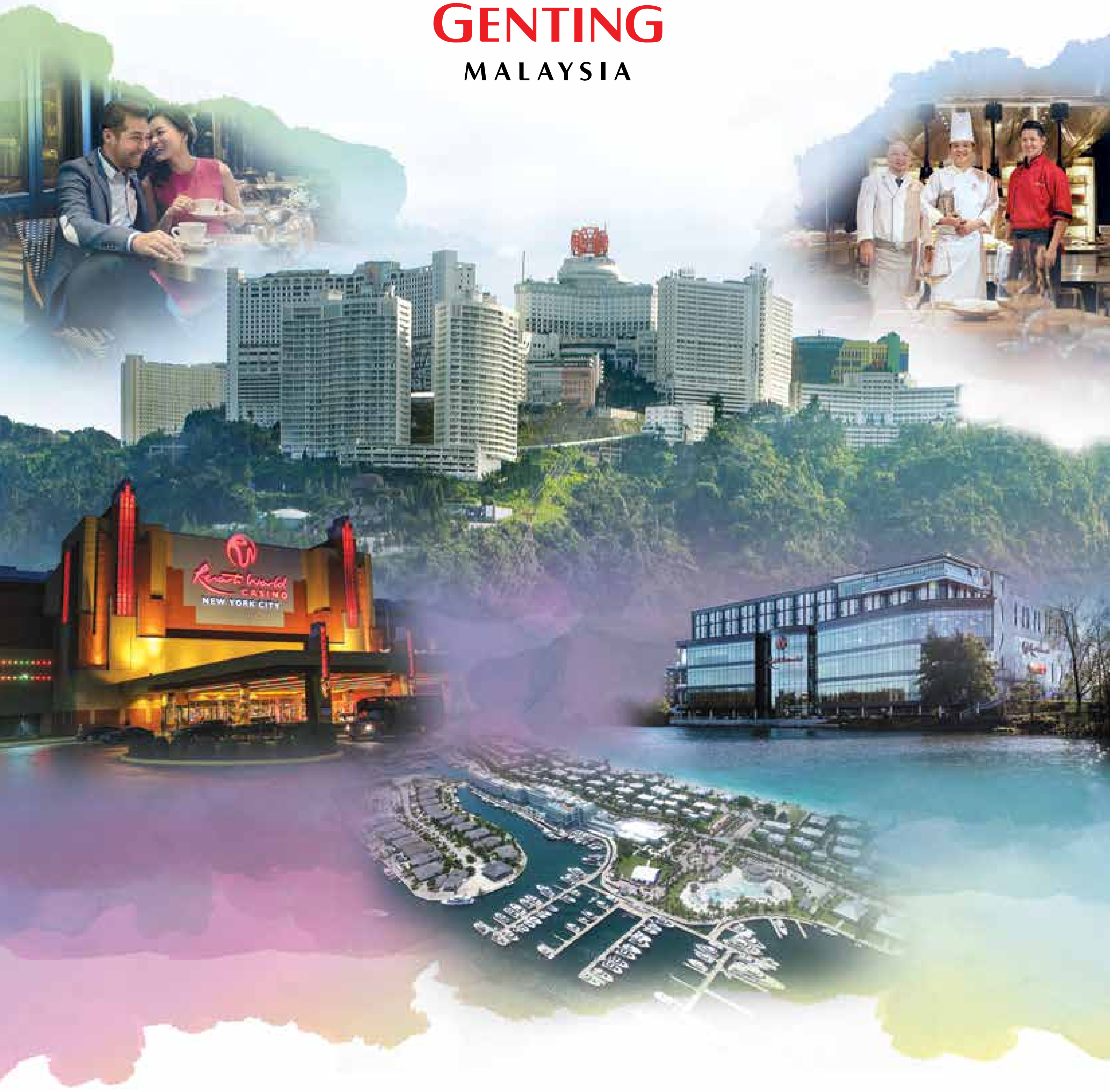
GENTING
MALAYSIA



ANNUAL REPORT 2017

GENTING MALAYSIA BERHAD
(58019-U)

GENTING CORE VALUES

The late Tan Sri Dato' Seri (Dr) Lim Goh Tong, the Founder of the Genting Group, was born on 28 February 1918 in Anxi, in the Fujian province of China. He was a visionary entrepreneur, a savvy businessman, a hands-on leader and a responsible and hardworking employer – who never gave up and worked with passion and determination to realise his dreams. His principles and the values that he had espoused throughout his lifetime, were simple yet profound.

These values – namely Hard Work, Honesty, Harmony, Loyalty and Compassion, which have always been embedded in our work culture and business practices, are known collectively as the **Genting Core Values**.

The Genting Group honours the legacy and accomplishments of the late Tan Sri Dato' Seri (Dr) Lim Goh Tong by celebrating Genting Founder's Day every 28 February. The inaugural Founder's Day on 28 February 2018 would have been Tan Sri Dato' Seri (Dr) Lim Goh Tong's 100th birthday anniversary and 10 years since his passing.

"The company would not be where it is today, if not for our Founder and his vision," said Tan Sri Lim Kok Thay, Chairman and Chief Executive of the Genting Group.

"By instilling these core values, the Genting Group will emulate our Founder's determination and dedication to achieve the company's goals and bring the organisation to greater heights."

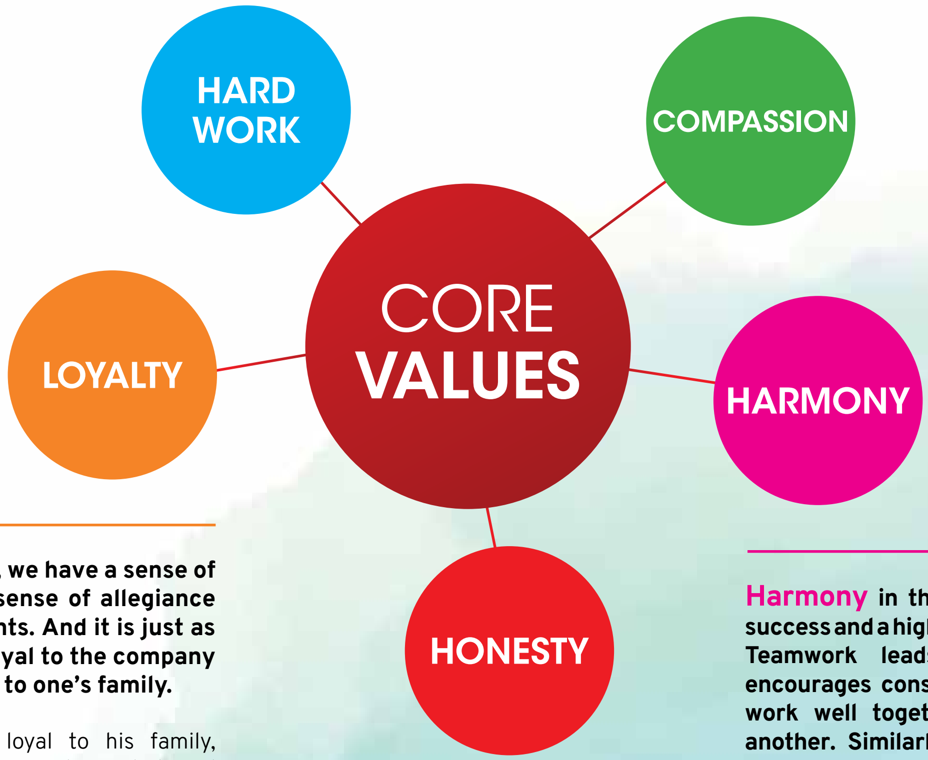
Tan Sri Lim Kok Thay - Chairman and Chief Executive, Genting Group

Our culture of hard work, diligence and commitment enables us to combine long-term thinking with a mindset of taking quick action to solve important and urgent operational problems. We are not afraid of change.

Our Founder believed in the importance of being diligent and committed. He was eager to learn and be in the know, setting precedents for others to follow. He was a hands-on person who was always on site to supervise projects and to ensure that matters were dealt with promptly. He worked hard; he rose early and retired late. A notebook was always by his bedside, should he need to pen down any ideas that came to mind.

Success is only complete with an equal measure of compassion. We at the Genting Group have a responsibility to give back to society. We have a deep interest to improve education and health care. We give generously to make lives better for others.

Our Founder gave unconditionally and contributed generously. He was empathetic, put the needs of others before his and was ever ready to lend a helping hand. Fondly remembered as highly considerate, he cared deeply for his employees and was there in their times of trouble. Such consideration is inherent in his employees and evident in the way they perform their duties.



Through loyalty, we have a sense of belonging and a sense of allegiance to our commitments. And it is just as important to be loyal to the company and people as it is to one's family.

Our Founder was loyal to his family, organisation and his people. He believed in looking after the well-being and growth of his employees. He valued his employees for their commitment and loyalty and rewarded them justly for their long service. As a result, his employees remained loyal to him and the company. This can be seen in the many long serving people who are committed to the success of the Genting Group.

Leadership in honesty and integrity is important. We must deal with our customers, partners and employees in an honest, fair and moral manner.

Our Founder was known and admired for his dynamic leadership based on integrity and moral principles, which formed the basis of his success. He practised exemplary leadership and management ethics – traits that are emulated by the senior management and staff, which have resulted in Genting Group companies being ranked among Asia's best managed companies.

Harmony in the workplace is key to success and a high-performance culture. Teamwork leads to efficiency and encourages constructive feedback. We work well together and support one another. Similarly, we must strive for harmony in our families and homes.

Our Founder encouraged teamwork towards achieving goals. He communicated effectively and provided prompt solutions to achieve success. He was very involved in his businesses. Every morning over breakfast with his staff, he would discuss operations. He valued people, especially his employees and their ideas. He also believed in effective communications and teamwork. Together with a strong team, he built an empire.

about GENTING MALAYSIA

OUR VISION

To be the leading integrated resort operator in the world.

OUR MISSION

We are committed towards providing the most delightful and memorable experiences to our customers.
We aim to generate sustainable growth and profits, and to consistently enhance our stakeholders' value.

CORPORATE PROFILE

Genting Malaysia Berhad ("Genting Malaysia" or the "Group") (www.gentingmalaysia.com) is one of the leading destination resorts operators in the world. Incorporated in 1980, Genting Malaysia was subsequently listed on Bursa Malaysia's Main Market in 1989. Genting Malaysia has a well-established reputation of being a premier provider of leisure and entertainment services and has a market capitalisation of RM32 billion as at 31 December 2017. Genting Malaysia owns and operates major properties including Resorts World Genting ("RWG") in Malaysia, Resorts World Casino New York City ("RWNYC") in the United States ("US"), Resorts World Bimini ("Bimini") in the Bahamas, Crockfords Cairo in Egypt and over 40 casinos, including Resorts World Birmingham, in the United Kingdom ("UK").

Genting Malaysia also owns and operates two seaside resorts in Malaysia, namely Resorts World Kijal in Terengganu and Resorts World Langkawi on Langkawi island.

The Group has embarked on a 10-year master plan to reinvigorate and transform RWG under the Genting Integrated Tourism Plan ("GITP"). Genting Malaysia has introduced various new facilities and attractions under the GITP which enables guests to enjoy a truly wholesome and world class experience at the resort. This includes the First World Hotel Tower 3, the new Awana SkyWay cable car system, the newly refurbished Theme Park Hotel, the new Crockfords Hotel as well as new attractions in the SkyAvenue entertainment complex. The opening of the Genting Highlands Premium Outlet (a property of Genting Simon Sdn Bhd, a joint venture between Genting Plantations Berhad and Simon Property Group) at the midhill also complements the new and existing offerings at RWG. Other attractions and facilities under the GITP, which includes the world's first Twentieth Century Fox World Theme Park and the new Skytropolis indoor theme park, are expected to unfold later this year.

In the UK, Genting Malaysia is one of the largest casino operators with 42 operating casinos. It operates 6 casinos in London and 36 casinos outside of London. The Group also operates an online operation to provide customers a seamless multi-channel experience. Genting Malaysia also operates Resorts World Birmingham, the first integrated leisure complex in the UK, offering gaming and entertainment facilities, retail and dining outlets and a 178-room four-star hotel. In the Middle East, Crockfords Cairo, an exclusive casino situated inside The Nile Ritz-Carlton Hotel in Cairo, is the Group's first venture into the region.

In the US, Genting Malaysia operates RWNYC, the first and only video gaming machine facility in New York City, at the site of Aqueduct Racetrack. As a premier entertainment hub, RWNYC offers the ultimate gaming and entertainment experience, with electronic gaming machines, shows, events and culinary delights. Additionally, RWNYC has embarked on a USD400 million expansion which will include various new attractions, such as a 400-room hotel, F&B outlets, retail stores and entertainment facilities.

In the Bahamas, the Group operates Resorts World Bimini, which features a casino, villas, other accommodations, restaurants and bars, resort amenities and the largest yacht and marina complex in the Bahamas.

Genting Malaysia is a member of the Genting Group, one of Asia's leading and best-managed multinationals. The Genting Group is led by Tan Sri Lim Kok Thay, a visionary entrepreneur who has established Resorts World branded properties in Malaysia, Singapore, the Philippines, the United States, the Bahamas and the United Kingdom, as well as spearheading global investments in oil palm plantations, power generation, oil and gas, property development, cruise, biotechnology and other industries.

CONTENTS

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors ("Board"), it is my pleasure to present to you the Annual Report and Audited Financial Statements of Genting Malaysia Berhad ("GENM") and its group of companies ("Group") for the financial year ended 31 December 2017 ("FY2017").

The Group's performance in FY2017 was respectable amid formidable challenges surrounding the external environment compounded by weaker consumer sentiment. The Group recorded an increase in revenue of 4% to RM9,328.7 million, primarily contributed by the opening of new attractions and facilities under our Genting Integrated Tourism Plan ("GITP"). However, adjusted earnings before interest, tax, depreciation and amortisation ("adjusted EBITDA") decreased by 9% to RM2,207.4 million mainly due to higher costs relating to the premium players business and operating costs incurred for the new facilities under GITP. Net profit declined by 62% to RM1,071.0 million, primarily due to the recognition of a one-off gain from the disposal of the Group's equity investment in Genting Hong Kong Limited in 2016.

We have consistently paid dividends to our shareholders while we are mindful to allocate funds for expansion opportunities. For FY2017, the Board has declared a special single-tier dividend of 8.0 sen per ordinary share. The Board has also recommended a final single-tier dividend of 5.0 sen per ordinary share for the approval of shareholders at the forthcoming Annual General Meeting. If approved, total dividend for FY2017 would amount to 17.0 sen per ordinary share. This represents a 3% increase from the previous year.

Notwithstanding the challenging business environment in Malaysia, the new attractions and facilities unveiled under our flagship GITP have boosted visitation and increased business volumes at Resorts World Genting.

Resorts World Genting ("RWG") welcomed 23.6m visitors in FY2017, a significant 17% growth from last year. Following the successful launches of various facilities in 2016, we have introduced new attractions in our SkyAvenue entertainment complex since March 2017, catering to the mid to premium segment of our business. With these additions, guests can enjoy a truly wholesome and world class experience at the resort. We also launched our newly refurbished Theme Park Hotel in July 2017 to cater to the increase in demand for our hotel rooms. This boutique hotel offers facilities that are able to accommodate large families and groups. Just before the year ended, we have also added a new 137-room premium Crockfords Hotel, which includes 18 uniquely themed suites to enhance RWG's differentiated offerings to its increasingly discerning visitors. Additionally, avid shoppers will be spoilt for choice at the new Genting Highlands Premium Outlet which features over 150 designer brands. Located at the mid-hill, this joint venture by Genting Plantations Berhad and Simon Property Group opened its doors to the public in June 2017. I am pleased to share that these new attractions have been well received.

In the United Kingdom ("UK"), our operations have remained resilient despite the increasingly challenging operating environment. While we expect tough trading conditions to linger in 2018, we will power on with our strategy of improving business efficiencies to deliver sustainable performance and strengthen our position in the UK. We are also encouraged with the performance of Resorts World Birmingham, which saw improving revenues and visitation in FY2017. As the business evolves and adapts to new customer demands, we will continue to place emphasis on enhancing customer experience by providing impeccable hospitality to all our guests. In the Middle East, Crockfords Cairo has been well received since its opening.

Meanwhile, our operations in the United States ("US") continued to perform commendably. Resorts World Casino New York City ("RWNYC") currently operates approximately 6,000 video gaming machines at its facility and remains the leading gaming operator in the Northeast US region despite growing regional competition. Nevertheless, we will continue intensifying our direct marketing initiatives to drive visitation and volume of business at the property. As part of our strategy to grow our business in the US, RWNYC broke ground on a USD400 million expansion in July 2017. Slated to be completed by the end of 2019, this development will include new attractions such as a 400-room hotel, additional gaming space and a myriad of F&B, retail and entertainment offerings.

We also have an investment in the promissory notes issued by the Mashpee Wampanoag Tribe ("the Tribe") to finance the Tribe's development of a destination resort casino in Taunton, Massachusetts, US. The development of the project is currently stalled pending further court developments and/or actions by relevant governmental authorities. To-date, the U.S. Federal Government has not made a decision regarding the Tribe's rights to trust land and is expected to provide an update in the coming months.

In view of the above, the Group has assessed and determined that there is no impact to the recoverability on its investment as well as to the Group's consolidated earnings and net assets for FY2017. Notwithstanding this, we will continue to work with the Tribe to review all options available. Meanwhile, the Group continues to be supportive of the Tribe's endeavour to protect its land base and their associated development rights.

In the Bahamas, our ongoing cost rationalisation initiatives at Resorts World Bimini have yielded encouraging results as evidenced by the narrowing losses from the property. In 2018, we will continue striving to improve operational efficiencies and focus our marketing efforts on the leisure markets to increase visitations to the resort.

On the sustainability front, the Board places great emphasis and commitment in upholding the principles of sustainable development and responsible business practices. Our sustainability journey is guided by five main pillars – environment, workplace, customers, community care and corporate governance – which we believe are fundamental for delivering sustainable returns and enhancing stakeholders' value.

As a testament to our ongoing commitment in achieving the highest levels of sustainability, which includes minimising environmental footprint, I am proud to share that our First World Hotel was crowned the "Hotel Equipped with the Largest Renewable Energy Hot Water System" in the Malaysia Book of Records.

Looking ahead, the Group remains optimistic on the opportunities and growth potential of the leisure and hospitality industry. The global economic environment is expected to continue on its growth trajectory driven by improvements in global trade. Meanwhile, Malaysia's economic expansion is expected to continue with domestic demand remaining the key source of growth.

The Group remains focused on the development of the GITP at RWG as it prepares to roll out the much anticipated Twentieth Century Fox World Theme Park and the new Skytropolis indoor theme park. With the recent additions under the GITP that complement existing attractions and facilities at RWG, the Group will enhance strategic marketing efforts to grow and expand into regional markets. Meanwhile, we will continue intensifying database marketing to optimise yield management and improve the overall operational efficiencies and service delivery at RWG.

On the international front, we will continue our efforts to reinforce our position in the countries in which we operate. We will place importance in improving business efficiencies and will intensify efforts to drive visitation and business volumes to our properties.

As we strive to expand our footprints globally, we will continue to invest in, nurture and manage talent to elevate the quality of our service level.

> The principles and values espoused by our beloved Founder, the late Tan Sri Dato' Seri (Dr) Lim Goh Tong, namely Hard Work, Honesty, Harmony, Loyalty and Compassion have always been embedded in our work culture and business practices and are known collectively as the Genting Core Values.

28 February 2018 would have been our Founder's 100th birthday and 10 years after his passing. Therefore, it is timely and fitting that we remember his legacy and his core values that have proven to be invaluable for the growth and global expansion of the Genting Group. By celebrating Founder's Day every February 28th, we humbly remind ourselves that these values are wise and enduring, reliable and proven.

As we are now at the vanguard of our transformation into a world-class leisure and hospitality destination, your continuous confidence in us has been, and will always be, pivotal for us. Therefore, I would like to take this opportunity to thank all of you for your ongoing support. I would also like to express my sincere gratitude to our Board members, Management, employees, customers, business associates and various regulatory authorities for your unwavering support over the years. I am excited for what lies ahead and look forward to embarking on this journey with you in 2018 and beyond.

Thank you.

TAN SRI LIM KOK THAY
Chairman and Chief Executive
27 February 2018

Para Pemegang Saham,

Bagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan kepada anda Laporan Tahunan dan Penyata Kewangan Beraudit Genting Malaysia Berhad ("GENM") dan kumpulan syarikatnya ("Kumpulan") bagi tahun kewangan berakhir 31 Disember 2017 ("FY2017").

Prestasi Kumpulan dalam FY2017 adalah menggalakkan walaupun dihadapi cabaran yang sukar ditambah dengan sentimen pengguna yang lemah yang menyelubungi persekitaran luar. Kumpulan mencatatkan peningkatan pendapatan sebanyak 4% kepada RM9,328.7 juta, didorong terutamanya oleh pembukaan pelbagai tarikan dan kemudahan-kemudahan baru di bawah Pelan Pelancongan Bersepadu Genting ("GITP"). Walau bagaimanapun, pendapatan terlaras sebelum faedah, cukai, susut nilai dan pelunasan ("EBITDA diselaraskan") menurun sebanyak 9% kepada RM2,207.4 juta disebabkan terutamanya oleh kos yang lebih tinggi berkaitan dengan perniagaan pemain premium dan kos operasi yang ditanggung untuk kemudahan baru di bawah GITP. Keuntungan bersih merosot sebanyak 62% kepada RM1,071.0 juta, disebabkan terutamanya oleh pengiktirafan keuntungan sekali sahaja daripada pelupusan pelaburan ekuiti Kumpulan dalam Genting Hong Kong Limited dalam tahun 2016.

Kami membayar dividen secara konsisten kepada para pemegang saham, sambil pada masa yang sama berhati-hati untuk memperuntukkan dana bagi peluang pengembangan. Bagi FY2017, Lembaga Pengarah telah mengisytiharkan dividen khas satu peringkat sebanyak 8.0 sen bagi setiap saham biasa. Lembaga Pengarah juga telah mencadangkan dividen akhir satu peringkat sebanyak 5.0 sen bagi setiap saham biasa untuk kelulusan para pemegang saham pada Mesyuarat Agung Tahunan yang akan datang. Jika diluluskan, jumlah dividen bagi FY2017 akan berjumlah 17.0 sen bagi setiap saham biasa. Ini mewakili peningkatan sebanyak 3% dari tahun lepas.

> Walau apa pun cabaran persekitaran perniagaan di Malaysia, kemudahan-kemudahan dan tarikan-tarikan baru yang diperkenalkan di bawah GITP yang menjadi kemegahan kami telah merangsang kunjungan dan meningkatkan jumlah perniagaan di Resorts World Genting.

Resort World Genting ("RWG") telah mengalu-alukan seramai 23.6 juta pelawat dalam FY2017. Ini adalah pertumbuhan ketara sebanyak 17% dari tahun lepas. Berikutan kejayaan pelancaran pelbagai kemudahan dalam tahun 2016, kami telah memperkenalkan pelbagai tarikan baru di dalam kompleks hiburan SkyAvenue sejak Mac 2017, untuk memenuhi keperluan segmen perniagaan kami daripada peringkat pertengahan hingga premium. Dengan penambahan ini, para tetamu boleh menikmati pengalaman yang sempurna dan bertaraf dunia di resort kami. Kami juga telah melancarkan Theme Park Hotel yang baru diperbaharui pada bulan Julai 2017 untuk memenuhi permintaan-permintaan yang semakin bertambah terhadap bilik hotel kami. Hotel butik ini menawarkan pelbagai kemudahan yang mampu menampung keluarga dan kumpulan yang besar. Sebaik sebelum tahun berakhir, kami juga telah menambah sebuah hotel premium Crockfords baru dengan 137 bilik, termasuk 18 suite bertema unik untuk meningkatkan jumlah penawaran kepada pengunjung-pengunjung kami. Selain itu, pengunjung yang gemar membeli-belah akan mempunyai lebih banyak pilihan di Genting Highlands Premium Outlet yang baru yang menawarkan lebih daripada 150 jenama terkenal. Terletak di kawasan pertengahan bukit, usaha sama antara Genting Plantations Berhad dan Simon Property Group mula menawarkan tawarannya kepada orang ramai pada bulan Jun 2017. Saya dengan sukacitanya memaklumkan bahawa tarikan-tarikan baru ini telah diterima dengan baik.

Di United Kingdom ("UK"), operasi kami terus berdaya tahan meskipun berhadapan dengan persekitaran operasi yang semakin mencabar. Walaupun kami menjangkakan keadaan dagangan yang sukar akan berlarutan ke tahun 2018, kami bertekad untuk terus berusaha dengan strategi kami untuk mempertingkatkan kecekapan perniagaan kami bagi menghasilkan prestasi yang mampan dan mengukuhkan kedudukan kami di UK. Kami juga didorong oleh prestasi Resorts World Birmingham, yang telah berjaya meningkatkan pendapatan dan jumlah kunjungan dalam FY2017. Kami akan terus menekankan betapa pentingnya untuk meningkatkan pengalaman pelanggan dengan memberikan layanan yang sempurna kepada semua tetamu kami, terutamanya pada masa sekarang di mana persekitaran perniagaan dan kehendak pelanggan sentiasa berubah. Di Timur Tengah, Crockfords Cairo telah diterima dengan baik sejak pembukaannya.

Sementara itu, operasi kami di Amerika Syarikat ("AS") terus memberikan prestasi yang membanggakan. Resorts World Casino New York City ("RWNYC") kini mengendalikan kira-kira 6,000 mesin permainan video di kemudahannya dan kekal sebagai pengendali permainan terkemuka di rantau Amerika Timur Laut walaupun dihadapi persaingan serantau yang semakin meningkat. Walau bagaimanapun, kami akan terus menggiatkan inisiatif pemasaran langsung kami untuk meningkatkan kunjungan dan jumlah perniagaan di hartanah tersebut. Sebagai sebahagian daripada strategi kami untuk mengembangkan perniagaan kami di AS, RWNYC telah memulakan projek pengembangan bernilai USD400 juta pada Julai 2017. Pembangunan ini dijangka akan siap menjelang akhir tahun 2019 dan akan merangkumi tarikan-tarikan baru seperti sebuah hotel dengan 400-bilik, ruang permainan tambahan dan pelbagai tawaran F & B, beli-belah dan hiburan.

Kami juga mempunyai pelaburan dalam bentuk nota janji hutang yang diterbitkan oleh puak Mashpee Wampanoag untuk membiayai pembangunan sebuah resort bersepadu di Taunton, Massachusetts, AS. Pembangunan projek tersebut kini telah dihentikan sementara menunggu perkembangan daripada mahkamah dan/atau tindakan selanjutnya daripada pihak berkuasa kerajaan yang berkaitan. Sehingga kini, Kerajaan Persekutuan AS belum mencapai keputusan berkenaan hak-hak puak Mashpee Wampanoag ke atas tanah amanah tersebut dan ia dijangka akan mengumumkan sebarang permutakhiran dalam bulan-bulan yang akan datang.

Oleh itu, Kumpulan telah menilai dan menentukan bahawa tidak ada kesan terhadap kebolehpulihan pelaburannya serta kepada pendapatan dan aset bersih Kumpulan untuk FY2017. Walau bagaimanapun, Kumpulan akan terus bekerjasama dengan puak Mashpee Wampanoag untuk mengkaji semua pilihan yang sedia ada untuk pelaburannya. Sementara itu, Kumpulan akan terus menyokong usaha puak Mashpee Wampanoag untuk melindungi tanah dan hak pembangunannya.

Di Bahamas, inisiatif rasionalisasi kos yang kami laksanakan di Resorts World Bimini telah membuahkan hasil yang menggalakkan yang dibuktikan oleh penurunan kerugian yang dilaporkan daripada hartanah tersebut. Dalam tahun 2018, kami akan terus berusaha meningkatkan kecekapan operasi kami dan memberi tumpuan kepada usaha pemasaran kami di pasaran rekreasi untuk meningkatkan lawatan ke resort tersebut.

Dalam hal kelestarian, Lembaga memberikan penekanan dan komitmen yang tinggi dalam menegakkan prinsip pembangunan lestari dan amalan perniagaan yang bertanggungjawab. Perjalanan kelestarian kami berpandukan lima tonggak kelestarian - alam sekitar, tempat kerja, pelanggan, penjagaan masyarakat dan urus tadbir korporat - yang kami percaya adalah asas untuk menghasilkan pulangan yang mampan dan meningkatkan nilai pihak yang berkepentingan.

Sebagai bukti komitmen kami yang berterusan untuk mencapai tahap kemapanan yang paling tinggi, termasuk meminimumkan jejak alam sekitar, saya dengan sukacitanya berkongsi bahawa First World Hotel telah dinobatkan sebagai “Hotel Dilengkapi Sistem Air Panas Tenaga Boleh Diperbaharui Terbesar” dalam Malaysia Book of Records.

Melangkah ke depan, Kumpulan tetap optimistik terhadap peluang dan potensi pertumbuhan industri peranginan dan hospitaliti. Pertumbuhan persekitaran ekonomi global dijangka akan berterusan dan iannya akan didorong oleh peningkatan dalam perdagangan global. Sementara itu, pengembangan ekonomi Malaysia dijangka akan berterusan dengan permintaan domestik menjadi sumber utama pertumbuhan.

Kumpulan terus menumpukan perhatian pada pembangunan GITP di RWG di mana ia telah bersedia untuk melancarkan Taman Tema Twentieth Century Fox World yang ditunggu-tunggu dan taman tema dalaman Skytropolis yang baru. Dengan penambahan baru-baru ini di bawah GITP yang melengkapi tarikan-tarikan dan kemudahan-kemudahan sedia ada di RWG, Kumpulan akan meningkatkan usaha pemasaran strategik untuk mengembangkan dan meluaskan ke pasaran serantau. Sementara itu, kami akan terus menggiatkan pemasaran pangkalan data untuk mengoptimumkan pengurusan hasil dan meningkatkan kecekapan operasi serta penyampaian perkhidmatan secara keseluruhan di RWG.

Di peringkat antarabangsa, kami akan meneruskan usaha kami untuk mengukuhkan kedudukan kami di negara-negara di mana kami beroperasi. Kami akan terus menekankan kepentingan meningkatkan kecekapan perniagaan dan akan menggiatkan usaha untuk meningkatkan kunjungan dan jumlah perniagaan ke hartanah kami.

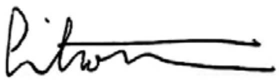
Sementara kami berusaha untuk mengembangkan jejak kami ke seluruh dunia, kami akan terus melabur, memupuk dan menguruskan bakat untuk meningkatkan kualiti perkhidmatan kami.

Prinsip-prinsip dan nilai-nilai teras yang dipegang oleh mendiang Tan Sri Dato' Seri (Dr) Lim Goh Tong, Pengasas kami yang tercinta, iaitu Rajin, Jujur, Harmoni, Setia dan Belas Kasihan sentiasa dipupuk dalam budaya kerja dan amalan perniagaan kami dan dikenali secara kolektif sebagai Nilai-nilai Teras Genting.

28 Februari 2018 merupakan ulang tahun kelahiran mendiang yang ke-100 dan 10 tahun selepas pemergian beliau. Adalah tepat masanya bagi kita memperingati legasi dan nilai-nilai teras beliau yang terbukti amat tinggi nilainya untuk pertumbuhan dan perkembangan sedunia Kumpulan Genting. Sebagai tanda penghormatan, kami akan meraikan Hari Pengasas pada 28 Februari setiap tahun, serta dengan rendah hati mengingati bahawa nilai-nilai tersebut adalah bijaksana, berkekalan, berintegriti tinggi dan terbukti.

Kami kini berada di ambang transformasi kami untuk menjadi destinasi peranginan dan hospitaliti yang bertaraf dunia. Keyakinan anda yang berterusan terhadap kami telah menjadi, dan akan sentiasa menjadi penting kepada kami. Oleh itu, saya ingin mengambil kesempatan ini untuk merakamkan ucapan terima kasih kepada anda atas sokongan berterusan anda. Saya juga ingin merakamkan ucapan terima kasih yang tulus ikhlas kepada ahli Lembaga Pengarah, para pihak Pengurusan, pekerja-pekerja, pelanggan-pelanggan, rakan-rakan perniagaan dan para pihak berkuasa pengawal selia atas sokongan anda yang tidak berbelah-bagi selama ini. Saya teruja dengan apa yang akan datang dan berharap untuk memulakan perjalanan tahun 2018 dan seterusnya dengan anda.

Sekian, terima kasih.



TAN SRI LIM KOK THAY
Pengerusi dan Ketua Eksekutif
27 Februari 2018

主席文告

亲爱的股东:

我仅代表董事局，欣喜地向您汇报云顶马来西亚(“公司”)及集团子公司(“集团”)，在截至2017年12月31日为止财政年(“2017”)的常年报告及已审核业绩报告。

集团在2017年财政年，虽受到外围环境的影响及较弱的消费情绪考验，表现令人赞赏。集团的营业额微涨4%至93亿2千870万令吉，主要是获得云顶综合旅游计划(“GITP”)下新景点与设施的开启推动。尽管如此，调整后税息折旧及摊销前利润及税前盈利，下跌9%至22亿零740万令吉，主要是更高的高端客户业务成本及云顶综合旅游计划下新设施营运成本所致。净利则下跌62%至10亿7千100万令吉，主要是2016年实现脱售云顶香港获得一次过赚利所致。

我们在对以资金分配充作扩充之事项谨慎看待的当儿，持续地派息来回馈股东。在2017年，董事局建议为每股普通股，派发每股8.0仙的特别单层股息；董事局也建议为每股普通股，派发每股5.0仙的单层终期股息，并寻求股东在来临的常年股东大会中通过。一旦获得批准，即意味著2017年财政年每普通股的股息将达每股17.0仙, 较去年增 长3%

> 尽管马来西亚的商业环境充满挑战，集团所推行的云顶综合旅游计划，其旗下的新景点和设施，已推动云顶名胜世界的旅客到访并提高业务流量。

该度假村在2017财政年接待了2千360万名游客，比去年同期显著增长17%。继2016年成功推出各项设施后，我们也从2017年3月起在Sky Avenue娱乐休闲广场推介新景点，迎合中高端市场。添加了这些设施之后，客人们可以在度假村享受世界级的体验。我们亦在2017年7月推出装修后的丽园酒店，以迎合酒店客房需求的提高。这家精品酒店有能力提供可容纳大家庭和团体的设施。就在这一年结束之前，我们还另加一间拥有137间客房的康乐福优质酒店(“Crockfords Hotel”)，其中包括18间独特的主题套房，增强云顶名胜世界要求日益精细的客户。此外，热衷购物的消费者可在拥有超过150个设计师品牌的新云顶高原名牌城内宠一宠自己。这个座落在半山，由云顶种植及和西蒙产业集团的联营计划，于2017年6月对外开业。我很欣喜地与您分享有关于这些新景点深受好评。

在英国尽管运营环境日益严峻，但我们的业务仍然保持弹性。在我们预计2018年的业务面对阻障之即，我们也会不懈地推行有助提高业务效率的策略，落实持续性发展，从而巩固我们在英国的地位。我们也对伯明翰名胜世界的表现感到鼓舞，即2017财年的收入和游客到访量皆有所增加。 随着业务不断发展以迎合新客户需求，我们将继续把重心放在加强客户的体验。在中东地区，开罗康乐福自开业来也获得良好口碑。

另一方面，我们在美国的业务继续表现出色。纽约名胜世界(“RWNYC”)目前拥有约六千台视频游戏机；尽管面对区域日益加剧的竞争，纽约名胜世界仍是美国东北部地区的领导博彩业者。有鉴于此，我们将继续强化直接营销举措，以推动游客到访率和业务量。作为发展美国业务的策略，RWNYC于2017年7月宣布破土动工，进行总值4亿美元的扩充。有关发展预计将于2019年底完成，所涵盖新景点，包括拥有400间客房的酒店，额外游戏空间及更多的餐饮、零售和娱乐选择。

我们还对Mashpee Wampanoag Tribe发行的票据进行投资，以融资该部落在美国马萨诸塞州Taunton综合博彩度假村的发展。有关项目目前停滞不前，仍待进一法律程序发展/及政府有关部门的行动。迄今为止，美国联邦政府尚未做出决定关于部落土地信托权,预计将在未来几个月提供更新消息。

鉴于以上所述, 本公司评估并确定对其投资的可收回性没有影响, 以及本集团的综合收益和净资产。我们将继续与部落合作审查所有可用于其投资的选项. 与此同时, 我们将继续支持Mashpee Wampanoag Tribe的一切维护其土地和相关的权益行动。

在巴哈马，我们在比米尼名胜世界度假村持续进行的成本合理化措施，在有关产业所蒙受的亏损收窄后，表现令人鼓舞；2018年，我们将继续努力提高运营效率，并将我们的市场营销重点放在休闲市场，进而提高度假村游客的到访率。

在可持续发展方面，董事局非常重视并坚持可持续发展原则和负责任的商业操守。我们在可持续发展的征途上，以环境、工作场所，客户、社区关怀和企业监管这五大支柱为导向—这也是我们认为可实现持续回报並加強利益相关者价值的基础。

作为我们致力于持续实现永续发展最高水平的承诺，包括减低对环境所造成的影响，我很自豪地宣布，我们的第一大酒店在马来西亚记录大全中，荣获“最大可再生能源热水系统配备的酒店”记录。

展望未来，集团对休闲及酒店领域的商机及增长潜能保持乐观。全球经济环境受到全球贸易改善带动下持续增长。同时，马来西亚的经济在国内需求为主要增长势头下，持续扩充。

本集团继续专注于云顶名胜的云顶综合旅游计划,准备推出非常期待的20世纪福斯主题乐园和Skytropolis室内主题公园，为现有的云顶综合旅游计划添增更多的新景点与设施，本集团也將加強策略市场营销，发展并扩展至区域市场。 同时，我们将继续加强数据库营销，优化收益管理，提高云顶名胜世界的整体运营效率和服务递送。

在国际方面，我们将继续努力加强我们在各营运国家的地位。 我们也将把重点放在提高业务效率，并加大力度推动旗下产业的游客到访率。

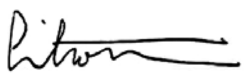
我们在致力于扩大全球足迹的当儿，也將重磅投资、培育与管理人才，提升我们的服务素质。

云顶集团的核心价值观根据创办人丹斯里拿督斯里林梧桐博士生前秉持一生的理念，即勤奋、诚信、和谐、忠诚与关爱；并牢牢嵌入于本集团的工作文化与商业惯例,并已经列为云顶核心价值观。

2018年2月28日既是丹斯里的百岁冥诞也是他逝世10年的纪念，今天展现了以云顶集团秉持创始人乐善好施的精神和核心价值观成功达成集团目标并带领集团迈向国际发展。云顶集团将于每年的2月28日庆祝创办人日，以缅怀及谨记着这永久不衰，明智实靠的价值观。

我们在迈向世界级休闲和旅游景点目标前进的冲峰前奏，您对我们持续信任就是我们继续前进的关键。在此，我想借此机会感激您们一路来的鼎力支持。 我还要衷心感谢董事会成员、管理层、员工、客户，商业伙伴和各监管机构多年来的不懈支持。我对于集团未来的发展，持续感到兴奋，同时更期待着在2018年及未来的日子里，与您一起踏上这段征途。

谢谢。



丹斯里林国泰
主席兼总执行长
2018年2月27日

BOARD OF DIRECTORS

DATO' KOH HONG SUN
Independent
Non-Executive Director

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)
Independent
Non-Executive Director

MR LIM KEONG HUI
Chief Information Officer/
Non-Independent
Executive Director

TAN SRI LIM KOK THAY
Chairman and Chief
Executive/
Non-Independent
Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

TAN SRI CLIFFORD FRANCIS HERBERT
Chairman/Independent Non-Executive Director

MR QUAH CHEK TIN
Member/Independent Non-Executive Director

MR TEO ENG SIONG
Member/Independent Non-Executive Director

DATO' KOH HONG SUN
Member/Independent Non-Executive Director

NOMINATION COMMITTEE

TAN SRI DATO' SERI ALWI JANTAN
Chairman/Independent Non-Executive Director

MR QUAH CHEK TIN
Member/Independent Non-Executive Director

TAN SRI CLIFFORD FRANCIS HERBERT
Member/Independent Non-Executive Director

TUN MOHAMMED HANIF BIN OMAR
Deputy Chairman/ Non-Independent Executive Director

TAN SRI DATO' SERI ALWI JANTAN
Independent Non-Executive Director

MR QUAH CHEK TIN
Independent Non-Executive Director

TAN SRI CLIFFORD FRANCIS HERBERT
Independent Non-Executive Director

MR TEO ENG SIONG
Independent Non-Executive Director

REMUNERATION COMMITTEE

TAN SRI CLIFFORD FRANCIS HERBERT
Chairman/Independent Non-Executive Director

MR TEO ENG SIONG
Member/Independent Non-Executive Director

DIRECTORS' PROFILE

TAN SRI LIM KOK THAY

Chairman and Chief Executive/
Non-Independent Executive Director

Tan Sri Lim Kok Thay (Malaysian, aged 66, male), appointed on 17 October 1988, is the Chairman and Chief Executive. He is also the Chairman and Chief Executive of Genting Berhad, the Chief Executive and a Director of Genting Plantations Berhad; and the Executive Chairman of Genting Singapore PLC and Genting UK Plc. He has served in various positions within the Group since 1976. He is a Founding Member and a Permanent Trustee of The Community Chest, Malaysia. In addition, he sits on the Boards of other Malaysian and foreign companies as well as the Boards of Trustees of several charitable organisations in Malaysia.

Tan Sri Lim 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.

Tan Sri Lim is the Chairman and Chief Executive Officer of Genting Hong Kong Limited ("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. ("Travellers"), a company listed on the Main Board of The Philippine Stock Exchange, Inc. Travellers is an associate of GENHK. He has an interest in the securities of GENHK. The GENHK group is principally engaged in the business of cruise and cruise-related operations and leisure, entertainment and hospitality activities.

In the context of the above businesses of GENHK group, Tan Sri Lim is therefore considered as having interests in business apart from the Group's business, which may compete indirectly with the Group's business.

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.

TUN MOHAMMED HANIF BIN OMAR

Deputy Chairman/Non-Independent Executive Director

Tun Mohammed Hanif bin Omar (Malaysian, aged 79, male), appointed on 23 February 1994, is the Deputy Chairman. Tun Mohammed Hanif retired as Deputy Chairman/Non-Independent Executive Director of the Company at the conclusion of the Company's 37th Annual General Meeting held on 31 May 2017 in accordance with Section 129 of the Companies Act 1965. On the same day, Tun Mohammed Hanif was appointed as Deputy Chairman/ Non-Independent Executive Director of the Company pursuant to a resolution of the Board of Directors of the Company dated 31 May 2017.

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 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 is also the Deputy Chairman of Genting Berhad and sits on the Boards of 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'. 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.

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) and 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.

MR LIM KEONG HUI

Chief Information Officer/Non-Independent Executive Director

Mr Lim Keong Hui (Malaysian, aged 33, male), appointed as a Non-Independent Non-Executive Director on 23 July 2012, was redesignated as a Non-Independent Executive Director, following his appointment as the Chief Information Officer of the Company on 1 January 2015.

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 London, United Kingdom.

Mr Lim is a son of Tan Sri Lim Kok Thay, who is the Chairman and Chief Executive of the Company. Both Tan Sri Lim Kok Thay and Mr Lim Keong Hui are major shareholders of the Company. He is a Non-Independent Executive Director of Genting Berhad ("GENT") following his appointment as the Senior Vice President – Business Development on 1 March 2013 until he was redesignated as the Executive Director – Chairman's Office of GENT on 1 June 2013 and assumed additional role as the Chief Information Officer of GENT on 1 January 2015. He was a Non-Independent Non-Executive Director of Genting Plantations Berhad ("GENP") until he was redesignated as a Non-Independent Executive Director, following his appointment as the Chief Information Officer of GENP on 1 January 2015. On 5 May 2017, Mr Lim was redesignated as a Non-Independent Non-Executive Director of GENP, following his resignation as Chief Information Officer of GENP. He is also a director of Genting UK Plc and a member of the Board of Trustees of Yayasan Lim Goh Tong.

Prior to his appointment as the Senior Vice President – Business Development of GENT, he was the Senior Vice President – Business Development of Genting Hong Kong Limited ("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 Chief Information Officer of GENHK after taking up additional role of Chief Information Officer 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. He has deemed interest in the shares of GENHK. The GENHK group is principally engaged in the business of cruise and cruise-related operations and leisure, entertainment and hospitality activities.

In the context of the above businesses of GENHK group, Mr Lim is therefore considered as having interests in business apart from the Group's business, which may compete indirectly with the Group's business.

TAN SRI DATO' SERI ALWI JANTAN

Independent Non-Executive Director

Tan Sri Dato' Seri Alwi Jantan (Malaysian, aged 82, male), appointed on 10 August 1990, was redesignated as an Independent Non-Executive Director on 1 July 2011. Tan Sri Alwi Jantan retired as an Independent Non-Executive Director of the Company at the conclusion of the Company's 37th Annual General Meeting held on 31 May 2017 in accordance with Section 129 of the Companies Act 1965. On the same day, he was appointed as an Independent Non-Executive Director of the Company pursuant to a resolution of the Board of Directors of the Company dated 31 May 2017.

Tan Sri Alwi Jantan joined the Company on 1 July 1990 as Executive Vice President – Public Affairs & Human Resources and was redesignated as Executive Director on 2 July 2007 prior to his retirement in 2009. A graduate of the University of Malaya with a Bachelor of Arts (Honours) Degree, he had a distinguished career in the public service.

Prior to joining the Company, he was the Director General of Public Service Malaysia. He was the Independent Non-Executive Chairman of UOA Development Bhd before his retirement on 25 May 2016 and he resigned as the Independent Non-Executive Chairman of UOA Asset Management Sdn Bhd, the manager of the public-listed UOA Real Estate Investment Trust on 21 April 2016.

MR QUAH CHEK TIN

Independent Non-Executive Director

Mr Quah Chek Tin (Malaysian, aged 66, male), appointed on 15 January 2003, was redesignated as an Independent Non-Executive Director on 8 October 2008. He began his career with Coopers & Lybrand, London before returning to Malaysia.

He joined the Genting Group in 1979 and has served in various positions within the Group. He was the Executive Director and Chief Operating Officer of the Company as well as the Executive Director of Genting Berhad prior to his retirement in 2006. He holds a Bachelor of Science (Honours) in Economics from the London School of Economics and Political Science and is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Accountants.

In addition, he sits on the Boards of Genting Plantations Berhad, Paramount Corporation Berhad and Batu Kawan Berhad.

TAN SRI CLIFFORD FRANCIS HERBERT

Independent Non-Executive Director

Tan Sri Clifford Francis Herbert (Malaysian, aged 76, male), appointed on 27 June 2002, is an Independent Non-Executive Director. Tan Sri Clifford retired as an Independent Non-Executive Director of the Company at the conclusion of the Company's 37th Annual General Meeting held on 31 May 2017 in accordance with Section 129 of the Companies Act 1965. On the same day, he was appointed as an Independent Non-Executive Director of the Company pursuant to a resolution of the Board of Directors of the Company dated 31 May 2017.

He holds a Bachelor of Arts (Honours) from the University of Malaya and a Master of Public Administration from the University of Pittsburgh, United States of America.

Tan Sri Clifford joined the Administrative and Diplomatic Service of the civil service in 1964, serving as an Assistant Secretary in the Public Services Department from 1964 to 1968 and as Assistant Secretary in the Development Administration Unit, Prime Minister's Department from 1968 to 1975. Tan Sri Clifford served in the Ministry of Finance from 1975 to 1997, rising to the post of Secretary General to the Treasury.

During Tan Sri Clifford's tenure in the civil service before his retirement in 1997, he sat on the Boards of the Pepper Marketing Agency, Tourist Development Corporation, Advisory Council of the Social Security Organisation (SOCSO), Aerospace Industries Malaysia Sdn Bhd, Malaysian Highway Authority, Malaysian Rubber Development Corporation (MARDEC), Port Klang Authority, Klang Container Terminal Berhad, Bank Industri Malaysia Berhad, Malaysia Export Credit Insurance Ltd, National Trust Fund (KWAN), Kumpulan Khazanah Nasional Berhad, Malaysian Airline System Berhad (MAS), Petroliam Nasional Berhad (PETRONAS), Bank Negara Malaysia and Multimedia Development Corporation Sdn Bhd; and he was the Chairman of the National Pensions Trust Fund (KWAP). He also served as Chairman of the Inland Revenue Board in 1997.

Tan Sri Clifford is a trustee of Yayasan Nanyang Press and the National Kidney Foundation. He is also a member of the board of FIDE Forum, a public company limited by guarantee. He is the Chairman of Moet Hennessy Diageo Malaysia Sdn Bhd.

Tan Sri Clifford was instrumental in establishing the Securities Commission of which he was a member from 1993 to 1994 and was also a Board member of the Institute of Strategic and International Studies from 1989 to 1997. As Secretary General to the Minister of Finance, he was appointed as alternate Governor to the World Bank. Tan Sri Clifford was Chairman of KL International Airport Bhd (KLIAB) from 1993 to 1999. On 16 July 2000, he was appointed as Executive Chairman of Percetakan Nasional Malaysia Berhad (PNMB) and was Chairman of PNMB from 16 July 2002 to 31 December 2006.

