GENTING
MALAYSIA

SECOND QUARTERLY REPORT

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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2019

	UNAUDITED INDIVIDUAL QUARTER Second quarter ended 30 June		UNAUDITED CUMULATIVE PERIOD Six months ended 30 June	
	2019	2018	**2019**	2018
	RM'000	RM'000	**RM'000**	RM'000
Revenue	**2,601,502**	2,422,126	**5,337,082**	4,821,624
Cost of sales	**(1,941,372)**	(1,784,124)	**(3,994,715)**	(3,567,746)
Gross profit	**660,130**	638,002	**1,342,367**	1,253,878
Other income	**81,099**	125,037	**274,747**	265,849
Other expenses	**(205,172)**	(259,599)	**(716,554)**	(539,067)
Other gains/(losses)	**1,796**	33,288	**5,534**	(11,492)
Profit from operations before impairment losses	**537,853**	536,728	**906,094**	969,168
Impairment losses	**(2,990)**	(33,300)	**(20,824)**	(33,300)
Profit from operations	**534,863**	503,428	**885,270**	935,868
Finance costs	**(58,619)**	(38,300)	**(126,394)**	(73,227)
Profit before taxation	**476,244**	465,128	**758,876**	862,641
Taxation	**(73,128)**	(86,862)	**(102,614)**	(142,309)
Profit for the financial period	**403,116**	378,266	**656,262**	720,332
Profit attributable to:				
Equity holders of the Company	**416,482**	395,706	**684,771**	753,943
Non-controlling interests	**(13,366)**	(17,440)	**(28,509)**	(33,611)
	403,116	378,266	**656,262**	720,332
Earnings per share attributable to equity holders of the Company:				
Basic earnings per share (sen)	**7.37**	6.99	**12.11**	13.33
Diluted earnings per share (sen)	**7.36**	6.99	**12.10**	13.31

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

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2019

	UNAUDITED INDIVIDUAL QUARTER Second quarter ended 30 June		UNAUDITED CUMULATIVE PERIOD Six months ended 30 June	
	2019	2018	**2019**	2018
	RM'000	RM'000	**RM'000**	RM'000
Profit for the financial period	**403,116**	378,266	**656,262**	720,332
Other comprehensive income/(loss)				
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedges				
- Fair value loss	**(674)**	(1,925)	**(3,527)**	(3,623)
Foreign currency exchange differences				
- Exchange differences on translation of foreign operations	**60,533**	41,625	**(78,633)**	(194,758)
- Reclassification to profit or loss upon disposal of a subsidiary	**-**	-	**(2,627)**	-
	60,533	41,625	**(81,260)**	(194,758)
Other comprehensive income/(loss), net of tax	**59,859**	39,700	**(84,787)**	(198,381)
Total comprehensive income for the financial period	**462,975**	417,966	**571,475**	521,951
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	**481,242**	440,833	**597,504**	553,246
Non-controlling interests	**(18,267)**	(22,867)	**(26,029)**	(31,295)
	462,975	417,966	**571,475**	521,951

