GENTING BERHAD

SECOND QUARTERLY REPORT

Quarterly report on consolidated results for the second quarter ended 30 June 2019. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2019 RM'000	Preceding Year Corresponding Quarter 30/06/2018 RM'000	Current Year-To-Date 30/06/2019 RM'000	Preceding Year Corresponding Period 30/06/2018 RM'000
Revenue	**5,445,725**	4,823,315	**11,018,526**	10,074,071
Cost of sales	**(3,621,965)**	(3,025,775)	**(7,245,263)**	(6,216,950)
Gross profit	**1,823,760**	1,797,540	**3,773,263**	3,857,121
Other income	**271,295**	260,860	**635,222**	558,419
Impairment losses	**(3,197)**	(33,300)	**(21,031)**	(33,300)
Other expenses	**(518,522)**	(582,707)	**(1,317,615)**	(1,158,845)
Other gains/(losses)	**11,044**	(140,907)	**(55,080)**	(254,337)
Finance cost	**(267,526)**	(255,796)	**(561,232)**	(506,754)
Share of results in joint ventures and associates	**13,044**	71,726	**55,461**	95,572
Profit before taxation	**1,329,898**	1,117,416	**2,508,988**	2,557,876
Taxation	**(272,920)**	(293,892)	**(480,647)**	(616,911)
Profit for the period	**1,056,978**	823,524	**2,028,341**	1,940,965
Profit attributable to:				
Equity holders of the Company	**599,679**	383,515	**1,161,319**	986,219
Non-controlling interests	**457,299**	440,009	**867,022**	954,746
	1,056,978	823,524	**2,028,341**	1,940,965
Earnings per share (sen) for profit attributable to equity holders of the Company:				
- Basic	**15.57**	10.01	**30.16**	25.75
- Diluted	**15.54**	9.83	**30.09**	25.22

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

Genting Berhad (7916-A)
24th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia. T: +603 2178 2288 / 2333 2288 F : +603 2161 5304 www.genting.com

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2019 RM'000	Preceding Year Corresponding Quarter 30/06/2018 RM'000	Current Year-To-Date 30/06/2019 RM'000	Preceding Year Corresponding Period 30/06/2018 RM'000
Profit for the period	**1,056,978**	823,524	**2,028,341**	1,940,965
Other comprehensive income/(loss)				
Item that will not be reclassified subsequently to profit or loss:				
Changes in the fair value of equity investments at fair value through other comprehensive income	**2,061**	(38,035)	**57,234**	(20,163)
	2,061	(38,035)	**57,234**	(20,163)
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedges				
- Fair value gain/(loss)	**6,338**	(50,994)	**(76,698)**	(4,378)
- Reclassifications	**1,320**	6,020	**74,885**	2,203
Share of other comprehensive gain/(loss)of joint ventures and associates	**540**	23,797	**(8,183)**	9,011
Net foreign currency exchange differences	**675,922**	(44,412)	**6,328**	(1,188,632)
	684,120	(65,589)	**(3,668)**	(1,181,796)
Other comprehensive income/(loss) for the period, net of tax	**686,181**	(103,624)	**53,566**	(1,201,959)
Total comprehensive income for the period	**1,743,159**	719,900	**2,081,907**	739,006
Total comprehensive income attributable to:				
Equity holders of the Company	**1,049,807**	390,989	**1,149,394**	242,815
Non-controlling interests	**693,352**	328,911	**932,513**	496,191
	1,743,159	719,900	**2,081,907**	739,006

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	As At 30 June 2019 RM'000	Audited As At 31 Dec 2018 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	**39,304,247**	38,996,086
Land held for property development	**366,260**	370,700
Investment properties	**1,972,423**	1,995,185
Leasehold land use rights	**-**	664,644
Intangible assets	**5,774,937**	5,677,111
Rights of use of oil and gas assets	**3,432,719**	3,544,186
Rights of use of lease assets	**4,117,810**	-
Joint ventures	**1,667,110**	1,667,814
Associates	**700,198**	710,750
Financial assets at fair value through other comprehensive income	**818,754**	514,270
Financial assets at fair value through profit or loss	**910,895**	679,564
Derivative financial instruments	**-**	25,858
Deferred tax assets	**359,838**	394,899
Other non-current assets	**4,028,413**	4,332,593
	63,453,604	59,573,660
CURRENT ASSETS		
Property development costs	**54,259**	44,833
Inventories	**621,375**	685,329
Produce growing on bearer plants	**4,222**	3,833
Trade and other receivables	**2,510,569**	2,433,927
Amounts due from joint ventures and associates	**73,510**	154,313
Financial assets at fair value through other comprehensive income	**440,041**	383,152
Financial assets at fair value through profit or loss	**1,201,729**	757,810
Derivative financial instruments	**1,474**	23,043
Restricted cash	**572,515**	1,059,262
Cash and cash equivalents	**32,416,507**	30,987,855
	37,896,201	36,533,357
Assets classified as held for sale	**71,083**	34,434
	37,967,284	36,567,791
TOTAL ASSETS	**101,420,888**	96,141,451
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	**3,056,175**	3,056,175
Treasury shares	**(221,206)**	(221,206)
Reserves	**31,929,583**	31,438,761
	34,764,552	34,273,730
Non-controlling interests	**23,445,292**	23,114,496
TOTAL EQUITY	**58,209,844**	57,388,226
NON-CURRENT LIABILITIES		
Long term borrowings	**29,452,979**	25,163,533
Lease liabilities	**687,889**	-
Deferred tax liabilities	**2,278,719**	2,363,613
Derivative financial instruments	**11,760**	114,341
Other non-current liabilities	**900,767**	993,418
	33,332,114	28,634,905
CURRENT LIABILITIES		
Trade and other payables	**5,509,590**	5,251,453
Amounts due to joint ventures	**49,261**	53,466
Short term borrowings	**3,229,348**	4,060,960
Derivative financial instruments	**12,126**	29,253
Lease liabilities	**90,366**	-
Taxation	**757,204**	709,584
Dividend payable	**231,035**	-
	9,878,930	10,104,716
Liabilities classified as held for sale	**-**	13,604
	9,878,930	10,118,320
TOTAL LIABILITIES	**43,211,044**	38,753,225
TOTAL EQUITY AND LIABILITIES	**101,420,888**	96,141,451
NET ASSETS PER SHARE (RM)	**9.03**	8.90

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	Attributable to equity holders of the Company								
	Share Capital RM'000	Fair Value Reserve RM'000	Cash Flow Hedge Reserve RM'000	Foreign Exchange & Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 31 December 2018, as previously reported	3,056,175	(328,873)	25,068	(1,314,750)	33,057,316	(221,206)	34,273,730	23,114,496	57,388,226
Effects of adoption of MFRS 16 (see Note (I) (a))	-	-	-	(54)	(1,607)	-	(1,661)	(1,629)	(3,290)
At 1 January 2019, as restated	3,056,175	(328,873)	25,068	(1,314,804)	33,055,709	(221,206)	34,272,069	23,112,867	57,384,936
Profit for the period	-	-	-	-	1,161,319	-	1,161,319	867,022	2,028,341
Other comprehensive income/(loss)	-	57,234	(22,304)	(41,069)	(5,786)	-	(11,925)	65,491	53,566
Total comprehensive income/(loss) for the period	-	57,234	(22,304)	(41,069)	1,155,533	-	1,149,394	932,513	2,081,907
Effects arising from changes in composition of the Group	-	-	-	-	(165,691)	-	(165,691)	193,171	27,480
Performance-based Employee Share Scheme by subsidiaries	-	-	-	-	9,355	-	9,355	(9,355)	-
Effects of share-based payment	-	-	-	-	-	-	-	37,403	37,403
Dividends to non-controlling interests	-	-	-	-	-	-	-	(821,307)	(821,307)
Appropriation:									
Special single-tier dividend for financial year ended 31 December 2018	-	-	-	-	(269,540)	-	(269,540)	-	(269,540)
Final single-tier dividend for financial year ended 31 December 2018	-	-	-	-	(231,035)	-	(231,035)	-	(231,035)
Balance at 30 June 2019	3,056,175	(271,639)	2,764	(1,355,873)	33,554,331	(221,206)	34,764,552	23,445,292	58,209,844

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018

	Attributable to equity holders of the Company									
	Share Capital RM'000	Warrants Reserve RM'000	Fair Value Reserve RM'000	Cash Flow Hedge Reserve RM'000	Foreign Exchange & Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
At 1 January 2018	2,818,659	946,294	281,548	(52,112)	(1,587,141)	31,596,788	(221,206)	33,782,830	23,308,482	57,091,312
Profit for the period	-	-	-	-	-	986,219	-	986,219	954,746	1,940,965
Other comprehensive loss	-	-	(20,163)	(28,633)	(694,563)	(45)	-	(743,404)	(458,555)	(1,201,959)
Total comprehensive (loss)/income for the period	-	-	(20,163)	(28,633)	(694,563)	986,174	-	242,815	496,191	739,006
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	(17,440)	-	-	17,440	-	-	-	-
Effects arising from changes in composition of the Group	-	-	-	-	-	(12,490)	-	(12,490)	(95,186)	(107,676)
Performance-based Employee Share Scheme by subsidiaries	-	-	-	-	-	3,451	-	3,451	(3,451)	-
Effects of share-based payment	-	-	-	-	-	-	-	-	39,395	39,395
Issue of shares upon exercise of warrants	59,055	(9,351)	-	-	-	-	-	49,704	-	49,704
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(790,523)	(790,523)
Appropriation:										
Special single-tier dividend for financial year ended 31 December 2017	-	-	-	-	-	(268,205)	-	(268,205)	-	(268,205)
Final single-tier dividend for financial year ended 31 December 2017	-	-	-	-	-	(229,902)	-	(229,902)	-	(229,902)
Balance at 30 June 2018	2,877,714	936,943	243,945	(80,745)	(2,281,704)	32,093,256	(221,206)	33,568,203	22,954,908	56,523,111