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)

Independent Non-Executive Director

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R) (Malaysian, aged 69, male), appointed on 4 August 2005, is an Independent Non-Executive Director. He had a distinguished career in the Malaysian Armed Forces for nearly 40 years, before retiring from the Force on 30 April 2005. During the period as a professional military officer, he served 6 years 4 months as the Malaysian Chief of Defence Forces from 1 January 1999 and as the Chief of the Malaysian Army for one year from 1 January 1998. Most notable appointments in the Armed Forces held were Aide de Camp (ADC) to His Majesty Yang Di-Pertuan Agong Sultan Azlan Shah, Commander Infantry Brigade, Assistant Chief of Staff Human Resources, Commander of Army Training and Doctrine Command, Deputy Chief of Army and Chief of Army. In international duties, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) served as a Military Observer under the United Nations International Monitoring Group in Iraq after the Iran-Iraq War Ceasefire in 1988/1989.

Upon retirement, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) moved from Defence Forces to the corporate sector. In the corporate world, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) holds several directorships. Currently he is the Chairman of Genting Plantations Berhad and Affin Bank Berhad. He is a Director of Bintulu Port Holdings Berhad, Sogo (K.L.) Department Store Sdn Bhd and DRB-HICOM Defence Technologies Sdn Bhd.

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) was made a Member of Dewan Negara Perak by DYMM Paduka Seri Sultan Perak on 25 November 2006 and is a Director/Trustee for the Board of Trustee of Yayasan Sultan Azlan Shah. On 23 April 2013, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) was appointed as Orang Kaya Bendahara Seri Maharaja Perak Darul Ridzuan by DYMM Paduka Seri Sultan Perak and the Dewan Negara Perak Darul Ridzuan. On 19 April 2014, he was bestowed with the Perak's highest award for commoners, the 'Darjah Kebesaran Seri Paduka Sultan Azlan Shah Perak Yang Amat Dimulia' (S.P.S.A) which carries the title "Dato' Seri DiRaja."

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) holds a Masters of Science Degree in Defence and Strategic Studies from the Quaid-I-Azam University, Islamabad, Pakistan and had attended the Senior Executive Programme in Harvard University, United States of America, Command and General Staff College Philippines, Joint Services Staff College Australia and National Defence College Pakistan.

In June 2015, Asia Metropolitan University (AMU) elected Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) as the Chancellor of the University. In October 2016, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) was conferred with an honorary doctorate in Management of Defense and Strategic Studies from National Defence University of Malaysia, also known as Universiti Pertahanan Nasional Malaysia (UPNM).

MR TEO ENG SIONG

Independent Non-Executive Director

Mr Teo Eng Siong (Malaysian, aged 71, male), appointed on 25 February 2010, is an Independent Non-Executive Director. He began his career with Ernst & Young, Melbourne, Australia, in November 1969.

He had worked in Singapore and Malaysia; and had held several positions in various companies. Prior to his retirement on 31 March 2009, he was the General Manager and Company Secretary of Kien Huat Realty Sdn Berhad as well as the Company Secretary of Yayasan Lim Goh Tong, a charitable organisation.

He holds a Bachelor of Economics from Monash University, Melbourne and is an Associate of the Institute of Chartered Accountants in Australia, a Fellow of CPA Australia, a member of the Malaysian Institute of Certified Public Accountants, a member of the Malaysian Institute of Accountants and an Associate of The Malaysian Institute of Chartered Secretaries and Administrators.

DATO' KOH HONG SUN
Independent Non-Executive Director

Dato' Koh Hong Sun (Malaysian, aged 65, male), appointed on 23 July 2012, is an Independent Non-Executive Director. He holds a Master's Degree in Strategic and Security Studies from Universiti Kebangsaan Malaysia.

Dato' Koh had a distinguished career with the Royal Malaysian Police (RMP) for almost 40 years, having joined RMP as a Probationary Inspector in 1971 and retired in October 2010 as the Director of Commercial Crime Investigation Department.

During the period as an officer of the RMP, Dato' Koh has held various important command posts including as Officer-in-Charge of Brickfields Police District, Head of the Federal Traffic Police, Chief Police Officer of Penang and Commissioner of Police as Director of Commercial Crime Investigation Department.

Dato' Koh is the Chairman of QBE Insurance (Malaysia) Berhad and he also sits on the Boards of Mega First Corporation Berhad, DeGem Berhad and GLM REIT Management Sdn Bhd, the manager of Tower Real Estate Investment Trust.

Notes:

The details of Directors' attendances at Board Meetings are set out in the Corporate Governance Overview Statement on page 44 of this Annual Report.

The details of the Board Committees where certain Directors are also members are set out on pages 10 and 11 of this Annual Report.

Save as disclosed, the above Directors have no family relationship with any Director and/or major shareholder of Genting Malaysia Berhad, have no conflict of interest with Genting Malaysia Berhad, have not been convicted of any offences within the past five years and have no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PRINCIPAL EXECUTIVE OFFICERS' PROFILE

TAN SRI LIM KOK THAY
Chairman and Chief Executive

His profile is disclosed in the Directors' Profile on page 12 of this Annual Report.

TUN MOHAMMED HANIF BIN OMAR
Deputy Chairman

His profile is disclosed in the Directors' Profile on page 13 of this Annual Report.

MR LIM KEONG HUI
Chief Information Officer

His profile is disclosed in the Directors' Profile on page 14 of this Annual Report.

DATO' SRI LEE CHOONG YAN
President and Chief Operating Officer

Dato' Sri Lee Choong Yan (Malaysian, aged 57,male) was appointed as the President and Chief Operating Officer of Genting Malaysia Berhad on 1 August 2016. He is responsible for the development and implementation of corporate strategies as well as management of the operations of the Company and its subsidiaries.

Dato' Sri Lee is also the Chief Executive Officer of Genting UK Plc, a subsidiary in the United Kingdom, where the Group owns and operates over forty casinos together with an integrated resort, Resorts World Birmingham. In addition, he oversees Genting Malaysia Group's businesses in the United States and Bahamas. His responsibilities also include directorships in other companies within the Genting Malaysia Berhad Group, including GENM Capital Berhad which is a public company.

Dato' Sri Lee trained as a chartered accountant in London with the international accounting firm of Ernst & Young following which he joined their offices in Hong Kong and worked in their audit and corporate advisory practices. He subsequently embarked on a career in investment banking where he specialised in the areas of corporate finance and the equity capital markets before joining the Genting Group in 1997.

He holds a Bachelor of Science (Honours) degree in Business Economics and Accounting from the University of Southampton, England and is an Associate of the Institute of Chartered Accountants in England and Wales.

MS KOH POY YONG
Chief Financial Officer

Koh Poy Yong (Malaysian, aged 61, female) was appointed as the Chief Financial Officer of Genting Malaysia Berhad on 1 January 2010. She is responsible for the Finance, Risk Management, Procurement and Legal functions of the Company. She has over 30 years of audit and accounting experience. She joined the Company in 1990 as a Finance Manager. Prior to joining the Company, from 1984 to 1990, she was a Director of Finance for the Malaysian Red Crescent Society, a charitable organisation in Kuala Lumpur. From 1977 until 1984, she worked as an external auditor in a public accounting firm in England.

She is a fellow member of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Accountants. She is presently a director of several subsidiary companies of Genting Malaysia Berhad Group, including GENM Capital Berhad, Genting Highlands Berhad, Genting Golf Course Bhd and Awana Vacation Resorts Development Berhad which are public companies.

Notes:

1. *Save for Tan Sri Lim Kok Thay and Mr Lim Keong Hui, none of the Principal Executive Officers has any family relationship with any Director and/or major shareholder of Genting Malaysia Berhad, nor any conflict of interest with Genting Malaysia Berhad.*

2. *None of the Principal Executive Officers has been convicted of any offences within the past five years and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.*

MANAGEMENT & CORPORATE INFORMATION

GROUP SENIOR MANAGEMENT

MALAYSIA MANAGEMENT

Tan Sri Lim Kok Thay
Chairman and Chief Executive

Tun Mohammed Hanif bin Omar
Deputy Chairman

Mr Lim Keong Hui
Chief Information Officer

Dato' Sri Lee Choong Yan
President and Chief Operating Officer

Mr Paul Gerard Vogt Baker
Deputy Chief Operating Officer

Mr Aaron Chia Khong Chid
Executive Vice President - Resorts Operations

Ms Koh Poy Yong
Chief Financial Officer

Mr James Koh Chuan Seng
Senior Vice President – Finance and Corporate Affairs

Mr Leow Beng Hooi
Senior Vice President – Casino Marketing

Mr Lim Eng Ming
Senior Vice President - Casino Operations & Security

MALAYSIA MANAGEMENT (CONT'D)

Mr Nicholas Papal
Senior Vice President - Casino Operations

Dato' Edward Arthur Holloway
Senior Vice President – Hotel Operations

Mr Rocky Too Kain Pei
Senior Vice President – Sales and Marketing

Mr Eddie Teh Yong Teng
Senior Vice President – Human Resources

US MANAGEMENT

Mr Edward Martin Farrell
President

Mr Aviv R Laurence
Chief Financial Officer

UK MANAGEMENT

Mr Paul Stewart Willcock
President and Chief Operating Officer

Mr James Steven Axelby
Chief Financial Officer

CORPORATE INFORMATION

GENTING MALAYSIA BERHAD

A public limited liability company
Incorporated and domiciled in Malaysia
Company No. 58019-U

REGISTERED OFFICE

24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : +603 2178 2288/2333 2288
Fax : +603 2161 5304
E-mail : ir.genm@genting.com

REGISTRARS

Genting Management and Consultancy Services Sdn Bhd
24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : +603 2178 2266/2333 2266
Fax : +603 2161 5304

SECRETARY

Ms Loh Bee Hong
MAICSA 7001361

AUDITORS

PricewaterhouseCoopers PLT
(Chartered Accountants)

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
(Listed on 22 December 1989)

Stock Name : GENM
Stock Code : 4715

INTERNET HOMEPAGE

www.gentingmalaysia.com
www.rwgenting.com

GROUP CORPORATE STRUCTURE

GENTING MALAYSIA

GENTING MALAYSIA BERHAD
(58019-U)

and its Principal Subsidiaries,
as at 27 February 2018.

LEISURE & HOSPITALITY

MALAYSIA

- **100%** First World Hotels & Resorts Sdn Bhd
- **100%** Genting Golf Course Bhd
- **100%** Widuri Pelangi Sdn Bhd
- **100%** Papago Sdn Bhd

UNITED STATES AND THE BAHAMAS

- **100%** Genting New York LLC
- **100%** Resorts World Omni LLC
- **78%** BB Entertainment Ltd

UNITED KINGDOM

- **100%** Genting UK Plc
- **100%** Genting Solihull Limited
- **100%** Genting Alderney Limited

PROPERTY

- **100%** Oakwood Sdn Bhd
- **100%** Resorts World Miami LLC
- **100%** Genting Properties (UK) Pte Ltd

CORPORATE DIARY

2017

23 FEBRUARY 2017
Announcement of the following:
(a) Consolidated Unaudited Results of the Group for the fourth quarter and the Audited Results for the financial year ended 31 December 2016; and
(b) Entitlement Date for the Special Single-Tier Dividend in respect of the financial year ended 31 December 2016.

03 MARCH 2017
Announcement of the proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

08 MARCH 2017
Announcement of the Entitlement Date for the Proposed Final Single-Tier Dividend in respect of the financial year ended 31 December 2016.

10 MARCH 2017
Announcement of the proposed renewal of the authority for the Company to purchase its own shares.

31 MARCH 2017
Announcement of the issuance of RM2.6 billion medium term notes ("MTNs") under the MTN programme with an aggregate nominal value of RM5.0 billion by GENM Capital Berhad, a wholly-owned subsidiary of the Company, and guaranteed by the Company.

04 APRIL 2017
Notice to Shareholders of the Thirty-Seventh Annual General Meeting.

29 MAY 2017
Announcement of the Consolidated Unaudited Results of the Group for the first quarter ended 31 March 2017.

31 MAY 2017
Thirty-Seventh Annual General Meeting.

Announcement of the following:
(a) Retirement of the following persons as Directors of the Company pursuant to Section 129(6) of the Companies Act 1965 at the conclusion of the Company's Thirty-Seventh Annual General Meeting held on 31 May 2017 and subsequent appointment on the same day as Directors of the Company on 31 May 2017:

(i) Tun Mohammed Hanif bin Omar as Deputy Chairman/ Non-Independent Executive Director;
(ii) Tan Sri Clifford Francis Herbert as Independent Non-Executive Director; and
(iii) Tan Sri Dato' Seri Alwi Jantan as Independent Non-Executive Director.

(b) Retirement of the following persons as members of the Board Committees of the Company on 31 May 2017 arising from their retirement as Directors of the Company mentioned in (a) above and subsequent appointment on the same day as members of the Board Committees of the Company on 31 May 2017:

(i) Tan Sri Clifford Francis Herbert as Chairman of Audit Committee and Remuneration Committee and member of Nomination Committee; and
(ii) Tan Sri Dato' Seri Alwi Jantan as Chairman of Nomination Committee.

07 JULY 2017
Announcement of the update of status of Group's participation as the manager to the operation of an integrated gaming facility and resort in Taunton, Massachusetts, United States of America.

24 AUGUST 2017
Announcement of the following:
(a) Consolidated Unaudited Results of the Group for the second quarter ended 30 June 2017; and
(b) Entitlement Date for the Interim Single-Tier Dividend in respect of the financial year ended 31 December 2017.

23 NOVEMBER 2017
Announcement of the Consolidated Unaudited Results of the Group for the third quarter ended 30 September 2017.

29 DECEMBER 2017
Announcement of the renaming of Audit Committee to Audit and Risk Management Committee.

2018

27 FEBRUARY 2018
Announcement of the following:
(a) Consolidated Unaudited Results of the Group for the fourth quarter and the Audited Results for the financial year ended 31 December 2017; and
(b) Establishment of a new Employee Share Grant Scheme for the eligible employees of the Company and its subsidiaries, excluding subsidiaries which are dormant or incorporated outside Malaysia.

29 MARCH 2018
Announcement of the following:
(a) Entitlement Date for the Proposed Final Dividend in respect of the financial year ended 31 December 2017;
(b) Proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature; and
(c) Proposed renewal of the authority for the Company to purchase its own shares.

DIVIDENDS		Announcement	Entitlement Date	Payment
2016	Special Single-Tier – 7.3 sen per ordinary share	23 February 2017	10 March 2017	28 March 2017
2016	Final Single-Tier – 6.2 sen per ordinary share	23 February 2017	2 June 2017	21 June 2017
2017	Interim Single-Tier – 4.0 sen per ordinary share	24 August 2017	13 September 2017	4 October 2017
2017	Special Single-Tier – 8.0 sen per ordinary share	27 February 2018	14 March 2018	30 March 2018
2017	Proposed Final Single-Tier – 5.0 sen per ordinary share	27 February 2018	8 June 2018	28 June 2018*

** Upon approval of shareholders at the Thirty-Eighth Annual General Meeting*

FINANCIAL HIGHLIGHTS

REVENUE
RM**9.3** BILLION
2016: RM8.9 billion

MARKET CAPITALISATION
RM**31.9** BILLION
AS AT 31 DECEMBER 2017

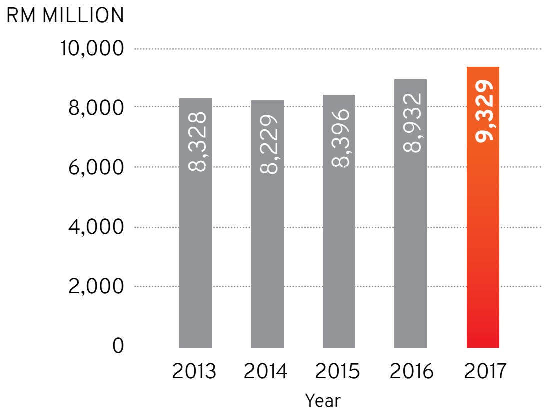
ADJUSTED EBITDA
RM**2.2** BILLION
2016: RM2.4 billion

SHAREHOLDERS' EQUITY
RM**19.3** BILLION
2016: RM19.9 billion

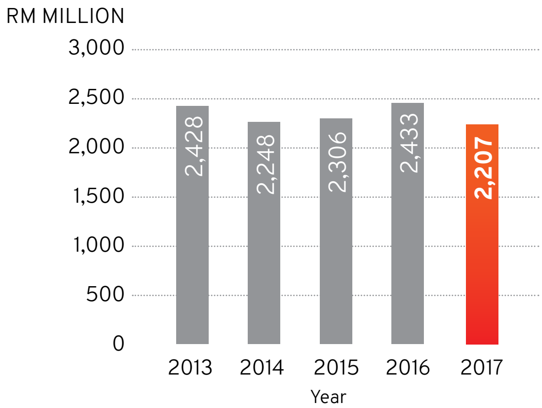
NET PROFIT
RM**1.1** BILLION
2016: RM2.8 billion

TOTAL ASSETS EMPLOYED
RM**30.0** BILLION
2016: RM27.9 billion

REVENUE

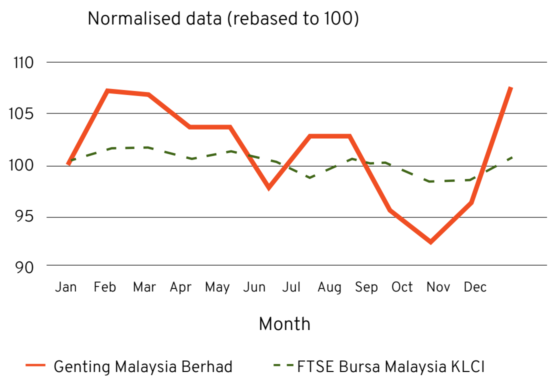


ADJUSTED EBITDA *



* Earnings before interest, taxes, depreciation and amortisation.

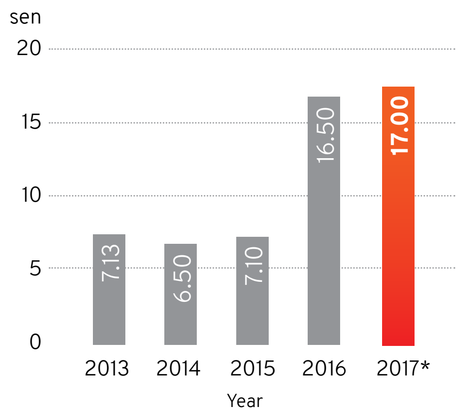
2017 GENTING MALAYSIA BERHAD SHARE PRICE PERFORMANCE RELATIVE TO FTSE BURSA MALAYSIA KLCI



Source - Bloomberg

All figures are in Ringgit Malaysia

NET DIVIDEND PER SHARE



*Comprised an interim single-tier dividend of 4.00 sen per ordinary share, a special single-tier dividend of 8.00 sen per ordinary share and a proposed final single-tier dividend of 5.00 sen per ordinary share.

FIVE-YEAR SUMMARY

Amounts in RM million unless otherwise stated	2017	2016	2015	2014	2013
Revenue	9,328.7	8,931.6	8,395.9	8,229.4	8,327.5
Adjusted EBITDA	2,207.4	2,432.8	2,306.4	2,247.6	2,428.2
Profit before taxation	1,318.2	3,090.6	1,530.0	1,524.5	1,766.5
Taxation	(247.2)	(289.9)	(287.0)	(384.2)	(182.4)
Profit for the financial year	1,071.0	2,800.7	1,243.0	1,140.3	1,584.1
Profit attributable to equity holders of the Company	1,159.7	2,880.1	1,257.9	1,188.7	1,603.0
Share capital	1,764.5	593.8	593.8	593.8	593.8
Retained earnings	16,982.2	16,808.1	14,348.6	13,465.4	12,675.4
Other reserves	1,521.3	3,420.2	5,102.0	3,147.5	3,086.9
Treasury shares	(911.3)	(911.3)	(906.7)	(902.4)	(898.2)
Shares held for employee share scheme	(21.7)	(45.8)	(57.3)	-	-
	19,335.0	19,865.0	19,080.4	16,304.3	15,457.9
Non-controlling interests	(193.2)	(119.6)	26.0	(30.6)	19.7
Non-current liabilities	7,574.6	4,117.3	4,747.8	2,270.9	2,334.1
	26,716.4	23,862.7	23,854.2	18,544.6	17,811.7
Property, plant and equipment	13,835.4	12,158.6	10,475.1	7,426.5	6,088.3
Land held for property development	184.7	184.7	184.7	184.7	184.7
Investment properties	2,178.8	2,317.9	2,293.3	1,958.8	1,829.1
Intangible assets	4,654.5	5,036.3	5,367.2	4,482.2	4,386.5
Available-for-sale financial assets	145.0	102.9	99.2	1,239.2	1,506.5
Other non-current assets	1,871.6	1,842.4	322.2	324.7	263.3
Deferred tax assets	39.3	122.4	237.8	200.6	176.1
Total non-current assets	22,909.3	21,765.2	18,979.5	15,816.7	14,434.5
Net current assets	3,807.1	2,097.5	4,874.7	2,727.9	3,377.2
	26,716.4	23,862.7	23,854.2	18,544.6	17,811.7
Basic earnings per share (sen)	20.5	50.9	22.2	21.0	28.3
Net dividend per share (sen)	17.0#	16.5	7.1	6.5	7.1
Dividend cover (times)	1.2	3.1	3.1	3.2	4.0
Current ratio (times)	2.2	1.5	2.3	2.2	2.7
Net assets per share (RM)	3.41	3.51	3.37	2.88	2.73
Return (after tax and non-controlling interests) on average shareholders' equity (%)	5.9	14.8	7.1	7.5	11.2
Market share price					
- highest (RM)	6.14	4.91	4.61	4.67	4.55
- lowest (RM)	4.44	3.99	3.79	3.90	3.36

Comprised an interim single-tier dividend of 4.00 sen per ordinary share, a special single-tier dividend of 8.00 sen per ordinary share and a proposed final single-tier dividend of 5.00 sen per ordinary share.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

General Description of the Group's Business and Strategies

The Group is involved in the leisure and hospitality industry. The Group owns and operates Resorts World Genting ("RWG") in Malaysia, Resorts World Birmingham ("RWB") and other casinos in the United Kingdom ("UK"), Crockfords Cairo in Egypt, Resorts World Casino New York City ("RWNYC") in the United States of America ("US") and Resorts World Bimini in the Bahamas ("Bimini Operations").

RWG is a premier leisure and entertainment resort in Malaysia equipped with approximately 10,500 rooms of various themes across 7 hotels, theme parks and entertainment attractions, dining and retail outlets, international shows and business convention facilities. In 2017, RWG welcomed 23.6 million visitors (2016: 20.2 million), with 29% of visitors making up hotel guests and the remaining 71% being day-trippers. In addition, the Group owns and operates two seaside resorts in Malaysia - Resorts World Kijal ("RW Kijal") and Resorts World Langkawi ("RW Langkawi").

The Group has embarked on a 10-year master plan to reinvigorate and transform RWG under the Genting Integrated Tourism Plan ("GITP"). Various new facilities and attractions under the GITP introduced progressively since mid-2015 include the First World Hotel Tower 3, the new Awana SkyWay cable car system, SkyPlaza and the SkyAvenue entertainment complex. The recent opening of the Genting Highlands Premium Outlet (a property of Genting Simon Sdn Bhd, a joint venture between Genting Plantations Berhad and Simon Property Group) also complements the new and existing offerings at RWG. The Group expects to roll out the much anticipated Twentieth Century Fox World Theme Park as well as the new indoor theme park in 2018.

In the UK, the Group is one of the largest casino operators with 42 operating casinos, 6 of which are located in London and 36 are located outside of London. The Group also operates an online gaming platform that provides customers a seamless multi-channel gaming experience. RWB, the first integrated destination leisure complex in the UK, offers customers gaming and entertainment facilities as well as retail and dining outlets in addition to its 178-room four-star hotel. In the Middle East, Crockfords Cairo, an exclusive casino situated inside The Nile Ritz-Carlton Hotel in Cairo, is the Group's first venture into the region and has been well received since its opening.

In the US, the Group operates RWNYC, the first and only video gaming machine facility located at the Aqueduct Racetrack in New York City, with 7.6 million visitors in 2017 (2016: 8.2 million). As a premier entertainment hub, RWNYC offers the ultimate gaming and entertainment experience, with electronic gaming machines, shows, events and culinary delights. The Group also owns properties which include a hotel as well as office and retail spaces, in the City of Miami, Florida ("Miami").

In the Bahamas, the Group operates Resorts World Bimini, which features a casino, a hotel, restaurants and bars, resort amenities and the largest yacht and marina complex in the Bimini Island.

The Group is committed towards providing the most delightful and memorable experience to its customers to achieve its vision of becoming the leading integrated resort operator in the world. It also aims to generate sustainable growth and profits, and to consistently enhance its stakeholders' value.

Towards this end, the Group's key focus and initiatives include:

- Leveraging on the phased opening of GITP to grow business volume and visitations at RWG;
- Ensuring the smooth roll out of the new Skytropolis indoor theme park as well as the highly anticipated Twentieth Century Fox World Theme Park under GITP;
- Enhance strategic marketing efforts to grow and expand into regional markets following the introduction of the new attractions and facilities at RWG;
- Optimising yield management through database marketing as well as improving the overall operational efficiencies and service delivery at RWG;
- Continuing efforts to manage business volatility in the premium players business segment to deliver sustainable performance in the UK;
- Strengthening the Group's position in the non-premium players business in the UK by growing its market share and improving business efficiencies;
- Continuing to stabilise the operations and growing business volume at Resorts World Birmingham as well as the Group's online operations in the UK;
- Intensifying the Group's direct marketing efforts to drive visitations and frequency of play at RWNYC;
- Focusing efforts on the USD400 million expansion by RWNYC which will include various new attractions, such as a 400-room hotel, additional gaming space, F&B outlets, retail stores and entertainment facilities;
- Leveraging the completion of the USD31 million renovation of the Hilton Miami Downtown guest rooms, lobby, meeting space and registration areas to grow group business, attract a higher average daily room rate for the Frequent Individual Traveller business and to encourage higher F&B spending at the property; and
- Focusing on marketing efforts in the leisure market to drive visitation and volume of business to Resorts World Bimini as well as continuing with cost rationalisation initiatives.

During the year, the Group delivered commendable operational performance amid a challenging business environment. The commentary on financial performance is set out below.

Financial Year Ended 31 December 2017 ("2017") compared with Financial Year Ended 31 December 2016 ("2016")

Revenue

The Group's revenue for 2017 was RM9,328.7 million, an increase of RM397.1 million (4%) compared with RM8,931.6 million in 2016. The higher revenue was mainly attributable to higher revenue from the overall leisure and hospitality businesses.

Revenue recorded by the leisure and hospitality business in Malaysia was higher by RM212.0 million, mainly contributed by significantly higher revenue from the mass market following the opening of new facilities under GITP since December 2016. This was offset by lower revenue from the mid to premium segments of the business because of a lower hold percentage although the volume of business was significantly higher.

Revenue recorded by the leisure and hospitality business in US and Bahamas was higher by RM70.2 million, mainly contributed by an improved commission structure with the New York state authority on RWNYC's gaming operations as well as the strengthening of USD against RM during the year. This was offset by lower revenue from Bimini Operations caused by lower volume of business and hold percentage.

Revenue recorded by the casino businesses in UK and Egypt was higher by RM77.1 million, mainly contributed by higher hold percentage and higher volume of business from its premium gaming segment.

Costs and expenses

Total costs and expenses before finance costs for 2017 amounted to RM8,440.8 million compared with RM7,562.7 million in 2016, an increase of RM878.1 million, mainly due to the following items:

(a) Cost of sales increased by RM686.5 million, from RM6,449.0 million in 2016 to RM7,135.5 million in 2017. The increase was mainly due to higher cost of inventories, higher payroll and related costs, higher depreciation and amortisation charges as a result of the commencement of operations of certain facilities under GITP as well as higher gaming related expenses.

(b) Other expenses increased by RM116.7 million, from RM171.3 million in 2016 to RM288.0 million in 2017. The increase was mainly due to foreign exchange translation losses from the Group's USD denominated assets arising from the strengthening of RM against the USD as well as reversal of expenses over accrued in 2016 in respect of US operations.

(c) Net impairment losses increased by RM93.2 million arising from impairment of certain assets relating to the Bimini, Malaysia and UK operations in 2017 totaling RM54.6 million coupled with a net reversal of previously recognised impairment losses of RM38.6 million from US and UK operations in 2016.

Other income

The decrease in other income by RM1,246.9 million from RM1,792.1 million in 2016 compared to RM545.2 million in 2017 was mainly due to recognition of a one-off gain of RM1,272.9 million from the disposal of the Group's equity investment in Genting Hong Kong Limited ("GENHK") in 2016.

Adjusted earnings before interest, tax, depreciation and amortisation ("Adjusted EBITDA")

Adjusted EBITDA excludes the effects of non-recurring items from the reporting segments, such as reversal of previously recognised impairment losses, impairment losses, pre-opening expenses, gain or loss on disposal of assets and assets written off.

The Group's adjusted EBITDA for 2017 was RM2,207.4 million (2016: RM2,432.8 million), a decrease of 9%.

Finance costs

The Group's finance costs increased by RM44.5 million from RM70.4 million in 2016 compared to RM114.9 million in 2017. The increase was mainly due to finance costs of RM36.1 million incurred on certain projects under GITP which were completed during the year.

Taxation

The tax expense for the Group was RM247.2 million compared with RM289.9 million for 2016, a decrease of 15%. Although profit before taxation dropped by 57% in 2017 compared with 2016, the tax expense was lower by only 15% mainly due to the gain from disposal of the Group's equity investment in GENHK in 2016 which was not subject to tax.

Profit attributable to equity holders of the Company

As a result of the above, profit attributable to equity holders of the Company was RM1,159.7 million for 2017, which was a decrease of RM1,720.4 million compared to RM2,880.1 million for 2016.

Liquidity and capital resources

Cash and cash equivalents of the Group increased from RM4,855.7 million as at 31 December 2016 to RM5,996.6 million as at 31 December 2017. The increase of RM1,140.9 million in cash and cash equivalents was mainly due to the following:

(a) Total borrowings of the Group increased from RM4,326.6 million as at 31 December 2016 to RM6,900.3 million as at 31 December 2017. The increase of RM2,573.7 million was mainly due to the proceeds from the issuance of medium term notes ("MTN") of RM2,600.0 million under the Group's RM5 billion MTN programme.

(b) The Group's capital expenditure in respect of property, plant and equipment was RM2,659.0 million for 2017, mainly attributable to the development work relating to GITP. The Group received proceeds of RM430.0 million from the disposal of investment in income funds during the year.

(c) The Group paid dividends of RM990.6 million in 2017.

(d) The Group's businesses generated a net cash inflow of RM2,154.8 million from operating activities for 2017 as compared to the previous year of RM2,409.4 million. The decrease of RM254.6 million was mainly due to lower operating profits.

Gearing ratio

The gearing ratio of the Group as at 31 December 2017 was 26% compared with 18% as at 31 December 2016. This ratio is calculated as total debt divided by total capital. Total debt, which is calculated as total borrowings, amounted to RM6,900.3 million as at 31 December 2017 (2016: RM4,326.6 million). Total capital is calculated as the sum of total equity and total debt, which amounted to RM26,042.1 million in 2017 (2016: RM24,072.0 million). The increase in gearing ratio in 2017 was due to higher borrowings of the Group as a result of the issuance of MTN in March 2017.

Prospects

The global economy is expected to continue on its growth trajectory, primarily driven by sustained global economic and industrial activities in certain advanced economies and emerging markets. In Malaysia, economic expansion is expected to continue with domestic demand remaining the key source of growth.

International tourism outlook is expected to remain positive. In 2017, Malaysia welcomed 25.9 million tourists and this is projected to increase to 33.1 million in 2018. Tourist arrivals from China grew by 7% to 2.3 million during the year. Meanwhile, both Singapore and Macau reported an increase in international tourist arrivals in 2017.

The Group remains optimistic on the opportunities and growth potential of the leisure and hospitality industry.

In Malaysia, the development of the GITP remains the focus of the Group as it prepares to roll out the new Skytropolis indoor theme park and the highly anticipated Twentieth Century Fox World Theme Park. With the introduction of new attractions and facilities at RWG, the Group will enhance strategic marketing efforts to grow and expand into regional markets. Meanwhile, the Group will intensify database marketing to optimise yield management and improve the overall operational efficiencies and service delivery at RWG. The completion of the GITP expansion will elevate RWG's position as a premier integrated resort and destination of choice in the region.

In the UK, the Group's strategy of reducing short-term volatility in the premium players segment continues to be effective in delivering sustainable performance. The Group will continue its focus on strengthening its position in the non-premium players segment by growing its market share as well as improving business efficiency. Meanwhile, Resorts World Birmingham expects to see further improvements in visitation and business volumes. The Group remains committed on stabilising operations at the resort as well as its online operations in the UK.

In the US, RWNYC maintained its position as market leader in terms of gaming revenue in the Northeast US. The Group will continue to boost its direct marketing efforts to drive visitation and frequency of play at the property. Meanwhile, the Group remains focused on the USD400 million expansion at RWNYC, which will include the construction of a new 400-room hotel, additional gaming space, F&B outlets as well as new retail and entertainment offerings. Upon completion by end of 2019, this development is expected to turn RWNYC into a first-class integrated resort with a multitude of non-gaming amenities. The Group will also leverage on the newly renovated Hilton Miami Downtown to grow business volumes at the property. In the Bahamas, the Group remains committed to its ongoing cost rationalisation initiatives and will continue intensifying its marketing efforts in the leisure market to drive visitation and volume of business at the resort.

Salient Statistics

Hotels

In Malaysia, the overall occupancy of RWG's six hilltop hotels, namely Genting Grand, Maxims, Crockfords, Resort Hotel, First World Hotel and Theme Park Hotel was 95% in 2017 (2016: Overall occupancy of RWG's four hilltop hotels was 93%). At the mid-hill, the Awana Hotel recorded an occupancy rate of 69% in 2017 (2016: 65%). RWG recorded the highest number of rooms sold in history at 3.41 million room nights in 2017 (2016: 3.07 million) following the introduction of the newly refurbished Theme Park Hotel and a brand new Crockfords in the second half of 2017, which also boosted the Group's hotel room inventory by an additional 400 rooms.

The Group's two Malaysian seaside resorts, namely RW Kijal and RW Langkawi recorded an occupancy rate of 41% (2016: 41%) and 53% (2016: 59%) respectively in 2017.

In the UK, the Group's Park Lane Mews Hotel which is located in the Mayfair district in London registered an occupancy rate of 86% in 2017 (2016: 89%).

In Miami, the Group's 527-room Hilton Miami Downtown achieved an average occupancy of 78% in 2017 (2016: 77%).

In the Bahamas, occupancy rate at the Hilton Hotel at Resorts World Bimini improved to 45% in 2017 (2016: 39%).

Food and Beverage

In 2017, RWG's 48 outlets (2016: 44 outlets) catered to 11.6 million covers in 2017 (2016: 10.9 million covers).

In the US, the number of covers served at RWNYC and the Hilton Miami Downtown are 3.7 million (2016: 3.6 million) and 0.24 million (2016: 0.22 million) respectively in 2017. In the Bahamas, the Bimini Operations served a total of 0.49 million covers in 2017 (2016: 0.40 million).

Cable Car

RWG's two cable car systems, Awana SkyWay and Genting Skyway (only operational during peak periods), ferried over 4.3 million passengers to the Group's hilltop hotels and attractions in 2017 (2016: 3.0 million).

2017
HIGHLIGHTS

1 THE FUN NEVER STOPS AT RESORTS WORLD GENTING

2017 was a momentous year for Resorts World Genting as multiple key milestones were achieved under the flagship Genting Integrated Tourism Plan ("GITP"). In March 2017, the Group unveiled additional new attractions at SkyAvenue, offering guests a whole new level of exciting entertainment experience. This was closely followed by the roll-out of the Genting Highlands Premium Outlet in June 2017, a shopping haven for the keen and discerning customer, and the newly refurbished Theme Park Hotel in July 2017. These attractions are merely the beginning of more exciting things to come. The completion of this ambitious GITP expansion will propel Resorts World Genting to greater heights and elevate its position as the leading integrated resort destination in the world.

2 AN ENCHANTING LED EXPERIENCE

Spread across 1,400 square metres and fitted with 1,000 LED bulbs, SkyAvenue's atrium dazzles visitors with its impressive three-storey high LED screens, reputedly the largest installation in Malaysia. A place where cutting-edge multimedia content lives to amplify the imagination, the innovative screens offer a stimulating and immersive experience to guests, with extravagant displays depicting the four seasons as well as the lush flora and fauna surrounding Resorts World Genting.

3 SENIKOME PÉNG HĒNG – A PLACE WHERE EXPLORATION AND INSPIRATION INTERTWINE

SeniKome Péng Hēng (The East Coast Arts & Cultural Centre) features a thematic showcase of various authentic arts and cultural elements from Peninsular Malaysia's East Coast states of Pahang, Terengganu and Kelantan. Opened in June 2017, the centre was introduced in conjunction with our corporate initiative to promote the distinctive charm and legacies from the region. Guests will be mesmerised by the rich Malaysian heritage presented and will be inspired by the captivating array of traditional artifacts and paintings on display.

4 RE-OPENING OF THEME PARK HOTEL

The newly refurbished 448-room Theme Park Hotel officially opened its doors to visitors in July 2017. Formerly known as Hotel on the Park, this boutique hotel is conveniently located within close proximity to various attractions at Resorts World Genting, in particular, the Arena of Stars and the upcoming, highly anticipated Twentieth Century Fox World Theme Park. The hotel boasts fun and creative décors as well as facilities well-suited for large families and groups.


2


3


4

5 SKYSYMPHONY – ASIA'S LARGEST MULTIMEDIA WINCH INSTALLATION

SkySymphony, the new signature attraction located at Times Square at Resorts World Genting, is a free-to-public performance showcasing an extraordinary orchestra of audio, visual and motion graphics programming. Guests will be immersed in spellbinding stories told through a dynamic transformation of 1,001 winch balls suspended from a four-storey high ceiling. The hourly performance is also accompanied by larger-than-life cinematic visuals and original music mix.

6 NEW CROCKFORDS HOTEL

Opened in late 2017, the new Crockfords Hotel is Resorts World Genting's latest addition to its already impressive array of premium accommodations. Located adjacent to SkyAvenue, it is one of the highland's swankiest hidden gems. The hotel features 137 sophisticated and tastefully designed rooms, including 18 uniquely themed Signature Suites, which will enable guests to immerse themselves in ultimate comfort and luxury.

7 ESL ONE GENTING

Resorts World Genting kicked off 2017 hosting Malaysia's first major e-sports championship – ESL One Genting. Held in partnership with ESL One, the world's largest e-sports network provider, the three day sold-out event saw eight of the world's best Dota 2 teams battle it out in intense pro matches as they competed for a stake in the tournament's prize pool of USD250,000. Digital Chaos emerged victorious after defeating Newbee in a gruelling best-of-five series, taking home the coveted title and trophy.

8 MISS CHINESE INTERNATIONAL PAGEANT 2017

Arena of Stars was the focal point in January 2017 when 16 oriental beauties from around the world competed for the title of the prestigious Miss Chinese International Pageant. Presented by Resorts World Genting and Television Broadcasts Limited, this is the first pageant to be held outside of Hong Kong. Celebrities such as Tan Sri Dato' Michelle Yeoh, Simon Yam, Wayne Lai, Niki Chow and Eric Tsang were among the big names who added glitz and glamour to the high-profile event.


6


7


8

9 INTRODUCTION OF ALIPAY MOBILE WALLET AT RESORTS WORLD GENTING

Visitors to Resorts World Genting can now enjoy added convenience with the introduction of Alipay, a cashless payment option, at the resort. Launched in May 2017, Resorts World Genting is the first hospitality merchant in Malaysia to introduce the popular Alipay platform, where guests can use the mobile wallet at various attractions and facilities, such as hotels, F&B and retail outlets.

10 US$400M EXPANSION AT RESORTS WORLD CASINO NEW YORK CITY

In July 2017, Resorts World Casino New York City ("RWNYC") broke ground on a USD400 million expansion that will turn the property, currently the leading entertainment resort in the New York state, into the ultimate play, stay, dine and shop destination. The development, which includes a new 400-room hotel, F&B outlets, additional gaming space and various retail facilities, will offer guests an enthralling spectrum of entertainment offerings and is expected to turn RWNYC into a world-class integrated resort destination.

11 CROCKFORDS CAIRO

Elegant, sophisticated, exclusive – Crockfords Cairo in The Nile Ritz-Carlton, Cairo offers guests a truly luxurious experience in an expansive and majestic environment. As the Group's first venture into the Middle East, Crockfords Cairo has been well received since its opening.

12 TOUR THE WORLD WITH SNOOPY

Resorts World Genting added some festive cheer by inviting visitors to celebrate the year-end holidays with the world's favourite neighbourhood beagle. Situated at various locations in SkyAvenue and First World Rainforest, guests got in touch with their inner child as they searched for the 52 Snoopy figurines dressed in diverse custom-made costumes of different countries and culture. In addition, the daily parade featuring appearances by Snoopy and the Peanuts gang enamoured guests young and old alike.

AWARDS & ACCOLADES

1 2017 Red Coral Award of Asia Tourism

2 Malaysia Tourism Council Gold Awards 2017

3 Malaysia Book of Records

4 Putra Brand Awards 2017

2017 Red Coral Award of Asia Tourism by 21st Century Business Herald and College of Tourism and Service Management of Nankai University, China
Resorts World Genting – *Most Popular Tourist Attraction of 2017*

Malaysia Tourism Council Gold Awards 2017
Genting Malaysia Berhad – *Gold Award for Outstanding Tourism Achievement*

Malaysia Book of Records
First World Hotel – *Hotel Equipped with the Largest Renewable Energy Hot Water System*

Putra Brand Awards 2017 by Association of Accredited Advertising Agents Malaysia
Resorts World Genting – *Bronze Winner in Transportation, Travel & Tourism Category*
– *Bronze Winner in Entertainment Category*

Reader's Digest Trusted Brands Asia 2017
Resorts World Genting – *Gold Award for Theme Park/Family Attraction*

SUSTAINABILITY STATEMENT

Genting
Green
Generation

Our Sustainability Statement

Genting Green Generation

Our Sustainability Logo & Tagline

"As a responsible company, we strive to achieve the highest levels of sustainability in everything that we do, from looking after our employees and customers, to contributing towards the economic prosperity of our local community and protecting the environment.

To promote our sustainability programme, we have crafted this logo to reflect that we are cultivating a generation that will make a difference towards sustainable development in the present and the future."

Genting Malaysia's Sustainability Policy Statement

As a global leader in the Leisure and Hospitality industry, we aim to provide world-class services and entertainment in a safe, responsible and sustainable environment.

Our mission as a responsible corporate citizen is to ensure high standards of governance across our entire operation to promote responsible business practices, manage environmental impacts and meet the social needs of the community and nation.

Towards this end, we strive to achieve the following:

ECONOMIC	CORPORATE GOVERNANCE	• To undertake sustainable and responsible business practices through integrity, good business ethics and exemplary business conducts. • To comply with relevant business rules, regulations and guidelines. • To engage stakeholders in a responsible, fair and reasonable manner.
ENVIRONMENT	ENVIRONMENTAL STEWARDSHIP	• To undertake responsible sustainability practices to mitigate the direct and indirect environmental impacts of our developments and operations. • To be committed in using our resources wisely, thereby ensuring protection and conservation of the natural environment.
SOCIAL	WORKPLACE OF CHOICE	• To create a conducive and well-balanced workplace with emphasis on health, safety and wellbeing of employees. • To attract and retain talents by providing an environment where our employees have the opportunity to grow. • To improve competencies through training, learning and development. • To recognise and reward outstanding performance.
SOCIAL	CUSTOMER ORIENTATION	• To engage our employees to deliver service excellence. • To be our customers' preferred resort by providing enjoyable and memorable experience. • To deliver our products and services in a responsible manner to our customers.
SOCIAL	COMMUNITY CARE	• To improve the quality of life and enrich the communities that we do our business in through monetary contributions and humanitarian efforts. • To support the underprivileged communities including charities, welfare homes and disabled groups. • To support the development and promotion of sports so as to promote a healthy lifestyle and foster ties.

The entities that are included in Genting Malaysia's consolidated financial statements, equivalent documents and Sustainability Report are the regions we primarily operate in, namely: Malaysia, the United Kingdom, the United States of America and the Bahamas.

This Sustainability Statement highlights our key sustainability performance of Genting Malaysia Berhad. For the Sustainability Report, please refer to Genting Malaysia Berhad's Sustainability Report 2017 at:- http://www.gentingmalaysia.com/sustainability/

The Sustainability Statement is made in accordance with a resolution of the Board of Directors dated 27 February 2018.

Sustainability Governance Structure

Genting Malaysia Berhad's Board of Directors (Board) is the governing body that sets and oversees the organisation's sustainability framework, comprising sustainability vision, mission and strategic approach based on the economic, environment and social (EES) pillars. The Board delegates the responsibility to the Sustainability Steering Committee to supervise and manage the overall sustainability implementation across the organisation and report to the Board on their performance.

Our sustainability governance structure includes the Sustainability Steering and Working Committees. These two committees comprised of representatives from our respective business functions.

The roles of the Sustainability Steering Committee, as delegated by the Board are as follows:

- Advise the Board to ensure that our business strategy takes sustainability into consideration
- Develop and recommend to the Board on sustainability strategies - related policies and statement for approval, adoption and revision
- Ensure that the sustainability strategies address key sustainability matters related to economic, environment and social
- Monitor the implementation of the sustainability strategies as approved by the Board
- Oversee the preparation of sustainability disclosures (reporting) as required by Bursa Malaysia

The roles of the Sustainability Working Committee are as follows:

- Heads of the Economic, Environment and Social Committees are responsible for drafting action plans for material sustainability issues under their respective Committees to be escalated to the Working Committee Chairman for approval/rejection
- The approved action plans will then be brought to the Sustainability Steering Committee by the Secretariat for approval
- Execute the action plans approved by the Sustainability Steering Committee
- Monitor and report the performance of the action plans to Sustainability Steering and Working Committees

Corporate Relations and Communications Department has been tasked as the secretariat to manage and consolidate the various functions of the Sustainability Committees.

Board of Directors

Sustainability Steering Committee
Chairman: Dato' Sri Lee Choong Yan
Alternate Chairman: Mr Paul Baker

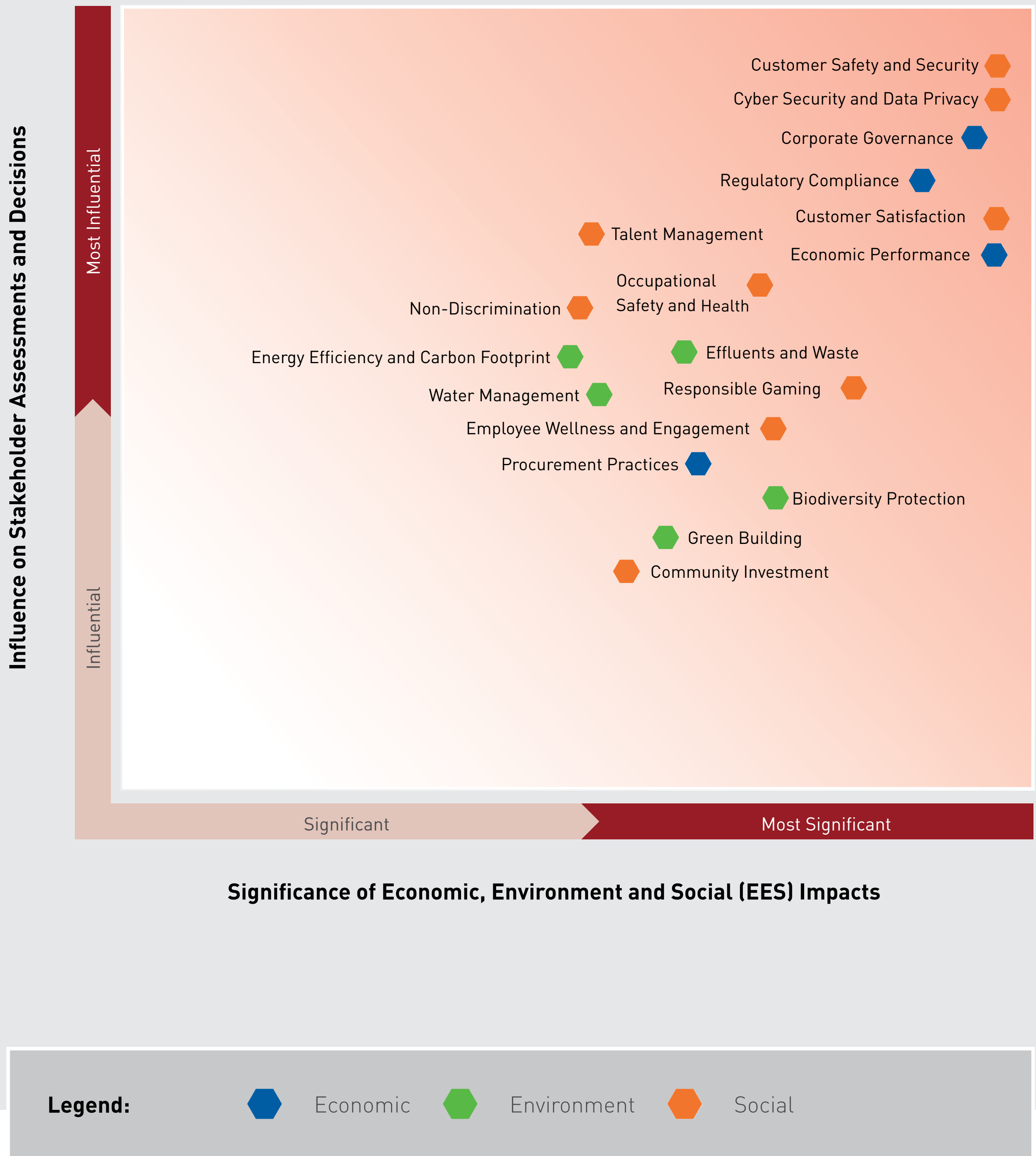
Executive Vice President	Senior Vice President - Casino Operations	Chief Financial Officer and Senior Vice President - Finance and Corporate Affairs	Senior Vice President - Hotel Operations	Senior Vice President - Human Resources
Senior Vice President - Information Technology	Senior Vice President - Development and Engineering	Senior Vice President - Theme Park	Senior Vice President - Tenancy Management	Vice President - Corporate Relations and Communications (Secretariat)

Sustainability Working Committee
Chairman: Mr Paul Baker

Economic Committee Headed by Senior Vice President - Finance and Corporate Affairs	**Environment Committee** Headed by Senior Vice President - Development and Engineering	**Social Committee** Headed by Senior Vice President - Human Resources	Vice President - Corporate Relations & Communications (Secretariat)

Materiality Matrix

In conforming to the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards), we conducted a materiality assessment to update Genting Malaysia's material sustainability issues. The assessment to identify and prioritise material EES issues involved members of our Sustainability Steering and Working Committees and the resulting materiality matrix was validated by senior management, facilitated by independent consultants.