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

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

	UNAUDITED As at 30.06.2019 RM'000	As at 31.12.2018 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	**16,038,743**	14,840,897
Land held for property development	**184,672**	184,672
Investment properties	**2,179,266**	2,204,259
Intangible assets	**4,440,282**	4,527,329
Right-of-use assets	**708,943**	-
Financial assets at fair value through other comprehensive income	**116,025**	117,157
Financial assets at fair value through profit or loss	**136,060**	-
Other non-current assets	**81,027**	254,528
Deferred tax assets	**233,817**	250,191
	24,118,835	22,379,033
Current assets		
Inventories	**109,067**	108,531
Trade and other receivables	**644,136**	657,563
Amounts due from other related companies	**3,642**	5,031
Financial assets at fair value through profit or loss	**651,714**	407,794
Restricted cash	**-**	100,856
Cash and cash equivalents	**6,977,427**	7,999,679
	8,385,986	9,279,454
Assets classified as held for sale	**71,083**	59,455
	8,457,069	9,338,909
TOTAL ASSETS	**32,575,904**	31,717,942
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	**1,764,424**	1,764,424
Reserves	**17,295,706**	17,455,318
Treasury shares	**(998,094)**	(999,062)
	18,062,036	18,220,680
Non-controlling interests	**(293,429)**	(267,400)
TOTAL EQUITY	**17,768,607**	17,953,280
Non-current liabilities		
Other long term liabilities	**338,916**	316,475
Long term borrowings	**9,349,678**	9,282,676
Lease liabilities	**640,097**	-
Deferred tax liabilities	**773,662**	781,138
Derivative financial instruments	**3,767**	961
	11,106,120	10,381,250
Current liabilities		
Trade and other payables	**2,856,583**	2,736,515
Amount due to holding company	**18,255**	25,362
Amounts due to other related companies	**71,396**	96,795
Short term borrowings	**367,836**	477,584
Lease liabilities	**64,490**	-
Derivative financial instruments	**2,268**	1,806
Taxation	**37,667**	31,747
Dividend payable	**282,682**	-
	3,701,177	3,369,809
Liabilities classified as held for sale	**-**	13,603
	3,701,177	3,383,412
TOTAL LIABILITIES	**14,807,297**	13,764,662
TOTAL EQUITY AND LIABILITIES	**32,575,904**	31,717,942
NET ASSETS PER SHARE (RM)	**3.19**	3.22

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

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2019

	Attributable to equity holders of the Company								
	Share Capital	Fair Value Reserve	Cash Flow Hedges Reserve	Other Reserves	Treasury Shares	Retained Earnings	Total	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 31 December 2018 as originally presented	1,764,424	(30,733)	(2,513)	1,616,538	(999,062)	15,872,026	18,220,680	(267,400)	17,953,280
Change in accounting policy *	-	-	-	(109)	-	(3,103)	(3,212)	-	(3,212)
Restated total equity at 1 January 2019	1,764,424	(30,733)	(2,513)	1,616,429	(999,062)	15,868,923	18,217,468	(267,400)	17,950,068
Profit/(loss) for the financial period	-	-	-	-	-	684,771	684,771	(28,509)	656,262
Other comprehensive (loss)/income	-	-	(3,527)	(83,740)	-	-	(87,267)	2,480	(84,787)
Total comprehensive (loss)/income for the financial period	-	-	(3,527)	(83,740)	-	684,771	597,504	(26,029)	571,475
Transactions with owners:									
Buy-back of shares	-	-	-	-	(40,089)	-	(40,089)	-	(40,089)
Performance-based employee share scheme	-	-	-	21,688	-	-	21,688	-	21,688
Employee share scheme shares vested to employees	-	-	-	(41,057)	41,057	-	-	-	-
Transfer of employee share scheme shares purchase price difference on shares vested	-	-	-	(11,396)	-	11,396	-	-	-
Appropriation:									
Special single-tier dividend declared for the financial year ended 31 December 2018	-	-	-	-	-	(451,853)	(451,853)	-	(451,853)
Final single-tier dividend declared for the financial year ended 31 December 2018	-	-	-	-	-	(282,682)	(282,682)	-	(282,682)
Total transactions with owners	-	-	-	(30,765)	968	(723,139)	(752,936)	-	(752,936)
At 30 June 2019	1,764,424	(30,733)	(6,040)	1,501,924	(998,094)	15,830,555	18,062,036	(293,429)	17,768,607

* see Part I Note (a) for details regarding the restatement as a result of a change in accounting policy.