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019

	Current Year-To-Date RM'000	Preceding Year Corresponding Period RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**2,508,988**	2,557,876
Adjustments for:		
Depreciation and amortisation	**1,275,213**	1,049,533
Finance cost	**561,232**	506,754
Impairment and write off of receivables	**174,099**	18,218
Provision for termination related costs	**138,016**	-
Loss on discontinued cash flow hedge	**74,008**	-
Impairment losses	**21,031**	33,300
Assets written off	**5,277**	29,493
Interest income	**(381,605)**	(431,484)
Gain on disposal of a subsidiary	**(138,663)**	-
Share of results in joint ventures and associates	**(55,461)**	(95,572)
Net exchange gain – unrealised	**(29,092)**	(21,665)
Net fair value (gain)/loss on financial assets at fair value through profit or loss	**(21,936)**	206,048
Investment income	**(21,824)**	(13,935)
Net fair value gain on derivative financial instruments	**(255)**	(1,710)
Gain on disposal of assets and liabilities classified as held for sale	**-**	(349)
Other non-cash items	**69,990**	36,712
	1,670,030	1,315,343
Operating profit before changes in working capital	**4,179,018**	3,873,219
Net change in current assets	**(166,629)**	(221,112)
Net change in current liabilities	**(156,705)**	(281,470)
	(323,334)	(502,582)
Cash generated from operations	**3,855,684**	3,370,637
Tax paid (net of tax refund)	**(505,007)**	(352,397)
Onerous lease paid	**-**	(2,196)
Retirement gratuities paid	**(10,617)**	(1,929)
Other operating activities	**(2,272)**	(473)
	(517,896)	(356,995)
NET CASH FROM OPERATING ACTIVITIES	**3,337,788**	3,013,642
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(3,603,678)**	(1,705,566)
Increase in investments, intangible assets and other long term financial assets	**(1,027,406)**	(531,402)
Interest received	**398,469**	271,765
Proceeds from disposal of a subsidiary (see note below)	**177,795**	-
Repayment of amount due from a joint venture	**145,023**	-
Proceeds from disposal of property, plant and equipment	**27,573**	74,949
Proceeds from disposal of investments	**-**	143,612
Proceeds from disposal of assets and liabilities classified as held for sale	**-**	35,348
Other investing activities	**121,689**	26,002
NET CASH USED IN INVESTING ACTIVITIES	**(3,760,535)**	(1,685,292)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings and payment of transaction costs	**(6,071,012)**	(862,687)
Dividends paid to non-controlling interests	**(821,307)**	(790,523)
Finance cost paid	**(600,898)**	(573,357)
Dividends paid	**(269,540)**	(268,205)
Settlement of derivative financial instruments	**(146,101)**	-
Repayment of lease liabilities	**(50,386)**	-
Buy-back of shares by a subsidiary	**(40,089)**	(98,456)
Proceeds from bank borrowings and issuance of Notes by subsidiaries	**9,485,235**	113,574
Restricted cash	**384,655**	365,430
Proceeds from issue of shares upon exercise of warrants	**-**	49,704
Other financing activities	**(47,938)**	51,214
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	**1,822,619**	(2,013,306)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**1,399,872**	(684,956)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	**30,987,855**	29,491,877
EFFECTS OF CURRENCY TRANSLATION	**28,780**	(496,049)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**32,416,507**	28,310,872
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	**26,900,480**	22,763,215
Money market instruments	**5,516,027**	5,547,657
	32,416,507	28,310,872

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

DISPOSAL OF A SUBSIDIARY

Fair value of the net assets disposed and net cash inflow on disposal of a subsidiary by Genting Malaysia Berhad ("GENM"), which is 49.5% owned by the Company, as disclosed in Part I(j) of this interim financial report, are analysed as follows:

<u>**Group**</u>	**As at date of disposal RM'000**
Property, plant and equipment	**33,890**
Deferred tax assets	**471**
Intangible assets	**2,673**
Inventories	**442**
Trade and other receivables	**710**
Cash and cash equivalents	**2,494**
Trade and other payables	**(2,664)**
Net assets disposed	**38,016**
Reclassification of currency translation reserve	**3,610**
	41,626
Gain on disposal	**138,663**
Cash proceeds from disposal	**180,289**
Less: Cash and cash equivalents in subsidiary disposed of	**(2,494)**
Net cash inflow on disposal	**177,795**

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

(I) Compliance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting

(a) Accounting Policies, Presentation and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 "Interim Financial Reporting" and paragraph 9.22 of Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements. The financial information for the current quarter and six months ended 30 June 2019 have been reviewed by the Company's auditor in accordance with the International Standards on Review Engagements ("ISRE") 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2018. The accounting policies, presentation and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2018 except for the adoption of new MFRSs, amendments to published standards and IC Interpretations for the Group for the financial year beginning 1 January 2019:

- MFRS 16 "Leases"
- Amendments to MFRS 9 "Prepayment Features with Negative Compensation"
- Amendments to MFRS 119 "Plan Amendment, Curtailment or Settlement"
- Amendments to MFRS 128 "Long-term Interests in Associates and Joint Ventures"
- Annual Improvements to MFRSs 2015 - 2017 Cycle
- IC Interpretation 23 "Uncertainty over Income Tax Treatments"

The adoption of these new MFRSs, amendments to published standards and IC interpretations did not have any material impact on the interim financial report of the Group except for the following:

MFRS 16 "Leases"

MFRS 16 eliminates the classification of leases by the lessee as either finance leases or operating leases. MFRS 16 introduces a single accounting model, requiring the lessee to recognise the "right-of-use" of the underlying asset and the lease liability reflecting future lease payments liabilities in the statement of financial position. The rights of use of lease asset is depreciated in accordance with the principle in MFRS 116 "Property, Plant and Equipment" and the lease liability is accreted over time with interest expense recognised in the income statement. For lessors, MFRS 16 retains most of the requirements in MFRS 117. Lessors continue to classify all leases as either operating leases or finance leases and account for them differently.

The Group has adopted MFRS 16 retrospectively from 1 January 2019 using the simplified transition approach and has not restated comparatives for the 2018 reporting period, as permitted under the standard. The reclassifications and adjustments arising from the new leasing rules are therefore recognised in the opening balance of statement of financial position as at 1 January 2019.

As permitted by the exemptions under the standard, the Group has not applied the principles of MFRS 16 to short term leases (a lease with lease term of 12 months or less from date of commencement) and leases for which the underlying asset is of low value.

The impact of adoption of MFRS 16 on operating leases and finance leases are as follows:

(i) Leases previously classified as operating leases

On adoption of MFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as "operating leases" under the principles of MFRS 117. These liabilities are measured at the present value of the remaining lease payments and discounted using the lessee's incremental borrowing rate as of 1 January 2019.

On a lease-by-lease basis, the Group measures the associated rights of use of lease asset on a retrospective basis either at its carrying amount as if the new rules had always been applied or at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised as at 31 December 2018.

In applying MFRS 16 for the first time, the Group has applied the following practical expedients:

(a) The use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
(b) Reliance on previous assessments on whether leases are onerous;
(c) The accounting for operating leases with a remaining lease term of less than 12 months as at the date of initial application as short term leases;
(d) The exclusion of initial direct costs for the measurement of the rights of use of lease asset at the date of initial application; and
(e) The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Group relied on its assessment by applying MFRS 117 and IC Interpretation 4 “Determining whether an Arrangement contains a Lease”.

(ii) Leases previously classified as finance leases

For leases previously classified as finance leases, the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the rights of use of lease assets and lease liabilities on the date of initial application. The measurement principles of MFRS 16 are then applied after that date. Consequently, reclassifications from property, plant and equipment and finance lease liabilities which have been included in borrowings have been made to rights of use of lease assets and lease liabilities respectively on the date of initial application.

The table below shows the impact of changes to the condensed consolidated statement of financial position of the Group resulting from the adoption of MFRS 16 as at 1 January 2019:

	As at 31 Dec 2018	Effects of adoption of MFRS 16	As at 1 Jan 2019
	RM'000	**RM'000**	**RM'000**
Group			
Non-current assets			
Property, plant and equipment	38,996,086	(2,683,721)	36,312,365
Leasehold land use rights	664,644	(664,644)	-
Rights of use of lease assets	-	4,094,828	4,094,828
Other non-current assets	4,332,593	(11,351)	4,321,242
Current asset			
Trade and other receivables	2,433,927	(18,218)	2,415,709
Non-current liabilities			
Long term borrowings	25,163,533	(39,724)	25,123,809
Lease liabilities	-	712,728	712,728
Other non-current liabilities	993,418	(16,965)	976,453
Current liabilities			
Trade and other payables	5,251,453	(6,667)	5,244,786
Short term borrowings	4,060,960	(10,858)	4,050,102
Lease liabilities	-	81,670	81,670
Equity			
Foreign exchange & other reserves	(1,314,750)	(54)	(1,314,804)
Retained earnings	33,057,316	(1,607)	33,055,709
Non-controlling interests	23,114,496	(1,629)	23,112,867
Net assets per share (RM)	8.90	-	8.90

The impact on the Group's financial performance upon adoption of MFRS 16 in the current financial period is as follows:

(i) Consolidated Income Statement
Expenses which had included operating lease rental within adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") are now replaced by interest expense on lease liabilities (included within "finance cost") and amortisation of rights of use of lease assets (included within "depreciation and amortisation"); and

(ii) Consolidated Statement of Cash Flows
Operating lease rental outflow previously recorded within "net cash flow from operating activities" are now classified as "net cash flow from financing activities" for repayment of lease liabilities.

(b) **Seasonal or Cyclical Factors**

On an overall basis, the business operations of the Group's Leisure & Hospitality Division and Plantation Division are subject to seasonal fluctuations. The results of the Leisure & Hospitality Division are affected by major festive seasons and holidays. Fresh fruit bunches ("FFB") production is seasonal in nature. Production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions. More detailed commentary is set out in Notes 1 and 2 in Part II of this interim financial report.

(c) **Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

The unusual item included in the interim financial report for the six months ended 30 June 2019 is in respect of GENM Group's provision of related costs as a result of the termination of contracts related to the outdoor theme park at Resorts World Genting ("RWG") of RM138.0 million.

Other than the above, there were no other unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the six months ended 30 June 2019.

(d) **Material Changes in Estimates**

There have been no significant changes made in estimates of amounts reported in prior financial years.