Economic Performance

We have exercised prudent financial management practices throughout our business, which has positioned us as one of the premier integrated resorts in the world. We have created long term value accretion for our shareholders as we continuously grow on the path of profitability.

Total Revenue

RM9.3 billion

(2016: RM8.9 billion)

Total Operating Costs

RM8.4 billion

(2016: RM7.6 billion)

Payments to Providers of Capital

RM1.2 billion

(2016: RM575.5 million)

Employee wages & benefits

RM2.3 billion

(2016: RM2.2 billion)

4.3 million members under the **Genting Rewards Loyalty Programme**

(2016: 3.9 million members)

Attracted over 35 million visitors worldwide

Awards & Recognition

Malaysia Tourism Council Gold Awards 2017

- Genting Malaysia Berhad – Gold Award for Outstanding Tourism Achievement

Putra Brand Awards 2017

- Resorts World Genting – Bronze Winner in the Transportation, Travel & Tourism Category
- Resorts World Genting – Bronze Winner in the Entertainment Category

2017 Red Coral Award of Asia Tourism

- Resorts World Genting – Most Popular Tourist Attraction, Holiday Destination and Theme Park

Reader's Digest Trusted Brands Asia 2017

- Resorts World Genting – Gold Award for Theme Park/Family Attraction

Certificate of Excellence by TripAdvisor for Genting Hotel at Resorts World Birmingham, United Kingdom

Note: Unless specified otherwise, information presented in the Sustainability Statement represents Genting Malaysia Berhad as a Group.

Environmental Performance

In championing the environmental cause, we commit to undertake responsible sustainability practices to mitigate direct and indirect environmental impacts of our developments and operations in the regions we are present in. We recognise the need to take long term strategic actions to enhance the environment for a better and sustainable future.

Total volume of water saved

38,721m³

equivalent to the average daily water used by 234,672 people

CO_2

0.440 mmtCDE*

reduction of carbon footprint equivalent to the carbon emission from one person traveling around the world on an airplane 82,951 times

*(*Million metric tonnes of carbon dioxide equivalents)*

Savings of **16.6 GWh** with an estimated cost savings of over **RM7.5 million**

Conservation of approximately **10,000 acres** of virgin rainforest to protect the Important Bird & Biodiversity Area at Resorts World Genting

According to Malaysia Nature Society there are approximately **45** families and **254** species of birds recorded in the rainforest at Resorts World Genting

78% recycling rate of our keycards from customers at Resorts World Genting's self check-out kiosks

(2016: 79% keycards recycled)

17% of solid waste recycled and reused with cost savings of over **RM475k**

International Standard for Malaysian operations

ISO 14001 Environmental Management System

(2 certificates)

Note: Unless specified otherwise, information presented in the Sustainability Statement represents Genting Malaysia Berhad as a Group.

Social Performance

We have a diversified workforce with employees from different walks of life who possess a range of skillsets. Genting Malaysia's workforce was over 20,000 as of 31 December 2017 with 63% Malaysians comprising Malay (39%), Chinese (46%), Indian (8%) and Others (7%). The remaining 37% is from other countries including but not limited to United Kingdom, United States of America and the Bahamas. Employee wellbeing is our priority – we strive to build a fair and inclusive workplace. We contribute to the community around us through various initiatives as Genting Malaysia believes in giving back to the community.

Over **20,000** employees worldwide

(2016: Over 19,000 employees worldwide)

RM6.9 million total investment in employee training in Malaysia and United Kingdom

Over **460,000** total training hours for employee training and development in Malaysia

Over **RM1.9 million** investment in employee wellness programmes in Malaysia and United Kingdom

Over **RM56 million** investment in upgrading staff facilities in Malaysia

RWG's customer satisfaction results for **"A-score" (Very satisfied)** rating improved in 2017.

31.0% as compared to 24.9% in 2016

International Standards for Malaysian operations

ISO 9001 Quality Management System
(11 certificates)

OHSAS 18001 Occupational Health & Safety Management System
(2 certificates)

ISO 27001 Information Security Management System
(1 certificate)

HACCP Food Safety Management System
(7 certificates)

Over **RM6 million** worth of community investment benefiting more than **200** organisations

Over **66,000 people benefited** from our philanthropy efforts

Note: Unless specified otherwise, information presented in the Sustainability Statement represents Genting Malaysia Berhad as a Group.

It is the policy of the Company to manage the affairs of the Group, in particular the Company and its subsidiaries in accordance with the appropriate standards for good corporate governance.

The new Malaysian Code on Corporate Governance ("MCCG") issued in April 2017 supersedes the Malaysian Code on Corporate Governance 2012.

The MCCG covers three broad principles namely Board Leadership and Effectiveness, Effective Audit & Risk Management and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

Pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company has completed the prescribed Corporate Governance Report for financial year 2017 which is made available at the Company's website at www.gentingmalaysia.com.

Set out below is a summary of the extent to which the Company has applied/adopted the practices encapsulated in the Principles of the MCCG save for certain departure/non-adoption of the Principles of the MCCG.

Principle A – Board Leadership and Effectiveness

I. Board Responsibilities

Intended Outcome

1.0 Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the Company.

<table>
<tr><th></th><th>Applied/Departure
Adopted/Not Adopted</th><th>Summary of governance practices of the Company</th></tr>
<tr><td>Practice 1.1
The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.</td><td>Applied</td><td>The Board has overall responsibility for the proper conduct of the Company's business in achieving the objectives and long term goals of the Company. The Company's values and standards and the Board's responsibilities are set out in the Board's Charter.

Corporate strategies as well as the annual plan are presented to the Board as part of the ongoing plans in achieving the objectives and long term goals of the Company by focusing on its core values and standards through the vision and mission of the Company set out in the Board Charter mentioned in Practice 2.1.

The details of Directors' attendances during the financial year 2017 are set out below:

<table>
<tr><th>Name of Directors</th><th>Number of Meetings Attended</th></tr>
<tr><td>Tan Sri Lim Kok Thay</td><td>*7 out of 7</td></tr>
<tr><td>Tun Mohammed Hanif bin Omar</td><td>6 out of 6</td></tr>
<tr><td>Mr Lim Keong Hui</td><td>*7 out of 7</td></tr>
<tr><td>Tan Sri Dato' Seri Alwi Jantan</td><td>6 out of 6</td></tr>
<tr><td>Mr Quah Chek Tin</td><td>*7 out of 7</td></tr>
<tr><td>Tan Sri Clifford Francis Herbert</td><td>6 out of 6</td></tr>
<tr><td>Mr Teo Eng Siong</td><td>*7 out of 7</td></tr>
<tr><td>Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj. Zainuddin (R)</td><td>*6 out of 7</td></tr>
<tr><td>Dato' Koh Hong Sun</td><td>*7 out of 7</td></tr>
</table>

* An additional Board meeting was convened to approve the appointment of the Directors who had retired at the 37th Annual General Meeting of the Company held on 31 May 2017 pursuant to Section 129 of the Companies Act, 1965.</td></tr>
</table>

Principle A – Board Leadership and Effectiveness (cont'd)

I. Board Responsibilities (cont'd)

Intended Outcome (cont'd)

1.0 Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the Company. (cont'd)

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 1.2 A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.	Applied	The present Chairman of the Board is Tan Sri Lim Kok Thay who is responsible for instilling good corporate governance practices, leadership and effectiveness of the Board. The key responsibilities of the Chairman are provided in the Corporate Governance Report.
Practice 1.3 The positions of Chairman and CEO are held by different individuals.	Departure	The Board is mindful of the dual role of Chairman and Chief Executive held by Tan Sri Lim Kok Thay and is of the view that there are sufficient experienced and independent–minded Directors on the Board to provide sufficient check and balance. Given that there are six experienced Independent Directors representing more than 50% of the Board, the Board collectively would be able to function independently of management. This allows for effective oversight of the management as well as to support objective and independent deliberation, review and decision making. Having joined the Board in 1988, Tan Sri Lim Kok Thay has considerable experience in the Group's businesses and provides leadership to the Board in considering and setting the overall strategies and objectives of the Company. The Board is of the view that it is in the interest of the Company to maintain the above arrangement so that the Board could have the benefit of a chairman who is highly knowledgeable about the businesses of the Group, the territories globally in which the Group operates in, sets the overall strategies, conceptualises plans and leads the execution of all major development projects and investments, capable of guiding discussions at Board meetings and who is able to brief the Board in a timely manner on key issues and developments that may directly or indirectly affect any of the businesses of the Group. The Chairman commenced employment with the Company on 1 September 1989 as Deputy Managing Director at the age of 38. He was subsequently promoted to Managing Director on 12 April 1999. He was appointed as the President and Chief Executive of the Company on 27 November 2002, before he assumed the position of Chairman of the Company and redesignated as Chairman, President and Chief Executive of the Company on 1 January 2004 upon the retirement of his late father, the founder, Tan Sri Lim Goh Tong. Subsequently, the Chairman was redesignated as the Chairman and Chief Executive of the Company on 8 October 2006. The Chairman is a beneficiary of discretionary trusts and is deemed interested in the ordinary shares representing approximately 49.5% voting interest in the Company, details as disclosed under Register of Substantial Shareholders in the Annual Report 2017. In the annual board assessment conducted, the role of the Chairman was also assessed in terms of his ability to lead the board effectively, encourage contribution and participation from all members, effectiveness in chairing the general meeting and able to answer queries satisfactorily.

Principle A – Board Leadership and Effectiveness (cont'd)

I. Board Responsibilities (cont'd)

Intended Outcome (cont'd)

1.0 Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the Company. (cont'd)

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
		The strong score rating awarded by the Directors in connection with the annual assessment of the Chairman's role provided the necessary measure and justification that Tan Sri Lim Kok Thay understands the two separate roles and is able to distinctly carry out such roles and responsibilities required of him in achieving the intended outcome of ensuring that the Company is headed by a Board, which assumes responsibility for the Company's leadership and is collectively responsible for meeting the objectives and goals of the Company. The Independent Non-Executive Directors, who form the majority of Board members, provide a check and balance and play a role to ensure a clear separation between the policy-making process and day-to-day management of the Group's businesses. From time to time, the Board takes measures to evaluate the appropriateness of the dual role of the Chairman and Chief Executive performed by the same individual and ensures that the arrangement will continue to be in the interests of the Company and its shareholders as a whole.
Practice 1.4 The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.	Applied	The Company Secretary, an Associate member of The Malaysian Institute of Chartered Secretaries and Administrators, satisfies the qualification as prescribed under Section 235(2) of the Companies Act, 2016 and has the requisite experience and competency in company secretarial services.
Practice 1.5 Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.	Applied	Notice of meetings setting out the agenda and accompanied by the relevant Board papers are given to the Directors with sufficient time for the Directors to review, seek additional information and/or clarification on the matters to be deliberated at Board meetings. The minutes of meetings are prepared and circulated to all the Directors for their review and approval.

Principle A – Board Leadership and Effectiveness (cont'd)

I. Board Responsibilities (cont'd)

Intended Outcome (cont'd)

2.0 There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 2.1 The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies– • the respective roles and responsibilities of the board, board committees, individual directors and management; and • issues and decisions reserved for the board.	Applied	The Board Charter adopted by the Board clearly sets out the respective roles and responsibilities of the Board and the management to ensure accountability. The Board Charter is made available on the Company's website at www.gentingmalaysia.com.

3.0 The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 3.1 The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering. The Code of Conduct and Ethics is published on the company's website.	Applied	The Company has a Code of Conduct and Ethics ("Code") which applies to all employees and Directors of the Group and its subsidiaries. The Code, together with other related policies, procedures and guidelines which are disseminated to employees at the Company's intranet portal, sets out the principles to guide standards of behaviour and business conduct when employees and directors deal with third party and these are integrated into company-wide management practices. The Directors observe the Company Directors' Code of Ethics established by the Companies Commission of Malaysia. Both the Codes can be viewed from the Company's website at www.gentingmalaysia.com.
Practice 3.2 The board establishes, reviews and together with management implements policies and procedures on whistleblowing.	Applied	The Company recognises that any genuine commitment to detecting and preventing actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct must include a mechanism whereby employees and other stakeholders can report their concerns freely without fear of reprisal or intimidation. To this end, the Company has adopted a Whistleblower Policy which is disseminated to employees.

Principle A – Board Leadership and Effectiveness (cont'd)

II. Board Composition

Intended Outcome

4.0 Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 4.1 At least half of the board comprises independent directors. For Large Companies, the board comprises a majority of independent directors.	Applied	The Board has nine members, comprising three Executive Directors and six Independent Non-Executive Directors which fulfils the requirement of the Board comprising a majority of independent directors.
Practice 4.2 The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director. If the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.	Departure	The Board noted that the tenure of an independent director should not exceed a cumulative term of nine years. The Board is of the view that the ability of long serving independent directors to remain independent and to discharge their duties with integrity and competency should not be measured solely by tenure of service. Their long service should not affect their independence as they are independent- minded and they continue to provide the necessary checks and balances in the best interest of the Company. The Independent Directors have each provided an undertaking to Bursa Securities since their appointment confirming and declaring that they are "independent directors" as defined under paragraph 1.01 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad. The Board agreed that ultimately the Independent Directors themselves are the best persons to determine whether they can continue to bring independent and objective judgement to Board deliberations. In relation to the criteria to assess independence of directors, the Board had adopted the same criteria used in the definition of "independent directors" prescribed by the MMLR. Accordingly, Tan Sri Clifford Francis Herbert, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) and Mr Quah Chek Tin who have been Independent Non-Executive Directors of the Company since 27 June 2002, 4 August 2005 and 8 October 2008 respectively, will continue to be Independent Directors of the Company, notwithstanding having served as independent directors on the Board for more than nine years. They are distinguished and well known figures in their field of expertise and being conversant with the Group's businesses, they bring valuable insights and contributions to the Board. For the financial year ended 31 December 2017, each of the Independent Non-Executive Directors had provided their annual confirmations of independence to the Board based on the Company's criteria of assessing independence in line with the definition of "independent directors" prescribed by the MMLR. The Board had assessed and concluded that the six Independent Non-Executive Directors of the Company, namely Tan Sri Dato' Seri Alwi Jantan, Tan Sri Clifford Francis Herbert, Mr Quah Chek Tin, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R), Mr Teo Eng Siong and Dato' Koh Hong Sun continue to demonstrate conduct and behaviour that are essential indicators of independence, and that each of them is independent of the Company's management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company.

Principle A – Board Leadership and Effectiveness (cont'd)

II. Board Composition

Intended Outcome

4.0 Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights. (cont'd)

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
		Each Independent Director has undertaken to notify the Board of any changes in their circumstances or of any new interest or relationship that would affect their independence as an independent director of the Company. The Board will promptly consider that new information in reassessing the Director's independence in the interests of the Company and its shareholders as a whole. In addition to the annual confirmation mentioned above from the Independent Non-Executive Directors, all the Directors are required to confirm on an annual basis if they have any family relationship with any other Director and/or major shareholders of the Company, if there are any conflict of interests with the Company and if they have been convicted of any offence within the past five years other than traffic offences, and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year. These information, together with the annual evaluation and assessment of each Director during the financial year, form the basis and justification for recommending whether the retiring Director should be nominated for re-election at the Annual General Meeting. The Independent Non-Executive Directors serving more than nine years are persons with high caliber and their vast knowledge and experience contributes positively to the growth of the Group. If the Board, including Independent Non-Executive Directors serving more than nine years, is able to continuously give their best efforts by using their expertise and skills to contribute positively towards the stewardship of the Company to attain greater heights, they should remain as Independent Non-Executive Directors of the Company as the intended outcome is achieved as they are able to make objective decision, in the best interest of the Group taking into account diverse perspectives and insights.
Practice 4.3 - Step Up The board has a policy which limits the tenure of its independent directors to nine years.	Not Adopted	
Practice 4.4 Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.	Applied	The Group practices non-discrimination in any form, whether based on age, gender, ethnicity or religion, throughout the organisation. This includes the selection of Board members and senior management.
Practice 4.5 The board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.	Departure	As explained in Practice 4.4 above, for the selection of Board members, the Group practices non-discrimination in any form, whether based on age, gender, ethnicity or religion, throughout the organisation. The Board is mindful of the target of at least 30% women directors and is actively sourcing for suitably qualified female directors.

Principle A – Board Leadership and Effectiveness (cont'd)

II. Board Composition (cont'd)

Intended Outcome (cont'd)

4.0 Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights. (cont'd)

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
		Currently, all the Directors of the Company are male and the racial composition of the Board is 33% Malay, 56% Chinese and 11% Eurasian. 11% of the Directors are between the ages of 30 and 55 and the remaining 89% are above 55 years old. Amongst others, the measure taken by the Board is for any vacant Board position in the future, the Board when sourcing for suitable candidates, consideration is given to identify suitably qualified women candidates in line with the recommendation of the Malaysian Code on Corporate Governance.
Practice 4.6 In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.	Departure	The Board and Nomination Committee did not utilise independent sources to identify suitably qualified candidates as the management understands the specialised industry it operates in. Through its own network and bearing in mind the highly regulated industry in which the Company operates in, the management would be in the best position to look for potential candidates with background which fits the criteria requirements. The Board is open to utilising independent sources to identify suitably qualified candidates where necessary.
Practice 4.7 The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.	Applied	The Chairman of the Nomination Committee, Tan Sri Dato' Seri Alwi Jantan (alwi.jantan@genting.com) has been designated as the Senior Independent Non-Executive Director identified by the Board pursuant to Practice 4.7 of the Malaysian Code on Corporate Governance. The role of the senior independent director is set out in Practice 2.1 above. The Nomination Committee carried out its duties in accordance with its Terms of Reference which can be obtained from the Company's website at www.gentingmalaysia.com. The Nomination Committee met two times during the financial year ended 31 December 2017 where all the members attended. The main activities carried out by the Nomination Committee during the financial year ended 31 December 2017 are set out below: (a) considered and reviewed the Board's succession plans, the present size, structure and composition of the Board and Board Committees as well as the required mix of skills, experience and competency required; (b) considered and reviewed the Senior Management's succession plans; (c) considered and reviewed the training attended by the Directors, discussed the training programmes required to aid the Directors in the discharge of their duties as directors and to keep abreast with industry developments and trends; (d) reviewed and recommended to the Board, the term of office and performance of the Audit Committee and each of its members to determine whether the Audit Committee and members have carried out their duties in accordance with their terms of reference; and

Principle A – Board Leadership and Effectiveness (cont'd)

II. Board Composition (cont'd)

Intended Outcome (cont'd)

4.0 Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights. (cont'd)

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
		(e) assessed and recommended to the Board, the effectiveness of the Board, Board Committees and individual Directors, including the Chief Executive.

5.0 Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 5.1 The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out and its outcome. For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.	Applied	The process of assessing the Directors is an ongoing responsibility of the Nomination Committee and the entire Board. The Board has put in place a formal evaluation process to annually assess the effectiveness of the Board as a whole and the Board Committees, as well as the contribution and performance of each individual Director (including the Independent Non-Executive Directors) and the Chief Executive. In respect of the assessment for the financial year ended 31 December 2017 which was internally facilitated, the Nomination Committee and the Board were satisfied that the Board and Board Committees have discharged their duties and responsibilities effectively and the contribution and performance of each individual Director, including the Chief Executive are satisfactory. The Board was also satisfied that the Board composition in terms of size, the balance between Executive, Non-Executive and Independent Directors and mix of skills was adequate. The Board is mindful of the gender diversity relating to women directors and is actively sourcing for female directors as explained in Practice 4.5 above. The Board took cognisance of Practice 5.1 and at the appropriate time, engages independent experts to facilitate the annual assessment.

Principle A – Board Leadership and Effectiveness (cont'd)

III. Remuneration

Intended Outcome

6.0 The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 6.1 The board has in place policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The policies and procedures are periodically reviewed and made available on the company's website.	Applied	The Company has established a formal remuneration policy for the Executive Directors and senior management to align with business strategy and long term objectives of the Company and its subsidiaries. The Board, as a whole, determines the level of fees of Non-Executive Directors and Executive Directors. The policies and procedures are made available on the Company's website at www.gentingmalaysia.com.
Practice 6.2 The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management. The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the Company's website.	Applied	The Remuneration Committee is responsible for making recommendations to the Board on the remuneration packages of Executive Directors and members of the Board Committees whilst the Board is responsible for making recommendations for the employees including senior management. The Remuneration Committee carried out its duties in accordance with its Terms of Reference which can be obtained from the Company's website at www.gentingmalaysia.com.

7.0 Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 7.1 There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.	Applied	The details of the Directors' remuneration received in 2017 on a named basis are set out in the Appendix A of this Corporate Governance Overview Statement. The Chairman and Chief Executive succeeded his late father, the founder of the Group, and was accorded the level of pay similar to his father's when he took over the role. Thereafter, the Chairman and Chief Executive was awarded annual increments/ bonuses as an executive staff member. As the Chief Executive, Tan Sri Lim Kok Thay is responsible for providing the vision and strategic direction of the Group and to formulate appropriate corporate strategies and develop the business. Further details of his role and responsibilities are set out in the section on Practice 1.3 of this Corporate Governance Overview Statement.

Principle A – Board Leadership and Effectiveness (cont'd)

III. Remuneration (cont'd)

Intended Outcome (cont'd)

7.0 Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance. (cont'd)

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 7.2 The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.	Departure	The Company has disclosed below the information from an alternative perspective which is intended to achieve a similar outcome. The top five senior management (excluding executive directors) of the Company are Dato' Sri Lee Choong Yan, Mr Paul Gerard Vogt Baker, Mr Aaron Chia Khong Chid, Ms Koh Poy Yong and Mr Leow Beng Hooi, their designations as disclosed in the Annual Report 2017. The aggregate remuneration of these executives received in 2017 was RM24.8 million, representing 1.1% of the total employees remuneration of the Group. The remuneration of the aforesaid top five senior management is combination of an annual salary, bonus, benefits in-kind and other emoluments such as an employee share grant scheme are determined in a similar manner as other management employees of the Company. This is based on their individual performance, the overall performance of the Company, inflation and benchmarked against other companies operating in similar industry in the region, including Macau. The basis of determination has been applied consistently from previous years.
Practice 7.3 - Step Up Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.	Not Adopted	

Principle B – Effective Audit and Risk Management

I. Audit Committee

Intended Outcome

8.0 There is an effective and independent Audit Committee. The board is able to objectively review the Audit Committee's finding and recommendations. The company's financial statement is a reliable source of information.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 8.1 The Chairman of the Audit Committee is not the Chairman of the board.	Applied	The Chairman of the Audit and Risk Management Committee is Tan Sri Clifford Francis Herbert, an Independent Non-Executive Director of the Company.
Practice 8.2 The Audit Committee has a policy that requires a former key audit partner to observe a cooling-off period of at least two years before being appointed as a member of the Audit Committee.	Applied	The Terms of Reference of the Audit and Risk Management Committee has been revised to include a cooling-off period of at least two years before a former key audit partner could be appointed as a member of the Audit and Risk Management Committee to safeguard the independence of the audit of the financial statements.

Principle B – Effective Audit and Risk Management (cont'd)

I. Audit Committee (cont'd)

Intended Outcome (cont'd)

8.0 There is an effective and independent Audit Committee. The board is able to objectively review the Audit Committee's finding and recommendations. The company's financial statement is a reliable source of information. (cont'd)

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 8.3 The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor.	Applied	The Audit and Risk Management Committee ensures that the independence and objectivity of the external auditors are not compromised in accordance with the assessment criteria set out in the "Group Policy on External Auditors' Independence". The external auditors are also required to provide confirmation to the Audit and Risk Management Committee that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. The Audit and Risk Management Committee is satisfied with the suitability and independence of the external auditors based on the quality and competency of services delivered, sufficiency of the firm and professional staff assigned to the annual audit as well as the non-audit services performed for the financial year ended 31 December 2017 and has recommended their re-appointment for the financial year ending 31 December 2018.
Practice 8.4 - Step Up The Audit Committee should comprise solely of Independent Directors.	Adopted	The Audit and Risk Management Committee of the Company consists of four members, who are all Independent Non-Executive Directors.
Practice 8.5 Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate and are able to understand matters under the purview of the Audit Committee including the financial reporting process. All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.	Applied	The members of the Audit and Risk Management Committee of the Company comprised at least one member with the requisite accounting qualification based on the requirement of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Members of the Audit and Risk Management Committee are financially literate as they continuously keep themselves abreast with the latest development in the new accounting and auditing standards and the impact it may have on the Group through briefings by the management and the external auditors. During the financial year ended 31 December 2017, the Directors received regular briefings and updates on the Group's businesses, operations, risk management, internal controls, corporate governance, finance and any new or changes to the relevant legislation, rules and regulations. The Company maintains a policy for Directors to receive training at the Company's expense, in areas relevant to them in the discharge of their duties as Directors or Board Committee members, including Mandatory Accreditation Programme for new Directors. The courses and training programmes attended by the Directors in 2017 are attached as Appendix B. The Directors are also required by the Companies Act, 2016 to prepare financial statements for each financial year which have been made out in accordance with the Financial Reporting Standards, the Malaysian Accounting Standards Board Approved Accounting Standards in Malaysia for Entities Other Than Private Entities which give a true and fair view of the financial position of the Group and of the Company at the end of the financial year and financial performance of the Group and of the Company for the financial year.

Principle B – Effective Audit and Risk Management (cont'd)

I. Audit Committee (cont'd)

Intended Outcome (cont'd)

8.0 There is an effective and independent Audit Committee. The board is able to objectively review the Audit Committee's finding and recommendations. The company's financial statement is a reliable source of information. (cont'd)

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
		A statement by the Board of its responsibilities for preparing the financial statements is set out in the Audited Financial Statements for the financial year ended 31 December 2017 of the Company.

II. Risk Management and Internal Control Framework

Intended Outcome

9.0 Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objective is mitigated and managed.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 9.1 The board should establish an effective risk management and internal control framework.	Applied	The Board is responsible for the Group's risk management framework and system of internal control and for reviewing their adequacy and integrity. The Board affirms its overall responsibility for establishing an effective risk management and internal control framework which is in place and has been enhanced over the years.
Practice 9.2 The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.	Applied	The internal control and risk management framework of Genting Malaysia Berhad are designed to manage rather than eliminate risks, and to provide reasonable but not absolute assurance against any material misstatement or loss. Features of the internal control and risk management framework of Genting Malaysia Berhad are set out in the Statement on Risk Management and Internal Control.
Practice 9.3 - Step Up The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.	Adopted	The Audit Committee of the Company which has been assisting the Board in carrying out, among others, the responsibility of overseeing the Company and its subsidiaries' risk management framework and policies, has been renamed as "Audit and Risk Management Committee" with effect from 29 December 2017.

Principle B – Effective Audit and Risk Management (cont'd)

II. Risk Management and Internal Control Framework (cont'd)

Intended Outcome (cont'd)

10.0 Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 10.1 The Audit Committee should ensure that the internal audit function is effective and able to function independently.	Applied	The internal audit function is provided by the internal audit department of the holding company, Genting Berhad ("GENT"). The head of internal audit reports functionally to the Audit and Risk Management Committee of the Company and administratively to the senior management of GENT. He and other internal audit personnel are independent from the operational activities of the Company. The Internal Audit has an Audit Charter approved by the Chairman & Chief Executive of the Company and the Chairman of Audit and Risk Management Committee, which define the mission & objectives, roles & responsibilities, independence, authority, audit standards & code of ethics, audit scope & methodology and audit reporting. The Internal Audit function is headed by Mr Teoh Boon Keong ("Head of Internal Audit" or "Mr Teoh"). The competency and working experience of Mr Teoh and the internal audit team as disclosed in Practice 10.2. The details of the scope of work, performance evaluation and budget of the internal audit function are set out in the Corporate Governance Report.
Practice 10.2 The board should disclose– • whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence; • the number of resources in the internal audit department; • name and qualification of the person responsible for internal audit; and • whether the internal audit function is carried out in accordance with a recognised framework.	Applied	The Head of Internal Audit and other internal audit personnel are independent from the operational activities of the Company and they do not hold management authority and responsibility over the operations that internal audit covers in its scope of works. For year 2017, the average number of internal audit personnel was 28 comprising degree holders and professionals from related disciplines with an average of 8 years of working experience per personnel. Mr Teoh is a member of the Malaysian Institute of Certified Public Accountants and a Chartered Accountant of the Malaysian Institute of Accountants and his working experience is disclosed in the Corporate Governance Report. The internal audit carries out its work according to the standards set by professional bodies, primarily consistent with the Standard for Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and where applicable, reference is made to the standards and statements issued by the international accounting and auditing organisations.

Principle C – Integrity in Corporate Reporting and meaningful relationship with stakeholders

I. Communication with Stakeholders

Intended Outcome

11.0 There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respects to the business of the company, its policies on governance, the environment and social responsibility.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 11.1 The board ensures there is effective, transparent and regular communication with its stakeholders.	Applied	The Group acknowledges the importance of timely and equal dissemination of material information to the shareholders, investors and public at large. The Company holds separate quarterly briefings for fund managers, institutional investors and investment analysts after each quarter's financial results announcement. The Group maintains a corporate website at www.gentingmalaysia.com which provides the relevant information to its stakeholders. The Group also participates in investor forums held locally and abroad and periodically organises briefings and meetings with analysts and fund managers to give them a better understanding of the businesses of the Group.
Practice 11.2 Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.	Departure	The Company would review the need to adopt the integrated reporting based on a globally recognised framework at the appropriate time.

II. Conduct of General Meetings

Intended Outcome

12.0 Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 12.1 Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.	Applied	The Company serves the Notice of Annual General Meeting to the shareholders of the Company at least 28 days prior to the meeting for financial year 2017.
Practice 12.2 All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.	Applied	The date of the Annual General Meeting of the Company is scheduled at the beginning of the calendar year to ensure that all the Directors are present to provide meaningful response to questions addressed to them. All the Directors attended the Annual General Meeting held on 31 May 2017.

Principle C – Integrity in Corporate Reporting and meaningful relationship with stakeholders (cont'd)

II. Conduct of General Meetings (cont'd)

Intended Outcome (cont'd)

12.0 Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings. (cont'd)

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 12.3 Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate– • including voting in absentia; and • remote shareholders' participation at General Meetings.	Departure	This Practice 12.3 recommendation to leverage on technology is a new concept introduced and companies would need time to study the availability of such software and hardware as well as writing the programmes to facilitate such mode of voting.

The summary of the Corporate Governance practices gave a general overview of the application of the Corporate Governance and shareholders are advised to read the Corporate Governance Report for the full details.

Overall, the Company has applied 25 and adopted 2 out of the 36 Practices/Practice Step Up with 7 departures and 2 non-adoption under the Malaysian Code on Corporate Governance. This reflects the Board's strong support of the overall corporate governance objectives as encapsulated in the Malaysian Code on Corporate Governance for :-

- improving the Company's corporate governance practices by creating a healthy and dynamic corporate culture that is driven by the Board together with management;
- increasing the effectiveness of the board oversight function through the establishment of objective audit functions and committees charged with the oversight of internal controls, risk and reporting; and
- enhancing the Company's communication with shareholders and other stakeholders through transparent and timely communication.

Notwithstanding the Company's departures from Practices such as the separation of the position of the Chairman and Chief Executive (Practice 1.3), seeking annual approval of the shareholders to retain an independent directors beyond 9 and 12 years (Practice 4.2) and policy for the Board to have at least 30% women directors (Practice 4.5), the Board will continue to evaluate and assess the Practices and at the appropriate time, take the appropriate steps to narrow the gap, especially for women directors where the Company is actively seeking for suitably qualified female directors to its Board. On Practice 4.6 where the Board is recommended to utilise independent sources to identify suitably qualified candidates, the Board is open to use such facilities where necessary. On Practice 7.2 on the disclosure on named basis the top five senior management's remuneration, the alternative information provided should meet the intended objective.

Apart from the above, the key area of focus and priorities in the future include preparation of the Company for the adoption of integrated reporting based on globally recognised framework (Practice 11.2) as well as facilitating voting in absentia and remote shareholders' participation at general meetings (Practice 12.3) within a time frame of 2 to 5 years.

The stewardship of the Company under the leadership of the present Board ensures that the decisions are made objectively in the best interest of the Company, taking into account diverse perspectives and insights.

This Corporate Governance Overview Statement is made in accordance with a resolution of the Board of Directors dated 27 February 2018.

Group/Company

Disclosure of directors' remuneration received in 2017

Amounts in RM million	Fees	Salaries and bonuses	Defined contribution plan	Other short term employee benefits	Employee Share Scheme	Estimated monetary value of benefits-in-kind	Total
Non-Independent Executive Directors							
Tan Sri Lim Kok Thay	0.173	52.0	5.7	0.4	20.4	1.934	80.607
Tun Mohammed Hanif bin Omar	0.115	1.3	0.1	-	0.6	0.022	2.137
Mr Lim Keong Hui	0.115	1.5	0.1	-	0.6	0.017	2.332
Independent Non-Executive Directors							
Mr Quah Chek Tin	0.139	-	-	-	-	0.005	0.144
Tan Sri Dato' Seri Alwi Jantan	0.119	-	-	-	-	0.005	0.124
Tan Sri Clifford Francis Herbert	0.163	-	-	-	-	0.004	0.167
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi Bin Hj Zainuddin (R)	0.115	-	-	-	-	-	0.115
Mr Teo Eng Siong	0.147	-	-	-	-	0.004	0.151
Dato' Koh Hong Sun	0.140	-	-	-	-	0.008	0.148

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

The following are the courses and training programmes attended by the Directors in 2017:

	NAMES OF DIRECTORS								
COURSES	**Tan Sri Lim Kok Thay**	**Tun Mohammed Hanif bin Omar**	**Mr Lim Keong Hui**	**Mr Quah Chek Tin**	**Tan Sri Dato' Seri Alwi Jantan**	**Mr Teo Eng Siong**	**Tan Sri Clifford Francis Herbert**	**Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)**	**Dato' Koh Hong Sun**
Bursa Malaysia's Sustainability Forum 2017: "The Velocity of Global Change & Sustainability - The New Business Model" by Bursa Malaysia Securities Berhad.				√		√			√
HK Research - Focus Group 4.			√						
A moderator for Economic Governance: Public Sector Governance In A Challenging Economic Enviroment by The Malaysian Economic Association.							√		
A talk by Tan Sri Andrew Sheng of Asia Global Institute, The University of Hong Kong on: "Trump and New Asia Challenges: Options for Asian Finance" by Kenanga Investment Bank Berhad.						√			
Breakfast Talk on CG Watch 2016 entitled "Ecosystems Matter" by Malaysian Directors Academy and The Iclif Leadership and Governance Centre.								√	
Sustainability Engagement Series for Directors/Chief Executive Officer - Inskad, The Business School for the World by Bursa Malaysia Berhad.									√
Briefing on Bank Negara Malaysia's 2016 Annual Report and Financial Stability & Payment Systems Report by Bank Negara Malaysia.							√		
4th BNM–FIDE FORUM Annual Dialogue with Deputy Governor of Bank Negara Malaysia by Bank Negara Malaysia.							√		
"Geeks On An Island" by RW Tech Labs.			√						
Directors' Guide to Crisis Management and Leadership during Crisis by Institute of Enterprise Risk Practitioners.				√					√
The New Companies Act 2016 "Raising the Bar For Directors" by Aram Global Sdn Bhd and Affin Holdings Berhad.								√	
A New Era of Auditor Reporting: "Insights for Investors" by the Malaysian Institute of Accountants (MIA) in collaboration with the Minority Shareholder Watchdog Group (MSWG) and supported by Bursa Malaysia Securities Berhad.				√					
Audit Committee Conference 2017 - Making An Impact by Malaysian Institute of Accountants and The Institute of Internal Auditors Malaysia.									√
Ted 2017: The Future You by TED Conferences, LLC, New York.			√						
The Audit Committee Institute Breakfast Roundtable 2017 by The Audit Committee Institute in Malaysia.				√					
Wild Digital Southeast Asia, Malaysia.			√						
Latest Updates on Directors' Remuneration in Compliance with the Companies Act and the Upcoming Amendment to the Listing Requirements 2017 by Aram Global Sdn Bhd and Affin Holdings Berhad.								√	

COURSES	NAMES OF DIRECTORS								
	Tan Sri Lim Kok Thay	Tun Mohammed Hanif bin Omar	Mr Lim Keong Hui	Mr Quah Chek Tin	Tan Sri Dato' Seri Alwi Jantan	Mr Teo Eng Siong	Tan Sri Clifford Francis Herbert	Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	Dato' Koh Hong Sun
Fintech: Opportunities for the financial services industry in Malaysia by FIDE Forum.									√
Forbes Asia Forum: The Next Typhoon "A Generation Emerges" by Forbes Asia.			√						
36th Management Conference (Plantation Division) of Genting Plantations Berhad ("GENP") Theme: "Building Value Through Integration and Innovation" - Malaysia: Proven Mechanization For Labour Reduction by Encik Abdul Rahim Wilson Abdullah. - Indonesia: Successful Flood Mitigation & Water Management at PT. GAL by Encik Sazale Bin Saar. - Oleochemicals/Bio Refinery - Overview on Processes and Market Trends by Ir Qua Kiat Seng, Advisor AOMG. - Palm Oil Long / Short Term Outlook & How GENP Stack Up by Ms Tan Ting Min, Head of Research, Credit Suisse. - My Story, My Brand - Founder of Sirivat Sandwich - Overcoming Crisis & Business Adversity by Mr Sirivat Voravetvuthikun.			√	√				√	
Risk Management on Corporate Governance by Affin Bank Berhad.								√	
Seminar on Implementing a risk management & internal control framework based on the Malaysian Code of Corporate Governance 2017 by Aram Global Sdn Bhd.						√			
29th Annual Senior Managers' Conference 2017 of Genting Malaysia Berhad. - Theme: Strategic Transformation lead by Professor George Yip. - Introduction: What is strategy? - Business strategies (Group Discussion and Presentation). - Strategic execution plan (Group Discussion). - Strategic transformation needs (Group Discussion and Presentation). - Strategic transformation plans (Group Discussion and Presentation).	√		√	√	√	√	√	√	√
Seminar on the Impact of the Companies Act 2016 on the role of directors on listed companies by Aram Global Sdn Bhd.						√			
A talk by Tan Sri Andrew Sheng of Asia Global Institute, The University of Hong Kong on: "How to position Malaysia in the New Economy - Opportunities and Pitfalls" by Kenanga Investment Bank Berhad.						√			
International Forum on Asia Pacific Retailers Convention & Exhibition 2017 (APRCE).								√	
1/2 day Talk on Code of Corporate Governance 2016 & The Companies Act 2016.								√	
Briefing on the Malaysian Code on Corporate Governance 2017 by PricewaterhouseCoopers.				√					
Forbes Global CEO Conference: The Next Century by Forbes Asia.			√						
Advocacy session on corporate disclosure for directors and principal officers of listed issuers by Bursa Malaysia Berhad.				√					

	NAMES OF DIRECTORS								
COURSES	**Tan Sri Lim Kok Thay**	**Tun Mohammed Hanif bin Omar**	**Mr Lim Keong Hui**	**Mr Quah Chek Tin**	**Tan Sri Dato' Seri Alwi Jantan**	**Mr Teo Eng Siong**	**Tan Sri Clifford Francis Herbert**	**Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)**	**Dato' Koh Hong Sun**
"Focus Group Session on the Proposed Revision of the Corporate Governance Guide" by Bursa Malaysia Berhad.				√					
CG Breakfast Series for Directors: "Leading in a Volatile, Uncertain, Complex, Ambiguous (VUCA) World" by Bursa Malaysia Berhad.		√							
The Post-Budget 2018 Dialogue at the Securities Commission of Malaysia by Malaysian Economic Association.							√		
Information Session Tsinghua University PBCSF 'Belt & Road' Finance EMBA Program by Tsinghua University PBC School of Finance.			√						
Independent Directors Programme: "The Essence of Independence" by Bursa Malaysia Berhad.				√	√				
Briefing on the Companies Act 2016 by Bintulu Port Holdings Berhad.								√	
Tax Seminar - The 2018 Budget organised by Genting Group.				√		√			
Cyber security risk implications and the implications of MFRS 9 on the business strategy – by PricewaterhouseCoopers.								√	
CG Breakfast Series For Directors - Leading Change @ The Brain by Bursa Malaysia Berhad.						√			
30% Club Business Leaders Roundtable Meeting by Securities Commission Malaysia.				√					
Risk Governance Framework for Islamic Banks by Affin Bank Berhad.								√	

AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit Committee was established on 26 July 1994 to serve as a Committee of the Board. In line with the recommendation of the Malaysian Code on Corporate Governance, the Audit Committee which has been assisting the Board in carrying out, among others, the responsibility of overseeing the Company and its subsidiaries' risk management framework and policies, has been renamed as Audit and Risk Management Committee on 29 December 2017.

MEMBERSHIP

The present members of the Audit and Risk Management Committee comprise:

Tan Sri Clifford Francis Herbert	Chairman/Independent Non-Executive Director
Mr Quah Chek Tin	Member/Independent Non-Executive Director
Mr Teo Eng Siong	Member/Independent Non-Executive Director
Dato' Koh Hong Sun	Member/Independent Non-Executive Director

TERMS OF REFERENCE

The Terms of Reference of the Audit and Risk Management Committee are made available on the Company's website at www.gentingmalaysia.com.

ATTENDANCE AT MEETINGS DURING THE FINANCIAL YEAR 2017

The Audit and Risk Management Committee held a total of seven (7) meetings. Details of attendance of the Audit and Risk Management Committee members are as follows:

Name of Member	Number of Meetings Attended*
Tan Sri Clifford Francis Herbert	7 out of 7
Mr Quah Chek Tin	7 out of 7
Mr Teo Eng Siong	7 out of 7
Dato' Koh Hong Sun	7 out of 7

* *The total number of meetings include the special meetings held between members of the Audit and Risk Management Committee who are non-executive Directors of the Company and representatives of the external auditors, PricewaterhouseCoopers PLT without the presence of any Executive Director or management.*

SUMMARY OF WORK DURING THE FINANCIAL YEAR 2017

The Audit and Risk Management Committee carried out its duties in accordance with its Terms of Reference.

During the financial year ended 31 December 2017, this entailed, inter-alia, the following:

i) reviewed and deliberated the internal audit plan for the Company and the Group with the Head of Internal Audit and authorised deployment of the necessary resources to address risk areas identified;

ii) reviewed and deliberated the internal audit reports of the Company and of the Group which were prepared on completion of each internal audit assignment;

iii) engaged with the external auditors on the external audit plan for the Company and the Group;

iv) reviewed and deliberated the external audit reports of the Company and of the Group prepared by the external auditors, including all the key audit matters raised;

v) reviewed with management and the external auditors and deliberated the quarterly results and reports of the Company and of the Group and recommended for their approval by the Board;

vi) reviewed related party and recurrent related party transactions of the Company and of the Group;

vii) analysed and reviewed the proposed audit fees for the external auditors in respect of their audit of the financial statements of the Company and of the Group;

viii) assessed the suitability, objectivity and independence of the external auditors and recommended their re-appointment;

ix) reviewed with management and the external auditors the annual financial statements of the Company and of the Group for the year ended 31 December 2016 and recommended for their approval by the Board;

x) reviewed and deliberated the quarterly reports submitted by the Risk and Business Continuity Management Committee of the Company; and

xi) reviewed the 2016 Annual Report of the Company, including the Audit Committee Report, Sustainability Report and Statement of Risk Management and Internal Control.

HOW THE AUDIT AND RISK MANAGEMENT COMMITTEE DISCHARGED AND MET ITS RESPONSIBILITIES DURING THE FINANCIAL YEAR 2017

1. Financial Reporting

The Audit and Risk Management Committee reviewed with management and the external auditors and deliberated on the quarterly consolidated financial statements and the annual financial statements of the Company and of the Group prior to the approval by the Board, focusing primarily on:

a. changes in or implementation of major accounting policies;

b. significant matters highlighted by management or the external auditors, including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters were addressed; and

c. compliance with accounting standards and other legal or regulatory requirements

to ensure that the financial statements give a true and fair view of the financial position, financial performance and cash flows of the Group and of the Company and are in compliance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia as well as the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). New financial reporting standards and amendments that are effective for the financial year were discussed and it was noted that the adoption of these new standards and amendments did not have any significant impact on the current or prior year and are not likely to materially affect future periods.

The Audit and Risk Management Committee also reviewed and where applicable, commented on the representation letters by the management to the external auditors in relation to the financial statements every quarter.

2. External Audit

In the course of each review of the quarterly financial statements and each audit of the annual financial statements, the external auditors identified discrepancies or matters involving estimates or the exercise of judgement which could have material impact on the financial statements. These matters were discussed with management and resolved, wherever possible, or held for further monitoring and resolution in future.

Significant matters requiring follow up were highlighted in the reports by the external auditors to the Audit and Risk Management Committee. In accordance with International Standards on Auditing, key audit matters which in the opinion of the external auditors were of most significance in their audit of the annual financial statements were brought to the attention of the Audit and Risk Management Committee and highlighted and addressed by the external auditors in their audit report.

The Audit and Risk Management Committee also reviewed and discussed the external auditors' annual audit plan setting out the proposed scope of work before their commencement of the audit of the financial statements of the Group.

The proposed audit fees for the external auditors in respect of their audit of the financial statements of the Company and of the Group were analysed and reviewed by the Audit and Risk Management Committee for recommendation to the Board for approval. Non-audit fees and non-audit related costs payable to the external auditors in respect of non-audit services rendered by the external auditors during the financial year were also reviewed and considered in ascertaining the suitability and independence of the external auditors.

The Audit and Risk Management Committee conducted its annual assessment based on the Group's Policy on external auditors' independence for recommending the reappointment of the external auditors to the shareholders for approval.

Two Audit and Risk Management Committee meetings were held on 21 February 2017 and 22 August 2017 without the presence of any Executive Director or management of the Company to ensure that the external auditors can freely discuss and express their opinions on any matter to the Audit and Risk Management Committee, and the Audit and Risk Management Committee can be sufficiently assured that management has fully provided all relevant information and responded to all queries from the external auditors.

The external auditors shared their observations on significant operational matters and key audit findings, including internal controls.

3. Internal Audit

The Internal Audit function is provided by the Internal Audit Department of the holding company, Genting Berhad based on the plan approved by the Audit and Risk Management Committee, to assist the Board in maintaining a sound system of internal control. The internal audit department reports to the Audit and Risk Management Committee and the primary role of the department is to undertake regular and systematic review of the risk management and internal control processes to provide sufficient assurance that the Company and the Group have sound systems of internal control and that established policies and procedures are adhered to and continue to be effective in addressing the risks identified.

Internal audit functions independently of the activities it audits and carries out its work objectively according to the standards set by professional bodies, primarily consistent with the Standard for Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and where applicable, reference is made to the standards and statements issued by the international accounting and auditing organisations. For each audit, a systematic methodology is adopted, which primarily includes performing risk assessment, developing audit planning memorandum, conducting audit, convening exit meeting and finalising audit report. The audit reports detail out the objectives, scope of audit work, findings, management responses and conclusion in an objective manner and are distributed to the responsible parties.

HOW THE AUDIT AND RISK MANAGEMENT COMMITTEE DISCHARGED AND MET ITS RESPONSIBILITIES DURING THE FINANCIAL YEAR 2017 (cont'd)

3. Internal Audit (cont'd)

The Audit and Risk Management Committee reviewed and approved the 2017 Internal Audit Plan for the Company and the Group and authorised the deployment of necessary resources to address risk areas identified.

The following were considered in the Audit and Risk Management Committee's review:

- The Internal Audit plan was prepared based on a risk based approach with the consideration of 4 factors, namely materiality of transactions and balances, management concerns (including company risk profiles), regulatory requirements and audit evaluation.
- The internal audit scope extends to cover major operating areas of the Company and its subsidiaries which include financial, accounting, information systems, operational and support services and administrative activities.
- The internal audit resources comprise of degree holders and professionals from related disciplines. Senior personnel possess vast experience in the audit profession as well as in the industries that the Company involved in.

The Audit and Risk Management Committee reviewed and deliberated the internal audit reports issued in respect of the Group's entities or operations each quarter. The audits covered various operations, systems, processes and functions across the Company and the Group. Some weaknesses in internal control were identified for the year under review but these are not deemed significant and have not materially impacted the businesses or operations of the Group. Nevertheless, measures have been or are being taken to address these weaknesses. The internal audit reports also included follow-up on corrective measures to ensure and to report to the Audit and Risk Management Committee that management has dealt with the weaknesses identified satisfactorily.

The total costs incurred for the internal audit function of the Group for the financial year ended 31 December 2017 amounted to RM7.35 million.