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

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)
FOR THE SIX MONTHS ENDED 30 JUNE 2018

	Attributable to equity holders of the Company								
	Share Capital	Cash Flow Hedges Reserve	Other Reserves	Treasury Shares	Shares held for Employee Share Scheme	Retained Earnings	Total	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 January 2018 (restated)	1,764,424	-	1,521,430	(911,258)	(21,678)	16,970,542	19,323,460	(193,221)	19,130,239
Profit/(loss) for the financial period	-	-	-	-	-	753,943	753,943	(33,611)	720,332
Other comprehensive (loss)/income	-	(3,623)	(197,074)	-	-	-	(200,697)	2,316	(198,381)
Total comprehensive (loss)/income for the financial period	-	(3,623)	(197,074)	-	-	753,943	553,246	(31,295)	521,951
Transactions with owners:									
Buy-back of shares	-	-	-	(98,456)	-	-	(98,456)	-	(98,456)
Performance-based employee share scheme	-	-	25,910	-	-	-	25,910	-	25,910
Employee share scheme shares vested to employees	-	-	(45,300)	23,622	21,678	-	-	-	-
Transfer of employee share scheme shares purchase price difference on shares vested	-	-	(5,253)	-	-	5,253	-	-	-
Appropriation:									
Special single-tier dividend declared for the year ended 31 December 2017	-	-	-	-	-	(452,281)	(452,281)	-	(452,281)
Final single-tier dividend declared for the year ended 31 December 2017	-	-	-	-	-	(282,931)	(282,931)	-	(282,931)
Total transactions with owners	-	-	(24,643)	(74,834)	21,678	(729,959)	(807,758)	-	(807,758)
At 30 June 2018	1,764,424	(3,623)	1,299,713	(986,092)	-	16,994,526	19,068,948	(224,516)	18,844,432

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

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2019

	UNAUDITED Six months ended 30 June	
	2019	2018
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**758,876**	862,641
Adjustments for:		
Depreciation and amortisation	**517,548**	478,696
Property, plant and equipment written off	**1,506**	19,151
Net loss/(gain) on disposal of property, plant and equipment	**3,713**	(51)
Finance costs	**126,394**	73,227
Interest income	**(59,306)**	(171,571)
Investment income	**(11,670)**	(3,035)
Impairment losses	**20,824**	33,300
Employee share grant scheme expenses	**21,688**	25,910
Provision for termination related costs	**138,016**	-
Gain on disposal of a subsidiary	**(123,825)**	-
Net exchange loss – unrealised	**3,031**	17,895
Other non-cash items and adjustments	**23,838**	4,155
	661,757	477,677
Operating profit before working capital changes	**1,420,633**	1,340,318
Net change in current assets	**70,900**	(103,748)
Net change in current liabilities	**(181,925)**	(217,522)
	(111,025)	(321,270)
Cash generated from operations	**1,309,608**	1,019,048
Net tax (paid)/refund	**(74,435)**	38,403
Retirement gratuities paid	**(9,453)**	(1,895)
Onerous lease paid	**-**	(2,196)
	(83,888)	34,312
Net Cash Flow From Operating Activities	**1,225,720**	1,053,360
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(1,579,735)**	(797,099)
Proceeds from disposal of property, plant and equipment	**26,742**	65,733
Purchase of investments	**(216,770)**	(123,919)
Proceeds from disposal of a subsidiary	**177,795**	-
Proceeds from disposal of investments	**-**	120,000
Interest received	**96,381**	50,520
Other investing activities	**60,840**	2,003
Net Cash Flow From Investing Activities	**(1,434,747)**	(682,762)
CASH FLOWS FROM FINANCING ACTIVITIES		
Buy-back of shares	**(40,089)**	(98,456)
Repayment of borrowings and payment of transaction costs	**(275,528)**	(80,526)
Proceeds from bank borrowings	**241,888**	39,685
Repayment of lease liabilities	**(37,885)**	-
Restricted cash	**-**	(475)
Dividend paid	**(451,853)**	(735,212)
Finance costs paid	**(231,015)**	(150,890)
Net Cash Flow From Financing Activities	**(794,482)**	(1,025,874)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	**(1,003,509)**	(655,276)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	**7,999,679**	5,996,559
EFFECT OF CURRENCY TRANSLATION	**(18,743)**	(26,184)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**6,977,427**	5,315,099
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	**3,285,644**	2,352,893
Money market instruments	**3,691,783**	2,962,206
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**6,977,427**	5,315,099

