBSIDIARIES

The details of the Company's significant subsidiaries as at 31 December 2014 unless otherwise indicated are as follows:

	Country of incorporation	Effective percentage of ownership		Principal activities
		2014 %	2013 %	
DIRECT SUBSIDIARY				
Genting Singapore PLC	Isle of Man	52.48	51.96	Investment holding
INDIRECT SUBSIDIARY				
Resorts World at Sentosa Pte Ltd	Singapore	52.48	51.96	Developer and operator of an integrated resort

ISSUER
GOHL Capital Limited
First Names House
Victoria Road
Douglas, Isle of Man
IM2 4DF

GUARANTOR
Genting Overseas Holdings Limited
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