4. Related Party Transactions

Related party transactions of the Company and its subsidiaries which exceeded pre-determined thresholds were reviewed by the Audit and Risk Management Committee to ensure the transactions were fair, reasonable, on normal commercial terms, not detrimental to the interests of the minority shareholders and in the best interest of the Company before recommending to the Board or shareholders for approval.

The Audit and Risk Management Committee reviewed the recurrent related party transactions of a revenue or trading nature which were necessary for the day to day operations of the Company or its subsidiaries that arose within the Group to ensure that the transactions were in the ordinary course of business and on terms not more favourable to the related parties than those generally available to the public.

5. Risk Management

The Audit and Risk Management Committee reviewed the risk management processes and deliberated on the reports submitted by the Risk and Business Continuity Management Committee of the Company and the annual Statement on Risk Management and Internal Control to ensure that all necessary risk mitigation measures to address the critical risk areas have been or were being put in place.

The Audit and Risk Management Committee also reviewed the adequacy and effectiveness of the internal control system to ensure compliance with the internal controls and procedures set up within the Group.

6. Anti-Money Laundering and Counter Financing of Terrorism

The Audit and Risk Management Committee reviewed report with regard to matters relating to the requirements of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 and the policy documents (Sector 5) issued by the Financial Intelligence and Enforcement Department of Bank Negara Malaysia; and other material regulatory compliance updates impacting the Company and the Group before recommending to the Board for approval.

RISK MANAGEMENT PROCESS

As proper risk management is a significant component of a sound system of internal control, the Group has also put in place a risk management process to help the Board in identifying, evaluating and managing risks. The implementation and maintenance of the risk management process is carried out by the Risk and Business Continuity Management Committee of the Company.

The review of the risk management processes and reports is delegated by the Board to the Audit and Risk Management Committee. In this regard, quarterly risk management reports and the annual Statement on Risk Management and Internal Control are reviewed and deliberated by the Audit and Risk Management Committee prior to recommending for endorsement by the Board.

A Statement on Risk Management and Internal Control which provides an overview of the state of internal controls within the Group is set out on pages 66 to 68 of this Annual Report.

This Audit and Risk Management Committee Report is made in accordance with a resolution of the Board of Directors dated 27 February 2018.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

as at 31 December 2017

Board's Responsibilities

In relation to risk management and internal control, pursuant to the requirements under the Malaysian Code of Corporate Governance (April 2017) for companies listed on the Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors ("the Board") acknowledges their responsibility under the Bursa Securities Main Market Listing Requirements to:-

- Review the risk management framework, processes and responsibilities to provide reasonable assurance that risks are managed within tolerable ranges and embed risk management in all aspects of business activities via identifying principal risks and ensure implementation of appropriate control measures to manage the risks.
- Review the adequacy and integrity of the internal control system and management information systems and systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board confirms that there is an ongoing risk management process established to identify, evaluate and manage significant risks to effectively mitigate the risks that may impede the achievement of the Genting Malaysia Berhad Group of companies' ("the Genting Malaysia Group") business and corporate objectives. It should be noted that an internal control system is designed to manage risks rather than eliminate them, and can provide only reasonable but not absolute assurance against any material misstatement or loss.

The review of the risk management and internal control reports and processes is delegated by the Board to the Audit Committee. In line with its responsibilities, the Audit Committee has been renamed as the Audit and Risk Management Committee ("ARMC") on 29 December 2017.

Management's Responsibilities

Management is accountable to the Board for the risk management and internal control system and for the implementation of processes to identify, evaluate, monitor and report risks and controls. In this regard, the implementation of the risk management process for the Genting Malaysia Group ("the Group") is the responsibility of the Genting Malaysia Berhad's Executive Committee ("Executive Committee") comprising the senior management of Genting Malaysia Berhad and is chaired by the President/Chief Operating Officer.

The Risk and Business Continuity Management Committee ("RBCMC"), has been established at Genting Malaysia Berhad, for its operations in Malaysia to:-

- Institutionalise risk management practices.
- Ensure the effectiveness of the risk management policies and processes.
- Ensure that relevant risks that may impede the achievement of objectives are identified and appropriate mitigating actions have been implemented.
- Identify significant changes to Genting Malaysia Berhad's risks including emerging risks and take actions as appropriate to communicate to Genting Malaysia Group's ARMC and the Board.

The Risk and Business Continuity Management Committee which is chaired by the Genting Malaysia Berhad's Deputy Chief Operating Officer, meets on a quarterly basis to ensure the continual effectiveness, adequacy and integrity of the risk management system and that key risk matters would be recommended for escalation to the ARMC and the Board for deliberation and approval.

In view of the distinct management reporting structures of Genting Malaysia Group's principal subsidiary companies operating overseas, the senior management of the overseas principal subsidiary companies are tasked to identify and manage the significant risks that are affecting their respective business units. The risk management practices adopted by the overseas principal subsidiary companies are aligned to the Group's risk management practices.

Key Internal Control Processes

The Genting Malaysia Group's internal control system encompasses the policies, processes and other aspects of the organisation that facilitates effective and efficient management of its strategic, financial and operational risks and is designed to provide reasonable assurance to the achievement of the Group's objectives.

The key aspects of the internal control process are:-

- The Board and the ARMC meet every quarter to discuss business and operational matters raised by the Management of Genting Malaysia Group ("Management"), Internal Audit and the external auditors including potential risks and control issues.
- The external auditors independently test certain internal controls as part of their audit of the financial statements, and provide recommendations on internal audit findings detected where Management would take appropriate actions on these internal control recommendations.
- The Board has delegated the responsibilities to various committees established by the Board and Management of the holding company and principal subsidiary companies to implement and monitor the Board's policies on controls.
- Delegation of authority including authorisation limits at various levels of Management and those requiring the Board's approval are documented and designed to ensure accountability and responsibility.
- Internal procedures and policies are documented in manuals, which are reviewed and revised periodically to meet changing business and operational requirements as well as statutory reporting needs.
- Performance and cash flow reports are provided to Management and the Executive Committee to facilitate review and monitoring of the financial performance and cash flow position.
- Business/operating units present their annual budget which includes the financial and operating targets, capital expenditure proposals and performance indicators for review by the Executive Committee and the Board.
- A half yearly review of the annual budget is undertaken by Management to identify and where appropriate, to address significant variances from the budget.
- A whistleblower policy is in place to enable anyone with a genuine concern on detrimental actions or improper conduct to raise it through the confidential channels provided.

Internal Audit Function

The Internal Audit function is provided by the Internal Audit Department of the holding company, Genting Berhad, based on the plan approved by the Genting Malaysia Group ARMC, to undertake regular and systematic review of the risk management and internal control processes to provide the Genting Malaysia Group ARMC with sufficient assurance that the systems of internal control are effective in addressing the risks identified.

Internal Audit Department is independent of operational activities and carries out its functions according to the standards set by the professional bodies, primarily consistent with the Standard for Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and where applicable, reference is made to the standards and statements issued by international accounting bodies.

On a quarterly basis, Internal Audit submits audit reports and the status of the internal audit plan for review and approval by the Genting Malaysia Group ARMC. Included in the reports are recommended corrective measures on risks or internal control weaknesses identified, if any, for implementation by Management. Internal Audit also conducts subsequent follow-up work to check that Management has dealt with the recommendations satisfactorily.

The internal audit reviews during the financial year had identified some weaknesses in internal control. These weaknesses have not materially impacted the business or operations of the Group and are not deemed significant. Management have either taken the necessary measures to address these weaknesses or is in the process of addressing them.

Risk Management Function

The Risk Management Department ("Risk Management") facilitates the implementation of the risk management framework and processes of the respective businesses. Risk Management is responsible for reviewing risks on an ongoing basis so that risks that may impede the achievement of objectives are adequately identified, evaluated, managed and controlled.

On a quarterly basis, Risk Management prepares a report detailing the significant risks, the status of risk reviews and the status of implementation of action plans for review by the RBCMC, Executive Committee and ARMC.

The Genting Malaysia Group aligns its risk management practices to ISO 31000:2009 Risk Management – Principles and Guidelines. The strategic, financial and operational risks that impact the Group and its business units are identified, evaluated and managed within the acceptable levels.

The key aspects of the risk management process are:-

- Risks are identified by each key business function/activity along with assessments of the probability and impact of their occurrence. The level of residual risk is determined after identifying and evaluating the effectiveness of existing controls/mitigating measures.
- The risk profiles are re-assessed on a half yearly basis and Business/Operations Heads provide a confirmation that the review has been carried out and that action plans are being monitored.
- The Risk Management Department facilitates discussions with Business/Operations Heads to assess the reasonableness of the risks identified and the appropriateness of the proposed mitigating actions.
- On a quarterly basis, a risk management report detailing Genting Malaysia Berhad's status of risk reviews, significant risk issues identified and the status of implementation of action plans are reviewed and discussed by the RBCMC before presenting to the Executive Committee for approval.
- The risk reports from the principal subsidiary companies are consolidated quarterly for reporting.
- A risk management report summarising the Genting Malaysia Group's significant risks and/or the status of action plans is presented quarterly to the ARMC for review, deliberation and recommendation for endorsement by the Board.

Business continuity management is regarded to be an integral part of the Genting Malaysia Group's risk management process. In this regard, the Genting Malaysia Group has commenced the implementation of business continuity plans to minimise business disruptions in the event of failures of critical IT systems, facilities and operational processes. The documentation of the business continuity plans for the Genting Malaysia Group's core business operations are in place and these business continuity plans are reviewed and updated periodically.

Key Risk Areas for 2017

The Board and Management of Genting Malaysia Group recognise that any major risk exposure inherent in its operating environment and business activities could significantly impede the achievements of Genting Malaysia Group's business and corporate objectives which would adversely affect the Group's ability to create and protect value.

The following are the key risk areas identified in the year under review:

a) Security Risk
The Group is exposed to external threats to its properties and assets, which may, threaten the safety of its customers and employees, interrupt business operations, impair the Group's reputation which could result in financial loss. In light of this, the Group employs vigilant security screening and monitoring at all its key properties and assets.

b) Business Continuity Risk
The business activities of the Group may be disrupted by failure to renew a core operational license or an outbreak of a major contagious disease. Appropriate systems and procedures with adequate capacity and resources have been put in place to mitigate these risks. Relevant disaster recovery and business continuity management plans have been established. These plans are reviewed and updated regularly, and tested that they are effective in mitigating the adverse impact arising from prolonged business disruptions.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

as at 31 December 2017

Conclusion

The process for identifying, evaluating and managing risks as outlined on this statement has been in place for the year under review and up to the date of approval of this statement. The risk management process and internal control system of the Genting Malaysia Group have been reviewed and found to be operating adequately and effectively in all material respects and the Board has accordingly received a statement of assurance from the relevant key executive officers including the Chairman and Chief Executive and Chief Financial Officer of Genting Malaysia Berhad.

In issuing this statement, the Board has also taken into consideration the representations made by the Genting Malaysia's principal subsidiary companies in respect of their risk management and internal control systems.

Review of Statement by External Auditors

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Recommended Practice Guide ("RPG") 5 (Revised) issued by the Malaysian Institute of Accountants, which does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of Genting Malaysia Group.

Based on the procedures performed, nothing had come to their attention that caused them to believe that the Statement on Risk Management and Internal Control set out above was not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor was factually inaccurate.

This Statement on Risk Management and Internal Control is made in accordance with a resolution of the Board dated 27 February 2018.

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

The Directors of **GENTING MALAYSIA BERHAD** have pleasure in submitting their report together with their statement pursuant to Section 251(2) of the Companies Act 2016 therein and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The Company is involved in a tourist resort business at Genting Highlands and its principal activities cover leisure and hospitality services, which comprise gaming, hotel, entertainment and amusement.

The principal activities of the subsidiaries include operation of casinos, leisure and hospitality services, property investment and management, investments, tours and travel related services and provision of sales and marketing services.

Details of the principal activities of the subsidiaries, joint ventures and an associate are set out in Note 40 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.

FINANCIAL RESULTS

	Group RM Million	Company RM Million
Profit before taxation	1,318.2	1,210.2
Taxation	(247.2)	(144.2)
Profit for the financial year	**1,071.0**	**1,066.0**

CONSOLIDATION OF SUBSIDIARY WITH DIFFERENT FINANCIAL YEAR END

The Companies Commission of Malaysia ("CCM") had on 15 January 2018 granted an order pursuant to Section 247(7) of the Companies Act 2016 approving the application by the Company to allow its indirect wholly-owned subsidiary incorporated in India, namely Resorts World Travel Services Private Limited to adopt a financial year end which does not coincide with that of the Company in relation to the financial year ending 31 March 2018, subject to the following conditions:

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

(ii) The Company is to ensure compliance with Sections 252 and 253 of the Companies Act 2016 and Malaysian Financial Reporting Standard 10 on Consolidated Financial Statements pertaining to the preparation of its Consolidated Financial Statements.

TREASURY SHARES

The shareholders of the Company had granted a mandate to the Company to purchase its own shares at the Annual General Meeting held on 31 May 2017.

As at 31 December 2017, the total number of treasury shares held by the Company in accordance with the provisions of Section 127(4) of the Companies Act 2016 was 269,607,400.

DIVIDENDS

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

(i) a special single-tier dividend of 7.30 sen per ordinary share amounting to RM413.0 million in respect of the financial year ended 31 December 2016 was paid on 28 March 2017;

(ii) a final single-tier dividend of 6.20 sen per ordinary share amounting to RM351.1 million in respect of the financial year ended 31 December 2016 was paid on 21 June 2017; and

(iii) an interim single-tier dividend of 4.00 sen per ordinary share amounting to RM226.5 million in respect of the financial year ended 31 December 2017 was paid on 4 October 2017.

A special single-tier dividend of 8.00 sen per ordinary share in respect of the current financial year ended 31 December 2017 has been declared for payment on 30 March 2018 to shareholders registered in the Register of Members on 14 March 2018. Based on the total number of issued shares (less treasury shares) of the Company as at 31 December 2017, the special dividend would amount to RM453.5 million.

The Directors recommend payment of a final single-tier dividend of 5.00 sen per ordinary share in respect of the current financial year ended 31 December 2017 to be paid to shareholders registered in the Register of Members on a date to be determined later by the Directors. Based on the total number of issued shares (less treasury shares) of the Company as at 31 December 2017, the final dividend would amount to RM283.4 million.

RESERVES AND PROVISIONS

There were no other material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

There were no issues of shares or debentures during the financial year.

SHARE OPTIONS

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

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

EMPLOYEE SHARE SCHEME

The Company's Long Term Incentive Plan ("Scheme") was established on 26 February 2015 and is administered by the Remuneration Committee in accordance with the By-Laws for the Scheme. The Scheme is for Executive Directors and certain employees of the Company and its subsidiaries, excluding subsidiaries which are dormant or incorporated outside Malaysia, who have met the criteria of eligibility for participation in the Scheme. The Scheme which comprises restricted share plan ("RSP") and performance share plan ("PSP") took effect from 26 February 2015 and is in force for a period of 6 years ("Scheme Period"). The maximum number of Scheme shares which may be made available under the Scheme shall not exceed 3% of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company at any point of time during the Scheme Period ("Maximum Scheme Shares Available").

During the financial year, the Company granted a total of 8,837,794 Scheme shares to eligible employees as follows, of which 21,662 Scheme shares had lapsed and 8,816,132 Scheme shares remained outstanding as at 31 December 2017:

(i) On 16 March 2017, 5,008,269 Scheme shares were granted under the PSP ("2017 PSP Grant"). The vesting of the Scheme shares is subject to the fulfilment of the performance conditions and the terms and conditions of the By-Laws governing the Scheme ("Vesting Conditions"). Upon fulfilment of the Vesting Conditions, the Scheme shares granted under the 2017 PSP Grant shall be vested equally over three instalments on a market day falling in March 2018, March 2019 and March 2020.

(ii) On 16 March 2017, 3,829,525 Scheme shares were granted under the RSP ("2017 RSP Grant"). Upon fulfilment of the Vesting Conditions, the Scheme shares granted under the 2017 RSP Grant are to be vested on a market day falling in March 2020.

Since the commencement of the Scheme, the Company granted a total of 37,786,132 Scheme shares to eligible employees, of which 932,890 Scheme shares had lapsed and 8,737,200 Scheme shares had been vested with 28,116,042 Scheme shares remained outstanding as at 31 December 2017.

During the financial year and since the commencement of the Scheme, the aggregate maximum number of Scheme shares that may be allocated under the Scheme to any one of the eligible employees (including Executive Directors and Senior Management) shall be determined by the Remuneration Committee from time to time, provided that the allocation to an eligible employee, who, either singly or collectively through persons connected with the eligible employee as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, holds 20% or more of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company, shall not exceed 10% of the Maximum Scheme Shares Available.

The actual percentages of the Scheme shares granted to the Executive Directors and Senior Management during the financial year and since the commencement of the Scheme were 0.08% and 0.44% respectively of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company as at 31 December 2017.

An aggregate of 2,446,078 Scheme shares under the 2017 PSP Grant and 2017 RSP Grant were granted to Executive Directors and Chief Executive during the financial year. 1,927,100 and 2,093,700, being one third of the Scheme shares granted under 2015 PSP Grant and 2016 PSP Grant respectively, had been vested and 12,508,626 Scheme shares remained outstanding as at 31 December 2017. Since the commencement of the Scheme, an aggregate of 18,456,526 Scheme shares were granted to Executive Directors and Chief Executive of which 5,947,900 Scheme shares had been vested and 12,508,626 Scheme shares remained outstanding as at 31 December 2017.

The salient features and details of the Scheme are disclosed in Note 31 to the financial statements.

SHARES HELD FOR EMPLOYEE SHARE SCHEME

During the financial year, 5,914,400 Scheme shares have been vested and transferred from the Trustee of the Scheme to the eligible employees in accordance with the terms and conditions of the By-Laws governing the Scheme. As at 31 December 2017, the Trustee of the Scheme held 5,322,200 ordinary shares representing 0.09% of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company.

DIRECTORATE

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

Tan Sri Lim Kok Thay
Tun Mohammed Hanif bin Omar *
Mr Lim Keong Hui
Tan Sri Dato' Seri Alwi Jantan *
Mr Quah Chek Tin
Tan Sri Clifford Francis Herbert *
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)
Mr Teo Eng Siong
Dato' Koh Hong Sun

DIRECTORATE (cont'd)

* *Tun Mohammed Hanif bin Omar, Tan Sri Dato' Seri Alwi Jantan and Tan Sri Clifford Francis Herbert retired as Directors of the Company in accordance with Section 129 of the Companies Act 1965 at the conclusion of the Company's 37th Annual General Meeting held on 31 May 2017. On the same day, they were appointed as Directors of the Company pursuant to a resolution of the Board of Directors of the Company dated 31 May 2017.*

According to the Register of Directors' Shareholdings, the following persons who were Directors of the Company at the end of the financial year had interests in shares and/or warrants of the Company; Genting Berhad, a company which owned 49.3% equity interest in the Company as at 31 December 2017; and Genting Plantations Berhad and Genting Singapore PLC, both of which are subsidiaries of Genting Berhad, as set out below:

Interest in the Company

Shareholdings in which the Directors have direct interests	**1.1.2017**	**Acquired**	**Disposed**	**31.12.2017**
		(Number of ordinary shares)		
Tan Sri Lim Kok Thay	4,349,800	3,778,100	-	8,127,900
Tun Mohammed Hanif bin Omar	786,100	117,100	200,000	703,200
Mr Lim Keong Hui	61,200	125,600	-	186,800
Tan Sri Dato' Seri Alwi Jantan	1,218,000	-	-	1,218,000
Mr Quah Chek Tin	5,000	-	-	5,000
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	10,000	-	-	10,000
Mr Teo Eng Siong	540,000	-	-	540,000
Dato' Koh Hong Sun	10,000	-	-	10,000
Interest of Spouse/Child of a Director				
Mr Teo Eng Siong	2,000	-	-	2,000
Shareholdings in which the Directors have indirect/deemed interests				
Tan Sri Lim Kok Thay	-	2,796,992,189[(a)]	-	2,796,992,189[(a)]
Mr Lim Keong Hui	-	2,796,992,189[(a)]	-	2,796,992,189[(a)]

Long Term Incentive Plan ("Scheme") shares in the names of Directors	**1.1.2017**	**Granted on 16.3.2017**	**Vested on 16.3.2017**	**31.12.2017**
		(Number of ordinary shares)		
Restricted Share Plan				
Tan Sri Lim Kok Thay	3,709,200[(b)]	494,225[(b)]	-	4,203,425[(b)]
Tun Mohammed Hanif bin Omar	115,000[(b)]	56,800[(b)]	-	171,800[(b)]
Mr Lim Keong Hui	123,400[(b)]	60,000[(b)]	-	183,400[(b)]
Performance Share Plan				
Tan Sri Lim Kok Thay	9,524,748[(b)]	1,467,339[(b)]	3,778,100	7,213,987[(b)]
Tun Mohammed Hanif bin Omar	295,262[(b)]	178,928[(b)]	117,100	357,090[(b)]
Mr Lim Keong Hui	315,738[(b)]	188,786[(b)]	125,600	378,924[(b)]

Interest in Genting Berhad

Shareholdings in which the Directors have direct interests	**1.1.2017**	**Acquired**	**Disposed**	**31.12.2017**
		(Number of ordinary shares)		
Tan Sri Lim Kok Thay	68,119,980	-	-	68,119,980
Tun Mohammed Hanif bin Omar	206,000	-	-	206,000
Mr Quah Chek Tin	5,000	-	-	5,000
Mr Teo Eng Siong	50,000	-	-	50,000
Interest of Spouse/Child of a Director				
Mr Quah Chek Tin	1,000,000	-	-	1,000,000
Shareholdings in which the Directors have indirect/deemed interests				
Tan Sri Lim Kok Thay	-	1,630,411,110[(c)]	-	1,630,411,110[(c)]
Mr Lim Keong Hui	-	1,630,411,110[(c)]	-	1,630,411,110[(c)]

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

DIRECTORATE (cont'd)

Interest in Genting Berhad (cont'd)

Warrantholdings in which the Directors have direct interests	**1.1.2017**	**Acquired**	**Exercised/ Disposed**	**31.12.2017**
		(Number of warrants 2013/2018)		
Tan Sri Lim Kok Thay	17,029,995	-	-	17,029,995
Tun Mohammed Hanif bin Omar	76,500	-	-	76,500
Mr Quah Chek Tin	1,250	-	-	1,250
Mr Teo Eng Siong	12,500	-	-	12,500
Interest of Spouse/Child of a Director				
Mr Quah Chek Tin	250,000	-	-	250,000
Warrantholdings in which the Directors have indirect/deemed interests				
Tan Sri Lim Kok Thay	-	407,602,777[(c)]	-	407,602,777[(c)]
Mr Lim Keong Hui	-	407,602,777[(c)]	-	407,602,777[(c)]

Interest in Genting Plantations Berhad

Shareholdings in which the Directors have direct interests	**1.1.2017**	**Acquired**	**Disposed**	**31.12.2017**
		(Number of ordinary shares)		
Tan Sri Lim Kok Thay	369,000	-	-	369,000
Mr Teo Eng Siong	8,000	-	-	8,000
Shareholdings in which the Directors have indirect/deemed interests				
Tan Sri Lim Kok Thay	-	407,005,000[(d)]	-	407,005,000[(d)]
Mr Lim Keong Hui	-	407,005,000[(d)]	-	407,005,000[(d)]

Warrantholdings in which the Directors have direct interests	**1.1.2017**	**Acquired**	**Exercised/ Disposed**	**31.12.2017**
		(Number of warrants 2013/2019)		
Tan Sri Lim Kok Thay	73,800	-	-	73,800
Mr Teo Eng Siong	1,600	-	-	1,600
Warrantholdings in which the Directors have indirect/deemed interests				
Tan Sri Lim Kok Thay	-	81,401,000[(d)]	-	81,401,000[(d)]
Mr Lim Keong Hui	-	81,401,000[(d)]	-	81,401,000[(d)]

Interest in Genting Singapore PLC

Shareholdings in which the Directors have direct interests	**1.1.2017**	**Acquired**	**Disposed**	**31.12.2017**
		(Number of ordinary shares)		
Tan Sri Lim Kok Thay	12,695,063	750,000	-	13,445,063
Tan Sri Dato' Seri Alwi Jantan	1,264,192	-	-	1,264,192
Mr Quah Chek Tin	1,190,438	-	-	1,190,438
Tan Sri Clifford Francis Herbert	183,292	-	140,000	43,292
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	988,292	-	-	988,292
Mr Teo Eng Siong	100,000	-	-	100,000
Shareholdings in which the Directors have indirect/deemed interests				
Tan Sri Lim Kok Thay	6,353,828,069[(e)]	-	-	6,353,828,069[(e)]
Mr Lim Keong Hui	6,353,828,069[(e)]	-	-	6,353,828,069[(e)]

DIRECTORATE (cont'd)

Interest in Genting Singapore PLC (cont'd)

Performance Shares in the name of a Director	1.1.2017	Awarded	Vested	Lapsed	31.12.2017
	(Number of performance shares)				
Tan Sri Lim Kok Thay	750,000[f]	-	750,000	-	-

Legend

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

(i) *beneficiaries of a discretionary trust of which Parkview Management Sdn Bhd ("PMSB") is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of Kien Huat International Limited ("KHI") which in turn owns 100% of the voting shares of Kien Huat Realty Sdn Berhad ("KHR"). KHR owns more than 20% of the voting shares of Genting Berhad ("GENT") which owns these ordinary shares in Genting Malaysia Berhad ("GENM"). As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of GENM held by GENT as it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in GENT. PMSB as trustee of the discretionary trust is also deemed interested in the ordinary shares of GENM held by KHR by virtue of its controlling interest in KHR; and*

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

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

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

(i) *beneficiaries of a discretionary trust of which PMSB is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of KHI which in turn owns 100% of the voting shares of KHR. As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares and warrants of GENT held by KHR and Inverway Sdn Bhd ("Inverway"), a wholly-owned subsidiary of KHR, by virtue of its controlling interest in KHR and Inverway; and*

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

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

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

(e) *Deemed interest in accordance with the Singapore Securities and Futures Act (Cap. 289) on account of Tan Sri Lim Kok Thay and Mr Lim Keong Hui being beneficiaries of a discretionary trust of which PMSB is the trustee.*

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

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

DIRECTORATE (cont'd)

Apart from the above disclosures:

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

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

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

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

  (i) leased an office premise on the 10th Floor, Genting Centre, Singapore from Resorts World Properties Pte. Ltd., a wholly-owned subsidiary of GENS, which in turn is an indirect 52.8%-owned subsidiary of GENT.

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

  (iii) been appointed by the Company as the consultant for theme park and resort development and operations of the Resorts World Genting at Genting Highlands.

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

(b) Transactions made by the Company or its related corporations with certain corporations or with a Director or with a corporation of which the Director has a substantial financial interest referred to in Note 39 in which the nature of relationships of Tan Sri Lim Kok Thay and Mr Lim Keong Hui are disclosed therein.

Tan Sri Lim Kok Thay and Mr Teo Eng Siong are due to retire by rotation at the forthcoming Annual General Meeting ("AGM") in accordance with Paragraph 99 of the Company's Constitution and they, being eligible, have offered themselves for re-election.

Tun Mohammed Hanif bin Omar, Tan Sri Dato' Seri Alwi Jantan and Tan Sri Clifford Francis Herbert are due to retire at the forthcoming AGM in accordance with Paragraph 104 of the Company's Constitution and they, being eligible, have offered themselves for re-election.

Details of the remuneration of the Directors of the Company are set out in Note 10 to the financial statements.

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

Dato' Sri Lee Choong Yan
Mr Chia Khong Chid
Ms Koh Poy Yong
Mr Koh Chuan Seng
Mr Tan Kong Han
Encik Izwan bin Abdullah @ Loke Kong Sing
Dato' Sri Kan Tong Leong
Mr Declan Thomas Kenny

Total directors' remuneration paid by these subsidiaries during the financial year is RM0.015 million.

INDEMNITY AND INSURANCE COSTS

The Directors and officers of the Group and the Company are covered by Directors and Officers Liability Insurance ("D&O") for any liability incurred in the discharge of their duties provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance is taken by Genting Berhad, the holding company of the Company, on a Genting Berhad group basis. The premium borne by the Company for the D&O coverage during the financial year was approximately RM0.23 million.

OTHER STATUTORY INFORMATION

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

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

(ii) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business including the value of current assets as shown in the accounting records, were written down to an amount which the current assets might be expected so to realise.

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

(i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent;

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

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

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

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

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

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

No contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors:

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

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

SUBSIDIARIES

Details of the subsidiaries of the Company are set out in Note 40 to the financial statements.

HOLDING COMPANY

The Directors of the Company regard Genting Berhad, a company incorporated in Malaysia, as its immediate and ultimate holding company as Genting Berhad continues to have control over the Company within the definition of "control" as set out in Malaysian Financial Reporting Standard 10 "Consolidated Financial Statements", although its shareholding in the Company was 49.3% as at 31 December 2017.

AUDITORS

Details of auditors' remuneration are set out in Note 8 to the financial statements.

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146) was registered on 2 January 2018 and with effect from that date, PricewaterhouseCoopers (AF 1146), a conventional partnership was converted to a limited liability partnership.

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

We, **TAN SRI LIM KOK THAY** and **TUN MOHAMMED HANIF BIN OMAR**, being two of the Directors of **GENTING MALAYSIA BERHAD**, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 77 to 141 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2017 and the financial performance of the Group and of the Company for the financial year ended 31 December 2017 in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed in accordance with a resolution of the Directors dated 27 February 2018.

TAN SRI LIM KOK THAY
Chairman and Chief Executive

TUN MOHAMMED HANIF BIN OMAR
Deputy Chairman

Kuala Lumpur

Amounts in RM million unless otherwise stated

		Group		Company	
	Note(s)	**2017**	2016	**2017**	2016
Revenue	5 & 6	**9,328.7**	8,931.6	**5,711.5**	5,570.0
Cost of sales	7	**(7,135.5)**	(6,449.0)	**(4,076.3)**	(3,652.3)
Gross profit		**2,193.2**	2,482.6	**1,635.2**	1,917.7
Other income		**545.2**	1,792.1	**165.0**	351.4
Selling and distribution costs		**(240.7)**	(243.8)	**(70.9)**	(69.2)
Administration expenses		**(722.0)**	(737.2)	**(287.3)**	(268.8)
Reversal of previously recognised impairment losses	8	**-**	49.2	**-**	-
Impairment losses	8	**(54.6)**	(10.6)	**(29.6)**	(58.0)
Other expenses		**(288.0)**	(171.3)	**(166.1)**	(283.9)
		1,433.1	3,161.0	**1,246.3**	1,589.2
Finance costs	8	**(114.9)**	(70.4)	**(36.1)**	-
Profit before taxation	5, 8, 9 & 10	**1,318.2**	3,090.6	**1,210.2**	1,589.2
Taxation	11	**(247.2)**	(289.9)	**(144.2)**	(124.7)
Profit for the financial year		**1,071.0**	2,800.7	**1,066.0**	1,464.5
Attributable to:					
Equity holders of the Company		**1,159.7**	2,880.1	**1,066.0**	1,464.5
Non-controlling interests		**(88.7)**	(79.4)	**-**	-
		1,071.0	2,800.7	**1,066.0**	1,464.5
Earnings per share for profit attributable to equity holders of the Company:					
Basic earnings per share (sen)	12	**20.48**	50.91		
Diluted earnings per share (sen)	12	**20.42**	50.78		

STATEMENTS OF COMPREHENSIVE INCOME

for the Financial Year Ended 31 December 2017

Amounts in RM million unless otherwise stated

		Group		Company	
	Note	**2017**	2016	**2017**	2016
Profit for the financial year		**1,071.0**	2,800.7	**1,066.0**	1,464.5
Other comprehensive income/(loss), net of tax:					
Item that will not be reclassified subsequently to profit or loss:					
Actuarial gain/(loss) on retirement benefit liability		**5.0**	(13.1)	**-**	-
		5.0	(13.1)	**-**	-
Items that will be reclassified subsequently to profit or loss:					
Available-for-sale financial assets					
- Fair value changes		**-**	(265.2)	**-**	-
- Reclassification to profit or loss upon disposal		**-**	(812.6)	**-**	-
		-	(1,077.8)	**-**	-
Cash flow hedges					
- Fair value changes		**0.7**	3.3	**(3.0)**	3.0
Net foreign currency exchange differences		**(736.2)**	(649.2)	**-**	-
		(735.5)	(1,723.7)	**(3.0)**	3.0
Other comprehensive (loss)/income for the financial year, net of tax	11	**(730.5)**	(1,736.8)	**(3.0)**	3.0
Total comprehensive income for the financial year		**340.5**	1,063.9	**1,063.0**	1,467.5
Total comprehensive income/(loss) attributable to:					
Equity holders of the Company		**414.1**	1,153.5	**1,063.0**	1,467.5
Non-controlling interests		**(73.6)**	(89.6)	**-**	-
		340.5	1,063.9	**1,063.0**	1,467.5

STATEMENTS OF FINANCIAL POSITION

as at 31 December 2017

Amounts in RM million unless otherwise stated

		Group		Company	
	Note	**2017**	2016	**2017**	2016
ASSETS					
Non-Current Assets					
Property, plant and equipment	14	**13,835.4**	12,158.6	**7,980.3**	6,185.8
Land held for property development	15	**184.7**	184.7	**-**	-
Investment properties	16	**2,178.8**	2,317.9	**-**	39.6
Intangible assets	17	**4,654.5**	5,036.3	**16.1**	16.2
Subsidiaries	18	**-**	-	**12,053.2**	11,988.2
Available-for-sale financial assets	19	**145.0**	102.9	**2.1**	2.1
Other non-current assets	21	**1,871.6**	1,842.4	**54.1**	22.4
Deferred tax assets	33	**39.3**	122.4	**-**	-
		22,909.3	21,765.2	**20,105.8**	18,254.3
Current Assets					
Inventories	22	**111.5**	98.2	**54.7**	36.5
Trade and other receivables	23	**684.2**	566.9	**388.0**	372.2
Amounts due from subsidiaries	18	**-**	-	**391.1**	278.9
Amounts due from other related companies	24	**2.1**	9.5	**1.5**	0.2
Financial asset at fair value through profit or loss	26	**7.4**	10.8	**-**	-
Available-for-sale financial assets	19	**120.0**	550.0	**120.0**	350.0
Derivative financial instruments	20	**-**	3.1	**-**	3.1
Restricted cash	27	**71.6**	35.0	**3.6**	2.2
Cash and cash equivalents	27	**5,996.6**	4,855.7	**3,618.5**	2,532.9
		6,993.4	6,129.2	**4,577.4**	3,576.0
Assets classified as held for sale	25	**65.7**	-	**-**	-
		7,059.1	6,129.2	**4,577.4**	3,576.0
Total Assets		**29,968.4**	27,894.4	**24,683.2**	21,830.3
EQUITY AND LIABILITIES					
Equity Attributable to Equity Holders of the Company					
Share capital	28	**1,764.5**	593.8	**1,764.5**	593.8
Reserves	29	**18,503.5**	20,228.3	**16,518.3**	17,594.2
Treasury shares	30	**(911.3)**	(911.3)	**(911.3)**	(911.3)
Shares held for employee share scheme	31	**(21.7)**	(45.8)	**(21.7)**	(45.8)
		19,335.0	19,865.0	**17,349.8**	17,230.9
Non-controlling interests		**(193.2)**	(119.6)	**-**	-
Total Equity		**19,141.8**	19,745.4	**17,349.8**	17,230.9
Non-Current Liabilities					
Long term borrowings	36	**6,590.8**	3,223.2	**-**	-
Other long term liabilities	32	**59.7**	31.6	**-**	-
Amount due to a subsidiary	18	**-**	-	**5,000.0**	2,400.0
Deferred tax liabilities	33	**716.3**	673.8	**234.9**	162.4
Retirement benefit liability		**12.3**	18.0	**-**	-
Provision for retirement gratuities	34	**195.5**	170.7	**186.4**	160.5
		7,574.6	4,117.3	**5,421.3**	2,722.9
Current Liabilities					
Trade and other payables	35	**2,664.6**	2,738.5	**1,473.4**	1,536.3
Amount due to holding company	24	**21.6**	19.9	**21.6**	19.8
Amounts due to subsidiaries	18	**-**	-	**370.2**	283.8
Amounts due to other related companies	24	**157.0**	162.0	**46.9**	36.6
Short term borrowings	36	**309.5**	1,103.4	**-**	-
Derivative financial instruments	20	**-**	4.0	**-**	-
Taxation		**40.1**	3.9	**-**	-
		3,192.8	4,031.7	**1,912.1**	1,876.5
Liabilities classified as held for sale	25	**59.2**	-	**-**	-
		3,252.0	4,031.7	**1,912.1**	1,876.5
Total Liabilities		**10,826.6**	8,149.0	**7,333.4**	4,599.4
Total Equity and Liabilities		**29,968.4**	27,894.4	**24,683.2**	21,830.3

STATEMENTS OF CHANGES IN EQUITY

for the Financial Year Ended 31 December 2017

Amounts in RM million unless otherwise stated

Group	Note	Share Capital	Share Premium	Reserve on Exchange Differences	Cash Flow Hedges Reserve	Employee Share Scheme Reserve	Treasury Shares	Shares held for Employee Share Scheme	Retained Earnings	Total	Non-Controlling Interests	Total Equity
		Attributable to equity holders of the Company										
Balance at 1 January 2017		**593.8**	**1,170.7**	**2,196.6**	**(0.7)**	**53.6**	**(911.3)**	**(45.8)**	**16,808.1**	**19,865.0**	**(119.6)**	**19,745.4**
Transfer of share premium	28	**1,170.7**	**(1,170.7)**	-	-	-	-	-	-	-	-	-
Profit/(loss) for the financial year		-	-	-	-	-	-	-	**1,159.7**	**1,159.7**	**(88.7)**	**1,071.0**
Other comprehensive (loss)/income		-	-	**(751.3)**	**0.7**	-	-	-	**5.0**	**(745.6)**	**15.1**	**(730.5)**
Total comprehensive (loss)/income for the financial year		-	-	**(751.3)**	**0.7**	-	-	-	**1,164.7**	**414.1**	**(73.6)**	**340.5**
Transactions with owners:												
Performance-based employee share scheme	31	-	-	-	-	**46.5**	-	-	-	**46.5**	-	**46.5**
Employee share scheme shares vested to employees	31	-	-	-	-	**(24.1)**	-	**24.1**	-	-	-	-
Appropriation:												
Special single-tier dividend for the financial year ended 31 December 2016 (7.3 sen)	13	-	-	-	-	-	-	-	**(413.0)**	**(413.0)**	-	**(413.0)**
Final single-tier dividend for the financial year ended 31 December 2016 (6.2 sen)	13	-	-	-	-	-	-	-	**(351.1)**	**(351.1)**	-	**(351.1)**
Interim single-tier dividend for the financial year ended 31 December 2017 (4.0 sen)	13	-	-	-	-	-	-	-	**(226.5)**	**(226.5)**	-	**(226.5)**
Total transactions with owners		-	-	-	-	**22.4**	-	**24.1**	**(990.6)**	**(944.1)**	-	**(944.1)**
Balance at 31 December 2017		**1,764.5**	-	**1,445.3**	-	**76.0**	**(911.3)**	**(21.7)**	**16,982.2**	**19,335.0**	**(193.2)**	**19,141.8**

Amounts in RM million unless otherwise stated

Group	Note	Share Capital	Share Premium	Available-for-sale Financial Assets Reserve	Reserve on Exchange Differences	Cash Flow Hedges Reserve	Employee Share Scheme Reserve	Treasury Shares	Shares held for Employee Share Scheme	Retained Earnings	Total	Non-Controlling Interests	Total Equity
		Attributable to equity holders of the Company											
Balance at 1 January 2016		593.8	1,170.7	1,077.8	2,835.6	(4.0)	21.9	(906.7)	(57.3)	14,348.6	19,080.4	26.0	19,106.4
Profit/(Loss) for the financial year		-	-	-	-	-	-	-	-	2,880.1	2,880.1	(79.4)	2,800.7
Other comprehensive (loss)/income		-	-	(1,077.8)	(639.0)	3.3	-	-	-	(13.1)	(1,726.6)	(10.2)	(1,736.8)
Total comprehensive (loss)/income for the financial year		-	-	(1,077.8)	(639.0)	3.3	-	-	-	2,867.0	1,153.5	(89.6)	1,063.9
Transactions with owners:													
Changes in ownership interest in a subsidiary that do not result in a loss of control		-	-	-	-	-	-	-	-	5.5	5.5	(56.0)	(50.5)
Buy-back of own shares	30	-	-	-	-	-	-	(4.6)	-	-	(4.6)	-	(4.6)
Performance-based employee share scheme	31	-	-	-	-	-	43.2	-	-	-	43.2	-	43.2
Employee share scheme shares vested to employees	31	-	-	-	-	-	(11.5)	-	11.5	-	-	-	-
Appropriation:													
Final single-tier dividend for the financial year ended 31 December 2015 (4.3 sen)	13	-	-	-	-	-	-	-	-	(243.3)	(243.3)	-	(243.3)
Interim single-tier dividend for the financial year ended 31 December 2016 (3.0 sen)	13	-	-	-	-	-	-	-	-	(169.7)	(169.7)	-	(169.7)
Total transactions with owners		-	-	-	-	-	31.7	(4.6)	11.5	(407.5)	(368.9)	(56.0)	(424.9)
Balance at 31 December 2016		593.8	1,170.7	-	2,196.6	(0.7)	53.6	(911.3)	(45.8)	16,808.1	19,865.0	(119.6)	19,745.4

Amounts in RM million unless otherwise stated

Company	**Note**	**Share Capital**	**Share Premium**	**Cash Flow Hedges Reserve**	**Employee Share Scheme Reserve**	**Treasury Shares**	**Shares held for Employee Share Scheme**	**Retained Earnings**	**Total**
Balance at 1 January 2017		**593.8**	**1,170.7**	**3.0**	**53.6**	**(911.3)**	**(45.8)**	**16,366.9**	**17,230.9**
Transfer of share premium	28	**1,170.7**	**(1,170.7)**	**-**	**-**	**-**	**-**	**-**	**-**
Profit for the financial year		**-**	**-**	**-**	**-**	**-**	**-**	**1,066.0**	**1,066.0**
Other comprehensive loss		**-**	**-**	**(3.0)**	**-**	**-**	**-**	**-**	**(3.0)**
Total comprehensive (loss)/ income for the financial year		**-**	**-**	**(3.0)**	**-**	**-**	**-**	**1,066.0**	**1,063.0**
Transactions with owners:									
Performance-based employee share scheme	31	**-**	**-**	**-**	**46.5**	**-**	**-**	**-**	**46.5**
Employee share scheme shares vested to employees	31	**-**	**-**	**-**	**(24.1)**	**-**	**24.1**	**-**	**-**
Appropriation:									
Special single-tier dividend for the financial year ended 31 December 2016 (7.3 sen)	13	**-**	**-**	**-**	**-**	**-**	**-**	**(413.0)**	**(413.0)**
Final single-tier dividend for the financial year ended 31 December 2016 (6.2 sen)	13	**-**	**-**	**-**	**-**	**-**	**-**	**(351.1)**	**(351.1)**
Interim single-tier dividend for the financial year ended 31 December 2017 (4.0 sen)	13	**-**	**-**	**-**	**-**	**-**	**-**	**(226.5)**	**(226.5)**
Total transactions with owners		**-**	**-**	**-**	**22.4**	**-**	**24.1**	**(990.6)**	**(944.1)**
Balance at 31 December 2017		**1,764.5**	**-**	**-**	**76.0**	**(911.3)**	**(21.7)**	**16,442.3**	**17,349.8**

Company	Note	Share Capital	Share Premium	Cash Flow Hedges Reserve	Employee Share Scheme Reserve	Treasury Shares	Shares held for Employee Share Scheme	Retained Earnings	Total
Balance at 1 January 2016		593.8	1,170.7	-	21.9	(906.7)	(57.3)	15,315.4	16,137.8
Profit for the financial year		-	-	-	-	-	-	1,464.5	1,464.5
Other comprehensive income		-	-	3.0	-	-	-	-	3.0
Total comprehensive income for the financial year		-	-	3.0	-	-	-	1,464.5	1,467.5
Transactions with owners:									
Buy-back of own shares	30	-	-	-	-	(4.6)	-	-	(4.6)
Performance-based employee share scheme	31	-	-	-	43.2	-	-	-	43.2
Employee share scheme shares vested to employees	31	-	-	-	(11.5)	-	11.5	-	-
Appropriation:									
Final single-tier dividend for the financial year ended 31 December 2015 (4.3 sen)	13	-	-	-	-	-	-	(243.3)	(243.3)
Interim single-tier dividend for the financial year ended 31 December 2016 (3.0 sen)	13	-	-	-	-	-	-	(169.7)	(169.7)
Total transactions with owners		-	-	-	31.7	(4.6)	11.5	(413.0)	(374.4)
Balance at 31 December 2016		593.8	1,170.7	3.0	53.6	(911.3)	(45.8)	16,366.9	17,230.9

STATEMENTS OF CASH FLOWS

for the Financial Year Ended 31 December 2017

Amounts in RM million unless otherwise stated

	Group		Company	
	2017	2016	**2017**	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	**1,318.2**	3,090.6	**1,210.2**	1,589.2
Adjustments for:				
Depreciation of property, plant and equipment	**796.8**	661.1	**380.8**	266.0
Depreciation of investment properties	**20.2**	20.0	**-**	0.2
Amortisation of intangible assets	**122.9**	119.6	**0.1**	-
Property, plant and equipment written off	**8.6**	21.0	**2.7**	2.8
Net (gain)/loss on disposal of property, plant and equipment	**(30.4)**	(37.2)	**(1.2)**	0.3
Reversal of previously recognised impairment losses	**-**	(49.2)	**-**	-
Impairment losses	**54.6**	10.6	**29.6**	58.0
Fair value loss/(gain) on financial asset at fair value through profit or loss	**2.5**	(2.2)	**-**	-
Gain on disposal of available-for-sale financial assets	**-**	(1,272.9)	**-**	-
Investment income	**(15.6)**	(27.6)	**(7.2)**	(13.3)
Interest income	**(304.3)**	(235.7)	**(37.8)**	(47.4)
Dividend income	**-**	-	**(54.5)**	(186.0)
Finance costs	**114.9**	70.4	**36.1**	-
(Reversal of impairment losses)/impairment losses on receivables	**(0.4)**	80.1	**0.8**	-
(Reversal of provision)/provision for onerous leases	**(0.3)**	62.6	**-**	-
Provision for retirement gratuities	**40.2**	23.8	**32.7**	26.6
Employee share scheme expenses	**46.5**	43.2	**46.5**	43.2
Gain on disposal of a subsidiary	**(2.8)**	-	**-**	-
Gain on bargain purchase	**(2.8)**	-	**-**	-
Amount due from an associate written off	**5.4**	-	**-**	-
Net foreign currency exchange losses/(gains) - unrealised	**119.0**	(44.4)	**36.1**	(1.0)
	975.0	(556.8)	**464.7**	149.4
Operating profit before working capital changes	**2,293.2**	2,533.8	**1,674.9**	1,738.6
Working capital changes:				
Inventories	**(13.6)**	(2.2)	**(18.2)**	0.9
Receivables	**13.6**	(59.2)	**(5.5)**	(59.1)
Payables	**104.2**	113.4	**(18.5)**	8.6
Holding company	**1.7**	(2.0)	**1.8**	(1.9)
Related companies	**(3.9)**	18.5	**8.9**	(8.3)
Subsidiaries	**-**	-	**25.3**	261.3
Restricted cash	**(29.9)**	8.0	**-**	-
Other non-current assets	**63.0**	58.8	**-**	-
	135.1	135.3	**(6.2)**	201.5
Cash generated from operations	**2,428.3**	2,669.1	**1,668.7**	1,940.1
Retirement gratuities paid	**(2.9)**	(2.8)	**(2.4)**	(1.7)
Taxation paid	**(202.9)**	(267.9)	**(69.9)**	(197.3)
Taxation refund	**27.1**	15.5	**-**	0.4
Onerous lease paid	**(94.8)**	(4.5)	**-**	-
	(273.5)	(259.7)	**(72.3)**	(198.6)
NET CASH FLOW FROM OPERATING ACTIVITIES	**2,154.8**	2,409.4	**1,596.4**	1,741.5

STATEMENTS OF CASH FLOWS (cont'd)

for the Financial Year Ended 31 December 2017

Amounts in RM million unless otherwise stated

	Group		Company	
	2017	2016	**2017**	2016
CASH FLOWS FROM INVESTING ACTIVITIES				
Property, plant and equipment	**(2,659.0)**	(3,117.3)	**(2,278.3)**	(2,362.8)
Investment properties	**(51.0)**	(0.3)	**(0.8)**	-
Proceeds from disposal of property, plant and equipment	**12.8**	334.1	**5.0**	0.2
Proceeds from disposal of available-for-sale financial assets	**430.0**	1,738.3	**230.0**	-
Proceeds from redemption of unquoted preference shares in a Malaysian corporation	**-**	100.0	**-**	-
Purchase of intangible assets	**-**	(7.4)	**-**	(1.3)
Purchase of unquoted equity investment in a foreign corporation	**(51.0)**	-	**-**	-
Investment in promissory notes	**(69.4)**	(483.3)	**-**	-
Increase in investment in existing subsidiaries	**-**	-	**(0.6)**	(27.3)
Investment and dividend income received	**9.8**	37.1	**16.6**	79.6
Interest received	**103.9**	92.0	**90.4**	68.3
Restricted cash	**(9.7)**	-	**-**	-
Proceeds from disposal of a subsidiary	**3.0**	-	**-**	-
NET CASH FLOW FROM INVESTING ACTIVITIES	**(2,280.6)**	(1,306.8)	**(1,937.7)**	(2,243.3)
CASH FLOWS FROM FINANCING ACTIVITIES				
Buy-back of own shares	**-**	(4.6)	**-**	(4.6)
Dividends paid	**(990.6)**	(413.0)	**(990.6)**	(413.0)
Finance costs paid	**(236.0)**	(162.5)	**(176.8)**	(113.5)
Proceeds from bank borrowings	**2,409.7**	1,531.4	**-**	-
Proceeds from issuance of medium term notes	**2,600.0**	-	**-**	-
Repayment of borrowings and transaction costs	**(2,339.8)**	(1,732.6)	**-**	-
Borrowing from a subsidiary, net of transaction costs	**-**	-	**2,597.1**	-
Restricted cash	**(1.4)**	44.8	**(1.4)**	(0.9)
NET CASH FLOW FROM FINANCING ACTIVITIES	**1,441.9**	(736.5)	**1,428.3**	(532.0)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	**1,316.1**	366.1	**1,087.0**	(1,033.8)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	**4,855.7**	4,519.0	**2,532.9**	3,566.1
EFFECT OF CURRENCY TRANSLATION	**(175.2)**	(29.4)	**(1.4)**	0.6
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	**5,996.6**	4,855.7	**3,618.5**	2,532.9
ANALYSIS OF CASH AND CASH EQUIVALENTS				
Bank balances and deposits (Note 27)	**3,186.8**	1,947.7	**1,402.8**	1,197.6
Money market instruments (Note 27)	**2,809.8**	2,908.0	**2,215.7**	1,335.3
	5,996.6	4,855.7	**3,618.5**	2,532.9

Details of significant non-cash transactions during the financial year are set out in Note 38 to the financial statements.