(e) **Changes in Debt and Equity Securities**

(i) On 4 February 2019, LLPL Capital Pte Ltd, a 57.9% owned indirect subsidiary of the Company, issued USD775,000,000 6.875% guaranteed secured senior notes due 2039 ("Senior Notes"). The Senior Notes were listed on Singapore Exchange Securities Trading Limited on 7 February 2019. The Senior Notes are unconditionally and irrevocably guaranteed by PT Lestari Banten Energi, a 55.0% owned indirect subsidiary of the Company.

(ii) On 17 April 2019, the Company through its indirect wholly owned subsidiaries, Resorts World Las Vegas LLC ("RWLV") and RWLV Capital Inc., issued USD1,000,000,000 aggregate principal amount of 4.625% Senior Notes due 2029 ("Notes"). The Notes were listed on Singapore Exchange Securities Trading Limited on 17 April 2019. The Notes have the benefit of various funding agreements provided by Genting Overseas Holdings Limited, a direct wholly owned subsidiary of the Company. The Notes also have the benefit of a keepwell deed provided by the Company.

Concurrent with the issuance of the Notes, RWLV has on 16 April 2019 also entered into and closed on the USD1.6 billion senior secured credit facilities, comprising a USD400 million term loan facility, which was fully drawn in connection with the closing, and a USD1,200 million revolving credit facility.

(iii) On 25 April 2019, Resorts World at Sentosa Pte. Ltd., an indirect wholly owned subsidiary of Genting Singapore Limited ("GENS"), which is 52.7% owned by the Company, has made a voluntary full prepayment of the outstanding SGD680 million under its SGD2.27 billion syndicated senior secured credit facilities and cancelled the said facilities. Restricted cash which had been pledged as security for loan repayments and interest was fully released.

Other than the above, there were no other material issuance, cancellation, share buy-back, resale and repayment of debt securities or equity securities for the six months ended 30 June 2019.

(f) **Dividends Paid**

Dividends paid during the six months ended 30 June 2019 are as follows:

	RM'million
Special single-tier dividend paid on 8 April 2019 for the financial year ended 31 December 2018	
- 7.0 sen per ordinary share	269.5

(g) **Segment Information**

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker whereby the Group's business is considered from both geographic and industry perspective. The performance of the operating segments is based on a measure of adjusted EBITDA. Items not forming part of the adjusted EBITDA include net fair value gain or loss on financial assets, gain or loss on disposal of assets, assets written off, gain or loss on changes in shareholding in joint ventures and associates, project costs written off, impairment losses, reversal of previously recognised impairment losses and pre-opening and development expenses.

(g) **Segment Information (Cont'd)**

Segment analysis for the six months ended 30 June 2019 is set out below:

RM'million	Leisure & Hospitality: Malaysia	Leisure & Hospitality: Singapore	Leisure & Hospitality: United Kingdom and Egypt	Leisure & Hospitality: United States of America and Bahamas	Leisure & Hospitality: Total	Plantation: Oil Palm Plantation	Plantation: Downstream Manufacturing	Plantation: Total	Power	Property	Oil & Gas	Investments & Others	Total
Revenue													
Total revenue	4,010.6	3,869.0	839.4	745.1	9,464.1	596.4	742.4	1,338.8	487.8	104.1	156.4	65.8	11,617.0
Inter/intra segment	(348.4)	(0.2)	-	-	(348.6)	(243.1)	-	(243.1)	-	(3.2)	(2.5)	(1.1)	(598.5)
External	3,662.2	3,868.8	839.4	745.1	9,115.5	353.3	742.4	1,095.7	487.8	100.9	153.9	64.7	11,018.5
Adjusted EBITDA	1,377.5	1,950.7	86.1	168.6	3,582.9	167.8	34.6	202.4	210.3	35.8	103.4	(87.2)	4,047.6
Main foreign currency	RM	SGD	GBP	USD		RM/^IDR	RM		^IDR	RM/USD	^RMB		
Exchange ratio of 1 unit/ 100 units^ of foreign currency to RM		3.0321	5.3341	4.1221		0.0290			0.0290	4.1221	60.7434		

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

	RM'million
Adjusted EBITDA	4,047.6
Net fair value gain on derivative financial instruments	0.3
Net fair value gain on financial assets at fair value through profit or loss ("FVTPL")	21.9
Gain on disposal of a subsidiary	138.7
Impairment losses	(21.0)
Depreciation and amortisation	(1,275.2)
Interest income	381.6
Finance cost	(561.2)
Share of results in joint ventures and associates	55.5
Others *	(279.2)
Profit before taxation	**2,509.0**

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

(g) **Segment Information (Cont'd)**

RM'million	Leisure & Hospitality: Malaysia	Leisure & Hospitality: Singapore	Leisure & Hospitality: United Kingdom and Egypt	Leisure & Hospitality: United States of America and Bahamas	Leisure & Hospitality: Total	Plantation: Oil Palm Plantation	Plantation: Downstream Manufacturing	Plantation: Total	Power	Property	Oil & Gas	Investments & Others	Total
Segment Assets	11,958.2	15,161.6	4,949.4	12,072.1	44,141.3	5,616.9	511.3	6,128.2	4,733.0	2,780.9	3,901.3	5,645.0	67,329.7
Segment Liabilities	2,633.1	1,289.2	1,023.8	999.8	5,945.9	232.4	51.0	283.4	357.6	240.9	369.0	296.0	7,492.8
Main foreign currency	RM	SGD	GBP	USD		RM/^IDR	RM		^IDR	RM/USD	^RMB/^IDR		
Exchange ratio of 1 unit/ 100 units^ of foreign currency to RM		3.0615	5.2881	4.1435		0.0293			0.0293	4.1435	60.2126 / 0.0293		

	RM'million
A reconciliation of segment assets to total assets is as follows:	
Segment assets	67,329.7
Interest bearing instruments	31,091.8
Joint ventures	1,667.1
Associates	700.2
Unallocated corporate assets	632.1
Total assets	**101,420.9**
A reconciliation of segment liabilities to total liabilities is as follows:	
Segment liabilities	7,492.8
Interest bearing instruments	32,682.3
Unallocated corporate liabilities	3,035.9
Total liabilities	**43,211.0**

(g) **Segment Information (Cont'd)**

Notes

1. Total revenue from the Leisure & Hospitality segment of RM9,115.5 million for the six months ended 30 June 2019 comprised gaming revenue and non-gaming revenue of RM6,644.4 million and RM2,471.1 million respectively. In respect of the Leisure & Hospitality non-gaming revenue:
   i) Hotel room revenue is recognised when services are rendered to the customers over their stay at the hotel.
   ii) Revenue from sales of food and beverage is recognised when the services are rendered to the customers.
   iii) Attractions revenue is recognised when tickets are used. Revenue from annual passes is amortised over the period of their validity.

2. Plantation revenue from sales of palm produce and its derivatives is recognised upon the delivery of goods at the point when control of the goods has been passed to the customers.

3. Revenue from sale of oil is recognised at a point in time upon delivery to customer at the delivery point and there is no unfulfilled obligation that could affect the customer's acceptance of the oils. Revenue from sale of electricity is recognised over time upon delivery to customer.

4. Revenue from property development projects is recognised upon the finalisation of sale and purchase agreements and is measured as the projects' activities progress over time by reference to the property development costs incurred to date as a percentage of the total estimated development costs of the respective projects. Revenue from sales of completed properties is recognised upon delivery of properties at the point when control of the properties has been passed to the buyers.

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

During the six months ended 30 June 2019, acquisitions and disposals of property, plant and equipment by the Group were RM4,136.2 million and RM41.1 million respectively.

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

i) On 25 July 2019, GENM and Fox Entertainment Group, LLC, Twentieth Century Fox Film Corporation, FoxNext, LLC (collectively referred to as "Fox"), Twenty First Century Fox, Inc. and The Walt Disney Company (collectively the "Parties") entered into a settlement agreement fully resolving their disputes against each other and agreeing to dismiss all claims and counterclaims between the Parties in the pending legal action in the United States District Court for the Central District of California. As part of the settlement terms, the Parties have entered into a Restated Memorandum of Agreement dated 25 July 2019 granting GENM a license to use certain Fox intellectual properties.

ii) On 6 August 2019, GENM announced that its wholly owned subsidiary, Genting (USA) Limited ("GenUSA") had on 5 August 2019 (United States Pacific Standard Time), entered into a binding term sheet ("Term Sheet") with Kien Huat Realty III Limited ("KH") to:

   a) acquire 13,200,000 shares of common stock of Empire Resorts, Inc. ("Empire") held by KH (which currently represents approximately 46% of the Common Stock held by KH and which also represents approximately 35% of the outstanding voting power of Empire on a fully diluted basis after conversion of all preferred stock currently outstanding into Common Stock ("Proposed Acquisition")) at a cash consideration of USD9.74 per share of Common Stock, totalling approximately USD128.6 million (or RM538.8 million);

   b) jointly submit a preliminary non-binding proposal to Empire to acquire by merger, the outstanding shares of capital stock held by shareholders of Empire unaffiliated with KH at a cash consideration of USD9.74 per share of Common Stock ("Proposed Merger"); and

c) concurrently with or immediately following entry into the merger agreement with Empire, form a joint venture between GenUSA and KH, into which it is expected that KH and GenUSA will contribute their shares of Common Stock on the terms and subject to the conditions set forth in the Term Sheet ("Proposed JV").

On 20 August 2019, GENM further announced that, Hercules Topco LLC ("JVCo") (a joint venture company formed in the State of Delaware on 16 August 2019 under the Proposed JV) in which GenUSA holds 49% equity interest, entered into an Agreement and Plan of Merger with Hercules Merger Subsidiary Inc. (a wholly owned subsidiary of JVCo incorporated in the State of Delaware on 16 August 2019 for the purpose of the Proposed Merger) and Empire on 18 August 2019 (United States Eastern date/time) to effect the Proposed Merger.

Other than the above, there were no other material events subsequent to the end of the six months ended 30 June 2019 that have not been reflected in this interim financial report.

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

On 21 March 2019, Genting UK Plc, an indirect wholly owned subsidiary of GENM, entered into a Share Purchase Agreement with Sonco UK BidCo Limited to dispose of its entire equity interest in Coastbright Limited ("Coastbright"), an operator of Maxims casino in Kensington, London, for a total net cash consideration of GBP33.7 million (equivalent to approximately RM180.3 million). The Group realised a gain of approximately GBP26.6 million (equivalent to approximately RM138.7 million) from the disposal. The disposal was completed on 21 March 2019 whereby Coastbright ceased to be an indirect wholly owned subsidiary of GENM.