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

DISPOSAL OF A SUBSIDIARY

Fair value of the net assets disposed and net cash inflow on disposal of a subsidiary, as disclosed in Part I Note (j) of this interim financial report are analysed as follows:

	As at date of disposal RM'000
Property, plant and equipment	**59,281**
Intangible assets	**2,673**
Inventories	**442**
Cash and cash equivalents	**2,494**
Trade and other receivables	**710**
Trade and other payables	**(2,664)**
Deferred tax liabilities	**(3,845)**
Net assets disposed	**59,091**
Reclassification of currency translation reserve	**(2,627)**
	56,464
Gain on disposal of a subsidiary	**123,825**
Total cash consideration	**180,289**
Less: cash and cash equivalents disposed	**(2,494)**
Net cash inflow on disposal of a subsidiary	**177,795**

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

a) *Accounting Policies and Methods of Computation*

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

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

MFRS 16	Leases
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
IC Interpretation 23	Uncertainty over Income Tax Treatments
Annual Improvements to MFRSs 2015 - 2017 Cycle	

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

<u>MFRS 16 "Leases"</u>

MFRS 16 eliminates the classification of leases by the lessee as either finance leases or operating leases. MFRS 16 introduces a single accounting model, requiring the lessee to recognise the "right-of-use" of the underlying asset and the lease liability reflecting future lease payments liabilities in the statement of financial position. The 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 Group has adopted MFRS 16 retrospectively from 1 January 2019 using the simplified transition approach and has not restated comparatives for the 2018 reporting period, as permitted under the standard. The reclassifications and adjustments arising from the new leasing rules are therefore recognised in the opening balance of statement of financial position as at 1 January 2019.

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

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

(i) Leases previously classified as operating leases

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

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

a) Accounting Policies and Methods of Computation (Cont'd)

MFRS 16 "Leases" (Cont'd)

(i) Leases previously classified as operating leases (Cont'd)

In applying MFRS 16 for the first time, the Group has applied the following practical expedients:
(a) The use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
(b) Reliance on previous assessments on whether leases are onerous;
(c) The accounting for operating leases with a remaining lease term of less than 12 months as at the date of initial application as short term leases;
(d) The exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
(e) The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

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

(ii) Leases previously classified as finance leases

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

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

	As at 31 Dec 2018 RM'000	Effects of adoption of MFRS 16 RM'000	As at 1 Jan 2019 RM'000
Non-current assets			
Property, plant and equipment	14,840,897	(13,702)	14,827,195
Right-of-use assets	-	727,891	727,891
Other non-current assets	254,528	(11,351)	243,177
Current asset			
Trade and other receivables	657,563	(18,009)	639,554
Non-current liabilities			
Other long term liabilities	316,475	(14,837)	301,638
Lease liabilities	-	653,076	653,076
Current liabilities			
Trade and other payables	2,736,515	(6,667)	2,729,848
Lease liabilities	-	56,469	56,469
Equity			
Retained earnings	15,872,026	(3,103)	15,868,923
Other reserves	1,616,538	(109)	1,616,429

The adoption of MFRS 16 impacts the Group's financial performance in the current financial period as follows:
(a) On the consolidated income statement, expenses which previously included operating lease rental within adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") as defined in Part II Note (1), were replaced by interest expense on lease liabilities (included within "finance costs") and amortisation of right-of-use assets (included within "depreciation and amortisation"); and
(b) On the consolidated statement of cash flows, operating lease rental outflow previously recorded within "net cash flow from operating activities" are classified as "net cash flow from financing activities" for repayment of lease liabilities.