NOTES TO STATEMENTS OF CASH FLOWS

Amounts in RM million unless otherwise stated

	Reconciliation of liabilities arising from financing activities				
Group 2017	**Long term borrowings**	**Short term borrowings**	**Amount due to a subsidiary**	**Interest* payable**	**Total**
Beginning of the financial year	3,223.2	1,103.4	-	44.3	4,370.9
Cash flows	3,450.5	(780.6)	-	(236.0)	2,433.9
Non-cash changes					
Other finance costs	17.7	1.3	-	0.9	19.9
Interest on borrowings	-	-	-	269.0	269.0
Exchange differences	(92.7)	(22.5)	-	(4.1)	(119.3)
Reclassification	(7.9)	7.9	-	-	-
End of financial year	6,590.8	309.5	-	74.1	6,974.4
Company 2017					
Beginning of the financial year	-	-	2,396.5#	40.7	2,437.2
Cash flows	-	-	2,597.1	(176.8)	2,420.3
Non-cash changes					
Other finance costs	-	-	-	0.8	0.8
Interest on borrowings	-	-	-	209.3	209.3
End of financial year	-	-	4,993.6#	74.0	5,067.6

* *Interest payable for the Group and Company are classified under trade and other payables and amount due to subsidiaries, respectively.*

The amount due to a subsidiary is presented net of transaction costs incurred of RM6.4 million (2016: RM3.5 million).

Amounts in RM million unless otherwise stated

1. CORPORATE INFORMATION

Genting Malaysia 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 ("Bursa Securities"). The registered office of the Company is located at 24th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur.

The Company is involved in a tourist resort business at Genting Highlands and its principal activities cover leisure and hospitality services, which comprise gaming, hotel, entertainment and amusement.

The principal activities of the subsidiaries include operation of casinos, leisure and hospitality services, property investment and management, investments, tours and travel related services and provision of sales and marketing services.

Details of the principal activities of the subsidiaries, joint ventures and an associate are set out in Note 40 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 the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

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

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates 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 financial year. It also requires Directors to exercise their judgement in the process of applying the Group and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

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) Impairment of goodwill and other intangible assets with indefinite useful lives

The Group tests goodwill and other intangible assets with indefinite useful lives for impairment annually in accordance with its accounting policy. The calculations require the use of estimates as set out in Note 17.

(ii) Impairment of property, plant and equipment, investment properties, licences with definite useful lives and investments in subsidiaries

The Group tests property, plant and equipment, investment properties, licences with definite useful lives and investments in subsidiaries 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 14, 16, 17 and 18.

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

The Group tests promissory notes issued by the Tribe for impairment if there is any objective evidence of impairment in accordance with its accounting policy. The impairment assessment is judgemental as disclosed in Note 21.

(iv) Impairment and valuation of equity investments in foreign corporations classified as available-for-sale financial assets

The Group tests impairment of equity investments in foreign corporations classified as available-for-sale financial assets for impairment if there is any objective evidence of impairment in accordance with its accounting policy. The impairment assessment and valuation of the equity investments are judgemental as disclosed in Note 19.

(v) Useful lives of property, plant and equipment

The Group conducts a regular review of the estimated useful lives of its assets in line with its business operations. This has resulted in a reduction in the depreciation expense by RM91.2 million during the current financial year.

3. SIGNIFICANT ACCOUNTING POLICIES

Standards and amendments to published standards 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 2017:

- Amendments to MFRS 107 "Statement of Cash Flows" – Disclosure Initiative
- Amendments to MFRS 112 "Income Taxes" – Recognition of Deferred Tax Assets for Unrealised Losses
- Annual Improvements to MFRSs 2014 – 2016 Cycle : MFRS 12 "Disclosure of Interests in Other Entities"

The adoption of the Amendments to MFRS 107 has required additional disclosure of changes in liabilities arising from financing activities. The additional disclosure is disclosed in notes to the Statements of Cash Flows. Other than that, the adoption of these amendments did not have any impact on the current period or any prior period and is not likely to affect future periods.

Standards and amendments to published standards that have been issued but not yet effective

A number of new standards and amendments to standards are effective for financial year beginning after 1 January 2017. None of these are expected to have a significant impact on the financial statements of the Group and the Company, except the following set out below:

- MFRS 9 "Financial Instruments" (effective from 1 January 2018) 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 ("FVTPL") 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 changes are:

  - For financial liabilities classified as FVTPL, the fair value changes due to an entity's own credit risk is recognised directly in OCI. There is no subsequent recycling to profit or loss.
  - When a financial liability measured at amortised cost is modified without resulting in derecognition, a gain or loss, being the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate, should be recognised immediately in profit or loss.

  MFRS 9 introduces an expected credit loss model on impairment 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 Group has reviewed its financial assets and liabilities and expects the following impact from the adoption of MFRS 9 on 1 January 2018:

  Majority of the Group's debt and equity instruments that are currently classified as available-for-sale will satisfy the conditions for classification as financial assets at fair value through other comprehensive income ("FVOCI"). Fair value changes on equity investments at FVOCI are presented in OCI and are not subsequently transferred to profit or loss. Upon sale of equity investments at FVOCI, the cumulative gain or loss in OCI is reclassified to retained earnings. Certain available-for-sale investment in income funds do not meet the criteria to be classified either at FVOCI or at amortised cost and the investment will have to be reclassified to financial assets at fair value through profit or loss ("FVTPL"). There was no fair value gains or losses related to this investment recorded in the available-for-sale financial assets reserve as at 31 December 2017 and accordingly, no reclassification to retained earnings is required.

  The other financial assets held by the Group and/or the Company include:

  - equity instruments currently classified as available-for-sale for which a FVOCI election is available;
  - equity investment currently measured at FVTPL which will continue to be measured on the same basis under MFRS 9; and
  - debt instruments currently measured at amortised cost which meet the conditions for classification as amortised cost under MFRS 9.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Standards and amendments to published standards that have been issued but not yet effective (cont'd)

A number of new standards and amendments to standards are effective for financial year beginning after 1 January 2017. None of these are expected to have a significant impact on the financial statements of the Group and the Company, except the following set out below (cont'd):

- MFRS 9 "Financial Instruments" (effective from 1 January 2018) will replace MFRS 139 "Financial Instruments: Recognition and Measurement" (cont'd)

  There will be no impact on the Group's and the Company's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group and the Company do not have any such financial liabilities. The derecognition rules have been transferred from MFRS 139 'Financial Instruments: Recognition and Measurement' and have not been changed.

  The new impairment model requires the recognition of impairment provisions based on expected credit losses ("ECL") rather than incurred credit losses as is the case under MFRS 139. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under MFRS 15 "Revenue from Contracts with Customers", lease receivables, loan commitments and certain financial guarantee contracts. Based on the assessments undertaken to date, the Group and the Company do not expect any significant impact to the loss allowance recognised.

  MFRS 9 also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's and the Company's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

  The Group will apply the new rules retrospectively from 1 January 2018 with restatement of the comparatives for 2017.

- MFRS 15 "Revenue from Contracts with Customers" (effective from 1 January 2018) replaces MFRS 118 "Revenue" and MFRS 111 "Construction Contracts" and related interpretations. The core principles 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.

  Revenue is recognised when a customer obtains control of goods or services, that is, when the customer has the ability to direct the use of and obtain the benefits from the goods or services.

  A new five-step process is applied before revenue can be recognised:
  - Identify contracts with customers;
  - Identify the separate performance obligations;
  - Determine the transaction price of the contract;
  - Allocate the transaction price to each of the separate performance obligations; and
  - Recognise the revenue as each performance obligation is satisfied.

  Key provisions of the new standard are as follows:
  - Any bundled goods or services that are distinct must be separately recognised, and any discounts or rebates on the contract price must generally be allocated to the separate elements.
  - If the consideration varies (such as for incentives, rebates, performance fees, royalties, success of an outcome, etc.), minimum amounts of revenue must be recognised if they are not at significant risk of reversal.
  - The point at which revenue is able to be recognised may shift: some revenue which is currently recognised at a point in time at the end of a contract may have to be recognised over the contract term and vice versa.
  - There are new specific rules on licences, warranties, non-refundable upfront fees, and consignment arrangements.
  - As with any new standard, there are also increased disclosures.

  The Group has assessed the effects of applying MFRS 15 on the Group's and the Company's financial statements. Based on the assessments undertaken to-date, the adoption of MFRS 15 is not anticipated to have significant impact on the financial statements of the Group and the Company in the year of initial application.

  The Group intends to adopt MFRS 15 using the full retrospective approach from 1 January 2018 with restatement of the comparatives for 2017, where applicable.

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

A number of new standards and amendments to standards are effective for financial year beginning after 1 January 2017. None of these are expected to have a significant impact on the financial statements of the Group and the Company, except the following set out below (cont'd):

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

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

  The right-of-use asset is depreciated in accordance with the principles 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 adoption of MFRS 16 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.

The following are the significant accounting policies adopted by the Group:

Basis of Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured 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 value 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 a 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, any gain or loss arising from such remeasurement are recognised in 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 a change to OCI. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

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

Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Basis of Consolidation (cont'd)

(b) Changes in ownership interest in subsidiaries without change of control (cont'd)

Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in equity attributable to owners of the Group.

(c) 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 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 using the equity method, after initially being recognised at cost in the consolidated statement of financial position. Under the equity method, the investment in a joint venture is initially recognised at cost, and adjusted thereafter to recognise the Group's share of post-acquisition profits or losses of the joint venture in profit or loss, and the Group's share of movements in OCI of the joint venture in OCI. Dividends received or receivable from a joint venture are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture, including any long-term interests that, in substance, form part of the Group's net investment in the joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

(d) Associates

Associates are entities 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 using 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.

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 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 remeasured.

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 profit or loss.

Investments in Subsidiaries, Joint Ventures and Associates

In the Company's separate financial statements, investments in subsidiaries, joint ventures and associate are carried 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 profit or loss.

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 the subsidiaries.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Property, Plant and Equipment

Property, plant and equipment are tangible items that:

i) are held for use in the production or supply of goods or services, or for administrative purposes; and

ii) are expected to be used during more than one period.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss where applicable.

Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. See accounting policy note 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 recognised as expenses in profit or loss during the financial period that they are incurred.

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 to disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

Freehold land and property, plant and equipment which are under construction are not depreciated. Depreciation on assets under construction commences when the assets are ready for their intended use.

Leasehold land classified as finance lease commences amortisation from the time when the land interest becomes available for its intended use. Amortisation of leasehold land classified as finance lease and depreciation on other assets are calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives as follows:

Leasehold land classified as finance lease	51 to 99 years
Buildings and improvements	2 to 50 years
Plant, equipment and vehicles	2 to 50 years
Aircrafts, sea vessels and improvements	2 to 25 years

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

At the end of the reporting period, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy note on impairment of non-financial assets.

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

Investment Properties

Investment properties consist of investments in land and buildings that are held for long-term rental yield and/or for capital appreciation and are not occupied by the Group. It is initially measured at cost, including direct transaction costs and borrowing costs if the investment properties meet the definition of qualifying asset.

The Group adopted the cost model to measure all its investment properties. 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 measured at depreciated cost less any accumulated impairment losses. Depreciation for other investment properties is calculated using a straight-line method to allocate the cost to their residual values over their estimated useful lives as follows:

Leasehold land	51 to 97 years
Buildings and improvements	2 to 50 years

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. The carrying amount of the replaced part is derecognised. 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.

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

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 carrying amount and are included in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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 loss, if any. Cost comprises the acquisition cost and cost incurred on land improvements.

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 the purpose for which the asset was acquired. The Group determines the classification of its financial assets at initial recognition. Set out below are the major classifications of financial assets of the Group:

(i) 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 from the end of the reporting period.

(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. If collection of the amounts is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Loans and receivables are included in "trade and other receivables", "other non-current assets", "amounts due from subsidiaries and other related companies" and "cash and cash equivalents" in the statement of financial position (see accounting policy note on receivables).

(iii) Financial assets at fair value through profit or loss

There are two subcategories: 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 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 sold within 12 months after the end of the reporting period; otherwise, they are presented as non-current assets.

(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. Financial assets are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset 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 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.

Changes in the fair value of financial assets at fair value through profit or loss 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 profit or loss when the Group's right to receive payments is established.

Changes in 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 profit or loss; 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 profit or loss as "gains and losses from investment securities".

Interest on available-for-sale securities calculated using the effective interest method is recognised in profit or loss. Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Assets (cont'd)

(b) Recognition and measurement (cont'd)

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) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

(d) Impairment of financial assets

The Group assesses at the end of each reporting period 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 profit or loss. Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are not reversed through profit or loss in the subsequent period.

Intangible Assets

(a) Goodwill

Goodwill arises from a business combination and represents the excess of the aggregate of fair value of 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 on the acquisition date. If the fair value 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 profit or loss. Goodwill is stated at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of annual impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

(b) Licences

Casino licences – indefinite lives

The Group capitalises purchased casino licences. The amount capitalised is the difference between the price paid for a casino including the associated licence and the fair value of a similar property without a casino licence. Casino licences have indefinite useful lives as there is no foreseeable limit to the period over which the licences are expected to generate cash inflows. Each licence is reviewed annually for impairment and as such is stated at cost less any accumulated impairment losses.

Purchased licences – definite lives

The Group capitalises purchased licences. The licences, which have definite useful lives, are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. The cost is amortised using the straight line method over its estimated useful lives of 30 to 40 years.

The amortisation period and amortisation method are reviewed at the end of each reporting period. The effects of any revision are recognised in profit or loss when changes arise. Where an indication of impairment exists, the carrying amount of licences are assessed and written down immediately to its recoverable amount.

(c) Trademarks

Trademarks are stated at cost less any accumulated impairment losses. Trademarks have an indefinite useful life as it is maintained through continuous marketing and upgrading. Trademarks are tested annually for impairment. Where an indication of impairment exists, the carrying amount of trademarks are assessed and written down immediately to its recoverable amount.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Intangible Assets (cont'd)

(d) Casino Concession Agreement

Casino concession agreement is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method over the term of the concession agreement periods. The amortisation period and amortisation method are reviewed at the end of each reporting period. The effects of any revision are recognised in profit or loss when changes arise. Where an indication of impairment exists, the carrying amount of concession agreement is assessed and written down immediately to its recoverable amount.

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 lives or intangible assets not yet available for use, if any, for impairment annually by comparing its carrying amount with its recoverable amount; and

(b) tests goodwill acquired in a business combination, if any, 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

An impairment loss is charged to 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 suffered an 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 shall be treated as a revaluation increase. An impairment loss recognised for goodwill shall not be reversed.

Construction Contracts

Where the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract is recognised as other income and other expenses respectively by reference to the stage of completion of the contract activity at each reporting date ("percentage of completion method"), as measured by the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

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. 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).

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 cost of completion and the estimated costs necessary to make the sale.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Non-Current Assets Held-For-Sale

Non-current assets are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities classified as held for sale continue to be recognised.

Non-current assets classified as held-for-sale are presented separately from the other assets in the statement of financial position. The liabilities classified as held for sale are presented separately from other liabilities in the statement of financial position.

Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. 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 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. The amount of the impairment loss is recognised in 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 profit or loss.

Cash and Cash Equivalents

Cash and cash equivalents include cash and bank balances, deposits, money market instruments and other short term (with original maturities of 3 months or less), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Payables

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Finance Leases

(a) Accounting for Lessee

Leases of property, plant and equipment where the Group, as lessee, assumes substantially all the benefits and risks of ownership are classified as finance leases.

Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of interest on the balance outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance charge incurred on qualifying assets are capitalised until the assets are ready for their intended use after which such expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance lease is depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

(b) Accounting for Lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of return on the balance outstanding.

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 profit or loss on a straight-line basis over the period of the lease.

(b) Accounting for Lessor

Leases where the Group retains substantially all risks and rewards of ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Operating Leases (cont'd)

(b) Accounting for Lessor (cont'd)

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, 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.

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 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.

Shares Held for Employee Share Scheme ("ESS")

The Group's ESS is administered by a share trust which is consolidated in the Group's financial statements. Shares held by the trust and yet to be issued to employees at the end of the reporting date are shown as shares held for ESS. On presentation in the statement of financial position, the carrying amount of the shares held for ESS is offset against equity.

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 period.

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 profit or loss over the period of the borrowings.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to 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 amortisations recognised.

Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. A contingent liability is disclosed, unless the possibility of an outflow of resource embodying economic benefit is remote. When a change in the probability of an outflow of economic resources occurs and the outflow is probable, it will then be recognised as a provision. However, contingent liabilities do not include financial guarantee contracts.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflow of economic benefits is probable, but not virtually certain. When inflow of economic resources is virtually certain, the asset is recognised.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are measured at the present value of management's best estimate of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

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.

Income Taxes

Current taxation is determined according to the tax laws of each jurisdiction in which the Group operates and includes all taxes based upon the taxable income and is measured using the tax rates which are applicable at the end of the reporting period.

Deferred tax is provided in full, using liability method, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their related tax bases. However, deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilised. Deferred tax liabilities and assets are measured at the tax rates that have been enacted or substantively enacted by the end of the reporting period 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 associate except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Tax benefits from investment tax allowance and customised incentive granted under the East Coast Economic Region are recognised when the tax credit is utilised and no deferred tax asset is recognised on the unutilised tax benefits.

Deferred and current tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Employee Benefits

(a) Short term employee benefits

Short term employee benefits include wages, salaries, bonus, social security contributions and 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 of the employee's performance to be rendered in the later years up to the 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 date of the statement of financial position 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 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Employee Benefits (cont'd)

(d) Employee share scheme

For equity-settled, share-based compensation plan, the fair value of employee services rendered in exchange for the grant of the shares is recognised as an expense with a corresponding increase in equity over the vesting period. The total amount to be expensed in profit or loss over the vesting period is determined by reference to the fair value of shares granted at the grant date and the number of shares vested by vesting date. At each reporting date, the Group will revise its estimates of the number of shares that are expected to be vested and recognise the impact of this revision in profit or loss with a corresponding adjustment to equity.

Revenue Recognition

Revenues 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 revenue within the Group.

Gaming revenue represents net house takings, which is the aggregate of wins and losses arising from gaming play. Revenue is reported after deduction of goods and services tax, rebates and loyalty points awarded to customers. The casino licence in Malaysia is renewable every three months.

Dividend income is recognised when the right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

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.

Investment and interest income are recognised using the effective interest method.

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 completed.

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 profit or loss. However, exchange differences are deferred in OCI when they arose from qualifying cash flow or net investment hedges or are attributable to items that form part of the net investment in a foreign operation.

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. 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 reserve on exchange differences as OCI.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in OCI.

3. 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 different functional currency from that of the Group's presentation currency are translated into the Group's presentation currency as follows:

(i) assets and liabilities, including goodwill and fair value adjustments arising from business combinations, for each statement of financial position presented are translated at the closing rate at the end of each reporting period;

(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 the 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 recognised in OCI. When a foreign operation is partially disposed of or sold, such exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on disposal.

Inter-company loans where settlement is neither planned nor likely to occur in the foreseeable future, are treated as part of the parent's net investment. Translation differences arising therefrom 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 accounting for subsequent changes in fair value 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 interest rate swaps, forward foreign currency exchange contracts and other derivatives 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 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, forward foreign currency exchange contracts and other derivatives that are designated and qualify as cash flow hedges are recognised in the cash flow hedge reserve. The fair value changes on the ineffective portion are recognised immediately in profit or loss.

The cash flow hedge reserve arising from fair value changes of interest rate swap is reclassified to profit or loss when the interest expenses 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.

When a hedging instrument expires or is sold or is terminated, 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 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 reclassified to 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-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the "Chairman and Chief Executive" and "President and Chief Operating Officer" of the Company.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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 and do not trade in financial instruments as a business activity. Financial risk management is carried out through risk reviews conducted at all significant operational units. This process is further enhanced by effective internal controls and adherence to the financial risk management policies.

The main areas of financial risks faced by the Group are as follows:

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 net foreign currency exposure mainly relates to the United States Dollars ("USD"), Euro ("EUR"), Hong Kong Dollars ("HKD") and Singapore Dollars ("SGD").

The Group's exposure to foreign currencies as at the reporting date is as follows:

	USD RM'm	EUR RM'm	HKD RM'm	SGD RM'm	Others RM'm	Total RM'm
31 December 2017						
Financial assets						
Cash and cash equivalents	**207.5**	**1.3**	**8.5**	**40.7**	**2.1**	**260.1**
Other non-current assets	**981.4**	**-**	**-**	**-**	**-**	**981.4**
	1,188.9	**1.3**	**8.5**	**40.7**	**2.1**	**1,241.5**
Financial liability						
Trade and other payables	**(24.3)**	**(2.1)**	**-**	**-**	**-**	**(26.4)**
Net currency exposure	**1,164.6**	**(0.8)**	**8.5**	**40.7**	**2.1**	**1,215.1**
31 December 2016						
Financial assets						
Cash and cash equivalents	589.3	11.8	20.1	30.7	0.1	652.0
Other non-current assets	898.4	-	-	-	-	898.4
	1,487.7	11.8	20.1	30.7	0.1	1,550.4
Financial liability						
Trade and other payables	(30.5)	(3.6)	-	-	-	(34.1)
Net currency exposure	1,457.2	8.2	20.1	30.7	0.1	1,516.3

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Foreign currency exchange risk (cont'd)

The Company's exposure to foreign currencies as at the reporting date is as follows:

	USD RM'm	EUR RM'm	HKD RM'm	SGD RM'm	Others RM'm	Total RM'm
31 December 2017						
Financial assets						
Cash and cash equivalents	**185.1**	**0.1**	**8.4**	**29.6**	**0.1**	**223.3**
Amounts due from subsidiaries	**138.2**	**-**	**0.6**	**0.6**	**7.8**	**147.2**
	323.3	**0.1**	**9.0**	**30.2**	**7.9**	**370.5**
Financial liabilities						
Trade and other payables	**(24.3)**	**(2.1)**	**-**	**-**	**-**	**(26.4)**
Amounts due to subsidiaries	**(7.9)**	**-**	**-**	**-**	**-**	**(7.9)**
	(32.2)	**(2.1)**	**-**	**-**	**-**	**(34.3)**
Net currency exposure	**291.1**	**(2.0)**	**9.0**	**30.2**	**7.9**	**336.2**
31 December 2016						
Financial assets						
Cash and cash equivalents	573.6	10.8	14.2	22.9	0.1	621.6
Amounts due from subsidiaries	124.3	-	0.5	0.3	29.1	154.2
	697.9	10.8	14.7	23.2	29.2	775.8
Financial liabilities						
Trade and other payables	(30.5)	(3.6)	-	-	-	(34.1)
Amounts due to subsidiaries	(15.8)	-	-	-	-	(15.8)
	(46.3)	(3.6)	-	-	-	(49.9)
Net currency exposure	651.6	7.2	14.7	23.2	29.2	725.9

The following table demonstrates the sensitivity of the Group's and the Company's profit after tax and equity to 10% (2016: 10%) strengthening of the respective foreign currency in USD, EUR, HKD and SGD against RM, with all other variables held constant:

	Group Increase/ (Decrease) Profit after tax	Company Increase/ (Decrease) Profit after tax
2017		
USD against RM	**116.5**	**29.1**
EUR against RM	**(0.1)**	**(0.2)**
HKD against RM	**0.9**	**0.9**
SGD against RM	**4.1**	**3.0**
2016		
USD against RM	145.7	65.2
EUR against RM	0.8	0.7
HKD against RM	2.0	1.5
SGD against RM	3.1	2.3

A 10% (2016: 10%) weakening of the above currencies against the RM would have the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

Interest rate risk

Interest rate risks arise mainly from the Group's borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Debt securities at fixed rate expose the Group to fair value 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.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Interest rate risk (cont'd)

As at 31 December 2017, the Group has not entered into any hedge for its outstanding variable rates borrowings.

As at 31 December 2016, the Group's outstanding variable rates borrowings denominated in USD and GBP of which hedges have not been entered into amounted to RM1,567.3 million.

If the GBP and USD annual interest rates increase/decrease by 1% (2016: 1%) respectively and all other variables including tax and base lending rates being held constant, the profit after tax will be lower/higher by RM20.3 million (2016: RM15.4 million) as a result of higher/lower interest expense on these borrowings.

Credit risk

Financial assets that potentially subject the Group's exposure to credit risk arises mainly from sales made on deferred credit terms, cash and cash equivalents, deposits with financial institutions, money market instruments, income fund and investments in the unquoted preference shares of a Malaysian corporation as well as promissory notes issued by the Tribe.

Receivables are presented net of allowance for impairment. Credit risk with respect to receivables is limited as the Group does not have any significant exposure to any individual customer or counterparty other than the Group's investment in promissory notes issued by the Tribe. The Group's credit risks 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's cash and cash equivalents, short-term deposits, money market instruments and income fund are placed with creditworthy financial institutions and the risks arising thereof are minimised in view of the financial strength of these financial institutions. 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.

(i) Financial assets that are neither past due nor impaired

Information regarding financial assets that are neither past due nor impaired is disclosed in Note 18, 21, 23 and 24. Deposits with banks and other financial institutions and investment securities 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.

(ii) Financial assets that are past due but not impaired

Information regarding financial assets that are past due but not impaired is disclosed in Note 23.

(iii) Financial assets that are past due and impaired

Information regarding financial assets that are past due and impaired is disclosed in Note 23.

Apart from those disclosed above, the other financial assets are neither past due nor impaired.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instrument is the carrying amount of that class of financial instrument presented on the statements of financial position, except as follows:

	Company	
	2017	2016
Corporate guarantee provided to financial institutions on subsidiaries' facilities	**5,000.0**	3,140.6

Liquidity risk

The Group is prudent in its 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 so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration of the Group's debt financing plans, covenant compliance and compliance with internal ratio targets.

Generally, surplus cash held by the operating entities over and above the balance required for working capital management are transferred to the Company. The Company invests surplus cash in interest bearing accounts, money market deposits and marketable instruments, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned cash flows of the Group.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Liquidity risk (cont'd)

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period in the statements of financial position 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	More than 5 years
Group				
31 December 2017				
Trade and other payables	**2,575.1**	**-**	**-**	**-**
Borrowings	**605.6**	**437.0**	**4,480.3**	**3,171.1**
Amount due to holding company	**21.6**	**-**	**-**	**-**
Amounts due to other related companies	**157.0**	**-**	**-**	**-**
	3,359.3	**437.0**	**4,480.3**	**3,171.1**
31 December 2016				
Derivative financial instruments - hedged	4.0	-	-	-
Trade and other payables	2,579.1	-	-	-
Borrowings	1,265.1	232.5	2,164.3	1,532.1
Amount due to holding company	19.9	-	-	-
Amounts due to other related companies	162.0	-	-	-
	4,030.1	232.5	2,164.3	1,532.1
Company				
31 December 2017				
Trade and other payables	**1,418.9**	**-**	**-**	**-**
Amount due to holding company	**21.6**	**-**	**-**	**-**
Amounts due to subsidiaries				
- Current	**370.2**	**-**	**-**	**-**
- Non-current	**240.7**	**240.7**	**2,910.5**	**3,171.1**
Amounts due to other related companies	**46.9**	**-**	**-**	**-**
	2,098.3	**240.7**	**2,910.5**	**3,171.1**
31 December 2016				
Trade and other payables	1,496.1	-	-	-
Amount due to holding company	19.8	-	-	-
Amounts due to subsidiaries				
- Current	283.8	-	-	-
- Non-current	113.2	113.2	1,372.5	1,532.1
Amounts due to other related companies	36.6	-	-	-
Financial guarantee liabilities	740.6	-	-	-
	2,690.1	113.2	1,372.5	1,532.1

Capital risk management

The Group's objectives when managing capital are to ensure that the Group continues 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.

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 dispose assets to reduce debt.

The Group monitors capital 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 (including "current and non-current borrowings" as shown in the statements of financial position). Total capital is calculated as the sum of total equity and total debt.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Capital risk management (cont'd)

The gearing ratios at 31 December 2017 and 31 December 2016 were as follows:

	Group	
	2017	2016
Total debt	**6,900.3**	4,326.6
Total equity	**19,141.8**	19,745.4
Total capital	**26,042.1**	24,072.0
Gearing ratio	**26%**	18%

The Group was in compliance with financial debt covenants imposed by the financial institutions for the financial years ended 31 December 2017 and 2016.

Fair value measurement

The financial instruments 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 assets or liabilities that are not based on observable market data (that is, unobservable inputs).

	Level 1	**Level 2**	**Level 3**	**Total**
Group				
31 December 2017				
Financial assets				
Financial asset at fair value through profit or loss	**7.4**	**-**	**-**	**7.4**
Available-for-sale financial assets	**-**	**120.0**	**145.0**	**265.0**
Total assets	**7.4**	**120.0**	**145.0**	**272.4**
31 December 2016				
Financial assets				
Financial asset at fair value through profit or loss	10.8	-	-	10.8
Available-for-sale financial assets	-	550.0	102.9	652.9
Derivative financial instruments	-	3.1	-	3.1
Total assets	10.8	553.1	102.9	666.8
Financial liability				
Derivative financial instruments	-	4.0	-	4.0
Company				
31 December 2017				
Financial assets				
Available-for-sale financial assets	**-**	**120.0**	**2.1**	**122.1**
31 December 2016				
Financial assets				
Available-for-sale financial assets	-	350.0	2.1	352.1
Derivative financial instruments	-	3.1	-	3.1
Total assets	-	353.1	2.1	355.2

The fair value of financial instruments that are not traded in an active market 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 determine the fair value of the instruments are observable, these instruments are classified under Level 2.

If one or more of the significant inputs is not based on observable market data, these instruments are classified under Level 3.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Fair value measurement (cont'd)

Information on the valuation techniques used to value financial instruments are disclosed in Notes 19, 26 and 36.

There were no transfers between Levels 1 and 2 during the financial year (2016: No transfer).

The following table presents the changes in Level 3 financial instruments for the financial years ended 31 December 2017 and 31 December 2016:

	Group		Company	
	2017	2016	**2017**	2016
Available-for-sale financial assets				
At 1 January	**102.9**	2.1	**2.1**	2.1
Additions	**51.0**	-	**-**	-
Exchange differences	**(8.9)**	-	**-**	-
Transfer from Level 2	**-**	100.8	**-**	-
At 31 December	**145.0**	102.9	**2.1**	2.1

The Group's unquoted equity investment in foreign corporations are measured at fair value at each reporting date. The basis of determining the fair values are set out in Note 19(i).

The carrying values of current financial assets and current financial liabilities of the Group and Company at the end of the reporting period approximate their fair values.

5. SEGMENT ANALYSIS

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The performance of the operating segments is based on a measure of adjusted earnings/(losses) before interest, tax, depreciation and amortisation ("EBITDA/(LBITDA)"). This measurement basis excludes the effects of non-recurring items from the operating segments, such as reversal of previously recognised impairment losses/impairment losses, pre-opening expenses, gain/loss on disposal of assets and assets written off. Interest income is not included in the result for each operating segment.

Segment assets consist primarily of property, plant and equipment, investment properties, intangible assets, trade and other receivables, available-for-sale financial assets and cash and cash equivalents. Segment assets exclude interest bearing instruments, joint ventures, associates and deferred tax assets as these assets are managed on a group basis.

Segment liabilities comprise operating liabilities. Segment liabilities exclude interest bearing instruments, deferred tax liabilities and tax payables as these liabilities are managed on a group basis.

The Group is organised into the following main business segments:

Leisure & Hospitality - this segment comprises integrated resort activities which include gaming, hotel, entertainment and amusement, tours and travel related services and other supporting services. The contribution from non-gaming operations is not significant.

Properties - this segment is involved in property developments, property investment and management.

All other immaterial business segments including investments in equities, training services, reinsurance services, utilities services and information technology related services are aggregated and disclosed under "Investments and Others" as they are not of sufficient size to be reported separately.

5. SEGMENT ANALYSIS (cont'd)

The segment analysis of the Group is set out below:

2017 Group	Leisure & Hospitality Malaysia	Leisure & Hospitality United Kingdom and Egypt	Leisure & Hospitality United States of America and Bahamas	Leisure & Hospitality Total	Properties	Investments & Others	Total
Revenue							
Total revenue	5,869.5	1,893.4	1,435.2	9,198.1	117.8	193.8	9,509.7
Inter segment	(34.3)	-	-	(34.3)	(13.2)	(133.5)	(181.0)
External	5,835.2	1,893.4	1,435.2	9,163.8	104.6	60.3	9,328.7
Results							
Adjusted EBITDA/(LBITDA)	1,804.5	231.0	231.9	2,267.4	54.4	(114.4)	2,207.4
Pre-opening expenses	(55.1)	-	(4.8)	(59.9)	-	(20.6)	(80.5)
Property, plant and equipment written off	(5.5)	(2.9)	(0.2)	(8.6)	-	-	(8.6)
Net gain on disposal of property, plant and equipment	1.0	0.8	-	1.8	28.6	-	30.4
Impairment losses	(13.5)	(5.9)	(35.2)	(54.6)	-	-	(54.6)
Others	-	(2.6)	-	(2.6)	-	(22.8)	(25.4)
EBITDA	1,731.4	220.4	191.7	2,143.5	83.0	(157.8)	2,068.7
Depreciation and amortisation	(482.3)	(134.5)	(285.0)	(901.8)	(32.6)	(5.5)	(939.9)
Interest income							304.3
Finance costs							(114.9)
Profit before taxation							1,318.2
Taxation							(247.2)
Profit for the financial year							1,071.0
Assets							
Segment assets	10,907.8	4,649.1	5,134.5	20,691.4	2,443.9	1,582.8	24,718.1
Interest bearing instruments							4,928.8
Unallocated corporate assets							255.8
Assets classified as held for sale							65.7
Total assets							29,968.4
Liabilities							
Segment liabilities	(2,053.7)	(473.1)	(411.2)	(2,938.0)	(41.1)	(131.6)	(3,110.7)
Interest bearing instruments							(6,900.3)
Unallocated corporate liabilities							(756.4)
Liabilities classified as held for sale							(59.2)
Total liabilities							(10,826.6)
Other disclosures							
Capital expenditure incurred*	2,579.2	71.8	165.0	2,816.0	51.0	6.1	2,873.1

* *Includes capital expenditure in respect of property, plant and equipment and investment properties.*

5. SEGMENT ANALYSIS (cont'd)

The segment analysis of the Group is set out below: (cont'd)

2016 Group	Leisure & Hospitality Malaysia	Leisure & Hospitality United Kingdom	Leisure & Hospitality United States of America and Bahamas	Leisure & Hospitality Total	Properties	Investments & Others	Total
Revenue							
Total revenue	5,778.7	1,816.3	1,365.0	8,960.0	80.8	165.7	9,206.5
Inter segment	(155.5)	-	-	(155.5)	(13.3)	(106.1)	(274.9)
External	5,623.2	1,816.3	1,365.0	8,804.5	67.5	59.6	8,931.6
Results							
Adjusted EBITDA	1,942.4	260.4	175.9	2,378.7	26.6	27.5	2,432.8
Pre-opening expenses	(44.3)	(0.5)	(4.7)	(49.5)	-	-	(49.5)
Property, plant and equipment written off	(3.4)	(13.5)	(4.0)	(20.9)	-	(0.1)	(21.0)
Net gain/(loss) on disposal of property, plant and equipment	0.1	-	(6.6)	(6.5)	43.6	0.1	37.2
Gain on disposal of available-for-sale financial assets	-	-	-	-	-	1,272.9	1,272.9
Reversal of previously recognised impairment losses	-	49.2	-	49.2	-	-	49.2
Impairment losses	(0.2)	(5.4)	-	(5.6)	(5.0)	-	(10.6)
Others	-	(2.2)	17.2	15.0	-	-	15.0
EBITDA	1,894.6	288.0	177.8	2,360.4	65.2	1,300.4	3,726.0
Depreciation and amortisation	(386.4)	(149.3)	(232.0)	(767.7)	(29.5)	(3.5)	(800.7)
Interest income							235.7
Finance costs							(70.4)
Profit before taxation							3,090.6
Taxation							(289.9)
Profit for the financial year							2,800.7
Assets							
Segment assets	9,065.4	4,624.3	5,565.8	19,255.5	2,656.1	1,055.4	22,967.0
Interest bearing instruments							4,687.6
Unallocated corporate assets							239.8
Total assets							27,894.4
Liabilities							
Segment liabilities	(1,848.5)	(421.7)	(523.5)	(2,793.7)	(38.6)	(312.4)	(3,144.7)
Interest bearing instruments							(4,326.6)
Unallocated corporate liabilities							(677.7)
Total liabilities							(8,149.0)
Other disclosures							
Capital expenditure incurred*	2,584.4	103.4	395.8	3,083.6	0.6	4.0	3,088.2

* Includes capital expenditure in respect of property, plant and equipment and investment properties.

5. SEGMENT ANALYSIS (cont'd)

Geographical information

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	Revenue		Non-Current Assets	
	2017	2016	**2017**	2016
Malaysia	**5,920.4**	5,706.8	**10,698.8**	8,640.4
United Kingdom and Egypt	**1,915.2**	1,821.6	**4,503.6**	4,694.2
United States of America and Bahamas	**1,493.1**	1,403.2	**5,787.0**	6,474.6
	9,328.7	8,931.6	**20,989.4**	19,809.2

Geographically, the main business segments of the Group are concentrated in Malaysia, the United Kingdom and Egypt as well as the United States of America and Bahamas.

Non-current assets information presented above consist of non-current assets other than financial instruments, associate, joint venture and deferred tax assets as presented in the consolidated statements of financial position.

There are no revenues derived from transactions with a single external customer that amount to 10% or more of the Group's revenue.

6. REVENUE

	Group		Company	
	2017	2016	**2017**	2016
Rendering of services:				
Leisure & hospitality	**9,163.8**	8,804.5	**5,657.0**	5,384.0
Rental and properties management income	**104.6**	67.5	**-**	-
Other services	**54.1**	52.9	**-**	-
Investment income	**6.2**	6.7	**54.5**	186.0
	9,328.7	8,931.6	**5,711.5**	5,570.0

7. COST OF SALES

	Group		Company	
	2017	2016	**2017**	2016
Cost of inventories recognised as an expense	**300.8**	218.6	**133.6**	88.1
Cost of services and other operating costs	**6,834.7**	6,230.4	**3,942.7**	3,564.2
	7,135.5	6,449.0	**4,076.3**	3,652.3

Included in the other operating costs are gaming expenses amounting to RM2,140.6 million (2016: RM1,836.4 million) for the Group and RM1,792.2 million (2016: RM1,665.8 million) for the Company.

8. PROFIT BEFORE TAXATION

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

	Group		Company	
	2017	2016	**2017**	2016
Charges:				
Depreciation of property, plant and equipment	**796.8**	661.1	**380.8**	266.0
Depreciation of investment properties	**20.2**	20.0	**-**	0.2
Property, plant and equipment written off	**8.6**	21.0	**2.7**	2.8
Net loss on disposal of property, plant and equipment	**-**	-	**-**	0.3
Amortisation of intangible assets	**122.9**	119.6	**0.1**	-
Impairment losses:				
- Property, plant and equipment (Note 14)	**52.5**	0.2	**-**	-
- Investment properties (Note 16)	**-**	5.0	**-**	-
- Intangible assets (Note 17)	**2.1**	5.4	**-**	-
- Investments in subsidiaries (Note 18)	**-**	-	**29.6**	58.0
Impairment losses on receivables	**-**	80.1	**0.8**	-
Amount due from an associate written off	**5.4**	-	**-**	-
Fair value loss on financial asset at fair value through profit or loss	**2.5**	-	**-**	-
Hire of aircraft and equipment	**47.4**	38.6	**3.6**	7.4
Rental of land and buildings	**100.5**	78.9	**28.5**	70.7
Directors' remuneration excluding estimated monetary value of benefits-in-kind (Note 10)	**94.8**	92.1	**94.8**	92.1
Statutory audit fees:				
- Payable to PricewaterhouseCoopers PLT Malaysia	**1.5**	1.3	**0.7**	0.6
- Payable to member firms of PricewaterhouseCoopers International Limited	**4.9**	4.2	**-**	-
- Payable to other auditors	**1.4**	1.3	**-**	-
Audit related fees:				
- Payable to PricewaterhouseCoopers PLT Malaysia	**0.3**	0.3	**0.3**	0.3
- Payable to member firms of PricewaterhouseCoopers International Limited	**0.4**	0.5	**-**	-
Finance costs:				
- Interest on borrowings	**269.0**	168.3	**209.3**	113.2
- Other finance costs	**19.9**	15.8	**0.8**	0.5
- Less: capitalised costs (Note 14)	**(121.7)**	(92.6)	**(121.7)**	(92.6)
- Less: interest income earned	**(52.3)**	(21.1)	**(52.3)**	(21.1)
Finance costs charged to profit or loss	**114.9**	70.4	**36.1**	-
Provision for onerous lease (Note 32)	**-**	62.6	**-**	-
Net foreign currency exchange losses - realised	**-**	6.5	**-**	2.6
Net foreign currency exchange losses - unrealised	**119.0**	-	**36.1**	-
Construction costs	**-**	-	**81.8**	249.7
Licensing fees	**286.6**	280.0	**204.5**	192.6
Management fees	**433.2**	426.2	**438.8**	419.4
Administrative support services	**9.8**	8.2	**23.7**	19.2
Commissions	**-**	-	**32.2**	27.8

8. PROFIT BEFORE TAXATION (cont'd)

Profit before taxation has been determined after inclusion of the following charges and credits (cont'd):

	Group		Company	
	2017	2016	**2017**	2016
Credits:				
Interest income	**304.3**	235.7	**37.8**	47.4
Rental income from land and buildings	**204.3**	146.6	**67.1**	30.5
Fair value gain on financial asset at fair value through profit or loss	**-**	2.2	**-**	-
Gain on disposal of available-for-sale financial assets	**-**	1,272.9	**-**	-
Investment income	**15.6**	27.6	**7.2**	13.3
Net gain on disposal of property, plant and equipment	**30.4**	37.2	**1.2**	-
Reversal of previously recognised impairment losses:				
- Property, plant and equipment (Note 14)	**-**	26.4	**-**	-
- Intangible assets (Note 17)	**-**	22.8	**-**	-
Reversal of impairment losses on receivables	**0.4**	-	**-**	-
Net foreign currency exchange gains - realised	**7.1**	-	**7.5**	-
Net foreign currency exchange gains - unrealised	**-**	44.4	**-**	1.0
Construction income	**-**	-	**81.8**	249.7
Service fees	**8.9**	10.9	**-**	-
Management and shared support services	**2.2**	2.1	**16.8**	18.9
Dividend income	**-**	-	**54.5**	186.0
Gain on disposal of a subsidiary	**2.8**	-	**-**	-
Gain on bargain purchase	**2.8**	-	**-**	-
Reversal of provision for onerous leases (Note 32)	**0.3**	-	**-**	-
Other information:				
Non-audit fees and non-audit related costs				
- Payable to PricewaterhouseCoopers Malaysia	**0.1**	0.1	*****	0.1
- Payable to member firms of PricewaterhouseCoopers International Limited	**1.3**	1.9	**0.1**	0.3

* *less than RM0.1 million.*

9. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2017	2016	**2017**	2016
Wages, salaries and bonuses	**1,865.9**	1,741.5	**727.1**	652.2
Defined contribution plan	**96.4**	93.5	**86.0**	82.0
Pension cost	**10.9**	10.7	**-**	-
Other short term employee benefits	**278.5**	307.4	**75.3**	72.6
Provision for retirement gratuities (Note 34)	**40.2**	23.8	**32.7**	26.6
Employee Share Scheme	**46.5**	43.2	**46.5**	43.2
Redundancy costs	**3.1**	23.9	**-**	-
	2,341.5	2,244.0	**967.6**	876.6

Employee benefits expense, as shown above, includes the remuneration of Executive Directors.

10. DIRECTORS' REMUNERATION

	Group and Company	
	2017	2016
Non-executive Directors:		
- Fees	**0.9**	0.8
Executive Directors:		
- Fees	**0.4**	0.4
- Salaries and bonuses	**50.8**	52.8
- Defined contribution plan	**9.5**	9.9
- Other short term employee benefits	**0.4**	0.5
- Provision for retirement gratuities	**12.4**	0.2
- Employee Share Scheme	**20.4**	27.5
Directors' remuneration excluding estimated monetary value of benefits-in-kind (Note 8)	**94.8**	92.1
Estimated monetary value of benefits-in-kind	**2.0**	1.9
	96.8	94.0

11. TAXATION

	Group		Company	
	2017	2016	**2017**	2016
Current taxation:				
Malaysia taxation	**95.7**	121.6	**75.0**	99.3
Foreign taxation	**65.5**	66.1	**-**	-
Adjustment in respect of prior years	**(39.3)**	(47.5)	**(3.3)**	(40.5)
Total current tax	**121.9**	140.2	**71.7**	58.8
Deferred tax (Note 33):				
Origination and reversal of temporary differences	**125.3**	149.7	**72.5**	65.9
Total deferred tax	**125.3**	149.7	**72.5**	65.9
Income tax expense	**247.2**	289.9	**144.2**	124.7

The reconciliation between the average effective tax rate and the Malaysian tax rate is as follows:

	Group		Company	
	2017	2016	**2017**	2016
	%	%	**%**	%
Malaysian tax rate:	**24.0**	24.0	**24.0**	24.0
Tax effects of:				
- expenses not deductible for tax purposes	**10.6**	5.6	**3.6**	4.0
- different tax regime	**3.8**	1.7	**-**	-
- income not subject to tax	**(5.1)**	(12.5)	**(1.9)**	(4.3)
- tax incentive	**(12.8)**	(7.5)	**(13.5)**	(13.4)
- adjustment in respect of prior years	**(3.0)**	(1.5)	**(0.3)**	(2.5)
- recognition of previously unrecognised tax losses	**-**	(1.9)	**-**	-
- current year's tax losses and deductible temporary differences not recognised	**0.3**	1.1	**-**	-
- others	**1.0**	0.4	**-**	-
Average effective tax rate	**18.8**	9.4	**11.9**	7.8

Taxation is calculated at the Malaysian statutory tax rate of 24% (2016: 24%) on the estimated chargeable profits for the year of assessment 2017.

The income tax effect of the other comprehensive (loss)/income items of the Group which are individually not material, is tax expense of RM1.2 million (2016: tax credit of RM3.3 million) in the current financial year.

12. 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 attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year. The weighted average number of ordinary shares in issue excludes the weighted average number of treasury shares held by the Company and the shares held for employee share scheme.

	Group	
	2017	2016
Profit for the financial year attributable to equity holders of the Company (RM million)	**1,159.7**	2,880.1
Weighted average number of ordinary shares in issue (million)	**5,661.9**	5,656.8
Basic earnings per share (sen)	**20.48**	50.91

(b) Diluted earnings per share

For the diluted earnings per share calculation, the weighted average number of ordinary shares in issue of the Company is adjusted to assume conversion of all dilutive potential ordinary shares issued by the Company.

	Group	
	2017	2016
Profit for the financial year attributable to equity holders of the Company (RM million)	**1,159.7**	2,880.1
Weighted average number of ordinary shares adjusted as follows (million):		
Weighted average number of ordinary shares in issue	**5,661.9**	5,656.8
Adjustment for dilutive effect of Employee Share Scheme	**18.0**	15.2
Adjusted weighted average number of ordinary shares in issue	**5,679.9**	5,672.0
Diluted earnings per share (sen)	**20.42**	50.78

13. DIVIDENDS

	Group/Company			
	2017		2016	
	Single-tier dividend per share Sen	**Amount of single-tier dividend RM million**	Single-tier dividend per share Sen	Amount of single-tier dividend RM million
Special dividend paid	**7.3**	**413.0**	-	-
Final dividend paid in respect of the previous financial year	**6.2**	**351.1**	4.3	243.3
Interim dividend paid	**4.0**	**226.5**	3.0	169.7
	17.5	**990.6**	7.3	413.0

A special single-tier dividend of 8.0 sen (2016: 7.3 sen) per ordinary share in respect of the current financial year ended 31 December 2017 has been declared for payment to shareholders registered in the Register of Members on 14 March 2018. The special single-tier dividend shall be paid on 30 March 2018. Based on the total number of issued shares of the Company as at 31 December 2017, the special single-tier dividend would amount to RM453.5 million (2016: 413.0 million). The special single-tier dividend has not been recognised in the Statements of Changes in Equity as it was declared subsequent to the financial year end.