Other than the above, there were no other material changes in the composition of the Group for the six months ended 30 June 2019.

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

As disclosed in the audited financial statements for the financial year ended 31 December 2018, a counter claim of approximately USD46.4 million (equivalent to approximately RM191.7 million) was made against GENM by Fox. GENM is of the view that the obligation to pay is neither remote nor probable as the litigation is in its initial phase and the outcome of the claim cannot be predicted with certainty. Therefore, this claim was disclosed as a contingent liability in accordance with MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets" as at 31 December 2018.

On 25 July 2019, the Parties have entered into a settlement agreement fully resolving their disputes against each other and agreeing to dismiss all claims and counterclaims between the Parties in the pending legal action in the United States District Court for the Central District of California. As such, there is no longer a contingent liability arising from the dismissal of this counter claim as at 30 June 2019.

Other than the above, there were no material changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2018.

(l) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 30 June 2019 are as follows:

	RM'million
Contracted	11,604.7
Not contracted	19,831.0
	31,435.7
Analysed as follows:	
- Property, plant and equipment	31,097.2
- Investments	258.7
- Rights of use of oil and gas assets	47.1
- Intangible assets	19.7
- Rights of use of lease assets	13.0
	31,435.7

(m) **Significant Related Party Transactions**

Significant related party transactions which were entered into on agreed terms and prices for the six months ended 30 June 2019 are set out below. The relationship of the related parties are as disclosed in the annual audited financial statements for the financial year ended 31 December 2018 and the approved shareholders' mandates for recurrent related party transactions.

		Current Year Quarter RM'million	Current Year to date RM'million
Group			
i)	Licensing fee for the use of the name "Genting" charged by wholly owned subsidiaries of the Company to Genting Simon Sdn Bhd ("GSSB") and Genting Highlands Premium Outlets Sdn Bhd ("GHPO").	0.3	0.6
ii)	Interest income earned from associates.	-	0.1
iii)	Provision of management services by Genting Awanpura Sdn Bhd, a wholly owned subsidiary of Genting Plantations Berhad ("GENP"), which is 55.4% owned by the Company, to GSSB and GHPO.	0.3	0.6
iv)	Sale of refined palm oil products by Genting MusimMas Refinery Sdn Bhd to Inter-Continental Oils & Fats Pte Ltd.	145.1	319.0
v)	Sales of fresh fruit bunches by PT Agro Abadi Cemerlang to Sepanjang Group.	1.0	1.0
vi)	Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the United States of America and the Bahamas charged by Resorts World Inc Pte Ltd ("RWI") Group to GENM Group.	19.1	37.4
vii)	Income from rental of premises by GENM Group to Warisan Timah Holdings Sdn Bhd.	0.7	1.3
viii)	Provision of water supply services by an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to GENM Group.	0.5	0.8

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

		Current Year Quarter RM'million	Current Year to date RM'million
Group			
ix)	Income from rental of office space by GENM Group to Genting Hong Kong Limited ("GENHK") Group.	1.8	3.5
x)	Provision of maintenance and construction services by an entity connected with shareholder of BBEL to GENM Group.	21.5	38.7
xi)	Licensing fee for the use of gaming software and system charged by RWI Group to GENM Group.	1.4	2.7
xii)	Income from rental of office space by GENM Group to RWI Group.	0.2	0.3
xiii)	Provision of aviation related services by GENM Group to GENHK Group.	0.4	0.4
xiv)	Provision of utilities, maintenance and security services by GENM Group to GHPO.	0.5	1.1
xv)	Purchase of holiday packages by GENM Group from GENHK Group.	0.2	1.1
xvi)	Provision of support services by GENHK Group to GENM Group.	3.6	3.6
xvii)	Sale of goods and services by GENS Group to GENHK Group.	0.9	1.7
xviii)	Purchase of goods and services by GENS Group from GENHK Group.	0.3	0.5
xix)	Sale of goods and services by GENS Group to DCP (Sentosa) Pte Ltd.	1.3	1.9
xx)	Purchase of goods and services by GENS Group from DCP (Sentosa) Pte Ltd.	17.3	33.1
xxi)	Sale of goods and services by GENS Group to International Resorts Management Services Pte Ltd.	0.2	0.4

(n) **Fair Value of Financial Instruments**

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at 30 June 2019, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

RM'million	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets at FVTPL	589.8	1,165.9	356.9	2,112.6
Financial assets at fair value through other comprehensive income	521.2	-	737.6	1,258.8
Derivative financial instruments	-	1.5	-	1.5
	1,111.0	**1,167.4**	**1,094.5**	**3,372.9**
Financial liability				
Derivative financial instruments	**-**	**23.9**	**-**	**23.9**

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2018.

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

	RM'million
As at 1 January 2019	552.8
Foreign exchange differences	(2.6)
Additions	308.1
Fair value changes – recognised in income statement	(11.2)
Investment income and interest income	3.2
Reclassification from receivables	244.2
As at 30 June 2019	**1,094.5**

There have been no transfers between the levels of the fair value hierarchy during the six months ended 30 June 2019.

(II) Compliance with Appendix 9B of Bursa Securities Listing Requirements

1. **Performance Analysis**

Financial review for the current quarter and financial year to date compared with the corresponding periods last year.

	Individual Period (2nd quarter) Current Year Quarter 30/06/2019 RM'million	Preceding Year Corresponding Quarter 30/06/2018 RM'million	Changes +/- RM'million	+/- %	Cumulative Period Current Year to date 30/06/2019 RM'million	Preceding Year Corresponding Period 30/06/2018 RM'million	Changes +/- RM'million	+/- %
Revenue								
Leisure & Hospitality								
- Malaysia	**1,754.5**	1,590.1	164.4	+10	**3,662.2**	3,187.9	474.3	+15
- Singapore	**1,935.9**	1,656.8	279.1	+17	**3,868.8**	3,666.0	202.8	+6
- UK and Egypt	**420.1**	436.0	-15.9	-4	**839.4**	848.4	-9.0	-1
- US and Bahamas	**378.1**	344.8	33.3	+10	**745.1**	691.1	54.0	+8
	4,488.6	4,027.7	460.9	+11	**9,115.5**	8,393.4	722.1	+9
Plantation								
- Oil Palm Plantation	**253.6**	290.9	-37.3	-13	**596.4**	626.7	-30.3	-5
- Downstream Manufacturing	**343.9**	194.6	149.3	+77	**742.4**	476.5	265.9	+56
	597.5	485.5	112.0	+23	**1,338.8**	1,103.2	235.6	+21
- Intra segment	**(102.8)**	(105.6)	2.8	+3	**(243.1)**	(216.3)	-26.8	-12
	494.7	379.9	114.8	+30	**1,095.7**	886.9	208.8	+24
Power	**291.1**	251.5	39.6	+16	**487.8**	469.1	18.7	+4
Property	**53.2**	47.0	6.2	+13	**100.9**	95.6	5.3	+6
Oil & Gas	**79.5**	80.9	-1.4	-2	**153.9**	166.5	-12.6	-8
Investments & Others	**38.6**	36.3	2.3	+6	**64.7**	62.6	2.1	+3
	5,445.7	4,823.3	622.4	+13	**11,018.5**	10,074.1	944.4	+9
Profit before tax								
Leisure & Hospitality								
- Malaysia	**675.1**	688.9	-13.8	-2	**1,377.5**	1,371.9	5.6	-
- Singapore	**929.2**	803.9	125.3	+16	**1,950.7**	1,886.3	64.4	+3
- UK and Egypt	**45.1**	29.6	15.5	+52	**86.1**	60.1	26.0	+43
- US and Bahamas	**102.6**	77.6	25.0	+32	**168.6**	142.4	26.2	+18
	1,752.0	1,600.0	152.0	+10	**3,582.9**	3,460.7	122.2	+4
Plantation								
- Oil Palm Plantation	**63.1**	95.5	-32.4	-34	**167.8**	248.2	-80.4	-32
- Downstream Manufacturing	**12.6**	4.6	8.0	>100	**34.6**	5.0	29.6	>100
	75.7	100.1	-24.4	-24	**202.4**	253.2	-50.8	-20
Power	**135.2**	114.1	21.1	+18	**210.3**	203.9	6.4	+3
Property	**17.5**	17.1	0.4	+2	**35.8**	36.2	-0.4	-1
Oil & Gas	**48.3**	56.8	-8.5	-15	**103.4**	117.7	-14.3	-12
Investments & Others	**(36.6)**	15.5	-52.1	>-100	**(87.2)**	(143.3)	56.1	+39
Adjusted EBITDA	**1,992.1**	1,903.6	88.5	+5	**4,047.6**	3,928.4	119.2	+3
Net fair value gain on derivative financial instruments	**-**	2.8	-2.8	-100	**0.3**	1.7	-1.4	-82
Net fair value gain/(loss) on financial assets at FVTPL	**3.6**	(206.5)	210.1	>100	**21.9**	(206.1)	228.0	>100
Gain on disposal of a subsidiary	**-**	-	-	-	**138.7**	-	138.7	NM
Impairment losses	**(3.2)**	(33.3)	30.1	+90	**(21.0)**	(33.3)	12.3	+37
Depreciation and amortisation	**(649.9)**	(523.3)	-126.6	-24	**(1,275.2)**	(1,049.5)	-225.7	-22
Interest income	**206.9**	221.2	-14.3	-6	**381.6**	431.5	-49.9	-12
Finance cost	**(267.5)**	(255.8)	-11.7	-5	**(561.2)**	(506.8)	-54.4	-11
Share of results in joint ventures and associates	**13.1**	71.7	-58.6	-82	**55.5**	95.6	-40.1	-42
Others	**34.8**	(62.9)	97.7	>100	**(279.2)**	(103.6)	-175.6	>-100
	1,329.9	1,117.5	212.4	+19	**2,509.0**	2,557.9	-48.9	-2

NM = Not meaningful

Quarter ended 30 June 2019 compared with quarter ended 30 June 2018

The Group's revenue of RM5,445.7 million for the current quarter increased by 13% over that of the previous year's corresponding quarter's revenue of RM4,823.3 million.