a) *Accounting Policies and Methods of Computation (Cont'd)*

Changes to Comparative – Reclassification

Comparatives for the condensed consolidated income statement for the six months ended 30 June 2018 were restated to conform with the presentation as per the audited financial statements for the financial year ended 31 December 2018. The effects of the reclassification are as follows:

	As previously stated RM'000	**Reclassifications RM'000**	**Restated RM'000**
Other income	272,217	(6,368)	265,849
Other expenses	(556,927)	17,860	(539,067)
Other gains/(losses)	-	(11,492)	(11,492)

b) *Seasonal or Cyclical Factors*

The business operations of the Group's leisure and hospitality division are subject to seasonal fluctuations. The results are affected by major festive seasons and holidays.

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

The unusual items included in the interim financial report for the six months ended 30 June 2019 related to the provision of related costs as a result of the termination of contracts related to the outdoor theme park at Resorts World Genting of RM138.0 million.

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

d) *Material Changes in Estimates*

There were no material changes in estimates of amounts reported in prior financial years.

e) *Changes in Debt and Equity Securities*

Purchase of shares pursuant to Section 127 of the Companies Act 2016

During the six months ended 30 June 2019, the Company had acquired 11.8 million ordinary shares from the open market for a cash consideration of RM40.1 million. The share buy-back was made pursuant to the approval obtained from the Company's shareholders at the Company's Annual General Meeting held on 19 June 2019 and amendments to Bursa Malaysia Securities Berhad Main Market Listing Requirements arising from the implementation of the Companies Act 2016. The repurchased shares are held as treasury shares in accordance with the requirements of Section 127(4) of the Companies Act 2016.

During the six months ended 30 June 2019, 11.7 million treasury shares amounting to RM41.1 million have been transferred to the Eligible Employees under the Employee Share Grant Scheme pursuant to Section 127(7)(c) of the Companies Act 2016.

Other than the above, there were no material issuance, cancellation, repurchase, resale or repayments of debts or equity securities for the six months ended 30 June 2019.

f) Dividend Paid

Dividend paid during the six months ended 30 June 2019 is as follows:

	RM'Mil
Special single-tier dividend for the year ended 31 December 2018 paid on 4 April 2019	
8.0 sen per ordinary share	451.8

g) Segment Information

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 gain or loss on disposal of assets, assets written off, impairment loss or reversal of previously recognised impairment loss, pre-opening expenses and other non-recurring items.

The Group is organised into the following main business segments:

Leisure & Hospitality - this segment comprises integrated resort activities which include gaming, hotels, food and beverages ("F&B"), theme parks, retail, entertainment attractions, tours and travel related services and other supporting services.

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

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

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

	Leisure & Hospitality				Property	Investments & Others	Total
	Malaysia RM'Mil	United Kingdom and Egypt RM'Mil	United States of America and Bahamas RM'Mil	Total RM'Mil	RM'Mil	RM'Mil	RM'Mil
Revenue							
Total revenue	3,669.2	839.4	745.1	5,253.7	55.3	119.1	5,428.1
Inter segment	(3.6)	-	-	(3.6)	(5.0)	(82.4)	(91.0)
External	3,665.6	839.4	745.1	5,250.1	50.3	36.7	5,337.1
Adjusted EBITDA	1,095.6	86.1	168.6	1,350.3	27.2	18.1	1,395.6
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.3341	4.1221		4.1221		

During the six months ended 30 June 2019, revenue from the leisure & hospitality segment of RM5,250.1 million comprised gaming revenue and non-gaming revenue of RM4,002.6 million and RM1,247.5 million respectively. Non-gaming revenue included hotel room revenue which is recognised when services are rendered to the customers over their stay at the hotel, F&B revenue which is recognised when the services are rendered to the customers and rental income which is recognised on a straight-line basis over the lease term.

g) Segment Information (Cont'd)