At the forthcoming Annual General Meeting, a final single-tier dividend in respect of the financial year ended 31 December 2017 of 5.0 sen (2016: 6.2 sen) per ordinary share amounting to RM283.4 million (2016: RM351.1 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.

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Leasehold land	Buildings & improvements	Plant, equipment & vehicles	Aircrafts, sea vessels & improvements	Construction in progress	Total
Group							
Net Book Value:							
At 1 January 2017	**586.7**	**18.5**	**6,170.4**	**2,107.8**	**393.1**	**2,882.1**	**12,158.6**
Additions (including capitalised interest) (Note (i))	**0.4**	**-**	**71.8**	**562.1**	**287.7**	**1,900.1**	**2,822.1**
Disposals	**-**	**-**	**(24.0)**	**(5.8)**	**-**	**-**	**(29.8)**
Written off	**-**	**-**	**(2.1)**	**(6.5)**	**-**	**-**	**(8.6)**
Depreciation charge for the financial year	**-**	**(0.2)**	**(216.9)**	**(545.8)**	**(33.9)**	**-**	**(796.8)**
Impairment losses (Note (ii))	**-**	**(2.1)**	**(15.2)**	**-**	**(35.2)**	**-**	**(52.5)**
Transfer to investment properties (Note 16)	**-**	**-**	**(1.1)**	**-**	**-**	**(0.1)**	**(1.2)**
Transfer to assets classified as held for sale (Note 25)	**-**	**-**	**(52.3)**	**(8.2)**	**(3.5)**	**-**	**(64.0)**
Reclassifications	**-**	**-**	**1,367.2**	**1,100.2**	**-**	**(2,467.4)**	**-**
Exchange differences	**(23.9)**	**-**	**(130.7)**	**(25.1)**	**(10.3)**	**(2.4)**	**(192.4)**
At 31 December 2017	**563.2**	**16.2**	**7,167.1**	**3,178.7**	**597.9**	**2,312.3**	**13,835.4**
At 31 December 2017:							
Cost	**563.2**	**25.3**	**9,128.8**	**7,556.7**	**725.6**	**2,312.3**	**20,311.9**
Accumulated depreciation	**-**	**(5.5)**	**(1,915.9)**	**(4,345.0)**	**(102.1)**	**-**	**(6,368.5)**
Accumulated impairment losses	**-**	**(3.6)**	**(45.8)**	**(33.0)**	**(25.6)**	**-**	**(108.0)**
Net book value	**563.2**	**16.2**	**7,167.1**	**3,178.7**	**597.9**	**2,312.3**	**13,835.4**

	Freehold land	Leasehold land	Buildings & improvements	Plant, equipment & vehicles	Aircrafts, sea vessels & improvements	Construction in progress	Total
Group							
Net Book Value:							
At 1 January 2016	644.8	18.8	5,120.3	1,563.7	655.4	2,472.1	10,475.1
Additions (including capitalised interest) (Note (i))	0.4	-	134.0	356.8	39.8	2,556.9	3,087.9
Disposals	-	-	(4.9)	(20.7)	(255.8)	-	(281.4)
Written off	-	-	(1.2)	(18.6)	(0.4)	(0.8)	(21.0)
Depreciation charge for the financial year	-	(0.3)	(194.0)	(444.2)	(22.6)	-	(661.1)
Reversal of previously recognised impairment losses (Note (iii))	-	-	26.4	-	-	-	26.4
Impairment losses	-	-	-	(0.2)	-	-	(0.2)
Transfer to investment properties (Note 16)	-	-	(39.4)	(0.4)	-	(34.1)	(73.9)
PPA adjustment (Note (iv))	(46.8)	-	-	-	-	-	(46.8)
Reclassifications	-	-	1,383.7	746.6	-	(2,130.3)	-
Exchange differences	(11.7)	-	(254.5)	(75.2)	(23.3)	18.3	(346.4)
At 31 December 2016	586.7	18.5	6,170.4	2,107.8	393.1	2,882.1	12,158.6
At 31 December 2016:							
Cost	586.7	25.3	7,939.6	6,083.8	471.4	2,882.1	17,988.9
Accumulated depreciation	-	(5.3)	(1,738.4)	(3,942.8)	(78.3)	-	(5,764.8)
Accumulated impairment losses	-	(1.5)	(30.8)	(33.2)	-	-	(65.5)
Net book value	586.7	18.5	6,170.4	2,107.8	393.1	2,882.1	12,158.6

Certain freehold land and buildings and improvements of the casino business in the United Kingdom ("UK") amounting to RM693.1 million (2016: Nil) have been pledged as collateral for the Group's Pound Sterling term loan (Note 36).

14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Note (i)
During the financial year, the Group has capitalised borrowing costs amounting to RM121.7 million (2016: RM92.6 million) on qualifying assets.

Note (ii)
During the financial year, the Group recorded impairment losses of:
- RM35.2 million on aircrafts owned by the Group that is part of the leisure and hospitality segment in United States of America ("US") and Bahamas. The recoverable amounts of these aircrafts were determined based on fair values less cost to sell ("FVLCTS") by independent professional valuers and is within Level 2 of the fair value hierarchy;
- RM13.5 million on certain properties in Malaysia. The recoverable amount of the properties in Malaysia was determined based on the value in use ("VIU") method; and
- RM3.8 million on the building and improvements of the casino business in the UK. The recoverable amounts of these properties were determined based on the higher of VIU or FVLCTS. Estimates of fair value on these properties have been determined by independent professional valuers based on the income approach and are within Level 3 of the fair value hierarchy.

Note (iii)
In the previous financial year, the Group recorded a reversal of previously recognised impairment losses of RM26.4 million on the buildings and improvements from the casino business in UK. The recoverable amounts of these properties were determined based on the higher of VIU or FVLCTS. Estimates of fair value on these properties have been determined by independent professional valuers based on the income approach and are within Level 3 of the fair value hierarchy. Key assumptions used in the VIU calculation are set out in Note 17.

Note (iv)
In the previous financial year, the Group had completed the Purchase Price Allocation ("PPA") exercise in respect of the acquisition of business from RAV Bahamas Limited which includes land and certain properties with restaurants in Bimini that resulted in the reduction in fair value of the land acquired by RM46.8 million.

Note (v)
Included in the property, plant and equipment is an amount of RM1,333.4 million (2016: RM1,601.0 million) related to the Bimini operations ("Bimini Assets"). The Group has carried out an impairment assessment on these assets in view of the continued losses recorded since the commencement of the Bimini operations. The recoverable amount of Bimini Assets is determined based on the VIU method. Cash flow projections used in this calculation were based on financial budgets approved by management covering an eight-year period (2016: five-year period). Cash flows beyond the eight-year period (2016: five-year period) were extrapolated using the estimated growth rate.

Key assumptions used in the VIU calculation are as follows:

	Group	
	2017	2016
Growth rate	**2.3%**	2.0%
Short term discount rate	**8.4%**	6.5%
Terminal value discount rate	**6.7%**	6.5%
Average hotel occupancy rate	**72.0%**	73.0%

Based on the impairment assessment, no impairment loss has been recognised for Bimini Assets (2016: Nil).

There are no reasonably possible changes in any of the key assumptions used that would cause the carrying amount of the Bimini Assets to materially exceed the recoverable amount.

	Freehold land	Leasehold land	Buildings & improvements	Plant, equipment & vehicles	Construction in progress	Total
Company						
Net Book Value:						
At 1 January 2017	**87.2**	**0.4**	**2,230.4**	**1,338.5**	**2,529.3**	**6,185.8**
Additions (including capitalised interest) (Note (i))	**-**	**-**	**8.6**	**470.0**	**1,704.0**	**2,182.6**
Disposals	**-**	**-**	**-**	**(3.8)**	**-**	**(3.8)**
Written off	**-**	**-**	**(0.3)**	**(2.4)**	**-**	**(2.7)**
Depreciation charge for the financial year	**-**	**-**	**(79.4)**	**(301.4)**	**-**	**(380.8)**
Transfer from subsidiaries	**-**	**-**	**-**	**0.3**	**-**	**0.3**
Transfer to investment properties (Note 16)	**-**	**-**	**(1.1)**	**-**	**-**	**(1.1)**
Reclassifications	**-**	**-**	**1,361.0**	**902.0**	**(2,263.0)**	**-**
At 31 December 2017	**87.2**	**0.4**	**3,519.2**	**2,403.2**	**1,970.3**	**7,980.3**
At 31 December 2017:						
Cost	**87.2**	**0.5**	**4,436.8**	**4,787.5**	**1,970.3**	**11,282.3**
Accumulated depreciation	**-**	**(0.1)**	**(917.6)**	**(2,384.3)**	**-**	**(3,302.0)**
Net book value	**87.2**	**0.4**	**3,519.2**	**2,403.2**	**1,970.3**	**7,980.3**

14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land	Leasehold land	Buildings & improvements	Plant, equipment & vehicles	Construction in progress	Total
Company						
Net Book Value:						
At 1 January 2016	87.2	0.4	1,320.7	706.4	2,123.9	4,238.6
Additions (including capitalised interest) (Note (i))	-	-	-	200.5	2,048.3	2,248.8
Disposals	-	-	(0.4)	(0.1)	-	(0.5)
Written off	-	-	(0.7)	(2.1)	-	(2.8)
Depreciation charge for the financial year	-	-	(50.4)	(215.6)	-	(266.0)
Transfer from/(to) subsidiaries	-	-	-	7.5	-	7.5
Transfer to investment properties (Note 16)	-	-	(39.4)	(0.4)	-	(39.8)
Reclassifications	-	-	1,000.6	642.3	(1,642.9)	-
At 31 December 2016	87.2	0.4	2,230.4	1,338.5	2,529.3	6,185.8
At 31 December 2016:						
Cost	87.2	0.5	3,068.8	3,485.1	2,529.3	9,170.9
Accumulated depreciation	-	(0.1)	(838.4)	(2,146.6)	-	(2,985.1)
Net book value	87.2	0.4	2,230.4	1,338.5	2,529.3	6,185.8

Note (i)
During the financial year, the Company has capitalised borrowing costs amounting to RM121.7 million (2016: RM92.6 million) on qualifying assets.

15. LAND HELD FOR PROPERTY DEVELOPMENT

	Group	
	2017	2016
Freehold land	**184.5**	184.5
Land improvement	**0.2**	0.2
At 1 January/31 December	**184.7**	184.7

16. INVESTMENT PROPERTIES

	Group		Company	
	2017	2016	**2017**	2016
Net Book Value				
At 1 January	**2,317.9**	2,293.3	**39.6**	-
Additions	**51.0**	0.3	**0.8**	-
Impairment losses	**-**	(5.0)	**-**	-
Depreciation charge for the financial year	**(20.2)**	(20.0)	**-**	(0.2)
Transfer from property, plant and equipment (Note 14)	**1.2**	73.9	**1.1**	39.8
Derecognition of investment property (Note 21(iv))	**(41.5)**	-	**(41.5)**	-
Exchange differences	**(129.6)**	(24.6)	**-**	-
At 31 December	**2,178.8**	2,317.9	**-**	39.6
At 31 December				
Cost	**2,570.1**	2,718.5	**-**	39.8
Accumulated depreciation	**(357.6)**	(364.4)	**-**	(0.2)
Accumulated impairment losses	**(33.7)**	(36.2)	**-**	-
Net book value	**2,178.8**	2,317.9	**-**	39.6
Fair value	**4,046.5**	3,989.6	**-**	42.0

16. INVESTMENT PROPERTIES (cont'd)

Certain investment properties within the UK business segment amounting to RM185.8 million (2016: Nil) have been pledged as collateral for the Group's Pound Sterling term loan (Note 36).

The aggregate rental income and direct operating expenses incurred from investment properties of the Group which generate rental income during the financial year amounted to RM105.3 million and RM59.0 million (2016: RM70.3 million and RM57.1 million) respectively.

The direct operating expenses incurred from investment properties of the Group which did not generate rental income during the financial year amounted to RM7.4 million (2016: RM6.3 million).

Fair values of the Group's and Company's investment properties at the end of the financial year have been determined by independent professional valuers based on the market comparison approach that reflects the recent transaction prices for similar properties and are within Level 2 of the fair value hierarchy, except for the Group's investment properties in Miami, Florida, US which have been determined by independent professional valuers based on the income approach of the respective properties and are within Level 3 of the fair value hierarchy. The recoverable amounts of the Group's properties at Omni Center in the City of Miami, Florida, US were assessed together with the related goodwill arising from the acquisition of Omni Center. The calculation require the use of estimates as set out in Note 17.

17. INTANGIBLE ASSETS

	Indefinite Lives			Definite Lives			
	Goodwill	Casino Licences	Trademarks	Online Gaming Licence	Licences	Casino Concession Agreement	Total
Group							
Net Book Value:							
At 1 January 2017	**468.5**	**1,716.3**	**55.9**	**28.7**	**2,766.9**	**-**	**5,036.3**
Impairment losses	**-**	**(2.1)**	**-**	**-**	**-**	**-**	**(2.1)**
Amortisation charge for the financial year	**-**	**-**	**-**	**(8.1)**	**(114.8)**	**-**	**(122.9)**
Exchange differences	**(9.9)**	**(9.0)**	**(0.3)**	**-**	**(237.6)**	**-**	**(256.8)**
At 31 December 2017	**458.6**	**1,705.2**	**55.6**	**20.6**	**2,414.5**	**-**	**4,654.5**
At 31 December 2017							
Cost	**513.0**	**1,741.6**	**55.6**	**42.6**	**3,040.3**	**27.3**	**5,420.4**
Accumulated amortisation	**-**	**-**	**-**	**(16.9)**	**(625.8)**	**-**	**(642.7)**
Accumulated impairment losses	**(54.4)**	**(36.4)**	**-**	**(5.1)**	**-**	**(27.3)**	**(123.2)**
Net book value	**458.6**	**1,705.2**	**55.6**	**20.6**	**2,414.5**	**-**	**4,654.5**

17. INTANGIBLE ASSETS (cont'd)

	Indefinite Lives			Definite Lives			
	Goodwill	Casino Licences	Trademarks	Online Gaming Licence	Licences	Casino Concession Agreement	Total
Group							
Net Book Value:							
At 1 January 2016	571.0	1,975.0	65.2	5.7	2,750.3	-	5,367.2
Additions	-	-	-	6.0	28.1	-	34.1
PPA adjustments (Note (ii))	(39.8)	-	-	37.6	-	-	(2.2)
Impairment losses	-	-	-	(5.4)	-	-	(5.4)
Reversal of previously recognised impairment losses	-	22.8	-	-	-	-	22.8
Amortisation charge for the financial year	-	-	-	(9.0)	(110.6)	-	(119.6)
Exchange differences	(62.7)	(281.5)	(9.3)	(6.2)	99.1	-	(260.6)
At 31 December 2016	468.5	1,716.3	55.9	28.7	2,766.9	-	5,036.3
At 31 December 2016							
Cost	528.1	1,750.8	55.9	42.8	3,334.1	27.3	5,739.0
Accumulated amortisation	-	-	-	(8.9)	(567.2)	-	(576.1)
Accumulated impairment losses	(59.6)	(34.5)	-	(5.2)	-	(27.3)	(126.6)
Net book value	468.5	1,716.3	55.9	28.7	2,766.9	-	5,036.3

Included in the licences with definite lives is an amount of RM2,362.6 million (2016: RM2,701.0 million) which has been pledged as collateral for the Group's USD borrowings (Note 36).

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 net book value of goodwill and other intangible assets with indefinite useful lives allocation is as follows:

	Group	
	2017	2016
Goodwill:		
Leisure & Hospitality - United Kingdom	**387.5**	389.5
Leisure & Hospitality - United States of America	**42.0**	49.9
Property & Others - Malaysia	**29.1**	29.1
	458.6	468.5
Intangible assets other than goodwill with indefinite useful lives:		
Leisure & Hospitality - United Kingdom		
- casino licences	**1,705.2**	1,716.3
- trademarks	**55.6**	55.9
Total	**1,760.8**	1,772.2

Goodwill and other intangible assets – United Kingdom

(i) Goodwill and other intangible assets with indefinite useful lives – casino business in UK

Goodwill arising from the acquisition of UK casino business is allocated to the leisure and hospitality segment in UK for the purposes of impairment review. The casino licences, considered to have indefinite useful lives, are assigned to smaller CGU for the purposes of impairment review. Casinos that are located within the same 'permitted' area where the nature of the customers is such that they move between casinos, these casinos have then been grouped together and treated as a single CGU. This has resulted in 27 separate CGUs for purposes of impairment review in 2017 (2016: 27 CGUs).

The recoverable amounts of goodwill, casino licences and trademarks in the UK were determined based on the higher of fair value less cost to sell and value in use. Estimates of fair value on property assets have been determined by an independent professional valuer. Value in use has been calculated using cash flow projections covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate.

Key assumptions used in the VIU calculations for goodwill and other intangible assets with indefinite useful lives are as follows:

	Group	
	2017	2016
Growth rate	**2.0%**	2.0%
Discount rate	**7.75%**	10.0%

17. INTANGIBLE ASSETS (cont'd)

Goodwill and other intangible assets – United Kingdom (cont'd)

(i) Goodwill and other intangible assets with indefinite useful lives – casino business in UK (cont'd)

The growth rate did not exceed the long-term average growth rate for the leisure and hospitality industry in which the CGUs operate and are consistent with the forecasts included in industry reports.

Based on the impairment tests, no impairment is required for goodwill attributed to the leisure and hospitality segment in UK (2016: Nil). An impairment loss of RM2.1 million was recorded in respect of casino licences of certain CGUs (2016: reversal of previously recognised impairment losses of RM22.8 million).

If the growth rate is reduced to 1.75% (2016: 1.75%) and all other variables including tax rate are being held constant, the impairment loss of intangible assets and property, plant and equipment will be increased by RM31.4 million (2016: recoverable amount remained unchanged as the determined fair value less cost to sell is higher than the value in use).

If the discount rate is 0.25% (2016: 1%) higher and all other variables including tax rate are being held constant, the impairment loss of intangible assets and property, plant and equipment will be increased by RM29.7 million (2016: recoverable amount remained unchanged as the determined fair value less cost to sell is higher than the value in use).

(ii) Goodwill and online gaming licence with definite useful lives – Acquisition of Genting Alderney Limited ("Genting Alderney")

In the previous financial year, the Group completed the PPA exercise in respect of the acquisition of Genting Alderney which resulted in an increase in the carrying amount of intangible assets (i.e. online gaming licence) by RM37.6 million and a corresponding decrease in goodwill of the same amount. The remaining goodwill of RM2.2 million arising from the finalisation of PPA has been written off to profit or loss in 2016.

Goodwill – United States of America

The goodwill attributable to the US CGU arose from the acquisition of Omni Center in the City of Miami, Florida, US.

The Group has engaged an independent professional valuer to carry out a formal valuation of Omni Center, which includes a hotel, retail shops and office building in 2017. The recoverable amounts of the Omni Center were determined based on the FVLCTS of the respective properties using the income approach and are within Level 3 of the fair value hierarchy. Key assumptions used include growth rates of 3.0% to 6.4% (2016: 3.0% to 5.4%) and discount rates of 17.5% to 23.8% (2016: 12.3% to 23.7%). Based on the impairment assessment, no impairment is required for goodwill attributed to the US CGU.

There are no reasonably possible changes in any of the key assumptions used that would cause the carrying amount of this CGU to materially exceed the recoverable amount.

Goodwill – Malaysia

The goodwill attributable to the Malaysia CGU arose from the acquisition of 100% equity interest in E-Genting Holdings Sdn Bhd, Ascend International Holdings Limited and Oakwood Sdn Bhd.

The goodwill arising from the acquisition of E-Genting Holdings Sdn Bhd and Ascend International Holdings Limited was tested for impairment 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. Key assumptions used in the VIU calculation include growth rate and discount rate of 2.9% (2016: 2.7%) and 8.3% (2016: 8.5%), respectively.

The goodwill arising from the acquisition of Oakwood Sdn Bhd was tested for impairment using the FVLCTS method. The FVLCTS was calculated based on the fair value of the property which have been determined by an independent professional valuer based on the market comparison approach that reflects the recent transaction prices for similar properties and is within Level 2 of the fair value hierarchy.

Based on the impairment tests, 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.

Licences with definite useful lives

Included in licences as at 31 December 2017 is an amount of RM26.9 million (2016: RM30.4 million) related to casino licences of Bimini operations. The Group carried out the impairment assessment of the casino licences together with the Bimini Assets as disclosed in Note 14(v).

Casino Concession Agreement

The casino concession agreement arose as a result of the purchase price allocation on the acquisition of casino businesses in the UK. As a result of the uncertainty of the commencement date on casino concession agreement caused by the political and economic climate in Egypt, the Group recorded impairment loss in 2012 relating to the entire carrying value of the casino concession agreement.

18. SUBSIDIARIES

	Company 2017	Company 2016
Investments in subsidiaries:		
Unquoted shares – at cost	**12,693.7**	12,599.1
Accumulated impairment losses (Note (i))	**(640.5)**	(610.9)
	12,053.2	11,988.2
Amounts due from subsidiaries (Current, unsecured and interest free)	**391.1**	278.9
Amounts due to subsidiaries are unsecured and comprise:		
Current:		
Interest free	**370.2**	283.8
Non-current:		
Interest bearing (Note (ii))	**5,000.0**	2,400.0
	5,370.2	2,683.8

Note (i)
The Group's investments in subsidiaries with impairment indicators were tested for impairment during the current financial year. As a result of the impairment assessment, the Company has recognised an impairment loss of RM29.6 million (2016: RM58.0 million) in profit or loss.

Note (ii)
The amount represents loans from GENM Capital Berhad ("GENM Capital"), a direct wholly-owned subsidiary of the Company. Details of the loans are as follows:

Loan commencement date	Principal amount (RM million) 2017	Principal amount (RM million) 2016	Effective interest rate (per annum) 2017	Effective interest rate (per annum) 2016	Bullet repayment date
24 August 2015	**1,100.0**	1,100.0	**4.50%**	4.50%	The earlier of (i) 24 August 2020; or (ii) request(s) from GENM Capital for early repayment of the loan or any portions thereof; or (iii) the acceleration of the loan.
24 August 2015	**1,300.0**	1,300.0	**4.90%**	4.90%	The earlier of (i) 22 August 2025; or (ii) request(s) from GENM Capital for early repayment of the loan or any portions thereof; or (iii) the acceleration of the loan.
31 March 2017	**1,250.0**	-	**4.78%**	-	The earlier of (i) 31 March 2022; or (ii) request(s) from GENM Capital for early repayment of the loan or any portions thereof; or (iii) the acceleration of the loan.
31 March 2017	**1,100.0**	-	**4.98%**	-	The earlier of (i) 31 March 2027; or (ii) request(s) from GENM Capital for early repayment of the loan or any portions thereof; or (iii) the acceleration of the loan.
31 March 2017	**250.0**	-	**5.20%**	-	The earlier of (i) 31 March 2032; or (ii) request(s) from GENM Capital for early repayment of the loan or any portions thereof; or (iii) the acceleration of the loan.
Total	**5,000.0**	2,400.0			

The subsidiaries are listed in Note 40.

Details of the significant non-cash transactions with the subsidiaries are disclosed in Note 38.

The Company's exposure to bad debts is not significant since the subsidiaries do not have historical default risk. The Company also manages its credit risk by performing regular reviews of the ageing profile of amounts due from subsidiaries. The amounts due from subsidiaries are neither past due nor impaired.

18. SUBSIDIARIES (cont'd)

Summarised financial information of a subsidiary with material non-controlling interests

Set out below are the summarised financial information for a subsidiary that has non-controlling interests that are material to the Group. The financial information is based on amounts before inter-company eliminations.

	BB Entertainment Ltd	
	2017	2016
Statement of Financial Position		
Current assets	**96.7**	136.4
Non-current assets	**1,353.5**	1,572.0
Current liabilities	**(2,177.0)**	(2,086.1)
Net liabilities	**(726.8)**	(377.7)
Accumulated non-controlling interests of the Group at the end of the reporting period	**(193.2)**	(119.6)
Statement of Comprehensive Income		
Revenue for the financial year	**106.8**	121.4
Loss for the financial year	**(403.2)**	(360.9)
Total comprehensive loss for the financial year	**(334.5)**	(407.3)
Loss for the financial year attributable to non-controlling interests	**(88.7)**	(79.4)
Total comprehensive loss for the financial year attributable to non-controlling interests	**(73.6)**	(89.6)
Statement of Cash Flows		
Cash outflows from operating activities	**(141.9)**	(124.8)
Cash outflows from investing activities	**(29.2)**	(196.2)
Cash inflows from financing activities	**172.4**	318.3
Net increase/(decrease) in cash and cash equivalents	**1.3**	(2.7)

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	2017	2016	**2017**	2016
Unquoted				
Equity investment in foreign corporations (Note (i))	**142.9**	100.8	**-**	-
Income funds in Malaysian corporations (Note (ii))	**120.0**	550.0	**120.0**	350.0
Equity investment in Malaysian corporations (Note (iii))	**2.1**	2.1	**2.1**	2.1
	265.0	652.9	**122.1**	352.1
Analysed as follows:				
Current	**120.0**	550.0	**120.0**	350.0
Non-current	**145.0**	102.9	**2.1**	2.1
	265.0	652.9	**122.1**	352.1

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.

Note (i)
During the financial year, the Group acquired an unquoted equity investment in a foreign corporation for RM51.0 million. The acquisition took place near the current financial year end and the determination of the purchase consideration was based on fair value. Hence, the fair value at year-end approximates the fair value at the date of acquisition.

The existing unquoted equity investment in a foreign corporation is measured at fair value at each reporting date based on discounted cash flow analysis. As it is unquoted, the fair value cannot be obtained directly from quoted market price or indirectly using valuation techniques supported by observable market data. The key assumptions used to derive at the fair value include growth rate of 2.0% (2016: 2.0%) and discount rate of 12.0% (2016: 13.0%).

If the growth rate is reduced to 1.5% (2016: 1.5%) with all other variables including tax rate being held constant, this will give rise to a decrease in fair value of RM3.0 million (2016: RM2.9 million). If the discount rate is 0.5% (2016: 0.5%) higher with all other variables including tax rate being held constant, this will give rise to a decrease in fair value of RM4.7 million (2016: RM4.6 million).

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS (cont'd)

Note (ii)
The income funds are redeemable at the holder's discretion and the fair values are determined based on the fair value of the underlying net assets.

Note (iii)
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.

20. DERIVATIVE FINANCIAL INSTRUMENTS

	2016	
	Group Assets/ (Liabilities)	Company Assets/ (Liabilities)
Current:		
Interest rate swap – cash flow hedge (Note (i))	(4.0)	-
Foreign currency exchange forward contracts - cash flow hedge (Note (ii))	3.1	3.1
Total derivative financial instruments	(0.9)	3.1

As at 31 December 2017, there are no outstanding derivative financial instruments for the Group and the Company.

Note (i)
The Group had entered into interest rate swap ("IRS") to hedge its exposure to interest rate risk on its borrowings in the UK. The contract entitled the Group to receive interest at floating rates on notional principal amounts and obliged 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 IRS contract has lapsed during the financial year.

As at 31 December 2016, the total notional principal amount of the IRS contract was approximately RM362.1 million and the estimated fair value of the contract was approximately RM4.0 million, which was unfavourable to the Group.

Note (ii)
The Company had entered into foreign currency exchange forward contracts to hedge against the exposure of its foreign exchange risk in USD. The foreign currency exchange forward contracts have lapsed during the financial year. As at 31 December 2016, the total notional principal amount of the foreign currency exchange forward contracts was approximately RM22.4 million and the estimated fair value of the contracts was approximately RM3.1 million, which was favourable to the Group and the Company.

The IRS and foreign currency exchange forward contracts were accounted for using the hedge accounting method. The changes in fair value of these contracts were included as hedging reserve in equity and continuously released to profit or loss until the repayment of the bank borrowing or maturity of these contracts, whichever is earlier.

21. OTHER NON-CURRENT ASSETS

	Group		Company	
	2017	2016	**2017**	2016
Other receivables (Note (i))	**151.5**	151.5	**1.5**	1.5
Promissory notes - unquoted (Note (ii))	**1,584.1**	1,395.3	**-**	-
Deposits (Note (iii))	**-**	183.9	**-**	-
Prepayments	**37.7**	46.8	**13.2**	20.9
Long term lease prepayment	**58.9**	64.9	**-**	-
Lease receivables (Note (iv))	**39.4**	-	**39.4**	-
	1,871.6	1,842.4	**54.1**	22.4

Note (i)
Included in other receivables of the Group is an investment of RM150.0 million (2016: RM150.0 million) in the unquoted preference shares of a Malaysian corporation. The preference shares carry a cumulative, non-compounding fixed dividend of 4% (2016: 4%) per annum and are subordinated to loan facilities undertaken by the issuer. The preference shares are redeemable in two equal tranches on the 8th and 9th anniversary of the issue date which can be extended by the issuer. However, the issuer may elect the following options prior to the 8th anniversary of the issue date:

(a) to extend the tenure of the preference shares by 1, 2 or 3 years from their original tenure stated above, where the preferential dividend rate applicable during the said extended tenure shall be at the rate of 1% above the fixed preferential dividend rate; or

(b) subject to the issuer being solvent at the time of the redemption of the preference shares, the issuer may at any time after the date of issuance of the preference shares and before the maturity date redeem any or all of the preference shares at the subscription price.

Note (ii)

	Group	
	2017	2016
Non-current		
Principal	**1,305.6**	1,280.3
Interest receivable	**278.5**	115.0
	1,584.1	1,395.3
Current (Note 23(ii))		
Interest receivable	**-**	7.6
	1,584.1	1,402.9

The Group subscribed to the promissory notes ("notes") issued by Mashpee Wampanoag Tribe ("the Tribe") to finance the pre-development expenses of a destination resort casino in Taunton, Massachusetts, United States of America. The notes carry fixed interest rates of 12% and 18% per annum (2016: 12% and 18% per annum). These notes were classified as other non-current assets as the Group expects the notes to be recovered beyond 12 months from the end of the reporting date.

21. OTHER NON-CURRENT ASSETS (cont'd)

Note (ii) (cont'd)
The recoverability of the notes is dependent on the outcome of the pending legal case and/or review by the relevant government authority as well as any other options which allow the Tribe to have land in trust for a destination resort casino development. This has affected the ability of the Tribe to proceed with the development, which cash flows are expected to facilitate the repayment of the notes when the casino commences operations.

The Group has carried out impairment assessment on the recovery of the notes based on the probable outcome of the pending legal case and decision by the relevant government authority as well as any other options allowing the Tribe to have land in trust for a destination resort casino development. Based on the review of the projected operational cash flows of the casino, the promissory notes are expected to be fully recovered and as such, no impairment is required for the notes.

Note (iii)
As at 31 December 2016, the deposits of RM183.9 million was in relation to the purchase of property, plant and equipment. The deposits has been reclassified to property, plant and equipment during the financial year.

Note (iv)
The Company's finance lease receivable arises from a lease arrangement with Genting Highlands Premium Outlets Sdn Bhd, a wholly-owned subsidiary of Genting Simon Sdn Bhd ("GSSB"). The lease arrangement is accounted for as a finance lease in accordance with MFRS 117 "Leases". GSSB is a joint venture of Genting Plantations Berhad.

	Group and Company	
	2017	2016
Lease receivables:		
- Receivable within 1 to 5 years	**42.3**	-
Less: Unearned interest income	**(2.9)**	-
	39.4	-
Present value of minimum lease payments receivable:		
- Receivable within 1 to 5 years	**39.4**	-

22. INVENTORIES

	Group		Company	
	2017	2016	**2017**	2016
Food, beverage, tobacco and other hotel supplies	**31.8**	30.3	**17.5**	12.0
Stores, spares and retail stocks	**56.6**	44.8	**37.2**	24.5
Completed properties	**23.1**	23.1	**-**	-
	111.5	98.2	**54.7**	36.5

23. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2017	2016	**2017**	2016
Trade receivables	**66.3**	86.4	**10.5**	12.7
Other receivables (Note (i))	**175.0**	169.3	**169.6**	191.7
Less: Impairment losses on receivables	**(21.3)**	(90.0)	**(0.7)**	(0.2)
	220.0	165.7	**179.4**	204.2
Interest receivable (Note 21 (ii))	**-**	7.6	**-**	-
Tax recoverable	**216.5**	117.4	**95.0**	96.8
Deposits	**29.1**	42.4	**12.1**	12.3
Prepayments	**218.6**	233.8	**101.5**	58.9
	684.2	566.9	**388.0**	372.2

Note (i)
Included in other receivables of the Company is an amount of RM129.3 million (2016: RM168.9 million) of accrued income in relation to the construction of infrastructure facilities for its subsidiaries.

As of 31 December 2017, the ageing analysis of trade receivables which were past due but not impaired is as follows:

	Group		Company	
	2017	2016	**2017**	2016
Current trade receivables past due:				
1 day to 90 days	**13.0**	9.0	**0.8**	-
91 days to 180 days	**0.2**	1.1	**-**	-
181 days to 360 days	**0.6**	0.1	**0.5**	-
More than 360 days	**0.1**	0.4	**-**	0.3
	13.9	10.6	**1.3**	0.3

No impairment has been made on these past due amounts as the Group and the Company are closely monitoring these receivables and are confident of their eventual recovery.

The Group's and the Company's trade receivables that are individually determined to be impaired at the reporting date are past due for more than 180 days and relate to debtors that are in significant financial difficulties and have defaulted on payments.

The amount of the provision made by the Group and the Company on trade and other receivables was RM21.3 million (2016: RM90.0 million) and RM0.7 million (2016: RM0.2 million) respectively as at 31 December 2017. These receivables are not secured by any collateral.

23. TRADE AND OTHER RECEIVABLES (cont'd)

The movements of provision for impairment losses on receivables are as follows:

	Group		Company	
	2017	2016	**2017**	2016
At 1 January	**90.0**	6.3	**0.2**	0.2
(Reversal of impairment losses)/impairment losses	**(0.4)**	80.1	**0.8**	-
Written off	**(60.4)**	(2.9)	**(0.3)**	-
Exchange differences	**(7.9)**	6.5	**-**	-
At 31 December	**21.3**	90.0	**0.7**	0.2

Other than as disclosed above, the remaining trade and other receivables are neither past due nor impaired.

24. HOLDING COMPANY AND OTHER RELATED COMPANIES

The Directors of the Company regard Genting Berhad, a company incorporated in Malaysia, as its immediate and ultimate holding company notwithstanding Genting Berhad's shareholding of less than 50% in the Company as Genting Berhad has control within the definition of "control" as set out in MFRS 10 "Consolidated Financial Statements" over the Company by virtue of its ability to manage the financial and operating policies of the Company pursuant to a 30-year Resort Management Agreement ("RMA") entered into in 1989 between the Company and Genting Berhad's wholly-owned subsidiary, Genting Hotel & Resorts Management Sdn Bhd ("GHRM"). The RMA, which cannot be unilaterally terminated by either party (except in limited circumstances, generally relating to default by a party continuing after a cure period or insolvency related events affecting a party), is renewable under the original terms and conditions at the end of the original term for 3 consecutive terms of 20 years each. Under the RMA, GHRM is appointed as the operator and manager of the gaming, hotel and resort-related operations ("Resort") of the Company, which includes the supply of senior management and other personnel deemed necessary or appropriate by GHRM for the operation of the Resort. A fee based on the gross revenue and the net operating income before fixed charges and taxation of the Resort is payable by the Company to GHRM for services under the RMA. In addition, Genting Berhad is the single largest shareholder of the Company with all other shareholders having dispersed shareholdings.

The amount due to holding company represents outstanding balances arising mainly from management fees payable and licensing services and is unsecured, interest free and has no fixed terms of repayment.

The amounts due from/to other related companies are unsecured, interest free and have no fixed terms of repayment. Included in the amounts due from other related companies as at 31 December 2016 was an amount due from an associate of RM6.3 million, out of which RM5.4 million has been written off to profit or loss in the current financial year. The amount due from other related companies are neither past due nor impaired.

The carrying amounts of the amounts due from/to holding company and other related companies approximate their fair values.

25. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

	Group	
	2017	2016
Assets classified as held for sale		
Maxims Casino (Note (i))		
Property, plant and equipment (Note 14)	**60.5**	-
Trade and other receivables	**1.4**	-
Inventories	**0.3**	-
	62.2	-
Property, plant and equipment related to the Bimini operations (Note 14)	**3.5**	-
	65.7	-
Liabilities classified as held for sale		
Maxims Casino (Note (i))		
Trade and other payables	**(42.6)**	-
Deferred tax liabilities (Note 33)	**(3.9)**	-
Taxation	**(12.7)**	-
	(59.2)	-

Note (i)
The assets and liabilities classified as held for sale relate to the business of Maxims Casino in the UK, owned and operated by Coastbright Limited, an indirect wholly-owned subsidiary of the Company.

26. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	2017	2016
Held for trading		
- Equity investment (quoted foreign corporation)	**7.4**	10.8

The fair value of the quoted equity investment is determined by reference to the bid price on the relevant stock exchange and is within Level 1 of the fair value hierarchy.

27. CASH AND CASH EQUIVALENTS

	Group		Company	
	2017	2016	**2017**	2016
Deposits with licensed banks	**513.4**	372.3	**459.1**	352.2
Cash and bank balances	**2,745.0**	1,610.4	**947.3**	847.6
	3,258.4	1,982.7	**1,406.4**	1,199.8
Less: Restricted cash	**(71.6)**	(35.0)	**(3.6)**	(2.2)
Bank balances and deposits	**3,186.8**	1,947.7	**1,402.8**	1,197.6
Money market instruments	**2,809.8**	2,908.0	**2,215.7**	1,335.3
Cash and cash equivalents	**5,996.6**	4,855.7	**3,618.5**	2,532.9

The carrying amounts of these assets approximate their fair values.

The deposits of the Group and the Company have an average maturity period of 2 months (2016: 1 month). Bank balances of the Group and the Company are deposits held at call.

Investment in money market instruments comprises money market deposits. The money market instruments of the Group and the Company have maturity periods ranging between overnight and 3 months (2016: overnight and one month).

Restricted cash relates to funds under the control of the Group placed with licensed banks and a third party which will be utilised for certain qualified expenses. The funds are transferred from these accounts to the Group and a third party upon obtaining certain approval.

28. SHARE CAPITAL

	Company			
	No. of ordinary shares (in million)		Amount	
	2017	2016	**2017**	2016
Authorised:				
Ordinary shares				
At 1 January	**8,000.0**	8,000.0	**800.0**	800.0
Effects of transition to no authorised share capital regime on 31 January 2017 under the Companies Act 2016	**(8,000.0)**	-	**(800.0)**	-
At 31 December	**-**	8,000.0	**-**	800.0

	Company			
	No. of ordinary shares (in million)		Amount	
	2017	2016	**2017**	2016
Issued and fully paid:				
Ordinary shares				
At 1 January	**5,938.0**	5,938.0	**593.8**	593.8
Transfer of share premium (Note 29)	**-**	-	**1,170.7**	-
At 31 December	**5,938.0**	5,938.0	**1,764.5**	593.8

The Companies Act 2016 ("the Act") which came into effect on 31 January 2017, abolished the concepts of authorised share capital and par value of share capital. Consequently, the amounts standing to the credit of the share premium account of RM1,170.7 million becomes part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Act.

There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

Pursuant to subsection 618(3) of the Act, the Group may exercise its right to use the amount standing to the credit of its share premium within 24 months after the commencement of the Act. The Board of Directors will make a decision thereon before 31 January 2019.

29. RESERVES

	Group		Company	
	2017	2016	**2017**	2016
Share premium (Note 28)	**-**	1,170.7	**-**	1,170.7
Reserve on exchange differences	**1,445.3**	2,196.6	**-**	-
Cash flow hedges reserve	**-**	(0.7)	**-**	3.0
Employee Share Scheme ("ESS") reserve (Note (i))	**76.0**	53.6	**76.0**	53.6
Retained earnings	**16,982.2**	16,808.1	**16,442.3**	16,366.9
	18,503.5	20,228.3	**16,518.3**	17,594.2

Note (i)
The ESS reserve relates to the performance-based Employee Share Scheme of the Company, as disclosed in Note 31. This reserve is made up of the estimated fair value of the shares granted based on the cumulative services received from executive directors and employees over the vesting period.

30. TREASURY SHARES

At the Annual General Meeting of the Company held on 31 May 2017, the shareholders of the Company approved the renewal of the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital of the Company.

There is no purchase, cancellation, resale or reissuance of treasury shares during the financial year.

In the previous financial year, the Company had purchased a total of 1,000,000 ordinary shares of its issued share capital from the open market. The total consideration paid for the purchase, including transaction costs, was RM4.6 million and was financed by internally generated funds. The purchased shares are held as treasury shares in accordance with the provisions of Section 127(4) of the Companies Act 2016.

As at 31 December 2017, of the total 5,938,044,648 (2016: 5,938,044,648) issued and fully paid ordinary shares, 269,607,400 (2016: 269,607,400) are held as treasury shares by the Company. As at 31 December 2017, the number of outstanding ordinary shares in issue after the set off is therefore 5,668,437,248 (2016: 5,668,437,248) ordinary shares.

31. SHARES HELD FOR EMPLOYEE SHARE SCHEME ("ESS")

On 26 February 2015, the Company established and implemented an Employee Share Scheme ("ESS" or the "Scheme") which would be in force for a period of 6 years. Under the Scheme, ordinary shares in the Company are awarded to the eligible employees and executive directors of the Company and its subsidiaries (other than subsidiaries which are dormant or incorporated outside Malaysia) ("Eligible Employees") without any consideration payable by them subject to them fulfilling certain vesting conditions ("Scheme Shares").

The Scheme comprises performance share plan ("PSP") and restricted share plan ("RSP").

The salient features of the Scheme are as follows:

a. The Remuneration Committee (appointed by the Board of Directors to administer the Scheme) will have the discretion in administering the Scheme, including determining the number of Scheme Shares to be allocated in each grant and prescribing the vesting conditions. The Remuneration Committee may, at any time and from time to time during the duration of the Scheme, make one or more offers to the Eligible Employees.

b. To facilitate the implementation of the Scheme, a Trust to be administered in accordance with the Trust Deed by the Trustee appointed by the Company ("Trust") was established. For the purpose of procuring shares to be made available under the Scheme (following the implementation of the Companies Act 2016 and the consequential amendments to Bursa Malaysia Securities Berhad Main Market Listing Requirements), the Company may either procure the acquisition of existing shares by the Trust to be administered by the Trustee in accordance with the Trust Deed ("Trust Shares") and/or transfer any of the treasury shares held by it pursuant to Section 127 of the Companies Act 2016. For the purposes of the Trust Shares, the Trustee shall acquire the necessary number of shares from the open market and transfer the shares to the Eligible Employees at such times as the Remuneration Committee shall direct. The Trustee will receive funds from the Company and/or its subsidiaries for purposes of administering the Trust.

c. The maximum number of Scheme Shares which may be made available under the Scheme shall not exceed 3% of the issued and paid-up ordinary share capital of the Company (excluding treasury shares) at any point of time during the duration of the Scheme ("Maximum Scheme Shares Available").

d. The allocation to an Eligible Employee who, either singly or collectively through persons connected with the Eligible Employees, holds 20% or more of the issued and paid-up ordinary share capital of the Company (excluding treasury shares), shall not exceed 10% of the Maximum Scheme Shares Available.

e. The Scheme Shares to be transferred to the Eligible Employees pursuant to the Scheme upon vesting thereof shall rank equally in all respects with the then existing issued ordinary shares of the Company. The Eligible Employees shall not be entitled to any dividend, right, allotment, entitlement and/or any other distribution attached to the Scheme Shares prior to the date on which the Scheme Shares are credited into the Eligible Employees' respective Central Depository System Accounts.

f. The Scheme Shares granted will be vested to the Eligible Employees, on their respective vesting dates, provided the vesting conditions and performance targets ("Vesting Conditions") as stipulated by the Remuneration Committee have been met.

g. The vesting of the Scheme Shares may also be settled by way of cash at the absolute discretion of the Remuneration Committee. In the case of settlement by way of cash, the value of the Scheme Shares vested will be determined based on the volume weighted average market price of the shares for the 5 market days immediately preceding the vesting date.

31. SHARES HELD FOR EMPLOYEE SHARE SCHEME ("ESS") (cont'd)

The movement of the Scheme Shares granted under the Scheme during the financial year is as follows:

	Fair value at grant date RM	Ordinary shares At 1 January 2017 '000	Granted '000	Vested '000	Lapsed '000	At 31 December 2017 '000
2017 Grant:						
PSP (Note (i))	**5.27**	**-**	**5,008.3**	**-**	**(1,168.2)***	**3,840.1**
RSP (Note (ii))	**5.20**	**-**	**3,829.5**	**-**	**(13.5)**	**3,816.0**
2016 Grant:						
PSP (Note (iii))	**4.19**	**9,622.1**	**-**	**(3,104.6)**	**(312.3)**	**6,205.2**
RSP (Note (iv))	**4.16**	**5,195.2**	**-**	**-**	**(20.7)**	**5,174.5**
2015 Grant:						
PSP (Note (v))	**3.93**	**5,630.5**	**-**	**(2,809.8)**	**(13.4)**	**2,807.3**
RSP (Note (vi))	**3.87**	**5,133.6**	**-**	**-**	**(20.7)**	**5,112.9**
		25,581.4	**8,837.8**	**(5,914.4)**	**(1,548.8)**	**26,956.0**

* Includes 1,159,996 Scheme Shares that have lapsed as certain Vesting Conditions have not been met.

	Fair value at grant date RM	Ordinary shares of 10 sen each At 1 January 2016 '000	Granted '000	Vested '000	Lapsed '000	At 31 December 2016 '000
2016 Grant:						
PSP (Note (iii))	4.19	-	9,653.7	-	(31.6)	9,622.1
RSP (Note (iv))	4.16	-	5,235.2	-	(40.0)	5,195.2
2015 Grant:						
PSP (Note (v))	3.93	8,742.9	-	(2,822.8)	(289.6)	5,630.5
RSP (Note (vi))	3.87	5,198.6	-	-	(65.0)	5,133.6
		13,941.5	14,888.9	(2,822.8)	(426.2)	25,581.4

Note (i)
Upon fulfilment of the Vesting Conditions, the Scheme Shares granted under PSP shall be vested equally over three instalments on a market day falling in March 2018, March 2019 and March 2020.

Note (ii)
Upon fulfilment of the Vesting Conditions, the Scheme Shares granted under RSP shall be vested on a market day falling in March 2020.

Note (iii)
Upon fulfilment of the Vesting Conditions, the Scheme Shares granted under PSP shall be vested equally over three instalments on a market day falling in March 2017, March 2018 and March 2019. The first vesting was on 16 March 2017.

Note (iv)
Upon fulfilment of the Vesting Conditions, the Scheme Shares granted under RSP shall be vested on a market day falling in March 2019.

Note (v)
Upon fulfilment of the Vesting Conditions, the Scheme Shares granted under PSP shall be vested equally over three instalments on a market day falling in March 2016, March 2017 and March 2018. The first and second vesting was on 16 March 2016 and 16 March 2017 respectively.

Note (vi)
Upon fulfilment of the Vesting Conditions, the Scheme Shares granted under RSP shall be vested on a market day falling in March 2018.

During the financial year ended 31 December 2017, 5,914,400 shares (2016: 2,822,800 shares) have been vested and transferred from the Trustee to the Eligible Employees of the Company and its subsidiaries in accordance with the terms under the Scheme.

31. SHARES HELD FOR EMPLOYEE SHARE SCHEME ("ESS") (cont'd)

As at 31 December 2017, the Trustee held 5,322,200 (2016: 11,236,600) amounting to RM21.7 million (2016: RM45.8 million) ordinary shares representing 0.09% (2016: 0.20%) of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company.

The fair value of the Scheme Shares granted during the financial year was estimated using a Monte Carlo Simulation model, taking into account the terms and conditions under which the Scheme Shares were granted. The key assumptions used in the model are as follows:

	PSP			**RSP**		
	2017 Grant	2016 Grant	2015 Grant	**2017 Grant**	2016 Grant	2015 Grant
Closing market price at grant date (RM)	**5.42**	4.28	4.07	**5.42**	4.28	4.07
Expected volatility (%)	**14.17**	12.10	11.73	**14.17**	12.10	11.73
Expected dividend yield (%)	**1.70**	1.48	1.70	**1.70**	1.48	1.70
Risk free rate (%)	**3.34 – 3.65**	2.81 – 3.28	3.18 – 3.48	**3.65**	3.28	3.48

32. OTHER LONG TERM LIABILITIES

	Group	
	2017	2016
Advance membership fees (Note (i))	**7.5**	9.5
Provision for onerous leases (Note (ii))	**17.7**	22.1
Government grant (Note (iii))	**34.5**	-
	59.7	31.6

Note (i)
Advance membership fees relates to fees received on sale of timeshare units by a subsidiary offering a timeshare ownership scheme. These fees are recognised as income over the next twenty four years from commencement of membership.