Revenue of Resorts World Sentosa ("RWS") increased in the current quarter with contribution mainly from the gaming segment. VIP rolling business segment recorded high win percentage whilst the underlying mass gaming business experienced significant declines during the current quarter. The decline would have been further impacted if not for considerable increased spending to tap the regional markets. The primary attractions at RWS recorded an average daily visitation of over 20,000 whilst its hotels continued to register a respectable occupancy rate of 85%. Adjusted EBITDA was also higher in the current quarter, driven by the higher revenue from gaming segment and accordingly, impairment on gaming receivables increased compared with the previous year's corresponding quarter.

Increased revenue from RWG was mainly attributed to an improved hold percentage in the mid to premium players segments. However, the overall business volume from gaming segment declined in the current quarter due mainly to reduction in incentives offered to the players as part of RWG's cost rationalisation initiatives. The opening of new attractions under the Genting Integrated Tourism Plan has been well received and contributed to a significant increase in non-gaming revenue. Despite the higher revenue, adjusted EBITDA has decreased marginally.

Whilst revenue from the casino businesses in United Kingdom ("UK") and Egypt decreased due mainly to lower contribution from interactive business, adjusted EBITDA was higher due mainly to the impact of adoption of MFRS 16 as mentioned in Part I(a) of this interim report.

Higher revenue from the leisure and hospitality businesses in United States of America ("US") and Bahamas was due mainly to the stronger US Dollar exchange rate to the Malaysian Ringgit. Higher volume of business was also recorded from Resorts World Casino New York City ("RWNYC") operations. Adjusted EBITDA improved due to lower operating loss from Bimini operations which resulted from improved operational efficiencies.

Total revenue from Plantation Division increased in the current quarter due mainly to Downstream Manufacturing, arising from higher demand for its refinery and biodiesel products. Adjusted EBITDA likewise increased for Downstream Manufacturing attributable to higher sales, capacity utilisation and improved margins. Revenue and adjusted EBITDA from the plantation segment however declined on the back of lower palm products prices which outweighed the higher FFB production.

Revenue and adjusted EBITDA from the Power Division increased compared with previous year's corresponding quarter due mainly to higher generation from the Indonesian Banten coal-fired power plant ("Banten Plant").

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

The adjusted loss before interest, tax, depreciation and amortisation ("LBITDA") from "Investments & Others" included net foreign exchange gains on net foreign currency denominated financial assets which was lower in the current quarter.

Profit before tax for the current quarter was RM1,329.9 million, an increase of 19% compared with RM1,117.5 million in the previous year's corresponding quarter. The profit before tax for the previous year's corresponding quarter had been impacted by a net fair value loss of RM206.5 million on the Group's financial assets at FVTPL.

Six months ended 30 June 2019 compared with six months ended 30 June 2018

Group revenue for the current six months increased by 9%, from RM10,074.1 million in the previous year's six months to RM11,018.5 million.

RWS delivered a stable financial performance in the current six months, with increase in both revenue and adjusted EBITDA. Increased revenue was contributed mainly by the gaming segment.

The higher revenue from RWG was mainly attributable to an exceptionally high hold percentage from the mid to premium players segments. However, the overall business volume from gaming segment declined in the current six months due to a reduction of incentives offered to the players. The non-gaming segment has also contributed to an increase in revenue. Adjusted EBITDA increased marginally attributable to the higher revenue and lower payroll and related expenses as the number of employees was reduced. This was partially offset by higher casino duty.

Marginally lower revenue was recorded by the casino businesses in UK and Egypt. Improvement in adjusted EBITDA was due mainly to the impact of adoption of MFRS 16 as mentioned in Part I(a) of this interim report, partially offset by lower debts recovery in the current six months.

Higher revenue from the leisure and hospitality businesses in US and Bahamas was due mainly to the stronger US Dollar exchange rate to the Malaysian Ringgit. Higher volume of business was also recorded from RWNYC operations. Adjusted EBITDA likewise increased due mainly to lower operating loss from Bimini operations as a result of improved operational efficiencies and higher revenue from Hilton Miami Downtown Hotel.

Increase in total revenue from Plantation Division was mainly attributable to Downstream Manufacturing with higher demand for its refinery and biodiesel products. However, the plantation segment's revenue was lower in the current year's six months due to lower palm products selling prices which outstripped the impact of higher FFB production. Consequently, adjusted EBITDA for the Plantation Division declined compared with that of the previous year's six months.

Increased revenue and adjusted EBITDA from the Power Division was attributable to higher generation by the Banten Plant and the Jangi wind farm.

Revenue and adjusted EBITDA from the Oil & Gas Division were impacted by lower average oil prices.

The lower adjusted LBITDA recorded from "Investments & Others" was due mainly to lower net foreign exchange losses on net foreign currency denominated financial assets for the current six months.

The profit before tax for the current year's six months declined by 2%, from RM2,557.9 million recorded in the previous year's six months to RM2,509.0 million. Higher depreciation and amortisation charges were recorded in the current year's six months, attributable mainly to the GENS Group as it has drawn up plans to retire certain assets in connection with the expansion and transformation of its integrated resort. The profit before tax for the current year's six months had also been impacted by the provision for termination related costs of RM138.0 million by GENM as mentioned in Part I(c) of this interim report as well as a loss on a discontinued cash flow hedge. These were partially offset by the gain on disposal of Coastbright, an indirect wholly owned subsidiary of GENM.

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

Financial review for the current quarter compared with the immediate preceding quarter.

	Current Year Quarter 30/06/2019 RM'million	Immediate Preceding Quarter 31/03/2019 RM'million	Changes +/- RM'million	+/- %
Revenue				
Leisure & Hospitality				
- Malaysia	**1,754.5**	1,907.7	-153.2	-8
- Singapore	**1,935.9**	1,932.9	3.0	-
- UK and Egypt	**420.1**	419.3	0.8	-
- US and Bahamas	**378.1**	367.0	11.1	+3
	4,488.6	4,626.9	-138.3	-3
Plantation				
- Oil Palm Plantation	**253.6**	342.8	-89.2	-26
- Downstream Manufacturing	**343.9**	398.5	-54.6	-14
	597.5	741.3	-143.8	-19
- Intra segment	**(102.8)**	(140.3)	37.5	+27
	494.7	601.0	-106.3	-18
Power	**291.1**	196.7	94.4	+48
Property	**53.2**	47.7	5.5	+12
Oil & Gas	**79.5**	74.4	5.1	+7
Investments & Others	**38.6**	26.1	12.5	+48
	5,445.7	5,572.8	-127.1	-2
Profit before tax				
Leisure & Hospitality				
- Malaysia	**675.1**	702.4	-27.3	-4
- Singapore	**929.2**	1,021.5	-92.3	-9
- UK and Egypt	**45.1**	41.0	4.1	+10
- US and Bahamas	**102.6**	66.0	36.6	+55
	1,752.0	1,830.9	-78.9	-4
Plantation				
- Oil Palm Plantation	**63.1**	104.7	-41.6	-40
- Downstream Manufacturing	**12.6**	22.0	-9.4	-43
	75.7	126.7	-51.0	-40
Power	**135.2**	75.1	60.1	+80
Property	**17.5**	18.3	-0.8	-4
Oil & Gas	**48.3**	55.1	-6.8	-12
Investments & Others	**(36.6)**	(50.6)	14.0	+28
Adjusted EBITDA	**1,992.1**	2,055.5	-63.4	-3
Net fair value gain on derivative financial instruments	**-**	0.3	-0.3	-100
Net fair value gain on financial assets at FVTPL	**3.6**	18.3	-14.7	-80
Gain on disposal of a subsidiary	**-**	138.7	-138.7	-100
Impairment losses	**(3.2)**	(17.8)	14.6	+82
Depreciation and amortisation	**(649.9)**	(625.3)	-24.6	-4
Interest income	**206.9**	174.7	32.2	+18
Finance cost	**(267.5)**	(293.7)	26.2	+9
Share of results in joint ventures and associates	**13.1**	42.4	-29.3	-69
Others	**34.8**	(314.0)	348.8	>100
	1,329.9	1,179.1	150.8	+13

Material changes in profit before taxation for the current quarter compared with the immediate preceding quarter

The Group's profit before tax for the current quarter was RM1,329.9 million compared with RM1,179.1 million in the immediate preceding quarter, an increase of 13%.

Adjusted EBITDA of RWS decreased in the current quarter due to lower revenue and higher net impairment on trade receivables.

Higher adjusted EBITDA was recorded from the leisure and hospitality businesses in US and Bahamas due mainly to higher revenue. The preceding quarter's adjusted EBITDA had also been impacted by the recognition of expenses of RM27.1 million which had been previously under accrued for RWNYC.

Lower adjusted EBITDA was recorded from the Plantation Division due mainly to lower palm products selling prices.

Adjusted EBITDA from the Power Division improved in the current quarter as the preceding quarter had been impacted by lower generation from the Banten Plant as a consequence of the outage of the plant during the preceding quarter.

The preceding quarter's profit before tax had been impacted by the provision for termination related costs of RM198.3 million by GENM compared with a reversal of RM60.2 million made in the current quarter following the finalisation of claims from certain contractors as well as a loss on a discontinued cash flow hedge. This was partially offset by the gain on disposal of Coastbright, an indirect wholly owned subsidiary of GENM.

* *The comments on performance in Notes 1 and 2 above are based on the results of the respective subsidiaries and associates of the Company. Some of the subsidiaries are separately listed on the Malaysian and Singapore stock exchanges. Please refer to the respective listed subsidiaries' announcements of their interim results for a detailed review of their respective performance.*

Listed subsidiaries	*Announcement date*
Genting Singapore Limited	*2 August 2019*
Genting Plantations Berhad	*28 August 2019*
Genting Malaysia Berhad	*29 August 2019*

3. **Prospects**

The performance of the Group for the remaining period of the current financial year may be impacted as follows:

(a) In Malaysia, the GENM Group is continuing work on the development of the outdoor theme park following the resolution of the legal dispute surrounding the park. Details on the opening date of the outdoor theme park will be made available in due course. Meanwhile, the GENM Group will continue focusing its efforts on rationalising its operating cost structure and improving overall operational efficiencies at RWG. Additionally, the GENM Group will place emphasis on building its service delivery and product offerings to enhance the quality of guest experience. To this end, the GENM Group will leverage the new assets to grow key business segments while emphasising yielding capabilities and database marketing efforts to drive revenue growth;

(b) The seemingly strong growth in gaming revenue was largely driven by a favourable win percentage. The underlying revenue drivers have been impacted by various factors that will continue to affect RWS's business through the rest of this year. RWS maintains its cautious stance on the premium segment as the regional economic environment faces uncertainty and will impact consumer confidence. Nevertheless, RWS will continue to innovate its offerings to enhance and diversify its appeal to various target markets around the region.