Note (ii)
The movements of the provision for onerous leases are as follows:

	Group	
	2017	2016
At 1 January	**115.8**	55.9
(Credited)/Charged to profit or loss	**(0.3)**	62.6
Unwinding of discount	**0.4**	0.7
Paid during the financial year	**(94.8)**	(4.5)
Exchange differences	**(0.1)**	1.1
At 31 December	**21.0**	115.8
Analysed as follows:		
Current (Note 35)	**3.3**	93.7
Non-current	**17.7**	22.1
	21.0	115.8

The Group made provision for onerous leases in respect of the following:

(a) The provision for onerous leases primarily relates to properties which are no longer used for trading. The provision is net of estimated rental income from sub-letting the properties. The leases expire at dates ranging over many years. The costs have been discounted at a rate of 2.5% (2016: 1.75%).

(b) As at 31 December 2016, the Group has accrued for termination costs of RM89.5 million in relation to an agreement with a port authority for cruise terminal usage. The termination costs has been fully settled during the current financial year.

32. OTHER LONG TERM LIABILITIES (cont'd)

Note (iii)
Government grant received in relation to the construction of certain properties in the US. The government grant is to be recognised in profit or loss over the useful lives of the assets when the assets are completed.

33. DEFERRED TAXATION

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 relates to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group		Company	
	2017	2016	**2017**	2016
Deferred tax assets:				
- subject to income tax	**39.3**	122.4	**-**	-
	39.3	122.4	**-**	-
Deferred tax liabilities:				
- subject to income tax	**(707.4)**	(664.9)	**(234.9)**	(162.4)
- subject to Real Property Gain Tax ("RPGT")	**(8.9)**	(8.9)	**-**	-
	(716.3)	(673.8)	**(234.9)**	(162.4)
Net deferred tax liabilities	**(677.0)**	(551.4)	**(234.9)**	(162.4)
At 1 January	**(551.4)**	(468.7)	**(162.4)**	(96.5)
(Charged)/credited to profit or loss (Note 11):				
- Property, plant and equipment, investment properties and intangible assets	**(65.0)**	(49.0)	**(91.6)**	(73.2)
- Provisions	**16.3**	6.8	**16.0**	5.9
- Unutilised tax losses	**(78.9)**	(108.4)	**-**	-
- Others	**2.3**	0.9	**3.1**	1.4
	(125.3)	(149.7)	**(72.5)**	(65.9)
(Charged)/credited to other comprehensive income:				
- Retirement benefit	**(1.2)**	3.3	**-**	-
Transfer to liabilities classified as held for sale (Note 25)	**3.9**	-	**-**	-
Exchange differences	**(3.0)**	63.7	**-**	-
At 31 December	**(677.0)**	(551.4)	**(234.9)**	(162.4)

	Group		Company	
Subject to income tax/RPGT:	**2017**	2016	**2017**	2016
(i) Deferred tax assets (before offsetting)				
- Property, plant and equipment	**20.9**	19.8	**-**	-
- Provisions	**66.2**	50.1	**61.4**	45.4
- Unutilised tax losses	**21.1**	104.8	**-**	-
- Others	**13.5**	11.2	**11.2**	8.1
	121.7	185.9	**72.6**	53.5
- Offsetting	**(82.4)**	(63.5)	**(72.6)**	(53.5)
Deferred tax assets (after offsetting)	**39.3**	122.4	**-**	-
(ii) Deferred tax liabilities (before offsetting)				
- Property, plant and equipment, investment properties and intangible assets	**(796.7)**	(735.3)	**(307.5)**	(215.9)
- Others	**(2.0)**	(2.0)	**-**	-
	(798.7)	(737.3)	**(307.5)**	(215.9)
- Offsetting	**82.4**	63.5	**72.6**	53.5
Deferred tax liabilities (after offsetting)	**(716.3)**	(673.8)	**(234.9)**	(162.4)

33. DEFERRED TAXATION (cont'd)

The amount of unutilised tax losses and deductible temporary differences (all of which have no expiry date) for which no deferred tax asset is recognised in the Group's statement of financial position are as follows:

	Group	
	2017	2016
Unutilised tax losses	**136.0**	154.2
Property, plant and equipment	**60.3**	52.2
Provisions	**1.8**	2.5
	198.1	208.9

With regards to MFRS 112 "Income Taxes", the Group will continue to recognise in profit or loss on the tax credits arising from the Group's unutilised Investment Tax Allowance of RM1,011.7 million (2016: RM1,026.9 million) and unutilised customised incentive granted under the East Coast Economic Region of RM1,478.0 million (2016: RM581.0 million) as and when they are utilised.

34. PROVISION FOR RETIREMENT GRATUITIES

	Group		Company	
	2017	2016	**2017**	2016
At 1 January	**202.8**	181.8	**189.3**	164.4
Charged to profit or loss (Note 9)	**40.2**	23.8	**32.7**	26.6
Paid during the financial year	**(2.9)**	(2.8)	**(2.4)**	(1.7)
Transfer from subsidiaries	**-**	-	**7.6**	-
Disposal of a subsidiary	**(0.4)**	-	**-**	-
At 31 December	**239.7**	202.8	**227.2**	189.3
Analysed as follows:				
Current (Note 35)	**44.2**	32.1	**40.8**	28.8
Non-current	**195.5**	170.7	**186.4**	160.5
	239.7	202.8	**227.2**	**189.3**

Refer to item (c) of Employee Benefits under Note 3 – Significant Accounting Policies for details of the Retirement Gratuities scheme.

35. TRADE AND OTHER PAYABLES

	Group		Company	
	2017	2016	**2017**	2016
Trade payables	**479.1**	442.0	**40.4**	40.2
Accruals	**1,330.3**	1,387.9	**964.4**	932.3
Deposits	**24.6**	25.8	**3.9**	4.5
Other payables	**783.1**	757.0	**423.9**	530.5
Provision for onerous leases (Note 32)	**3.3**	93.7	**-**	-
Provision for retirement gratuities (Note 34)	**44.2**	32.1	**40.8**	28.8
	2,664.6	2,738.5	**1,473.4**	1,536.3

Included in other payables of the Group and the Company are amounts payable to contractors for project related costs of RM328.5 million and RM322.9 million respectively (2016: RM470.5 million and RM461.2 million).

36. BORROWINGS

	Group	
	2017	2016
Current		
Secured:		
Term loan and revolving credit facility – United States Dollars (Note (i))	**-**	199.5
Term loan – Pound Sterling (Note (ii))	**80.3**	-
Unsecured:		
Term loan and revolving credit facility – Pound Sterling	**229.2**	903.9
	309.5	1,103.4
Non-current		
Secured:		
Term loan – United States Dollars (Note (i))	**1,136.9**	826.0
Term loan – Pound Sterling (Note (ii))	**458.8**	-
Unsecured:		
Medium term notes (Note (iii))	**4,995.1**	2,397.2
	6,590.8	3,223.2
Total	**6,900.3**	4,326.6

Note (i)
The borrowings denominated in United States Dollars are secured against the Group's licences with definite lives (United States of America) of RM2,362.6 million (2016: RM2,701.0 million).

Note (ii)
The term loan denominated in Pound Sterling is secured against certain property, plant and equipment and investment properties of the Group's casino business in UK amounting to RM693.1 million and RM185.8 million respectively.

Note (iii)
On 24 August 2015, GENM Capital issued RM1.1 billion nominal amount of 5-year medium term notes ("MTN") at coupon rate of 4.5% per annum and RM1.3 billion nominal amount of 10-year MTN at coupon rate of 4.9% per annum under its MTN Programme which is guaranteed by the Company.

On 31 March 2017, GENM Capital further issued RM1.25 billion nominal amount of 5-year MTN at coupon rate of 4.78% per annum, RM1.1 billion nominal amount of 10-year MTN at coupon rate of 4.98% per annum and RM0.25 billion nominal amount of 15-year MTN at coupon rate of 5.20% per annum under its MTN Programme which is guaranteed by the Company.

The coupon is payable semi-annually. The net proceeds from the MTN Programme shall be utilised for operating expenses, capital expenditure, and/or working capital requirements of the Company including to finance the development and/or re-development of the properties of the Company located in Genting Highlands, Pahang, Malaysia.

The fair value of MTN as at 31 December 2017 was RM5,015.7 million (2016: RM2,405.6 million). The fair value is determined by reference to prices from observable current market transactions for similar medium term notes at the reporting date and is within Level 2 of the fair value hierarchy.

The above borrowings (excluding MTN) bear an effective annual interest rate of 1.4% to 3.1% (2016: 1.1% to 2.3%) per annum.

36. BORROWINGS (cont'd)

The maturity profile and exposure of borrowings of the Group as at 31 December 2017 is as follows:

	Floating interest rates	Fixed interest rates	Total
At 31 December 2017:			
Less than one year	**309.5**	**-**	**309.5**
Between 1 and 2 years	**148.4**	**-**	**148.4**
Between 2 and 5 years	**1,447.3**	**2,346.3**	**3,793.6**
More than 5 years	**-**	**2,648.8**	**2,648.8**
	1,905.2	**4,995.1**	**6,900.3**
At 31 December 2016:			
Less than one year	1,103.4	-	1,103.4
Between 1 and 2 years	100.7	-	100.7
Between 2 and 5 years	725.3	1,097.9	1,823.2
More than 5 years	-	1,299.3	1,299.3
	1,929.4	2,397.2	4,326.6

37. COMMITMENTS AND CONTINGENCIES

(a) Capital Commitments

	Group		Company	
	2017	2016	**2017**	2016
Authorised capital expenditure not provided for in the financial statements:				
- contracted	**1,775.0**	2,658.7	**1,660.3**	2,300.1
- not contracted	**6,192.1**	7,307.2	**2,554.6**	3,712.2
	7,967.1	9,965.9	**4,214.9**	6,012.3
Analysed as follows:				
- property, plant and equipment	**7,967.1**	9,589.9	**4,214.9**	6,012.3
- investments	**-**	376.0	**-**	-
	7,967.1	9,965.9	**4,214.9**	6,012.3

(b) Operating Lease Commitments

The future minimum lease payments under non-cancellable operating leases are payable as follows:

	Group	
	2017	2016
Not later than 1 year	**115.2**	108.4
Later than 1 year but not later than 5 years	**216.6**	259.6
Later than 5 years	**356.4**	251.1
	688.2	619.1

The operating lease commitments relates to future rentals payable on land and buildings of casinos and rental of gaming machines and general equipment within the casinos in the UK.

Casino land and buildings leases are typically between 25 and 35 years, however leases range from 10 to 55 years. Other leases are typically 3 years. The agreements are not terminated automatically after expiry of the lease term. In certain cases, lease extension options have been agreed upon, whilst in other cases there will be an opportunity to negotiate lease extensions with the lessor.

(c) Contingent Liabilities

There were no contingent liabilities or contingent assets as at 31 December 2017 (2016: Nil).

38. SIGNIFICANT NON-CASH TRANSACTIONS

(a) The Company redeemed preference shares in certain subsidiaries in settlement of amounts owing by the Company. The details of the redemption of preference shares are as follows:

		Company	
	Redemption of preference shares	**2017**	2016
Direct wholly-owned subsidiaries			
First World Hotels & Resorts Sdn Bhd	Nil (2016: 65,000) Convertible Non-Cumulative Redeemable preference shares	**-**	65.0
Genting CSR Sdn Bhd	Nil (2016: 116,000) Redeemable Convertible Non-Cumulative preference shares	**-**	116.0
Leisure & Cafe Concept Sdn Bhd	Nil (2016: 8,440) 6% Convertible Non-Cumulative Redeemable preference shares	**-**	8.4

(b) The Company subscribed for additional preference shares in certain subsidiaries in settlement of amounts owing to the Company. The details of the significant subscription of additional preference shares are as follows:

		Company	
	Subscription of preference shares	**2017**	2016
Direct wholly-owned subsidiaries			
Gentinggi Sdn Bhd	4,427 (2016: 3,853) Redeemable Convertible Non-Cumulative preference shares	**4.4**	3.9
Awana Vacation Resorts Development Berhad	1,924 (2016: 1,304) Redeemable Convertible Non-Cumulative preference shares	**1.9**	1.3
Genting Golf Course Bhd	Nil (2016: 3,300) Redeemable Convertible Non-Cumulative preference shares	**-**	3.3
Sierra Springs Sdn Bhd	Nil (2016: 36,348) 6% Non-Convertible Non-Cumulative Redeemable preference shares	**-**	36.3
Orient Wonder International Limited	21,500 (2016: 38,500) Convertible Non-Cumulative Redeemable preference shares	**87.7**	172.3

The conversion of the preference shares as disclosed in (a) and (b) shall be at such value of the preference shares to be mutually agreed between the holder of the preference shares and the issuer.

(c) The direct wholly-owned subsidiaries of the Company declared and paid interim dividend to the Company by way of offsetting amounts owing by the Company. The details of the dividends declared by the subsidiaries are as follows:

		Company	
	Declared and paid interim dividend	**2017**	2016
Direct wholly-owned subsidiaries			
Oakwood Sdn Bhd	Interim single-tier dividend of RM0.89 (2016: RM0.97) per ordinary share	**13.4**	14.6
Genting Skyway Sdn Bhd	Nil (2016: Interim single-tier dividend of RM10.2 million per ordinary share)	**-**	20.4
Genting Highlands Berhad	Nil (2016: Interim single-tier dividend of RM0.26 per ordinary share)	**-**	4.2
Vestplus Sdn Bhd	Interim single-tier dividend of RM1.1 million (2016: Nil) per ordinary share	**2.1**	-
Leisure & Cafe Concept Sdn Bhd	Interim single-tier dividend of RM40.00 (2016: Nil) per ordinary share	**4.0**	-
Genting Centre of Excellence Sdn Bhd	Interim single-tier dividend of RM6.50 (2016: Nil) per ordinary share	**1.3**	-
Eastern Wonder Sdn Bhd	Interim single-tier dividend of RM8.00 (2016: Nil) per ordinary share	**2.0**	-

38. SIGNIFICANT NON-CASH TRANSACTIONS (cont'd)

(c) The direct wholly-owned subsidiaries of the Company declared and paid interim dividend to the Company by way of offsetting amounts owing by the Company. The details of the dividends declared by the subsidiaries are as follows (cont'd):

		Company	
	Declared and paid interim dividend	**2017**	2016
Direct wholly-owned subsidiaries (cont'd)			
Possible Wealth Sdn Bhd	Interim single-tier dividend of RM11.5 million (2016: RM13.0 million) per ordinary share	**23.0**	26.0
Genting Highlands Tours and Promotion Sdn Bhd	Nil (2016: Interim single-tier dividend of RM218 per ordinary share)	**-**	54.5

	Group	
	2017	2016
(d) Settlement of interest income and related fees via subscription of promissory notes issued by the Tribe	**65.7**	81.2

39. SIGNIFICANT RELATED PARTY DISCLOSURES

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances:

(a) The immediate and ultimate holding company of the Company is Genting Berhad ("GENT"), a company incorporated in Malaysia.

(b) The significant related party transactions of the Group during the financial year are as follows:

	Group		Company	
	2017	2016	**2017**	2016
(i) Management agreements				
• Provision of technical know-how and management expertise in the resort's operations of Genting Highlands Resort by Genting Hotel & Resorts Management Sdn Bhd, a wholly-owned subsidiary of GENT.	**430.7**	424.3	**423.1**	412.3
• Provision of technical know-how and management expertise in the resort's operations for other hotels and resorts as well as the Time Sharing Scheme for Awana Vacation Resorts Development Berhad by Awana Hotels & Resorts Management Sdn Bhd, a wholly-owned subsidiary of GENT.	**2.0**	1.5	**-**	-
(ii) Sales of goods and services				
• Air ticketing and transportation services rendered by Resorts World Tours Sdn Bhd, a wholly-owned subsidiary of the Company, to:				
• GENT and its subsidiaries.	**0.9**	1.0	**-**	-
• The Company.	**-**	-	**105.0**	92.5
• Provision of shared support services in relation to accounts payable, credit control, procurement, sales and marketing by the Company to its subsidiaries.	**-**	-	**16.8**	18.9
• Provision of management and support services by Genting New York LLC, an indirect wholly-owned subsidiary of the Company to Resorts World Las Vegas LLC, a wholly-owned subsidiary of GENT.	**2.2**	2.1	**-**	-

39. SIGNIFICANT RELATED PARTY DISCLOSURES (cont'd)

(b) The significant related party transactions of the Group during the financial year are as follows (cont'd):

	Group		Company	
	2017	2016	**2017**	2016
(ii) Sales of goods and services (cont'd)				
• Provision of information technology consultancy, development, implementation, support and maintenance services which include SAP System, Data Centre Shared Services and other management services by E-Genting Sdn Bhd, Genting Information Knowledge Enterprise Sdn Bhd, Genting WorldCard Services Sdn Bhd and Acsend Solutions Sdn Bhd, (save for E-Genting Sdn Bhd which had ceased to become an indirect wholly-owned subsidiary of the Company on 31 July 2017, all others are indirect wholly-owned subsidiaries of the Company), to:				
• GENT and its subsidiaries.	**2.5**	9.2	**-**	-
• Resorts World Inc Pte Ltd ("RWI") Group. RWI is a joint venture of GENT.	**0.3**	0.4	**-**	-
• GENHK and its subsidiaries.	**1.1**	1.7	**-**	-
• The Company.	**-**	-	**4.6**	4.6
• Provision of information technology consultancy, development, implementation, support and maintenance services which include SAP System, Data Centre Shared Services and other management services by the Company to GENT and its subsidiaries.	**5.4**	-	**-**	-
• Provision of aviation related services by the Group to GENHK Group.	**0.7**	1.1	**-**	-
• Provision of utilities, maintenance, security and construction management services to Genting Highlands Premium Outlets Sdn Bhd, a wholly-owned subsidiary of Genting Simon Sdn Bhd ("GSSB"). GSSB is a joint venture of Genting Plantations Berhad ("GENP").	**4.5**	0.6	**0.6**	-
• Provision of shared back office and business operations support services by the company to First World Hotels & Resorts Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**25.6**	24.0
(iii) Purchase of goods and services				
• Provision of administrative support services in relation to tax, treasury, internal audit, corporate affairs, secretarial and human resource functions by GENT.	**8.2**	7.6	**6.3**	5.5
• Provision of management and consultancy services on theme park and resort development and operations to the Company by International Resort Management Services Pte. Ltd., an entity connected with certain Directors of the Company.	**10.0**	10.0	**10.0**	10.0
• Purchase of electronic table games by the Group from RWI Group.	**6.8**	-	**6.8**	-
• Purchase of rooms by the Group from an entity connected with shareholder of BBEL.	**0.8**	2.4	**-**	-
• Provision of water supply services by Bimini Bay Water Ltd., an entity connected with shareholder of BBEL to the Group.	**3.2**	2.6	**-**	-
• Provision of maintenance services by entities connected with shareholder of BBEL to the Group.	**18.6**	11.6	**-**	-
• Provision of construction services by an entity connected with shareholder of BBEL to the Group.	**7.7**	4.6	**-**	-
• Provision of business operation support services, by :				
• Eastern Wonder Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**8.0**	5.9
• Genting Skyway Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**6.9**	0.4
• Provision of shuttle services by Resorts World Tours Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**3.1**	6.1

39. SIGNIFICANT RELATED PARTY DISCLOSURES (cont'd)

(b) The significant related party transactions of the Group during the financial year are as follows (cont'd):

	Group		Company	
	2017	2016	**2017**	2016
(iii) Purchase of goods and services (cont'd)				
• Provision of management and support services by First World Hotels & Resorts Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**11.6**	10.7
• Provision of management and support service fees in relation to software development by Genting Information Knowledge Enterprise Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**2.9**	0.2
• Provision of room, food and beverage, theme park, cinema, casino referal fees and laundry services by First World Hotels & Resorts Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**91.4**	95.1
(iv) Rental and related services				
• Rental of premises and provision of connected services to Warisan Timah Holdings Sdn Bhd ("Warisan Timah"). Datuk Lim Chee Wah, a brother of Tan Sri Lim Kok Thay and an uncle of Lim Keong Hui, has deemed interest in Warisan Timah.	**2.2**	2.4	**1.9**	1.0
• Letting of office space and provision of connected services by Oakwood Sdn Bhd, a wholly-owned subsidiary of the Company, to:				
• GENT and its subsidiaries.	**6.7**	6.7	**-**	-
• RWI Group.	**0.6**	0.6	**-**	-
• The Company.	**-**	-	**6.5**	6.3
• Rental charges for office space by the Group to Genting Hong Kong Limited ("GENHK") Group.	**5.4**	3.5	**-**	-
• Letting of premises by Genting Development Sdn Bhd ("GDSB") to the Group. The late Puan Sri Lim (Nee Lee) Kim Hua, the mother of Tan Sri Lim Kok Thay and the grandmother of Lim Keong Hui, is a shareholder of GDSB. Among others, Tan Sri Lim Kok Thay and Mr Teo Eng Siong had been named as Executors and Trustees of the Estate of Puan Sri Lim (Nee Lee) Kim Hua.	**1.0**	1.3	**0.5**	0.5
• Letting of premises by First World Hotels & Resorts Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**16.4**	56.0
• Rental of premises to First World Hotels & Resorts Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**1.9**	3.1
• Letting of a premise to Genting Highlands Premium Outlets Sdn Bhd, a wholly owned subsidiary of Genting Simon Sdn Bhd.	**4.2**	-	**4.2**	-
(v) License agreement				
• Licensing fees paid to GENT Group for the use of name and accompanying logo of "Genting", "Resorts World" and "Awana".	**206.9**	195.5	**204.5**	192.6
• License fee paid to RWI for the use of "Resorts World" and "Genting" intellectual property in the US and Bahamas.	**75.4**	75.1	**-**	-
• License fee paid to Genting Intellectual Property Pte Ltd, a wholly-owned subsidiary of GENT, for the use of "Resorts World" and "Genting" intellectual property outside Malaysia.	**1.0**	0.9	**-**	-
• Licensing fee for the use of "Genting" intellectual property in the United Kingdom charged by RWI Group to the Group.	**-**	6.0	**-**	-
• Licensing fee for the use of gaming software charged by RWI Group to the Group.	**2.3**	2.3	**-**	-
• Licensing fee for the use of Dynamic Reporting System charged by RWI Group to the Group.	**1.0**	0.2	**-**	-

39. SIGNIFICANT RELATED PARTY DISCLOSURES (cont'd)

(b) The significant related party transactions of the Group during the financial year are as follows (cont'd):

	Group		Company	
	2017	2016	**2017**	2016
(vi) Sales and marketing arrangements				
• Provision of services as the exclusive international sales and marketing coordinator for Genting Highlands Resort by Possible Wealth Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**30.0**	27.0
• Provision of loyalty programme management services by Genting WorldCard Services Sdn Bhd, a wholly-owned subsidiary of the Company.	**-**	-	**2.3**	0.8
(vii) Investments				
• Remaining proceeds received from disposal of two pieces of leasehold land at Segambut by the Group to Esprit Icon Sdn Bhd, a wholly-owned subsidiary of GENP.	**-**	59.2	**-**	-
• Disposal of GENHK shares to Golden Hope Limited ("GHL") (GHL acting as trustee of Golden Hope Unit Trust ("GHUT") and both Tan Sri Lim Kok Thay and Lim Keong Hui have deemed interests in the units of GHUT).	**-**	1,738.3	**-**	-
• Progress billing to Aliran Tunas Sdn Bhd, an indirect wholly-owned subsidiary of the Company in relation to the construction of infrastructure facilities.	**-**	-	**9.0**	80.8
• Progress billing to Netyield Sdn Bhd, an indirect wholly-owned subsidiary of the Company in relation to the construction of infrastructure facilities.	**-**	-	**112.4**	-
• Disposal of the Group's 100% equity interest in E-Genting Sdn Bhd to RW Tech Labs Sdn Bhd, an indirect wholly-owned subsidiary of RWI.	**3.0**	-	**-**	-
(viii)Borrowings				
• Interest bearing advances from GENM Capital Berhad, a wholly-owned subsidiary of the Company.	**-**	-	**2,600.0**	-
• Finance costs charged on the interest bearing advances by GENM Capital Berhad.	**-**	-	**209.3**	113.2

(c) Directors' and key management's remuneration

The remuneration of Directors and other members of key management is as follows:

	Group and Company	
	2017	2016
Wages, salaries and bonuses	**68.2**	60.2
Defined contribution plan	**11.3**	10.9
Other short term employee benefits	**0.5**	0.5
Provision for retirement gratuities	**14.5**	1.3
Employee Share Scheme	**26.9**	31.3
	121.4	104.2
Estimated monetary value of benefits-in-kind	**2.3**	2.0
	123.7	106.2

The outstanding balances as at 31 December 2017 and 2016, arising from sale/purchase of services, and payments made on behalf/receipts from the holding company, subsidiaries, related companies, joint venture and associate are disclosed in Notes 18 and 24. The outstanding balances arising from other related sales/purchases are not material as at 31 December 2017 and 2016.

40. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2017	2016		
Direct Subsidiaries				
+ Ascend International Holdings Limited	**100.0**	100.0	Hong Kong, SAR	Provision of IT related services and marketing services; and investment holding
Awana Vacation Resorts Development Berhad	**100.0**	100.0	Malaysia	Proprietary time share ownership scheme
E-Genting Holdings Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
Eastern Wonder Sdn Bhd	**100.0**	100.0	Malaysia	Support services
First World Hotels & Resorts Sdn Bhd	**100.0**	100.0	Malaysia	Hotel business
GENM Capital Berhad	**100.0**	100.0	Malaysia	Issuance of private debt securities
Genting Centre of Excellence Sdn Bhd	**100.0**	100.0	Malaysia	Provision of training services
Genting CSR Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
Genting Entertainment Sdn Bhd	**100.0**	100.0	Malaysia	Show agent
Genting Golf Course Bhd	**100.0**	100.0	Malaysia	Condotel and hotel business, golf resort and property development
Genting Highlands Berhad	**100.0**	100.0	Malaysia	Land and property development
Genting Highlands Tours and Promotion Sdn Bhd	**100.0**	100.0	Malaysia	Letting of land and premises
Genting Leisure Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding; and creative, arts and entertainment activities
Genting Project Services Sdn Bhd	**100.0**	100.0	Malaysia	Provision of project management and construction management services
Genting Skyway Sdn Bhd	**100.0**	100.0	Malaysia	Provision of cable car services and related support services
Genting Utilities & Services Sdn Bhd	**100.0**	100.0	Malaysia	Provision of electricity supply services at Genting Highlands and investment holding
Genting Worldwide (Labuan) Limited	**100.0**	100.0	Labuan, Malaysia	Offshore financing
Genting Worldwide Limited	**100.0**	100.0	Isle of Man	Investment holding
Gentinggi Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
GHR Risk Management (Labuan) Limited	**100.0**	100.0	Labuan, Malaysia	Offshore captive insurance
Kijal Facilities Services Sdn Bhd	**100.0**	100.0	Malaysia	Letting of its apartment unit
Leisure & Cafe Concept Sdn Bhd	**100.0**	100.0	Malaysia	Karaoke business
Oakwood Sdn Bhd	**100.0**	100.0	Malaysia	Property investment and management
Orient Star International Limited	**100.0**	100.0	Bermuda	Ownership and operation of aircraft
Orient Wonder International Limited	**100.0**	100.0	Bermuda	Ownership and operation of aircraft
Possible Wealth Sdn Bhd	**100.0**	100.0	Malaysia	International sales and marketing services; and investment holding
Resorts Tavern Sdn Bhd	**100.0**	100.0	Malaysia	Land and property development
Resorts World Tours Sdn Bhd	**100.0**	100.0	Malaysia	Provision of tour and travel related services
Seraya Mayang Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
Setiaseri Sdn Bhd	**100.0**	100.0	Malaysia	Letting of its apartment units
Sierra Springs Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
+ Vestplus (Hong Kong) Limited	**100.0**	100.0	Hong Kong, SAR	Payment and collection agent
Vestplus Sdn Bhd	**100.0**	100.0	Malaysia	Sale and letting of apartment units; and payment and collection agent
# Genting ePay Services Sdn Bhd	**100.0**	-	Malaysia	Pre-operating
Genting Irama Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
Ikhlas Tiasa Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
Indirect Subsidiaries				
* ABC Biscayne LLC	**100.0**	100.0	United States of America	Letting of property
Aliran Tunas Sdn Bhd	**100.0**	100.0	Malaysia	Provision of water services at Genting Highlands
Ascend Solutions Sdn Bhd	**100.0**	100.0	Malaysia	Provision of IT and consultancy services

40. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE (cont'd)

	Effective Percentage of Ownership 2017	2016	Country of Incorporation	Principal Activities
Indirect Subsidiaries (cont'd)				
# Bayfront 2011 Development, LLC	**100.0**	100.0	United States of America	Property development
+ BB Entertainment Ltd	**78.0**	78.0	Commonwealth of The Bahamas	Owner and operator of casino and hotel
# BB Investment Holdings Ltd	**100.0**	100.0	Commonwealth of The Bahamas	Investment holding
# Bimini SuperFast Charter Limited	**100.0**	100.0	Isle of Man	Bareboat charterer
# Bimini SuperFast Limited	**100.0**	100.0	Isle of Man	Owner of sea vessels
# Bimini SuperFast Operations LLC	**100.0**	100.0	United States of America	Provision of support services
Bromet Limited	**100.0**	100.0	Isle of Man	Investment holding
# Chelsea Court Limited	**100.0**	100.0	Isle of Man	Investment holding
+ Coastbright Limited	**100.0**	100.0	United Kingdom	Casino operator
# Digital Tree (USA) Inc	**100.0**	100.0	United States of America	Investment holding
+ Freeany Enterprises Limited	**100.0**	100.0	United Kingdom	Credit assessment on behalf of fellow group companies
Genasa Sdn Bhd	**100.0**	100.0	Malaysia	Property development, sale and letting of apartment units
Genmas Sdn Bhd	**100.0**	100.0	Malaysia	Sale and letting of land
Gensa Sdn Bhd	**100.0**	100.0	Malaysia	Sale and letting of land and property
Genting Administrative Services Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
+ Genting Alderney Limited	**100.0**	100.0	Alderney, Channel Islands	Online gaming affiliate business
* Genting Americas Holdings Limited	**100.0**	100.0	United Kingdom	Investment holding
* Genting Americas Inc	**100.0**	100.0	United States of America	Investment holding
+ Genting Casinos Egypt Limited	**100.0**	100.0	United Kingdom	Casino operator
+ Genting Casinos UK Limited	**100.0**	100.0	United Kingdom	Casino and online gaming operator
Genting East Coast USA Limited	**100.0**	100.0	Isle of Man	Investment holding
# Genting Florida LLC	**100.0**	100.0	United States of America	Investment holding
Genting Ibico Holdings Limited	**100.0**	100.0	Isle of Man	Investment holding
Genting Information Knowledge Enterprise Sdn Bhd	**100.0**	100.0	Malaysia	Research in software development, provision of IT and consultancy services
+ Genting International Investment Properties (UK) Limited	**100.0**	100.0	United Kingdom	Property investment and development
+ Genting International Investment (UK) Limited	**100.0**	100.0	United Kingdom	Investment holding
+ Genting International (UK) Limited	**100.0**	100.0	United Kingdom	Investment holding
# Genting Massachusetts LLC	**100.0**	100.0	United States of America	Investment holding
# Genting Nevada Inc	**100.0**	100.0	United States of America	Investment holding
+ Genting New York LLC	**100.0**	100.0	United States of America	Operator of a video lottery facility
# Genting North America Holdings LLC	**100.0**	100.0	United States of America	Investment holding
+ Genting Properties (UK) Pte Ltd	**100.0**	100.0	Singapore	Property investment
+ Genting Solihull Limited	**100.0**	100.0	United Kingdom	Property investment and development, investment holding and hotel and leisure facilities operator

40. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE (cont'd)

	Effective Percentage of Ownership 2017	Effective Percentage of Ownership 2016	Country of Incorporation	Principal Activities
Indirect Subsidiaries (cont'd)				
+ Genting UK Plc	**100.0**	100.0	United Kingdom	Investment holding
Genting (USA) Limited	**100.0**	100.0	Isle of Man	Investment holding
Genting World Sdn Bhd	**100.0**	100.0	Malaysia	Leisure and entertainment business
Genting WorldCard Services Sdn Bhd	**100.0**	100.0	Malaysia	Provision of loyalty programme services
Genting Worldwide (UK) Limited	**100.0**	100.0	Isle of Man	Investment holding
+ Genting Worldwide Services Limited	**100.0**	100.0	United Kingdom	Investment holding
+ Golden Site Limited	**100.0**	100.0	Hong Kong, SAR	International sales and marketing services
+ Golden Site Pte Ltd	**100.0**	100.0	Singapore	International sales and marketing services
# Hill Crest LLC	**100.0**	100.0	United States of America	Investment holding
Kijal Resort Sdn Bhd	**100.0**	100.0	Malaysia	Property development and property management
Lafleur Limited	**100.0**	100.0	Isle of Man	Investment holding
Lingkaran Cergas Sdn Bhd	**100.0**	100.0	Malaysia	Provision of services at Genting Highlands
Nature Base Sdn Bhd	**100.0**	100.0	Malaysia	Provision of services at Genting Highlands
Nedby Limited	**100.0**	100.0	Isle of Man	Investment holding
Netyield Sdn Bhd	**100.0**	100.0	Malaysia	Provision of services at Genting Highlands
Papago Sdn Bhd	**100.0**	100.0	Malaysia	Resort and hotel business
+ Park Lane Mews Hotel London Limited	**100.0**	100.0	United Kingdom	Hotel operator
Resorts Facilities Services Sdn Bhd	**100.0**	100.0	Malaysia	Property upkeep services
* Resorts World Aviation LLC	**100.0**	100.0	United States of America	Owner of aeroplanes
Resorts World Capital Limited	**100.0**	100.0	Isle of Man	Investment holding
+ Resorts World Limited	**100.0**	100.0	Isle of Man	Investment holding and investment trading
* Resorts World Miami LLC	**100.0**	100.0	United States of America	Property investment
* Resorts World Omni LLC	**100.0**	100.0	United States of America	Hotel business and property management
Resorts World Properties Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
* Resorts World Travel Services Private Limited	**100.0**	100.0	India	Travel agency
* RWBB Management Ltd	**100.0**	100.0	Commonwealth of The Bahamas	Provision of casino management services
* RWBB Resorts Management Ltd	**100.0**	100.0	Commonwealth of The Bahamas	Provision of resort management services
# Stanley Casinos Holdings Limited	**100.0**	100.0	United Kingdom	Investment holding
# Stanley Overseas Holdings Limited	**100.0**	100.0	United Kingdom	Investment holding
# Two Digital Trees LLC	**100.0**	100.0	United States of America	Investment holding
+ Waters Solihull Limited	**100.0**	-	United Kingdom	Restaurant operator
Widuri Pelangi Sdn Bhd	**100.0**	100.0	Malaysia	Golf resort and hotel business
WorldCard Services Sdn Bhd	**100.0**	100.0	Malaysia	Provision of loyalty programme services
+ Xi'an Ascend Software Technology Co., Ltd.	**100.0**	100.0	China	Research and development and provision of IT related services
# Genting Management Services LLC	**100.0**	100.0	United States of America	Pre-operating
# GTA Holding, Inc	**100.0**	100.0	United States of America and continued into British Columbia	Pre-operating

40. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE (cont'd)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2017	2016		
Indirect Subsidiaries (cont'd)				
# Advanced Technologies Ltd	**100.0**	100.0	Dominica	Dormant
# Annabel's Casino Limited	**100.0**	100.0	United Kingdom	Dormant
+ Apollo Genting London Limited	**50.25**	-	United Kingdom	Dormant
# Baychain Limited	**100.0**	100.0	United Kingdom	Dormant
# Big Apple Regional Center, LLC	**100.0**	100.0	United States of America	Dormant
# C C Derby Limited	**100.0**	100.0	United Kingdom	Dormant
+ Capital Casinos Group Limited	**100.0**	100.0	United Kingdom	Dormant
# Capital Corporation (Holdings) Limited	**100.0**	100.0	United Kingdom	Dormant
+ Capital Corporation Limited	**100.0**	100.0	United Kingdom	Dormant
# Cascades Clubs Limited	**100.0**	100.0	United Kingdom	Dormant
# Castle Casino Limited	**100.0**	100.0	United Kingdom	Dormant
# Cotedale Limited	**100.0**	100.0	United Kingdom	Dormant
# Crockfords Club Limited	**100.0**	100.0	United Kingdom	Dormant
# Crockfords Investments Limited	**100.0**	100.0	Guernsey	Dormant
# Cromwell Sporting Enterprises Limited	**100.0**	100.0	United Kingdom	Dormant
# Digital Tree LLC	**100.0**	100.0	United States of America	Dormant
# Drawlink Limited	**100.0**	100.0	United Kingdom	Dormant
# Gameover Limited	**100.0**	100.0	United Kingdom	Dormant
Genas Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
Genawan Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
Gentas Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
Gentasa Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
# Genting Las Vegas LLC	**100.0**	100.0	United States of America	Dormant
Gentinggi Quarry Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
# Harbour House Casino Limited	**100.0**	100.0	United Kingdom	Dormant
Jomara Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
Merriwa Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
# MLG Investments Limited	**100.0**	100.0	United Kingdom	Dormant
# Ocean Front Acquisition, LLC	**100.0**	100.0	United States of America	Dormant
# Palm Beach Club Limited	**100.0**	100.0	United Kingdom	Dormant
# Palomino World (UK) Limited	**100.0**	100.0	United Kingdom	Dormant
Space Fair Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
# Stanley Leisure (Ireland) Unlimited Company	**100.0**	100.0	Ireland	Dormant
+ Stanley Leisure Group (Malta) Limited	**100.0**	100.0	Malta	Dormant
# Stanley Online Limited	**100.0**	100.0	United Kingdom	Dormant
Sweet Bonus Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
# Tameview Properties Limited	**100.0**	100.0	United Kingdom	Dormant
# The Colony Club Limited	**100.0**	100.0	United Kingdom	Dormant
# The Midland Wheel Club Limited	**100.0**	100.0	United Kingdom	Dormant
# Tower Casino Group Limited	**100.0**	100.0	United Kingdom	Dormant
# Tower Clubs Management Limited	**100.0**	100.0	United Kingdom	Dormant
# Triangle Casino (Bristol) Limited	**100.0**	100.0	United Kingdom	Dormant
Twinkle Glow Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
Twinmatics Sdn Bhd	**100.0**	100.0	Malaysia	Dormant

40. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE (cont'd)

	Effective Percentage of Ownership 2017	2016	Country of Incorporation	Principal Activities
Indirect Subsidiaries (cont'd)				
Vintage Action Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
# Westcliff Casino Limited	**100.0**	100.0	United Kingdom	Dormant
# Westcliff (CG) Limited	**100.0**	100.0	United Kingdom	Dormant
# RWB Aviation Ltd (In Member's Voluntary Liquidation)	**100.0**	100.0	Bermuda	In liquidation
# Suzhou Ascend Technology Co., Limited (In Member's Voluntary Liquidation)	**100.0**	100.0	China	In liquidation
Cascades Casinos Limited	**-**	100.0	United Kingdom	Dissolved
Genting Interactive Limited	**-**	100.0	United Kingdom	Dissolved
International Sporting Club (London) Limited	**-**	100.0	United Kingdom	Dissolved
R.W. Investments Limited	**-**	100.0	Isle of Man	Dissolved
William Crockford Limited	**-**	100.0	United Kingdom	Dissolved
Worthchance Limited	**-**	100.0	United Kingdom	Dissolved
E-Genting Sdn Bhd	**-**	100.0	Malaysia	Disposed
Joint Ventures				
+ Apollo Genting London Limited	**-**	50.0	United Kingdom	Dormant
Genting INTI Education Sdn Bhd	**-**	37.5	Malaysia	Dissolved

The interests in joint ventures in the previous financial year were individually and collectively immaterial to the Group.

Associate				
+ Waters Solihull Limited	**-**	51.0	United Kingdom	Restaurant operator

The investment in associate in the previous financial year was immaterial to the Group.

\+ The financial statements of these companies are audited by member firms of PricewaterhouseCoopers International Limited which are separate and independent legal entities from PricewaterhouseCoopers PLT, Malaysia.

* The financial statements of these companies are audited by firms other than the auditors of the Company.

\# These entities are either exempted or have no statutory audit requirement.

41. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors dated 27 February 2018.

STATEMENT ON DIRECTORS' RESPONSIBILITY

PURSUANT TO PARAGRAPH 15.26(a) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

As required under the Companies Act 2016 ("Act") in Malaysia, the Directors of Genting Malaysia Berhad have made a statement expressing an opinion on the financial statements. The Board is of the opinion that the financial statements have been drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2017 and of the financial performance of the Group and of the Company for the financial year ended on that date in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Act.

In the process of preparing these financial statements, the Directors have reviewed the accounting policies and practices to ensure that they were consistently applied throughout the financial year. In cases where judgement and estimates were made, they were based on reasonableness and prudence.

Additionally, the Directors have relied on the systems of risk management and internal control to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.

This statement is made in accordance with a resolution of the Board dated 27 February 2018.

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **KOH POY YONG**, the Officer primarily responsible for the financial management of **GENTING MALAYSIA BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 77 to 141 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	)	**KOH POY YONG**
abovenamed **KOH POY YONG** at KUALA LUMPUR	)	
in the State of FEDERAL TERRITORY	)	
on 27 February 2018		

Before me,

TAN SEOK KETT
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

to the Members of Genting Malaysia Berhad
(Incorporated in Malaysia)
(Company No.58019-U)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Genting Malaysia Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2017, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2017 of the Group and of the Company, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 77 to 141.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ('By-Laws') and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Key audit matters (cont'd)

Key audit matters	*How our audit addressed the key audit matter*
Impairment assessment of intangible assets (including goodwill) with indefinite useful lives relating to the Group's United Kingdom operations The aggregate carrying value of the Group's goodwill and casino licences and trademarks in relation to its United Kingdom ("UK") operations totalling to RM2,148.3 million as at 31 December 2017. We focused on this area due to the magnitude of the carrying value of these UK intangible assets (including goodwill) with indefinite useful lives as they comprised 46.2% of the total intangible assets of the Group which are subject to annual impairment assessment. The impairment assessment performed by management involved significant degree of judgements in estimating the assumptions on growth rate and discount rate used. Arising from the impairment assessment, impairment loss for intangible assets with indefinite lives of RM2.1 million was recorded in the current financial year. The disclosures are included in Notes 2 and 17 to the financial statements.	With respect to the appropriateness of the key assumptions used in the value in use calculations, we performed the following procedures: • Assessed management's basis for the value in use cash flows by reference to the 2018 budget approved by the Board of Directors; • Checked that the growth rate did not exceed the growth rates for the leisure and hospitality industry in which the CGUs operate and are consistent with the forecasts included in industry reports; • Checked the discount rate used by comparing the rate used to comparable industries and market information in UK; and • Checked sensitivity analysis performed by management on the growth rate and discount rate to determine whether reasonable changes on these key assumptions would result in the carrying amounts of individual CGUs to exceed their recoverable amounts. In testing the recoverable amount based on fair value less cost to sell, we performed the following procedures: • Evaluated the independence and competency of the external valuer; and • Evaluated the methodology and key assumptions used by an independent external valuer in the valuation based on our knowledge of the industry and checked the comparability of the input data used to current industry data. Based on the procedures performed, we noted the results of management's impairment assessment to be consistent with the outcome of our procedures.
Impairment assessment of property, plant and equipment and casino licences related to the Group's leisure and hospitality segment in Bahamas The Group has property, plant and equipment and casino licences (definite life) related to its Bahamas operations with aggregate carrying values of RM1,360.3 million as at 31 December 2017. We focused on this area due to continued losses recorded since the commencement of the Bahamas operations in 2013 which is an impairment indicator. The impairment assessment performed by management based on value in use method involved significant estimates towards future results of the business, in particular, the key assumptions on growth rate and discount rates used in the future cash flow forecasts. Refer to Notes 2, 14 and 17 of the financial statements.	With respect to the reliability of management's use of key assumptions in the cash flow projections to determine the value in use calculations, we performed the following procedures: • Assessed the growth rate used by management by comparing to current industry trends; • Checked the discount rates used by comparing the rates used to comparable industry and market information; and • Independently performed sensitivity analysis on the growth rate and discount rates to corroborate that any reasonable changes on these key assumptions would not give rise to an impairment loss. Based on the above procedures performed, we noted the results of management's impairment assessment to be consistent with the outcome of our procedures.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Key audit matters (cont'd)

Key audit matters	*How our audit addressed the key audit matter*
Recoverability of investment in unquoted promissory notes issued by Mashpee Wampanoag Tribe As at 31 December 2017, the Group has invested a total of RM1,584.1 million in unquoted promissory notes issued by Mashpee Wampanoag Tribe ("Tribe") which includes interest receivable of RM278.5 million. We focused on this area because of the quantum of the carrying amount of the promissory notes as it comprises 84.6% of the Group's other non-current assets as at 31 December 2017 and the recoverability of the promissory notes is dependent on the following: (a) outcome of the pending legal case and/or review by the relevant government authorities allowing the Tribe to have land in trust for a destination resort casino development; and (b) ability of the Tribe to repay the promissory notes from the cash flows of the destination resort casino when it is operational. Based on the assessment performed by management, no impairment was considered necessary as the promissory notes is expected to be fully recovered from the projected cash flows of the destination resort casino development. Refer to Notes 2 and 21 of the financial statements.	Our procedures performed to check management's assessment of the recoverability of promissory notes were as follows: • Discussed with the Group's internal legal counsel responsible for US operations to understand the status and development of the pending legal case and review by the relevant government authorities on the Tribe's rights to retain land in trust for a destination resort casino development; • Evaluated the competency, qualifications, experience and objectivity of management's external legal expert; • Discussed with management and management's external legal expert on their views relating to the development of pending legal case and review by the relevant government authorities on Tribe's rights to retain land in trust and viability of options under review by the Tribe; and • Evaluated the basis and key assumptions used by management in estimating the amount and timing of the expected cash flows for the recoverability of promissory notes. Based on the above procedures, the results of our evaluation of recoverability of promissory notes is consistent with the facts and circumstances available at year end.

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the financial statements of the Company.

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, Statement on Risk Management and Internal Control, Management's Discussion and Analysis of Business Operations and Financial Performance, Corporate Governance Overview Statement and Report, Sustainability Statement and Report and other sections of the 2017 Annual Report, but does not include the financial statements of the Group and of the Company and our auditor's report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Responsibilities of the Directors for the financial statements (cont'd)

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 40 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF1146
Chartered Accountants

NG GAN HOOI
02914/04/2019 J
Chartered Accountant

Kuala Lumpur
27 February 2018

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF1146), Chartered Accountants,
Level 10, 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P. O. Box 10192, 50706 Kuala Lumpur, Malaysia
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my

LIST OF PROPERTIES HELD
as at 31 December 2017

	LOCATION	TENURE	APPROXIMATE AREA	DESCRIPTION	NET BOOK VALUE AS AT 31 DEC 2017 (RM'million)	AGE OF BUILDING (Years)	YEAR OF ACQUISITION
MALAYSIA							
STATE OF PAHANG DARUL MAKMUR							
1	Genting Highlands, Bentong	Freehold	Built-up : 100,952 sq.metres	18-storey Genting Grand Complex	184.0	36	1982
2	Genting Highlands, Bentong	Freehold	Built-up : 95,485 sq.metres	23-storey Resort Hotel & Car Park II	114.8	25	1992
3	Genting Highlands, Bentong	Freehold	Built-up : 499,018 sq.metres	22-storey First World Hotel & Car Park V	902.3	3 & 18	2000 & 2014
4	Genting Highlands, Bentong	Freehold	Built-up : 145,462 sq.metres	5-storey SkyAvenue	1,436.1	2	2016
5	Genting Highlands, Bentong	Freehold	Built-up : 20,516 sq.metres	23-storey Awana Tower Hotel	23.1	24	1993
6	Genting Highlands, Bentong	Freehold	Built-up : 19,688 sq.metres	10-level Theme Park Hotel	65.4	46	1989
7	Genting Highlands, Bentong	Freehold	Built-up : 11,902 sq.metres	10-level Theme Park Hotel - Valley Wing	9.6	42	1989
8	Genting Highlands, Bentong	Freehold	Built-up : 29,059 sq.metres	16-storey Residential Staff Complex I	21.3	34	1989
9	Genting Highlands, Bentong	Freehold	Built-up : 28,804 sq.metres	19-storey Residential Staff Complex II	11.2	25	1992
10	Genting Highlands, Bentong	Freehold	Built-up : 89,392 sq.metres	16-storey Residential Staff Complex III & Car Park III	43.7	25	1992
11	Genting Highlands, Bentong	Freehold	Built-up : 41,976 sq.metres	25-storey Residential Staff Complex V	39.4	21	1996
12	Genting Highlands, Bentong	Freehold	Built-up : 70,597 sq.metres	25-storey Residential Staff Complex VIII with 5 levels of carpark	56.8	11	2007
13	Genting Highlands, Bentong	Freehold	Built-up : 191,659 sq.metres	27-storey Residential Staff Complex IX with 5 levels of carpark	318.3	1	2016
14	Genting Highlands, Bentong	Freehold	Built-up : 4,119 sq.metres	5-storey Ria Staff Residence	<0.1	45	1989
15	Genting Highlands, Bentong	Freehold	Built-up : 4,109 sq.metres	5-storey Sri Layang Staff Residence	10.0	23	1989
16	Genting Highlands, Bentong	Freehold	Built-up : 18,397 sq.metres	8-level Car Park I	1.1	34	1989
17	Genting Highlands, Bentong	Freehold	Built-up : 1,086 sq.metres	5-storey Bomba Building	0.5	34	1989
18	Genting Highlands, Bentong	Freehold	Built-up : 1,503 sq.metres	Petrol Station	1.8	19	1999
19	Genting Highlands, Bentong	Freehold	Built-up : 2,769 sq.metres	4-storey Staff Recreation Centre	2.3	25	1992
20	Genting Highlands, Bentong	Freehold	Built-up : 540 sq.metres	1 unit of Kayangan Apartments	0.1	37	1989
				1 unit of Kayangan Apartments	0.1	37	1990
21	Genting Highlands, Bentong	Freehold	Built-up : 7,666 sq.metres	Awana @ Resorts World Genting Complex	15.5	31	1989
22	Genting Highlands, Bentong	Freehold	Built-up : 17,010 sq.metres	174 units of Awana Condominium	16.6	31	1989
23	Genting Highlands, Bentong	Freehold	Built-up : 8,756 sq.metres	79 units of Ria Apartments (Pahang Tower)	10.2	31	1989
24	Genting Highlands, Bentong	Freehold	Built-up : 39,262 sq.metres	Awana Sky Central	153.8	2	2016
25	Genting Highlands, Bentong	Freehold	Built-up : 191,658 sq.metres	8-level GHPO Car Park	185.2	2	2016
26	Genting Highlands, Bentong	Freehold	Land : 3,295 hectares	7 plots of land & improvements	276.1	-	1989
				1 plot of land & improvements	6.0	-	1996
				10 plots of land & improvements	61.1	-	1989
				1 plot of land & improvements	<0.1	-	1991
				68 plots of land & improvements	239.3	-	1989
				3 plots of land & improvements	24.9	-	2002
				13 plots of land & improvements	9.7	-	1996
27	Genting Highlands, Bentong	Leasehold (unexpired lease period of 76 years)	Land : 6 hectares	2 plots of land & improvements	0.4	-	1994
28	Genting Highlands, Bentong	Leasehold (unexpired lease period of 41 years)	Land : 5 hectares	3 plots of land	0.5	-	1995
29	Genting Highlands, Bentong	Leasehold (unexpired lease period of 73 years)	Land : 3 hectares	1 plot of educational land	1.1	-	2000
30	Bukit Tinggi, Bentong	Leasehold (unexpired lease period of 77 years)	Built-up : 49 sq.metres	1 unit of Meranti Park Apartment, Berjaya Hills	0.1	18	1999
STATE OF SELANGOR DARUL EHSAN							
1	Genting Highlands, Hulu Selangor	Freehold	Built-up : 149,941 sq.metres	28-storey Maxims Hotel & Car Park IV	367.5	21	1997
2	Genting Highlands, Hulu Selangor	Freehold	Land : 6 hectares	2 plots of building land	6.1	-	1993
			Built-up : 47,715 sq.metres	5-storey Genting Skyway Station Complex with 4-level of basement carpark	51.3	21	1997
3	Genting Highlands, Hulu Selangor	Freehold	Built-up : 3,008 sq.metres	2-storey and 4-storey Gohtong Jaya Security Buildings	4.3	20	1998
4	Genting Highlands, Hulu Selangor	Freehold	Built-up : 5,406 sq.metres	47 units of Ria Apartment (Selangor Tower)	5.8	31	1989
5	Genting Highlands, Hulu Selangor	Freehold	Land : 596 hectares	3 plots of building land	15.2	-	1989
				18 plots of building land	40.7	-	1996
				7 plots of building land	10.4	-	1993
6	Genting Highlands, Gombak	Freehold	Land : 394 hectares	2 plots of vacant building land	28.8	-	1996
7	Batang Kali, Hulu Selangor	Freehold	Land : 10 hectares	1 plot of vacant agriculture land	2.1	-	1994
8	Ulu Yam, Hulu Selangor	Freehold	Land : 38 hectares	1 plot of vacant building land	15.0	-	1994
9	Ulu Yam, Hulu Selangor	Freehold	Land : 4 hectares	3 plots of vacant agriculture land	1.2	-	1994
10	Pulau Indah, Klang	Leasehold (unexpired lease period of 78 years)	Land : 18 hectares	5 plots of vacant industrial land & improvements	15.2	-	1997
FEDERAL TERRITORY OF KUALA LUMPUR							
1	Taman U Thant, Kuala Lumpur	Freehold	Built-up : 178 sq.metres	1 unit of Desa Angkasa Apartment	0.3	31	1988
2	Jalan Sultan Ismail, Kuala Lumpur	Freehold	Land : 3,915 sq.metres Built-up : 63,047 sq.metres	Wisma Genting - 25-level office building with 6-level of basement	236.5	32	2009

LOCATION	TENURE	APPROXIMATE AREA	DESCRIPTION	NET BOOK VALUE AS AT 31 DEC 2017 (RM'million)	AGE OF BUILDING (Years)	YEAR OF ACQUISITION
MALAYSIA						
STATE OF TERENGGANU DARUL IMAN						
1 Kijal, Kemaman	Leasehold (unexpired lease period of 74 years)	Land : 259 hectares	4 plots of resort/property development land	24.6	-	1997
		Land : 51 hectares	18-hole Resorts World Kijal Golf Course	8.1	-	1997
		Built-up : 35,563 sq.metres	7-storey Resorts World Kijal Hotel	77.0	21	1997
		Built-up : 1,757 sq.metres	27 units of Baiduri Apartment	1.7	23	1997
		Built-up : 7,278 sq.metres	96 units of Angsana Apartment	7.0	22	1997
	Leasehold (unexpired lease period of 74 years)	Land : 18 hectares	17 plots of resort/property development land	1.4	-	2002
	Leasehold (unexpired lease period of 84 years)	Land : 10 hectares	1 plot of resort/property development land	1.5	-	1997
STATE OF KEDAH DARUL AMAN						
1 Tanjung Malai, Langkawi	Leasehold (unexpired lease period of 70 years)	Land : 14 hectares	5 plots of building land	9.7	-	1997
		Built-up : 20,957 sq.metres	3-5 storey Resorts World Langkawi Hotel, Convention Centre & Multipurpose Hall	52.4	20	1997
UNITED KINGDOM						
1 Maxims Casino Club, Kensington	Freehold	Built-up : 1,036 sq.metres	Casino Club	50.7	155	2010
2 Newcastle	Freehold	Built-up : 1,464 sq.metres	Casino Club	12.4	23	2010
3 Salford	Freehold	Built-up : 1,058 sq.metres	Casino Club	8.0	20	2010
4 Wirral	Freehold	Built-up : 860 sq.metres	Casino Club	6.5	38	2010
5 Leicester	Freehold	Built-up : 755 sq.metres	Casino Club	8.2	38	2010
6 Bournemouth	Freehold	Built-up : 860 sq.metres	Casino Club	6.2	118	2010
7 Southampton	Freehold	Built-up : 797 sq.metres	Casino Club	8.0	118	2010
8 Bolton	Freehold	Built-up : 808 sq.metres	Casino Club	4.5	118	2010
9 Glasgow	Freehold	Built-up : 3,402 sq.metres	Casino Club	32.0	131	2010
10 Bristol	Freehold	Built-up : 873 sq.metres	Casino Club	7.3	71	2010
11 Margate	Freehold	Built-up : 1,326 sq.metres	Casino Club	11.1	61	2010
12 Torquay	Freehold	Built-up : 1,495 sq.metres	Casino Club	10.1	28	2010
13 Crockfords	Freehold	Built-up : 1,907 sq.metres	Casino Club	291.7	247	2010
14 31 Curzon Street next to Crockfords	Freehold	Built-up : 307 sq.metres	Office	37.3	241	2010
15 Cromwell Mint	Freehold	Built-up : 2,061 sq.metres	Casino Club	47.6	106	2010
16 Brighton (9 Preston St)	Freehold	Built-up : 85 sq.metres	Vacant retail building	0.3	51	2010
17 508 Sauchiehall St. Glasgow	Freehold	Built-up : 292 sq.metres	Vacant retail building	1.7	131	2011
18 London - 2 Stanhope Row	Freehold	Built-up : 2,709 sq.metres	Hotel	261.6	24	2011
19 London - 17A Market Mew	Freehold	Built-up : 244 sq.metres	Residential Apartment	13.8	53	2011
20 London - 36 Hertford Street	Freehold	Built-up : 747 sq.metres	Residential Apartment	64.3	83	2011
21 London - 37 Hertford Street	Freehold	Built-up : 471 sq.metres	Residential Apartment	43.1	243	2011
22 London - 46 Hertford Street	Freehold	Built-up : 600 sq.metres	Vacant Office Building	62.7	254	2014
23 Metropolitan Hotel, Park Lane, London	Freehold	Built-up : 6,000 sq.metres	Hotel	248.7	49	2013
24 Luton (Luton Casino & Luton Electric)	Leasehold (unexpired lease period of 974 years)	Built-up : 984 sq.metres	2 Casino Clubs	8.1	36	2010
25 Leith	Leasehold (unexpired lease period of 81 years)	Built-up : 1,698 sq.metres	Casino Club	19.0	18	2010
26 Brighton	Leasehold (unexpired lease period of 958 years)	Built-up : 458 sq.metres	Casino Club	3.1	57	2010
27 Westcliff Electric	Leasehold (unexpired lease period of 57 years)	Built-up : 836 sq.metres	Casino Club	29.8	91	2010
28 Westcliff	Leasehold (unexpired lease period of 57 years)	Built-up : 4,529 sq.metres	Casino Club	2.5	91	2010
29 Derby	Leasehold (unexpired lease period of 18 years)	Built-up : 2,150 sq.metres	Casino Club	1.4	8	2010
30 Birmingham Edgbaston	Leasehold (unexpired lease period of 17 years)	Built-up : 1,488 sq.metres	Casino Club	<0.1	109	2010
31 Liverpool Renshaw Street	Leasehold (unexpired lease period of 21 years)	Built-up : 1,498 sq.metres	Casino Club	15.7	116	2010
32 London - 16 Stanhope Row	Leasehold (unexpired lease period of 729 years)	Built-up : 103 sq.metres	Residential Apartment	4.6	83	2011
33 Lytham St. Anne's	Leasehold (unexpired lease period of 24 years)	Built-up : 790 sq.metres	Vacant	<0.1	36	2010
34 Sheffield	Leasehold (unexpired lease period of 26 years)	Built-up : 2,973 sq.metres	Casino Club	36.1	10	2010
35 Resorts World Birmingham	Leasehold (unexpired lease period of 96 years)	Built-up : 39,948 sq.metres	Resort (Casino, hotel, restaurants and shops)	664.0	2	2015

LIST OF PROPERTIES HELD (cont'd)

as at 31 December 2017

LOCATION	TENURE	APPROXIMATE AREA	DESCRIPTION	NET BOOK VALUE AS AT 31 DEC 2017 (RM'million)	AGE OF BUILDING (Years)	YEAR OF ACQUISITION
UNITED KINGDOM						
36 AB Leicester/Cank St (Leicester Electric)	Leasehold (unexpired lease period of 0 year)	Built-up : 68 sq.metres	Vacant	<0.1	90	2010
37 Liverpool Queen Square	Leasehold (unexpired lease period of 15 years)	Built-up : 2,230 sq.metres	Casino Club	17.1	29	2010
38 Palm Beach	Leasehold (unexpired lease period of 0 year)	Built-up : 1,489 sq.metres	Casino Club	12.0	24	2010
39 Coventry	Leasehold (unexpired lease period of 10 years)	Built-up : 1,309 sq.metres	Casino Club	6.5	25	2012
40 Edinburgh York Place	Leasehold (unexpired lease period of 0 year)	Built-up : 767 sq.metres	Casino Club	<0.1	156	2010
41 Nottingham	Leasehold (unexpired lease period of 9 years)	Built-up : 2,508 sq.metres	Casino Club	<0.1	24	2010
42 Stoke	Leasehold (unexpired lease period of 14 years)	Built-up : 2,415 sq.metres	Casino Club	7.3	39	2010
43 Colony	Leasehold (unexpired lease period of 2 years)	Built-up : 1,594 sq.metres	Casino Club	2.2	109	2010
44 Manchester	Leasehold (unexpired lease period of 9 years)	Built-up : 3,003 sq.metres	Casino Club	8.9	109	2010
45 Birmingham Star City	Leasehold (unexpired lease period of 10 years)	Built-up : 6,503 sq.metres	Casino Club	<0.1	24	2010
46 Blackpool	Leasehold (unexpired lease period of 16 years)	Built-up : 1,354 sq.metres	Casino Club	3.4	109	2010
47 Birmingham Hurst Street	Leasehold (unexpired lease period of 4 years)	Built-up : 1,181 sq.metres	Casino Club	<0.1	59	2010
48 Reading (Reading Club & Reading Electric)	Leasehold (unexpired lease period of 14 years)	Built-up : 1,682 sq.metres	2 Casino Clubs	10.3	39	2010
49 Carlton Derby (Derby Maxims)	Leasehold (unexpired lease period of 16 years)	Built-up : 546 sq.metres	Vacant	<0.1	109	2010
50 Edinburg Fountain Park	Leasehold (unexpired lease period of 14 years)	Built-up : 2,415 sq.metres	Casino Club	14.9	24	2010
51 Plymouth	Leasehold (unexpired lease period of 7 years)	Built-up : 575 sq.metres	Casino Club	0.6	76	2010
52 London China Town	Leasehold (unexpired lease period of 5 years)	Built-up : 600 sq.metres	Casino Club	1.5	56	2011
53 Plymouth Derry Cross	Leasehold (unexpired lease period of 16 years)	Built-up : 2,137 sq.metres	Vacant	<0.1	11	2010
54 Portsmouth Electric	Leasehold (unexpired lease period of 3 years)	Built-up : 120 sq.metres	Casino Club	<0.1	81	2010
55 Southampton Harbour House	Leasehold (unexpired lease period of 14 years)	Built-up : 1,254 sq.metres	Vacant	<0.1	156	2010
56 Southport Floral Gardens	Leasehold (unexpired lease period of 16 years)	Built-up : 1,580 sq.metres	Casino Club	23.5	10	2010
UNITED STATES OF AMERICA						
1 1601 Biscayne Boulevard, Miami	Freehold	Land : 0.1 hectare	1 plot of building land	52.1	-	2011
		Built-up : 120,309 sq.metres	5-storey Omni Office Building	304.9	43	2011
		Built-up : 64,103 sq.metres	3-storey Omni Retail Building		43	2011
		Built-up : 78,968 sq.metres	29-storey Omni Hilton Hotel	164.9	41	2011
2 Downtown Miami, Miami	Freehold	Land : 0.9 hectare	1 plot of building land	67.5	-	2011
		Built-up : 74 sq.metres	Checkers Drive-In Restaurant		25	2011
		Land : 5.7 hectares	1 plot of building land	930.2	-	2011
		Built-up : 70,421 sq.metres	7-storey Miami Herald Building		55	2011
		Built-up : 2,388 sq. metres	2-storey Boulevard Shops		88	2011
		Land : 0.5 hectare	10 plots of vacant land	16.2	-	2011
		Built-up : 389 sq.metres	1 unit of Marquis Condominium	7.1	10	2011
BAHAMAS						
1 North Bimini	Freehold	Land : 6.6 hectares	1 plot of building land	18.2	-	2013
		Built-up : 929 sq.metres	Casino	177.8	5	2013
		Built-up : 12,295 sq.metres	Jetty	227.5	4	2014
		Land : 6.4 hectares	Resort land with hotel	767.2	-	2015
		Built-up : 17,130 sq. metres				

Class of Shares : Ordinary Shares
Voting Rights
• On a show of hands : 1 vote
• On a poll : 1 vote for each share held

As at 14 March 2018

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares*	% of Shares
Less than 100	3,500	8.409	21,338	0.000
100 – 1,000	11,891	28.568	9,240,588	0.163
1,001 – 10,000	20,368	48.933	89,515,543	1.582
10,001 – 100,000	4,723	11.347	137,584,087	2.431
100,001 to less than 5% of issued shares	1,139	2.736	2,791,258,533	49.326
5% and above of issued shares	3	0.007	2,631,217,159	46.498
Total	**41,624**	**100.000**	**5,658,837,248**	**100.000**

Note: * Excluding 279,207,400 shares bought back and retained by the Company as treasury shares.

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORS AS AT 14 MARCH 2018
(without aggregating the securities from different securities accounts belonging to the same depositor)

Name	No. of Shares	% of Shares
1. Genting Berhad	900,000,000	15.904
2. Genting Berhad	900,000,000	15.904
3. Genting Berhad	831,217,159	14.689
4. Cartaban Nominees (Asing) Sdn Bhd *GIC Private Limited for Government of Singapore (C)*	119,141,643	2.105
5. Genting Berhad	96,241,500	1.701
6. Malaysia Nominees (Tempatan) Sendirian Berhad *Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)*	94,207,400	1.665
7. Cartaban Nominees (Asing) Sdn Bhd *Exempt AN For State Street Bank & Trust Company (WEST CLT OD67)*	90,998,270	1.608
8. Genting Berhad	49,430,500	0.874
9. HSBC Nominees (Asing) Sdn Bhd *BBH And Co Boston For Vanguard Emerging Markets Stock Index Fund*	49,342,720	0.872
10. HSBC Nominees (Asing) Sdn Bhd *HSBC BK Plc For Prudential Assurance Company Limited (OBA ESI)*	46,433,600	0.821
11. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA For Oppenheimer Developing Markets Fund*	44,476,600	0.786
12. Cartaban Nominees (Tempatan) Sdn Bhd *PAMB For Prulink Equity Fund*	39,081,700	0.691
13. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA For Vanguard Total International Stock Index Fund*	38,125,900	0.674
14. DB (Malaysia) Nominee (Asing) Sdn Bhd *State Street London Fund 26AD For Asian Equity Fund (IN GB ST FD)*	36,530,600	0.646
15. HSBC Nominees (Asing) Sdn Bhd *TNTC For Hermes Emerging Asia Equity Fund (HERMES INV FD)*	35,903,669	0.634
16. Citigroup Nominees (Asing) Sdn Bhd *Exempt AN For Citibank New York (NORGES BANK 14)*	34,941,082	0.617
17. HSBC Nominees (Asing) Sdn Bhd *Exempt AN For The Bank Of New York Mellon (MELLON ACCT)*	33,936,270	0.600
18. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA For Wellcome Trust*	33,613,960	0.594
19. Citigroup Nominees (Asing) Sdn Bhd *Exempt AN For Citigroup Global Markets Inc (PRIME FINC CLR)*	33,330,300	0.589
20. DB (Malaysia) Nominee (Asing) Sdn Bhd *SSBT Fund VA12 For IVA International Fund*	30,431,200	0.538
21. DB (Malaysia) Nominee (Asing) Sdn Bhd *SSBT Fund VA11 For IVA Worldwide Fund*	30,176,200	0.533
22. Cartaban Nominees (Asing) Sdn Bhd *GIC Private Limited For Monetary Authority Of Singapore (H)*	28,768,628	0.508
23. HSBC Nominees (Asing) Sdn Bhd *TNTC For Mondrian Emerging Markets Equity Fund L.P.*	28,544,600	0.504
24. HSBC Nominees (Asing) Sdn Bhd *BBH And Co Boston For Matthews Asian Growth And Income Fund*	28,380,000	0.502
25. DB (Malaysia) Nominee (Asing) Sdn Bhd *BNYM SA/NV For Eastspring Investments - Asian Equity Fund*	26,039,600	0.460
26. DB (Malaysia) Nominee (Asing) Sdn Bhd *BNYM SA/NV For FMI International Fund*	25,393,000	0.449
27. Citigroup Nominees (Asing) Sdn Bhd *UBS AG*	24,657,159	0.436
28. Cartaban Nominees (Asing) Sdn Bhd *RBC Investor Services Bank S.A. For Comgest Growth Asia PAC EX Japan (COMGEST GR PLC)*	22,260,600	0.393
29. Cartaban Nominees (Asing) Sdn Bhd *SSBT Fund PO01 For Morgan Stanley Investment Management Emerging Markets Trust*	21,720,500	0.384
30. Maybank Nominees (Tempatan) Sdn Bhd *Maybank Trustees Berhad For Public Regular Savings Fund (N14011940100)*	21,425,400	0.379
Total	**3,794,749,760**	**67.059**

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 14 MARCH 2018

	No. of Shares			
	Direct Interest	% of Shares	Deemed Interest	% of Shares
Genting Berhad ("GENT")	2,795,789,159	49.45	-	-
Kien Huat Realty Sdn Berhad ("KHR")	1,198,930	0.02	2,795,789,159(1)	49.45
Kien Huat International Limited ("KHIL")	-	-	2,796,988,089(2)	49.47
Parkview Management Sdn Bhd ("PMSB") as trustee of a discretionary trust	-	-	2,796,988,089(2)	49.47
Tan Sri Lim Kok Thay	8,127,900	0.14	2,796,992,189(3)	49.47
Lim Keong Hui	186,800	*	2,796,992,189(3)	49.47

Notes:

* Negligible.

(1) Deemed interest through GENT.

(2) Deemed interest through KHR and GENT.

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

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

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

DIRECTORS' SHAREHOLDINGS, WARRANTHOLDINGS AND PERFORMANCE SHARES AS PER THE REGISTERS PURSUANT TO THE COMPANIES ACT 2016 AS AT 14 MARCH 2018

INTEREST IN THE COMPANY

	No. of Shares				No. of Performance Shares granted	
Name	Direct Interest	% of Shares	Deemed Interest	% of Shares	Restricted Share Plan	Performance Share Plan
Tan Sri Lim Kok Thay	8,127,900	0.1437	2,796,992,189(1)	49.4672	4,203,425	7,213,987
Tun Mohammed Hanif bin Omar	703,200	0.0124	-	-	171,800	357,090
Mr Lim Keong Hui	186,800	0.0033	2,796,992,189(1)	49.4672	183,400	378,924
Tan Sri Dato' Seri Alwi Jantan	1,218,000	0.0215	-	-	-	-
Mr Quah Chek Tin	5,000	0.0001	-	-	-	-
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	10,000	0.0002	-	-	-	-
Mr Teo Eng Siong (5a)	540,000	0.0096	-	-	-	-
Dato' Koh Hong Sun	10,000	0.0002	-	-	-	-

INTEREST IN GENTING BERHAD ("GENT"), A COMPANY WHICH OWNS 49.45% EQUITY INTEREST IN THE COMPANY

	No. of Shares				No. of Warrants			
Name	Direct Interest	% of Shares	Deemed Interest	% of Shares	Direct Interest	% of Outstanding Warrants	Deemed Interest	% of Outstanding Warrants
Tan Sri Lim Kok Thay	68,119,980	1.7779	1,630,411,110(2)	42.5528	17,029,995	2.7210	407,602,777(2)	65.1267
Tun Mohammed Hanif bin Omar	206,000	0.0054	-	-	76,500	0.0122	-	-
Mr Lim Keong Hui	-	-	1,630,411,110(2)	42.5528	-	-	407,602,777(2)	65.1267
Mr Quah Chek Tin (5b)	5,000	0.0001	-	-	1,250	0.0002	-	-
Mr Teo Eng Siong	50,000	0.0013	-	-	12,500	0.0020	-	-

DIRECTORS' SHAREHOLDINGS, WARRANTHOLDINGS AND PERFORMANCE SHARES AS PER THE REGISTERS PURSUANT TO THE COMPANIES ACT 2016 AS AT 14 MARCH 2018 (CONT'D)

INTEREST IN GENTING PLANTATIONS BERHAD ("GENP"), A SUBSIDIARY OF GENTING BERHAD

	No. of Shares				No. of Warrants			
Name	Direct Interest	% of Shares	Deemed Interest	% of Shares	Direct Interest	% of Outstanding Warrants	Deemed Interest	% of Outstanding Warrants
Tan Sri Lim Kok Thay	369,000	0.0459	407,005,000(3)	50.6642	73,800	0.0781	81,401,000(3)	86.0949
Mr Lim Keong Hui	-	-	407,005,000(3)	50.6642	-	-	81,401,000(3)	86.0949
Mr Teo Eng Siong	8,000	0.0010	-	-	1,600	0.0017	-	-

INTEREST IN GENTING SINGAPORE PLC ("GENS"), A SUBSIDIARY OF GENTING BERHAD

	No. of Shares				No. of Performance Shares granted
Name	Direct Interest	% of Shares	Deemed Interest	% of Shares	
Tan Sri Lim Kok Thay	13,445,063	0.1116	6,353,828,069(4)	52.7508	750,000
Mr Lim Keong Hui	-	-	6,353,828,069(4)	52.7508	-
Tan Sri Dato' Seri Alwi Jantan	1,264,192	0.0105	-	-	-
Mr Quah Chek Tin	1,190,438	0.0099	-	-	-
Tan Sri Clifford Francis Herbert	43,292	0.0004	-	-	-
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	988,292	0.0082	-	-	-
Mr Teo Eng Siong	100,000	0.0008	-	-	-

Notes:

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

(a) beneficiaries of a discretionary trust of which Parkview Management Sdn Bhd ("PMSB") is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of Kien Huat International Limited ("KHIL") which in turn owns 100% of the voting shares of Kien Huat Realty Sdn Berhad ("KHR"). KHR owns more than 20% of the voting shares of GENT which owns these ordinary shares in Genting Malaysia Berhad ("GENM"). As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of GENM held by GENT as it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in GENT. PMSB as trustee of the discretionary trust is also deemed interested in the ordinary shares of GENM held by KHR by virtue of its controlling interest in KHR; and

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

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

(a) beneficiaries of a discretionary trust of which PMSB is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of KHIL which in turn owns 100% of the voting shares of KHR. As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares and warrants of GENT held by KHR and Inverway Sdn Bhd ("Inverway"), a wholly-owned subsidiary of KHR, by virtue of its controlling interest in KHR and Inverway; and

(b) beneficiaries of a discretionary trust of which FNTC is the trustee. GHL acts as trustee of the GHUT, a private unit trust whose voting units are ultimately owned by FNTC as trustee of the discretionary trust. GHL as trustee of the GHUT owns ordinary shares and warrants in GENT.

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

DIRECTORS' SHAREHOLDINGS, WARRANTHOLDINGS AND PERFORMANCE SHARES AS PER THE REGISTERS PURSUANT TO THE COMPANIES ACT 2016 AS AT 14 MARCH 2018 (CONT'D)

Notes: (cont'd)

(4) Deemed interest in accordance with the Singapore Securities and Futures Act (Cap. 289) on account of Tan Sri Lim Kok Thay and Mr Lim Keong Hui being beneficiaries of a discretionary trust of which PMSB is the trustee.

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

(5) The following disclosures are made pursuant to Section 59(11)(c) of the Companies Act 2016:

(a) Mr Teo's child holds 2,000 ordinary shares (negligible) in the Company.
(b) Mr Quah's spouse holds 1,000,000 ordinary shares (0.0261%) and 250,000 (0.0399%) warrants in GENT.

OTHER INFORMATION

Material Contracts

Material contracts of the Company and its subsidiaries involving Directors and major shareholders either subsisting at the end of the financial year ended 31 December 2017, or entered into since the end of the previous financial year are disclosed in Note 39 to the financial statements under "Significant Related Party Disclosures" on pages 133 to 136 of this Annual Report.

NOTICE IS HEREBY GIVEN that the Thirty-Eighth Annual General Meeting of Genting Malaysia Berhad ("the Company") will be held at 26th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia on Tuesday, 5 June 2018 at 10.00 a.m.

AS ORDINARY BUSINESSES

1. To lay before the meeting the Audited Financial Statements for the financial year ended 31 December 2017 and the Directors' and Auditors' Reports thereon. *(Please see Explanatory Note A)*

2. To approve the declaration of a final single-tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2017 to be paid on 28 June 2018 to members registered in the Record of Depositors on 8 June 2018. **(Ordinary Resolution 1)**

3. To approve the payment of Directors' fees of RM1,345,050.00 and benefits-in-kind of RM25,066.00 for the financial year ended 31 December 2017. *(Please see Explanatory Note B on benefits-in-kind)* **(Ordinary Resolution 2)**

4. To approve the payment of Directors' benefits-in-kind for the period from 1 January 2018 until the next annual general meeting of the Company in 2019. *(Please see Explanatory Note B)* **(Ordinary Resolution 3)**

5. To re-elect the following persons as Directors of the Company pursuant to Paragraph 99 of the Company's Constitution:

   (i) Tan Sri Lim Kok Thay **(Ordinary Resolution 4)**

   (ii) Mr Teo Eng Siong *(Please see Explanatory Note C)* **(Ordinary Resolution 5)**

6. To re-elect the following persons as Directors of the Company pursuant to Paragraph 104 of the Company's Constitution:

   (i) Tun Mohammed Hanif bin Omar **(Ordinary Resolution 6)**

   (ii) Tan Sri Dato' Seri Alwi Jantan *(Please see Explanatory Note C)* **(Ordinary Resolution 7)**

   (iii) Tan Sri Clifford Francis Herbert *(Please see Explanatory Note C)* **(Ordinary Resolution 8)**

7. To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 9)**

AS SPECIAL BUSINESSES

To consider and, if thought fit, pass the following Ordinary Resolutions:

8. **Authority to Directors pursuant to Sections 75 and 76 of the Companies Act 2016**

   "That, subject always to the Companies Act 2016, the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and the approval of any relevant governmental and/or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to:

   (1) allot shares in the Company; and/or
   (2) grant rights to subscribe for shares in the Company; and/or
   (3) convert any security into shares in the Company; and/or
   (4) allot shares under an agreement or option or offer,

   at any time and from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that it does not exceed 10% of the total number of issued shares of the Company as prescribed by the MMLR at the time of issuance of shares and such authority under this resolution shall continue to be in force until the conclusion of the next Annual General Meeting of the Company or when it is required by law to be held, whichever is earlier, and that:

   (a) approval and authority be and are given to the Directors of the Company to take all such actions that may be necessary and/or desirable to give effect to this resolution and in connection therewith to enter into and execute on behalf of the Company any instrument, agreement and/or arrangement with any person, and in all cases with full power to assent to any condition, modification, variation and/or amendment (if any) in connection therewith; and

   (b) the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad." **(Ordinary Resolution 10)**

9. **Proposed renewal of the authority for the Company to purchase its own shares**

   "That, subject to compliance with all applicable laws, the Companies Act 2016, the Company's Constitution, and the regulations and guidelines applied from time to time by Bursa Malaysia Securities Berhad ("Bursa Securities") and/or any other relevant regulatory authority:

(a) approval and authority be and are given for the Company to utilise up to the total retained earnings of the Company, based on its latest audited financial statements available up to the date of the transaction, to purchase, from time to time during the validity of the approval and authority under this resolution, such number of ordinary shares in the Company (as may be determined by the Directors of the Company) on Bursa Securities upon such terms and conditions as the Directors of the Company may deem fit and expedient in the interests of the Company, provided that:

(i) the aggregate number of shares to be purchased and/or held by the Company pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of purchase; and

(ii) in the event that the Company ceases to hold all or any part of such shares as a result of (among others) cancellations, re-sales, transfers and/or distributions of any of these shares so purchased, the Company shall be entitled to further purchase and/or hold such additional number of shares as shall (in aggregate with the shares then still held by the Company) not exceed 10% of the total number of issued shares of the Company at the time of purchase;

and based on the audited financial statements of the Company for the financial year ended 31 December 2017, the balance of the Company's retained earnings was approximately RM16,442.3 million;

(b) the approval and authority conferred by this resolution shall commence on the passing of this resolution and shall remain valid and in full force and effect until:

(i) the conclusion of the next Annual General Meeting of the Company;
(ii) the expiry of the period within which the next Annual General Meeting is required by law to be held; or
(iii) the same is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting,

whichever occurs first;

(c) approval and authority be and are given to the Directors of the Company, in their absolute discretion:

(i) to deal with the shares so purchased in the following manner:

(A) to cancel such shares;
(B) to retain such shares as treasury shares;
(C) to retain part of such shares as treasury shares and cancel the remainder of such shares; and/or
(D) in any other manner as may be prescribed by applicable law and/or the regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force,

and such authority to deal with such shares shall continue to be valid until all such shares have been dealt with by the Directors of the Company; and

(ii) to deal with the existing treasury shares of the Company in the following manner:

(A) to cancel all or part of such shares;
(B) to distribute all or part of such shares as dividends to shareholders;
(C) to resell all or part of such shares on Bursa Securities in accordance with the relevant rules of Bursa Securities;
(D) to transfer all or part of such shares for the purposes of or under an employees' share scheme;
(E) to transfer all or part of such shares as purchase consideration; and/or
(F) in any other manner as may be prescribed by applicable law and/or the regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force,

and such authority to deal with such shares shall continue to be valid until all such shares have been dealt with by the Directors of the Company; and

(d) approval and authority be and are given to the Directors of the Company to take all such actions that may be necessary and/or desirable to give effect to this resolution and, in connection therewith:

(i) to enter into and execute on behalf of the Company any instrument, agreement and/or arrangement with any person, and in all cases with full power to assent to any condition, modification, variation and/or amendment (if any) as may be imposed by any relevant regulatory authority or Bursa Securities, and/or as may be required in the best interest of the Company; and/or

(ii) to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company." **(Ordinary Resolution 11)**

10. **Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature and proposed new shareholders' mandate for additional recurrent related party transactions of a revenue or trading nature**

"That approval and authority be and are hereby given for the Company and/or its subsidiaries to enter into any of the transactions falling within the types of recurrent related party transactions of a revenue or trading nature with the related parties ("Proposed Shareholders' Mandate") as set out in Section 2.3 of the Circular to Shareholders in relation to the Proposed Shareholders' Mandate, provided that such transactions are undertaken in the ordinary course of business, at arm's length and based on commercial terms and on terms not more favourable to the related party than those generally available to/from the public and are not, in the Company's opinion, detrimental to the minority shareholders and that the breakdown of the aggregate value of the recurrent related party transactions conducted/to be conducted during the financial year, including the types of recurrent related party transactions made and the names of the related parties, will be disclosed in the annual report of the Company pursuant to the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

and such approval shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such Proposed Shareholders' Mandate is passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

(ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier." **(Ordinary Resolution 12)**

11. To transact any other business of which due notice shall have been given.

FURTHER NOTICE IS HEREBY GIVEN that, subject to the shareholders' approval for the payment of final single-tier dividend, a depositor shall qualify for entitlement to the final single-tier dividend only in respect of:

(a) shares transferred into the depositor's securities account before 4.00 p.m. on 8 June 2018 in respect of ordinary transfers; and

(b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

LOH BEE HONG
MAICSA 7001361
Secretary

Kuala Lumpur
6 April 2018

NOTES

1. *Pursuant to Section 334 of the Companies Act 2016, a member shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote instead of him. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportions of his shareholding to be represented by each proxy.*

2. *If a member has appointed a proxy to attend this meeting and subsequently he attends the meeting in person, the appointment of such proxy shall be null and void, and his proxy shall not be entitled to attend this meeting.*

3. *A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.*

4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholdings to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*

5. *In the case of a corporation, the proxy form must be either under seal or signed by a duly authorised officer or attorney.*

6. *The original signed instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the Registered Office of the Company at 24th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.*

7. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of Thirty-Eighth Annual General Meeting will be put to vote by poll.*

8. *For the purpose of determining members who shall be entitled to attend the Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 28 May 2018. Only depositors whose names appear on the Record of Depositors as at 28 May 2018 shall be entitled to attend the said meeting or appoint proxies to attend and vote on their behalf.*

Explanatory Note A

This Agenda is meant for discussion only as under the provision of Section 340(1)(a) of the Companies Act 2016, the audited financial statements do not require a formal approval of the shareholders. Hence, this matter will not be put forward for voting.

Explanatory Note B

Pursuant to Section 230(1) of the Companies Act 2016:-

(i) Resolution 2 on the payment of Directors' benefits-in-kind of RM25,066.00 for the financial year ended 31 December 2017 comprised tele-communication facilities and car parking charges; and

(ii) Resolution 3 on the payment of Directors' benefits-in-kind for the period from 1 January 2018 until the next annual general meeting of the Company in 2019 in the manner set out below:

		Chairman	Member
(A)	**Meeting Allowance (per meeting)**	**Chairman**	**Member**
	• Audit and Risk Management Committee	RM5,775	RM3,850
	• Nomination Committee	RM4,125	RM2,750
	• Remuneration Committee	RM4,125	RM2,750
(B)	**Other Benefits**	**Non-Executive Directors**	
	Tele-communication facilities, car parking and other reimbursable/claimable benefits-in-kind	Up to RM60,000	

In the event that the Directors' benefits-in-kind payable to the Non-Executive Directors of the Company during the above period exceeded the estimated amount sought at the forthcoming Thirty-Eighth Annual General Meeting of the Company, shareholders' approval will be sought at the next annual general meeting for the additional amount to meet the shortfall.

Explanatory Note C

The Board has undertaken an annual assessment on the independence of all its Independent Directors including Mr Teo Eng Siong, Tan Sri Dato' Seri Alwi Jantan and Tan Sri Clifford Francis Herbert who are seeking for re-election as Directors of the Company pursuant to the Company's Constitution at the forthcoming Thirty-Eighth Annual General Meeting. The annual assessment has been disclosed in the Corporate Governance Report which is made available at the Company's website at www.gentingmalaysia.com.

Explanatory Notes on Special Businesses

(i) Ordinary Resolution 10, if passed, will give a renewed mandate to the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016 ("Renewed Mandate") for such purposes as the Directors may deem fit and in the interest of the Company. The Renewed Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, the Directors have not utilised the mandate granted to the Directors at the last Annual General Meeting held on 31 May 2017 and the said mandate will lapse at the conclusion of the Thirty-Eighth Annual General Meeting.

The Company is seeking the approval from shareholders on the Renewed Mandate for the purpose of possible fund raising exercise including but not limited to placement of shares for purpose of funding future investment project(s), working capital and/or acquisitions and to avoid delay and cost in convening general meetings to approve such issue of shares.

(ii) Ordinary Resolution 11, if passed, will empower the Directors of the Company to purchase the Company's shares of an aggregate amount of up to 10% of the total number of issued shares of the Company for the time being ("Proposed Share Buy-Back Renewal") by utilising up to the total retained earnings of the Company based on its latest audited financial statements up to the date of the purchase. The authority under this resolution will expire at the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held, or the same is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting, whichever occurs first.

Further information on the Proposed Share Buy-Back Renewal is set out in the Document to Shareholders dated 6 April 2018 which is despatched together with the Company's 2017 Annual Report.

(iii) Ordinary Resolution 12, if passed, will allow the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature pursuant to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Proposed Shareholders' Mandate"). This authority will expire at the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held, unless revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting, whichever is earlier.

Further information on the Proposed Shareholders' Mandate is set out in the Document to Shareholders dated 6 April 2018 which is despatched together with the Company's 2017 Annual Report.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. Details of individuals who are standing for election as Directors

No individual is seeking election as a Director at the forthcoming Thirty-Eighth Annual General Meeting of the Company ("38th AGM").

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

Details of the general mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Note (i) of the Notice of 38th AGM.

This page has been intentionally left blank.

GENTING MALAYSIA

GENTING MALAYSIA BERHAD (58019-U)
(Incorporated in Malaysia)

FORM OF PROXY

(Before completing the form, please refer to the notes overleaf)

I/We ____
(FULL NAME IN BLOCK CAPITALS)

NRIC No./Passport No./Co. No.: ____

of ____
(ADDRESS)

____

being a member of GENTING MALAYSIA BERHAD hereby appoint

Name of Proxy *(Full name)*	**NRIC No./Passport No.**	**% of shareholding to be represented** *(Refer to Note 1)*
Address		

*and/or failing him/her,

Name of Proxy *(Full name)*	**NRIC No./Passport No.**	**% of shareholding to be represented** *(Refer to Note 1)*
Address		

or failing him/her, *the CHAIRMAN OF THE MEETING as *my/our proxy(ies) to attend and vote for me/us on my/our behalf at the Thirty-Eighth Annual General Meeting of the Company to be held at 26th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur on Tuesday, 5 June 2018 at 10.00 a.m. and at any adjournment thereof.

* *Delete if inapplicable*

My/our proxy(ies) shall vote as follows:

ORDINARY BUSINESS	RESOLUTION	For	Against
To approve the declaration of a final single-tier dividend of 5.0 sen per ordinary share	Ordinary Resolution 1		
To approve the payment of Directors' fees and benefits-in-kind for the financial year ended 31 December 2017	Ordinary Resolution 2		
To approve the payment of Directors' benefits-in-kind for the period from 1 January 2018 until the next annual general meeting in 2019	Ordinary Resolution 3		
To re-elect the following Directors pursuant to Paragraph 99 of the Company's Constitution: (i) Tan Sri Lim Kok Thay	Ordinary Resolution 4		
(ii) Mr Teo Eng Siong	Ordinary Resolution 5		
To re-elect the following Directors pursuant to Paragraph 104 of the Company's Constitution: (i) Tun Mohammed Hanif bin Omar	Ordinary Resolution 6		
(ii) Tan Sri Dato' Seri Alwi Jantan	Ordinary Resolution 7		
(iii) Tan Sri Clifford Francis Herbert	Ordinary Resolution 8		
To re-appoint Auditors	Ordinary Resolution 9		
SPECIAL BUSINESS			
To approve the authority to Directors pursuant to Sections 75 and 76 of the Companies Act 2016	Ordinary Resolution 10		
To renew the authority for the Company to purchase its own shares	Ordinary Resolution 11		
To approve the proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature	Ordinary Resolution 12		

(Please indicate with an "X" or "√ " in the spaces provided how you wish your votes to be cast. If you do not do so, the proxy/proxies will vote or abstain from voting at his/her/their discretion.)

Signed this ____________ day of ______________________________ 2018.

No. of Shares held	CDS Account No.	Shareholder's Contact No.

____
Signature of Member

NOTES

1. *Pursuant to Section 334 of the Companies Act 2016, a member shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote instead of him. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportions of his shareholding to be represented by each proxy.*

2. *If a member has appointed a proxy to attend this meeting and subsequently he attends the meeting in person, the appointment of such proxy shall be null and void, and his proxy shall not be entitled to attend this meeting.*

3. *A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.*

4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholdings to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*

5. *In the case of a corporation, the proxy form must be either under seal or signed by a duly authorised officer or attorney.*

6. *The original signed instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the Registered Office of the Company at 24th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.*

7. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of Thirty-Eighth Annual General Meeting will be put to vote by poll.*

8. *For the purpose of determining members who shall be entitled to attend the Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 28 May 2018. Only depositors whose names appear on the Record of Depositors as at 28 May 2018 shall be entitled to attend the said meeting or appoint proxies to attend and vote on their behalf.*

GROUP OFFICES
GENTING MALAYSIA BERHAD

CORPORATE OFFICE

Genting Malaysia Berhad
23rd Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
T : +603 2178 2233 / 2333 2233
F : +603 2161 5304
E : ir.genm@genting.com

Genting UK Plc
Genting Club Star City
Watson Road, Birmingham
B7 5SA, United Kingdom
T : +44 121 325 7760
F : +44 121 325 7761
www.genting.co.uk

Genting New York, LLC
110-00 Rockaway Blvd.
Jamaica, NY 11420, USA
T : +1 718 215 2828
F : +1 646 588 1053
www.rwnewyork.com

Resorts World Bimini
1501 Biscayne
Suite 500
Miami, FL 33132
T : +1 305 374 6664
www.rwbimini.com

RESORTS

Resorts World Genting
Genting Highlands Resort
69000 Pahang, Malaysia
T : +603 6101 1118
F : +603 6101 1888
E : customercare@rwgenting.com

Resorts World Birmingham
Pendigo Way
Birmingham
B40 1PU
United Kingdom
T : +44 121 213 6327
www.resortsworldbirmingham.co.uk

Resorts World Casino New York City
110-00 Rockaway Blvd.
Jamaica, NY 11420, USA
T : +1 888 888 8801
E : info@rwnewyork.com

Resorts World Bimini
North Bimini
Commonwealth of the Bahamas
T : +1 888 930 8688

Awana Hotel
KM 13, Genting Highlands
69000 Pahang, Malaysia
T : +603 6436 9000
F : +603 6101 3535

Resorts World Kijal
KM 28, Jalan Kemaman-Dungun
24100 Kijal, Kemaman
Terengganu, Malaysia
T : +609 864 1188
F : +609 864 1688
www.rwkijal.com

Resorts World Langkawi
Tanjung Malai,
07000 Langkawi
Kedah, Malaysia
T : +604 955 5111
F : +604 955 5222
www.rwlangkawi.com

SALES & RESERVATIONS OFFICES

WorldReservations Centre (WRC)
17th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
T : +603 2718 1118
F : +603 2718 1888
Reservations E-mail:
customercare@rwgenting.com
Membership E-mail:
hotline@gentingrewards.com.my
Book online at www.rwgenting.com

Meetings, Incentives, Conventions & Exhibitions (M.I.C.E.)
23rd Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
T : +603 2301 6686
F : +603 2333 3886
E : imice@rwgenting.com
mice.rwgenting.com

Malaysia - Kuala Lumpur *
Resorts World OneHub
Lower Ground Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
T : +603 2718 1118
F : +603 2718 1888
Reservations E-mail:
customercare@rwgenting.com
Membership E-mail:
hotline@gentingrewards.com.my
Book online at www.rwgenting.com

Malaysia - Ipoh *
11, Ground Floor
Persiaran Greentown 8
Greentown Business Centre
30450 Ipoh
Perak, Malaysia
T : +605 243 2988
F : +605 243 6988

Malaysia - Johor Bahru *
1F - Ground Floor
Jalan Maju, Taman Maju Jaya
80400 Johor Bahru
Johor, Malaysia
T : +607 334 4555
F : +607 334 4666

Malaysia - Kuching *
No.2, Ground Floor, Block A
Wisma Nation Horizon
Jalan Petanak, 93100 Kuching
Sarawak, Malaysia
T : +6082 412 522
F : +6082 412 022

Malaysia - Penang *
Unit 113, 1st Floor , Penang Plaza
126 Jalan Burmah
10050 Penang, Malaysia
T : +604 228 2288
F : +604 228 7299

OTHER SERVICES

Casino De Genting
Resorts World Genting
Genting Highlands Resort
69000 Pahang, Malaysia
Membership Hotline:
T : +603 6105 2028
Casino Programmes:
F : +603 2333 3888

Genting Club
Resorts World Genting
Genting Highlands Resort
69000 Pahang, Malaysia
T : +603 6105 9009
F : +603 6105 9388

Maxims Platinum Club
Resorts World Genting
Genting Highlands Resort
69000 Pahang, Malaysia
T : +603 2718 1199
F : +603 6105 9399

Maxims Gold Club
Resorts World Genting
Genting Highlands Resort
69000 Pahang, Malaysia
T : +603 2718 1188
F : +603 2333 3888

Genting Alderney Limited
Turing House
Gibauderie
St Peter Port
GY1 1XN
Guernsey
Channel Islands
T :+44 01481 720 706
www.gentingcasino.com

Resorts World Tours Sdn Bhd

Resorts World OneHub
Lower Ground Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
T : +603 2333 3256 / 3210
(MICE Division)
+603 2333 3214 / 6663 / 6664 / 6702
(Airline ticketing)
+603 2333 6303 / 6504 / 6704 / 3254
(Tours Dept)
F : +603 2333 6995
E : resorts.world.tour@rwgenting.com

Limousine Service Counter (KLIA Sepang)
Lot MTBAP S1
Arrival Hall, Level 3,
Main Terminal Building,
KL International Airport
64000 KLIA Sepang
Selangor, Malaysia
T : +603 8776 6753 / 8787 4451
F : +603 8787 3873

Limousine Service Counter (Resorts World Genting)
Genting Highlands Resort
69000 Pahang, Malaysia
T : +603 6105 9584
F : +603 6105 9585

Genting Transport Reservations Centre
(For buses and limousines)
Lot 1988/4888
Jalan Segambut Tengah
51200 Kuala Lumpur, Malaysia
T : +603 6251 8398 / 6253 1762
F : +603 6251 8399

OVERSEAS SALES / BRANCH / REPRESENTATIVE / WORLDCARD OFFICES

Hong Kong
Golden Site Limited *
GSHK Capital Limited *
Suite 1001, Ocean Centre
5 Canton Road, Tsimshatsui
Kowloon, Hong Kong S.A.R.
T : +852 2317 7133 / 2377 4680
F : +852 2314 8724

India – Mumbai
Resorts World Travel Services Pte Ltd #
B-003, Knox Plaza, Off Link Road
Chincholi Bunder, Malad West
Mumbai 400064, India

Singapore
Golden Site Pte Ltd *
60 Paya Lebar Road,
Paya Lebar Square, #08-18
Singapore 409051
T : +65 6823 9888
F : +65 6822 7282

China – Shanghai
Widuri Pelangi Sdn Bhd #
RM 1609
Jintiandi International Mansion
998 Renmin Road, Huangpu District
Shanghai 200021, China
T : +86 21 6326 3866 / 3626
F : +86 21 6326 3727

Genting Rewards
Genting WorldCard Services Sdn Bhd
12th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
F : +603 2333 6611
E : hotline@gentingrewards.com.my
www.rwgenting.com/gentingrewards

** Sales Office*   *# Representative Office*

This page has been intentionally left blank.

GENTING PREMIER BRANDS

GENTING

Resorts World GENTING

Resorts World KIJAL

Resorts World LANGKAWI

Resorts World CASINO NEW YORK CITY

Resorts World BIMINI BAHAMAS RESORT•CASINO•MARINA

Resorts World BIRMINGHAM

CROCKFORDS

MAXIMS

GENTING ROUGE

SkyAvenue

GENTING CLUB

GENTING GRAND

CLUBS, SUITES, PENTHOUSES, HOTEL AND RESIDENCES
RESORTS WORLD GENTING, MALAYSIA

GENTING UK

CROCKFORDS EST. 1828

MAXIMS CASINO CLUB KENSINGTON

COLONY CLUB

THE PALM BEACH CASINO

GENTING CASINO

GENTING HOTEL

GENTINGCASINO.COM

GENTING MALAYSIA BERHAD (58019-U)
24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia

T : +603 2178 2288 / 2333 2288
F : +603 2161 5304

www.gentingmalaysia.com
www.rwgenting.com