Looking ahead, GENS is embarking on the implementation phase of RWS's SGD4.5 billion mega expansion plans which will again elevate its position as the region's premier Integrated Resort ("IR") destination. Beginning with the complete revamp of the existing theatre into a first-of-its-kind Adventure Dining Playhouse scheduled for re-opening in 2021, RWS is on track to execute the development plans to progressively unveil an exciting series of marquee attractions with new and enhanced visitor experiences. This transformation will also include two new luxury hotels of 1,100 keys and state-of-the-art Meetings, Incentives, Conferences and Exhibitions ("MICE") facilities.

In relation to the GENS Group's plan for the Japan IR opportunity, it has fully met the application guidelines and qualifying criteria of the Osaka Request-for-Concept ("RFC") and received the confirmation notice that its RFC registration was officially approved by the local government. Having operated a highly successful IR that encompasses the full spectrum of a true IR in Singapore, GENS is well-positioned to submit a world-class concept which will enhance Japan's appeal as a global MICE and leisure destination;

(c) In the UK, the GENM Group will continue reviewing its operations to identify streamlining opportunities to improve operational efficiencies. Additionally, the GENM Group remains steadfast in delivering sustainable performance by managing business volatility in the premium players segment as well as strengthening its position in the mass market segment. The GENM Group will also continue to put in place measures to encourage higher levels of visitation and volume of business at Resorts World Birmingham;

(d) In the US, RWNYC maintained its position as market leader in terms of gaming revenue in the Northeast US region. Nevertheless, the GENM Group remains focused on executing various initiatives to drive visitation and frequency of play at the property. Meanwhile, the first phase of the GENM Group's expansion at RWNYC is expected to open by the end of this year while the development of the remaining facilities is progressing well. Once completed, the expansion will position the GENM Group to capitalise on growing opportunities in the New York State amid an increasingly competitive landscape. In Miami, the GENM Group will continue to leverage the Hilton Miami Downtown hotel to drive visitation and revenue at the property. In the Bahamas, the GENM Group will place emphasis on improving the connectivity and infrastructure at Resorts World Bimini. The GENM Group will also focus on enhancing the attractions at the resort by leveraging partnerships with renowned brands to grow visitation and encourage higher spend;

(e) The GENP Group's prospects for the rest of the year will track the performance of its mainstay Plantation segment, which is in turn dependant principally on the movements in palm products prices and the GENP Group's FFB production. Palm products prices are influenced by factors such as the demand and supply dynamics of palm oil and other substitute oils and fats, weather patterns, currency exchange fluctuations, global economic conditions as well as relevant government policies such as biodiesel mandates and import/export tax regimes.

The GENP Group expects its FFB production growth to extend into the second half of 2019, supported by its Indonesia operations with additional mature areas and a better age profile as well as the recovery in output from its Malaysian operations. However, the overall performance of its Plantation segment will be adversely impacted should the prevailing low palm products prices persist for the rest of the year.

Despite registering higher property sales in first half of 2019, the outlook for the property market generally remains soft and therefore the Property segment will align its offerings to the broader market demand. Meanwhile, the Premium Outlets are expected to perform well in the second half of 2019 with the introduction of new tenants such as Bottega Veneta, Prada, Longchamp and Burberry along with the contribution from the third phase of Johor Premium Outlets.

The Downstream Manufacturing segment continues to focus on expanding its export markets. Meanwhile, the local demand for biodiesel is expected to improve following the implementation of the mandatory B7 and B10 mandates but may be moderated by domestic competition;

(f) The operational availability and efficiency of the Banten power plant in Indonesia are expected to be stable and continue to contribute positive cash flows to the Group's performance. In Gujarat, India, contribution from the Jangi wind farm has improved due to better wind speed but is expected to slow down arising from the seasonal factors where the peak wind season falls between May and August;

(g) Production from the Chengdaoxi oil field in China is expected to be stable at about 8,000 barrels of oil per day, but this will be impacted by the fluctuating oil prices with the continuous tension from the trade war between the US and China. This will impact on the contribution from Genting CDX Singapore Pte Ltd. With the approval from the Ministry of Energy and Mineral Resources of Indonesia on the Plan of Development for the Kasuri block, Genting Oil Kasuri Pte Ltd ("GOKPL") will enter into the development phase of the project, with the front end engineering design work which commenced recently. Utilising 1.7 trillion cubic feet of discovered gas in place, GOKPL plans to supply 170 million cubic feet per day of natural gas for 20 years to a petrochemical plant in West Papua, which is in the plan and will be built by a third party; and

(h) Construction of RWLV continues to progress well. As of 10 August 2019, RWLV has completed concrete work for both the West and East Towers, topping off at the 69th level. Structural steel construction has been completed for the low-rise casino podium. Total development and land costs incurred as of 30 June 2019 were approximately USD1.5 billion. RWLV, an iconic must-see luxury destination resort, is designed to appeal to a wide array of domestic and international tourists as well as business and leisure guests. The first phase is estimated to cost approximately USD4.1 billion.

4. **Variance of Actual Profit from Forecast Profit**

The Group did not issue any profit forecast or profit guarantee for the year.

5. **Taxation**

The breakdown of tax charges for the current quarter and six months ended 30 June 2019 is set out below:

	Current Year Quarter 30/06/2019 RM'million	Preceding Year Corresponding Quarter 30/06/2018 RM'million	Current Year to date 30/06/2019 RM'million	Preceding Year Corresponding Period 30/06/2018 RM'million
Current taxation				
Malaysian income tax charge	**79.4**	90.4	**171.6**	188.4
Foreign income tax charge	**199.2**	146.9	**406.7**	337.1
	278.6	237.3	**578.3**	525.5
Deferred tax (credit)/charge	**(7.3)**	55.1	**(78.6)**	89.8
	271.3	292.4	**499.7**	615.3
Prior period taxation				
Income tax under/(over) provided	**1.6**	1.5	**(19.1)**	1.6
Total tax charge	**272.9**	293.9	**480.6**	616.9

The effective tax rate of the Group for the current quarter and six months ended 30 June 2019 is lower than the Malaysian statutory income tax rate due mainly to income subject to lower tax rates in certain jurisdictions, income not subject to tax and tax incentives, partially offset by expenses not deductible for tax purposes.

6. **Profit Before Taxation**

Profit before taxation has been determined after inclusion of the following charges and credits:

	Current Year Quarter 30/06/2019 RM'million	Preceding Year Corresponding Quarter 30/06/2018 RM'million	Current Year to date 30/06/2019 RM'million	Preceding Year Corresponding Period 30/06/2018 RM'million
Charges:				
Finance cost	**267.5**	255.8	**561.2**	506.8
Depreciation and amortisation	**649.9**	523.3	**1,275.2**	1,049.5
Impairment and write off of receivables	**142.0**	2.0	**174.1**	18.2
Impairment losses	**3.2**	33.3	**21.0**	33.3
Loss on discontinued cash flow hedge	**-**	-	**74.0**	-
(Reversal of provision)/Provision for termination related costs	**(60.2)**	-	**138.0**	-
Inventories written off	**0.4**	0.1	**0.5**	0.2
Net (gain)/loss on disposal of property, plant and equipment	**(0.7)**	(4.4)	**3.0**	(8.2)
Net foreign exchange (gain)/loss	**(7.4)**	(78.4)	**3.3**	36.5
Credits:				
Interest income	**206.9**	221.2	**381.6**	431.5
Investment income	**12.1**	7.5	**21.8**	13.9
Gain on disposal of a subsidiary	**-**	-	**138.7**	-
Net fair value gain/(loss) on financial assets at FVTPL	**3.6**	(206.5)	**21.9**	(206.1)
Net surplus arising from Government acquisition	**3.2**	-	**3.2**	14.4
Net fair value gain on derivative financial instruments	**-**	2.8	**0.3**	1.7

7. **Status of Corporate Proposals Announced**

Other than the announcements by GENM on 6 August 2019 and 20 August 2019 as disclosed in Note (i)ii) in Part I of this interim financial report, there were no other corporate proposals announced but not completed as at 22 August 2019.

8. **Group Borrowings and Debt Securities**

The details of the Group's borrowings and debt securities as at 30 June 2019 are as set out below:

	As at 30/06/2019				As at 31/12/2018
	Secured/ Unsecured	**Foreign Currency 'million**		**RM Equivalent 'million**	**RM Equivalent 'million**
Short term borrowings	Secured	RM		**1.0**	1.0
	Secured	USD	126.4	**523.9**	591.0
	Secured	SGD	-	**-**	636.2
	Secured	GBP	14.9	**78.6**	133.8
	Secured	INR	275.0	**16.4**	12.0
	Unsecured	RM		**1,862.9**	1,888.1
	Unsecured	USD	148.0	**613.1**	665.2
	Unsecured	GBP	25.0	**132.4**	132.7
	Unsecured	JPY	24.7	**1.0**	1.0
				3,229.3	4,061.0
Long term borrowings	Secured	RM		**87.5**	87.6
	Secured	USD	1,684.3	**6,978.8**	4,679.1
	Secured	SGD	-	**-**	1,936.1
	Secured	GBP	69.2	**366.1**	500.2
	Secured	INR	2,593.2	**154.9**	163.9
	Unsecured	RM		**10,589.0**	10,587.9
	Unsecured	USD	2,535.7	**10,506.7**	6,459.9
	Unsecured	JPY	19,901.8	**770.0**	748.8
				29,453.0	25,163.5
Total borrowings	Secured	RM		**88.5**	88.6
	Secured	USD	1,810.7	**7,502.7**	5,270.1
	Secured	SGD	-	**-**	2,572.3
	Secured	GBP	84.1	**444.7**	634.0
	Secured	INR	2,868.2	**171.3**	175.9
	Unsecured	RM		**12,451.9**	12,476.0
	Unsecured	USD	2,683.7	**11,119.8**	7,125.1
	Unsecured	GBP	25.0	**132.4**	132.7
	Unsecured	JPY	19,926.5	**771.0**	749.8
				32,682.3	29,224.5

9. **Outstanding Derivatives**

As at 30 June 2019, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

Types of Derivative	Contract/ Notional Value RM'million	Fair Value Assets/ (Liabilities) RM'million
<u>Interest Rate Swaps</u>		
USD	369.3	
- Less than 1 year		(2.1)
- 1 year to 3 years		(6.8)
GBP	449.5	
- Less than 1 year		(2.3)
- 1 year to 3 years		(3.3)
- More than 3 years		(0.5)
<u>Forward Foreign Currency Exchange</u>		
USD	129.8	
- Less than 1 year		0.4
<u>Commodity Future Contracts</u>		
RM	45.4	
- Less than 1 year		1.1
<u>Commodity Swap</u>		
USD	-	
- Less than 1 year		(7.7)
- 1 year to 3 years		(1.2)

There is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2018:

(a) the credit risk, market risk and liquidity risk associated with these financial derivatives;

(b) the cash requirements of the financial derivatives; and

(c) the policy in place for mitigating or controlling the risks associated with these financial derivatives.

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

As at 30 June 2019, the Group does not have any financial liabilities measured at fair value through profit or loss.

11. **Changes in Material Litigation**

Following the settlement of the litigation filed by GENM against Fox and The Walt Disney Company in connection with the planned Fox-branded theme park at RWG, as disclosed in Note (i)i) in Part I of this interim financial report, there are no other pending material litigation as at 22 August 2019.

12. **Dividend Proposed or Declared**

(a) i) An interim single-tier dividend of 6.5 sen per ordinary share in respect of the financial year ending 31 December 2019 has been declared by the Directors.

ii) The interim single-tier dividend declared and paid for the previous year's corresponding period was 8.5 sen per ordinary share.

iii) The date of payment of the interim single-tier dividend shall be determined by the Directors and announced at a later date.

(b) The total single-tier dividend payable to-date for the financial year ending 31 December 2019 is 6.5 sen per ordinary share.

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

(a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter and six months ended 30 June 2019 is as follows:

	Current Year Quarter RM'million	**Current Year to date RM'million**
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic EPS)	599.6	1,161.3
Net impact on earnings on potential exercise of Performance Share Scheme awarded to executives of the Company's subsidiaries	(1.4)	(2.6)
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Diluted EPS)	598.2	1,158.7

(b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter and six months ended 30 June 2019 is as follows:

	Current Year Quarter No. of shares 'million	**Current Year to date No. of shares 'million**
Weighted average number of ordinary shares in issue (used as denominator for the computation of Basic and Diluted EPS)	3,850.6	3,850.6

14. **Disclosure of Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the financial year ended 31 December 2018 did not contain any qualification.

15. **Approval of Interim Financial Statements**

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 29 August 2019.

GENTING BERHAD
(No. 7916-A)

PRESS RELEASE **For Immediate Release**

GENTING BERHAD ANNOUNCES SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2019

KUALA LUMPUR, 29 AUGUST 2019 - Genting Berhad today announced its financial results for the second quarter ("2Q19") and first half ("1H19") of 2019.

In 2Q19, Group revenue was RM5,445.7 million, an increase of 13% compared with the previous year's corresponding quarter's ("2Q18") revenue of RM4,823.3 million.

Revenue of Resorts World Sentosa ("RWS") increased in 2Q19 with contribution mainly from the gaming segment. VIP rolling business segment recorded high win percentage whilst the underlying mass gaming business experienced significant declines during 2Q19. The decline would have been further impacted if not for considerable increased spending to tap the regional markets. The primary attractions at RWS recorded an average daily visitation of over 20,000 whilst its hotels continued to register a respectable occupancy rate of 85%. Adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") was also higher in 2Q19, driven by the higher revenue from gaming segment and accordingly, impairment on gaming receivables increased compared with 2Q18.

Increased revenue from Resorts World Genting ("RWG") was mainly attributed to an improved hold percentage in the mid to premium players segments. However, the overall business volume from gaming segment declined in 2Q19 due mainly to reduction in incentives offered to the players as part of RWG's cost rationalisation initiatives. The opening of new attractions under the Genting Integrated Tourism Plan has been well received and contributed to a significant increase in non-gaming revenue. Despite the higher revenue, EBITDA has decreased marginally.

Whilst revenue from the casino businesses in United Kingdom ("UK") and Egypt decreased due mainly to lower contribution from interactive business, EBITDA was higher due mainly to the impact of adoption of MFRS 16.

Higher revenue from the leisure and hospitality businesses in United States of America ("US") and Bahamas was due mainly to the stronger US Dollar exchange rate to the Malaysian Ringgit. Higher volume of business was also recorded from Resorts World Casino New York City ("RWNYC") operations. EBITDA improved due to lower operating loss from Bimini operations which resulted from improved operational efficiencies.

Total revenue from Plantation Division increased in 2Q19 due mainly to Downstream Manufacturing, arising from higher demand for its refinery and biodiesel products. EBITDA likewise increased for Downstream Manufacturing attributable to higher sales, capacity utilisation and improved margins. Revenue and EBITDA from the plantation segment however declined on the back of lower palm products prices which outweighed the higher fresh fruit bunches ("FFB") production.

Revenue and EBITDA from the Power Division increased compared with 2Q18 due mainly to higher generation from the Indonesian Banten coal-fired power plant ("Banten Plant").

The Oil & Gas Division generated lower revenue and EBITDA in 2Q19 due mainly to lower average oil prices.

The adjusted loss before interest, tax, depreciation and amortisation ("LBITDA") from "Investments & Others" included net foreign exchange gains on net foreign currency denominated financial assets which was lower in 2Q19.

The Group's profit before tax for 2Q19 was RM1,329.9 million, an increase of 19% compared with RM1,117.5 million in 2Q18. The profit before tax for 2Q18 had been impacted by a net fair value loss of RM206.5 million on the Group's financial assets at fair value through profit or loss.

In 1H19, Group revenue was RM11,018.5 million, an increase of 9% compared with RM10,074.1 million in first half of 2018 ("1H18").

RWS delivered a stable financial performance in 1H19, with increase in both revenue and EBITDA. Increased revenue was contributed mainly by the gaming segment.

The higher revenue from RWG was mainly attributable to an exceptionally high hold percentage from the mid to premium players segments. However, the overall business volume from gaming segment declined in 1H19 due to a reduction of incentives offered to the players. The non-gaming segment has also contributed to an increase in revenue. EBITDA increased marginally attributable to the higher revenue and lower payroll and related expenses as the number of employees was reduced. This was partially offset by higher casino duty.

Marginally lower revenue was recorded by the casino businesses in UK and Egypt. Improvement in EBITDA was due mainly to the impact of adoption of MFRS 16, partially offset by lower debts recovery in 1H19.

Higher revenue from the leisure and hospitality businesses in US and Bahamas was due mainly to the stronger US Dollar exchange rate to the Malaysian Ringgit. Higher volume of business was also recorded from RWNYC operations. EBITDA likewise increased due mainly to lower operating loss from Bimini operations as a result of improved operational efficiencies and higher revenue from Hilton Miami Downtown Hotel.

Increase in total revenue from Plantation Division was mainly attributable to Downstream Manufacturing with higher demand for its refinery and biodiesel products. However, the plantation segment's revenue was lower in 1H19 due to lower palm products selling prices which outstripped the impact of higher FFB production. Consequently, EBITDA for the Plantation Division declined compared with 1H18.

Increased revenue and EBITDA from the Power Division was attributable to higher generation by the Banten Plant and the Jangi wind farm.

Revenue and EBITDA from the Oil & Gas Division were impacted by lower average oil prices.

The lower LBITDA recorded from "Investments & Others" was due mainly to lower net foreign exchange losses on net foreign currency denominated financial assets for 1H19.

The Group's profit before tax for 1H19 declined by 2%, from RM2,557.9 million recorded in 1H18 to RM2,509.0 million. Higher depreciation and amortisation charges were recorded in 1H19, attributable mainly to the Genting Singapore Limited ("GENS") Group as it has drawn up plans to retire certain assets in connection with the expansion and transformation of its integrated resort. The profit before tax for 1H19 had also been impacted by the provision for termination related costs of RM138.0 million by Genting Malaysia Berhad ("GENM") as well as a loss on a discontinued cash flow hedge. These were partially offset by the gain on disposal of Coastbright Limited, an indirect wholly owned subsidiary of GENM.

The performance of the Group for the remaining period of the current financial year may be impacted as follows:

a) In Malaysia, the GENM Group is continuing work on the development of the outdoor theme park following the resolution of the legal dispute surrounding the park. Details on the opening date of the outdoor theme park will be made available in due course. Meanwhile, the GENM Group will continue focusing its efforts on rationalising its operating cost structure and improving overall operational efficiencies at RWG. Additionally, the GENM Group will place emphasis on building its service delivery and product offerings to enhance the quality of guest experience. To this end, the GENM Group will leverage the new assets to grow key business segments while emphasising yielding capabilities and database marketing efforts to drive revenue growth;

b) The seemingly strong growth in gaming revenue was largely driven by a favourable win percentage. The underlying revenue drivers have been impacted by various factors that will continue to affect RWS's business through the rest of this year. RWS maintains its cautious stance on the premium segment as the regional economic environment faces uncertainty and will impact consumer confidence. Nevertheless, RWS will continue to innovate its offerings to enhance and diversify its appeal to various target markets around the region.

   Looking ahead, GENS is embarking on the implementation phase of RWS's SGD4.5 billion mega expansion plans which will again elevate its position as the region's premier Integrated Resort ("IR") destination. Beginning with the complete revamp of the existing theatre into a first-of-its-kind Adventure Dining Playhouse scheduled for re-opening in 2021, RWS is on track to execute the development plans to progressively unveil an exciting series of marquee attractions with new and enhanced visitor experiences. This transformation will also include two new luxury hotels of 1,100 keys and state-of-the-art Meetings, Incentives, Conferences and Exhibitions ("MICE") facilities.

   In relation to the GENS Group's plan for the Japan IR opportunity, it has fully met the application guidelines and qualifying criteria of the Osaka Request-for-Concept ("RFC") and received the confirmation notice that its RFC registration was officially approved by the local government. Having operated a highly successful IR that encompasses the full spectrum of a true IR in

Singapore, GENS is well-positioned to submit a world-class concept which will enhance Japan's appeal as a global MICE and leisure destination;

c) In the UK, the GENM Group will continue reviewing its operations to identify streamlining opportunities to improve operational efficiencies. Additionally, the GENM Group remains steadfast in delivering sustainable performance by managing business volatility in the premium players segment as well as strengthening its position in the mass market segment. The GENM Group will also continue to put in place measures to encourage higher levels of visitation and volume of business at Resorts World Birmingham;

d) In the US, RWNYC maintained its position as market leader in terms of gaming revenue in the Northeast US region. Nevertheless, the GENM Group remains focused on executing various initiatives to drive visitation and frequency of play at the property. Meanwhile, the first phase of the GENM Group's expansion at RWNYC is expected to open by the end of this year while the development of the remaining facilities is progressing well. Once completed, the expansion will position the GENM Group to capitalise on growing opportunities in the New York State amid an increasingly competitive landscape. In Miami, the GENM Group will continue to leverage the Hilton Miami Downtown hotel to drive visitation and revenue at the property. In the Bahamas, the GENM Group will place emphasis on improving the connectivity and infrastructure at Resorts World Bimini. The GENM Group will also focus on enhancing the attractions at the resort by leveraging partnerships with renowned brands to grow visitation and encourage higher spend;

e) The Genting Plantations Berhad ("GENP") Group's prospects for the rest of the year will track the performance of its mainstay Plantation segment, which is in turn dependant principally on the movements in palm products prices and the GENP Group's FFB production. Palm products prices are influenced by factors such as the demand and supply dynamics of palm oil and other substitute oils and fats, weather patterns, currency exchange fluctuations, global economic conditions as well as relevant government policies such as biodiesel mandates and import/export tax regimes.

   The GENP Group expects its FFB production growth to extend into the second half of 2019, supported by its Indonesia operations with additional mature areas and a better age profile as well as the recovery in output from its Malaysian operations. However, the overall performance of its Plantation segment will be adversely impacted should the prevailing low palm products prices persist for the rest of the year.

   Despite registering higher property sales in first half of 2019, the outlook for the property market generally remains soft and therefore the Property segment will align its offerings to the broader market demand. Meanwhile, the Premium Outlets are expected to perform well in the second half of 2019 with the introduction of new tenants such as Bottega Veneta, Prada, Longchamp and Burberry along with the contribution from the third phase of Johor Premium Outlets.

The Downstream Manufacturing segment continues to focus on expanding its export markets. Meanwhile, the local demand for biodiesel is expected to improve following the implementation of the mandatory B7 and B10 mandates but may be moderated by domestic competition;

f) The operational availability and efficiency of the Banten power plant in Indonesia are expected to be stable and continue to contribute positive cash flows to the Group's performance. In Gujarat, India, contribution from the Jangi wind farm has improved due to better wind speed but is expected to slow down arising from the seasonal factors where the peak wind season falls between May and August;

g) Production from the Chengdaoxi oil field in China is expected to be stable at about 8,000 barrels of oil per day, but this will be impacted by the fluctuating oil prices with the continuous tension from the trade war between the US and China. This will impact on the contribution from Genting CDX Singapore Pte Ltd. With the approval from the Ministry of Energy and Mineral Resources of Indonesia on the Plan of Development for the Kasuri block, Genting Oil Kasuri Pte Ltd ("GOKPL") will enter into the development phase of the project, with the front end engineering design work which commenced recently. Utilising 1.7 trillion cubic feet of discovered gas in place, GOKPL plans to supply 170 million cubic feet per day of natural gas for 20 years to a petrochemical plant in West Papua, which is in the plan and will be built by a third party; and

h) Construction of Resorts World Las Vegas ("RWLV") continues to progress well. As of 10 August 2019, RWLV has completed concrete work for both the West and East Towers, topping off at the 69th level. Structural steel construction has been completed for the low-rise casino podium. Total development and land costs incurred as of 30 June 2019 were approximately USD1.5 billion. RWLV, an iconic must-see luxury destination resort, is designed to appeal to a wide array of domestic and international tourists as well as business and leisure guests. The first phase is estimated to cost approximately USD4.1 billion.

The Board of Directors has declared an interim single-tier dividend of 6.5 sen per ordinary share compared with 8.5 sen per ordinary share for the corresponding period of 2018.

GENTING BERHAD
(No. 7916-A)

PRESS RELEASE **For Immediate Release**

GENTING BERHAD SUMMARY OF RESULTS	2Q19 RM'million	2Q18 RM'million	2Q19 vs 2Q18 %	1H19 RM'million	1H18 RM'million	1H19 vs 1H18 %
Revenue						
Leisure & Hospitality						
- Malaysia	1,754.5	1,590.1	+10	3,662.2	3,187.9	+15
- Singapore	1,935.9	1,656.8	+17	3,868.8	3,666.0	+6
- UK and Egypt	420.1	436.0	-4	839.4	848.4	-1
- US and Bahamas	378.1	344.8	+10	745.1	691.1	+8
	4,488.6	4,027.7	+11	9,115.5	8,393.4	+9
Plantation						
- Oil Palm Plantation	253.6	290.9	-13	596.4	626.7	-5
- Downstream Manufacturing	343.9	194.6	+77	742.4	476.5	+56
	597.5	485.5	+23	1,338.8	1,103.2	+21
- Intra segment	(102.8)	(105.6)	+3	(243.1)	(216.3)	-12
	494.7	379.9	+30	1,095.7	886.9	+24
Power	291.1	251.5	+16	487.8	469.1	+4
Property	53.2	47.0	+13	100.9	95.6	+6
Oil & Gas	79.5	80.9	-2	153.9	166.5	-8
Investments & Others	38.6	36.3	+6	64.7	62.6	+3
	5,445.7	**4,823.3**	+13	**11,018.5**	10,074.1	+9
Profit for the period						
Leisure & Hospitality						
- Malaysia	675.1	688.9	-2	1,377.5	1,371.9	-
- Singapore	929.2	803.9	+16	1,950.7	1,886.3	+3
- UK and Egypt	45.1	29.6	+52	86.1	60.1	+43
- US and Bahamas	102.6	77.6	+32	168.6	142.4	+18
	1,752.0	1,600.0	+10	3,582.9	3,460.7	+4
Plantation						
- Oil Palm Plantation	63.1	95.5	-34	167.8	248.2	-32
- Downstream Manufacturing	12.6	4.6	>100	34.6	5.0	>100
	75.7	100.1	-24	202.4	253.2	-20
Power	135.2	114.1	+18	210.3	203.9	+3
Property	17.5	17.1	+2	35.8	36.2	-1
Oil & Gas	48.3	56.8	-15	103.4	117.7	-12
Investments & Others	(36.6)	15.5	>-100	(87.2)	(143.3)	+39
Adjusted EBITDA	1,992.1	1,903.6	+5	4,047.6	3,928.4	+3
Net fair value gain on derivative financial instruments	-	2.8	-100	0.3	1.7	-82
Net fair value gain/(loss) on financial assets at fair value through profit or loss	3.6	(206.5)	>100	21.9	(206.1)	>100
Gain on disposal of a subsidiary	-	-	-	138.7	-	NM
Impairment losses	(3.2)	(33.3)	+90	(21.0)	(33.3)	+37
Depreciation and amortisation	(649.9)	(523.3)	-24	(1,275.2)	(1,049.5)	-22
Interest income	206.9	221.2	-6	381.6	431.5	-12
Finance cost	(267.5)	(255.8)	-5	(561.2)	(506.8)	-11
Share of results in joint ventures and associates	13.1	71.7	-82	55.5	95.6	-42
Others	34.8	(62.9)	>100	(279.2)	(103.6)	>-100
Profit before taxation	**1,329.9**	**1,117.5**	+19	**2,509.0**	**2,557.9**	-2
Taxation	(272.9)	(293.9)	+7	(480.6)	(616.9)	+22
Profit for the period	**1,057.0**	**823.6**	+28	**2,028.4**	**1,941.0**	+5
Basic earnings per share (sen)	15.57	10.01	+56	30.16	25.75	+17

NM= Not meaningful

About GENTING (www.genting.com):

Genting Berhad is principally an investment holding and management company. While the Company was incorporated in 1968 and listed in 1971, the Genting Group was founded in 1965 when its Founder, the late Tan Sri Lim Goh Tong started the journey to realise his vision of building a mountaintop resort in Malaysia.

Today, the Genting Group comprises Genting Berhad and its listed companies; Genting Malaysia Berhad, Genting Plantations Berhad and Genting Singapore Limited, as well as its wholly owned unlisted subsidiaries Genting Energy Limited and Resorts World Las Vegas LLC.

Led by Tan Sri Lim Kok Thay, the Group is involved in leisure and hospitality, oil palm plantations, power generation, oil and gas, property development, life sciences and biotechnology activities, with operations spanning across the globe, including in Malaysia (the Group's country of origin), Singapore, Indonesia, India, China, the United States of America, Bahamas, the United Kingdom and Egypt. In the core leisure and hospitality business, the Genting Group and its brand affiliates similarly controlled by Tan Sri Lim Kok Thay (namely Genting Hong Kong Limited and Empire Resorts, Inc.), market and offer a suite of products under a number of premier brands including **Genting, Resorts World, Genting Grand, Genting Club, Crockfords, Maxims, Crystal Cruises, Dream Cruises** and **Star Cruises.** The Genting Group of companies also have tie ups with established names such as Universal Studios®, Premium Outlets®, Hard Rock Hotel, Zouk and other renowned international brand partners.

For more information, please visit the following websites:
www.genting.com
www.gentingmalaysia.com
www.gentingsingapore.com
www.gentingplantations.com
www.gentinghk.com

~ END OF RELEASE ~