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

	RM'Mil
Adjusted EBITDA for reportable segments	1,395.6
Pre-opening expenses	(144.7)
Property, plant and equipment written off	(1.5)
Net loss on disposal of property, plant and equipment	(3.7)
Impairment losses	(20.8)
Gain on disposal of a subsidiary	123.8
Others	(5.3)
EBITDA	1,343.4
Depreciation and amortisation	(517.5)
Interest income	59.3
Finance costs	(126.4)
Profit before taxation	758.8

	Leisure & Hospitality				**Property**	**Investments & Others**	**Total**
	Malaysia RM'Mil	**United Kingdom and Egypt RM'Mil**	**United States of America and Bahamas RM'Mil**	**Total RM'Mil**	**RM'Mil**	**RM'Mil**	**RM'Mil**
Segment Assets	11,679.9	4,873.8	5,688.0	22,241.7	2,500.0	1,747.0	26,488.7
Segment Liabilities	2,326.3	1,023.8	493.5	3,843.6	110.9	41.3	3,995.8
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.2881	4.1435		4.1435		

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

	RM'Mil
Segment assets	26,488.7
Interest bearing instruments	5,609.7
Unallocated corporate assets	406.4
Assets classified as held for sale	71.1
Total assets	32,575.9

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

Segment liabilities	3,995.8
Interest bearing instruments	9,717.5
Unallocated corporate liabilities	1,094.0
Total liabilities	14,807.3

h) Property, Plant and Equipment

During the six months ended 30 June 2019, acquisitions (including capitalised interest) of property, plant and equipment by the Group were RM1,776.3 million.

i) Material Events Subsequent to the end of Financial Period

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

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

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

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

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

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

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

j) Changes in the Composition of the Group

Disposal of Coastbright Limited ("Coastbright"), an operator of Maxims Casino in Kensington, London

On 21 March 2019, Genting UK Plc, an indirect wholly-owned subsidiary of the Company entered into a Share Purchase Agreement with Sonco UK BidCo Limited to dispose of its entire equity interest in Coastbright for a total net cash consideration of GBP33.7 million (equivalent to approximately RM180.3 million). GENM realised a gain of approximately GBP22.7 million (equivalent to approximately RM123.8 million) from the disposal. The disposal was completed on 21 March 2019 whereby Coastbright ceased to be an indirect wholly-owned subsidiary of the Company.

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

k) *Changes in Contingent Liabilities or Contingent Assets*

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

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

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

l) *Capital Commitments*

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

	RM'Mil
Contracted	2,227.2
Not contracted	2,574.2
	4,801.4
Analysed as follows:	
- Property, plant and equipment	4,801.4

m) *Significant Related Party Transactions*

In the normal course of business, the Group undertakes on agreed terms and prices, transactions with related companies and other related parties. The related party transactions of the Group carried out during the six months ended 30 June 2019 are as follows:

		Current quarter RM'000	**Current financial year-to-date RM'000**
i)	Provision of technical know-how and management expertise in the resort's operations by Genting Berhad ("GENT") Group to the Group.	104,049	221,150
ii)	Licensing fee for the use of "Genting", "Resorts World" and "Awana" logo charged by GENT to the Group.	56,322	117,234
iii)	Licensing fee for the use of "Resorts World" and "Genting" intellectual property outside Malaysia charged by GENT Group to the Group.	247	448
iv)	Provision of management and support services by GENT Group to the Group.	2,215	4,553
v)	Income from rental and related services provided to GENT Group.	1,609	3,214
vi)	Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the United States of America and the Bahamas charged by Resorts World Inc Pte Ltd ("RWI") Group to the Group.	19,112	37,419
vii)	Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by the Group to GENT Group.	1,510	3,348
viii)	Provision of management and support services by the Group to GENT Group.	924	2,955
ix)	Income from rental of premises to Warisan Timah Holdings Sdn Bhd.	690	1,299
x)	Provision of water supply services by an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to the Group.	423	760

m) Significant Related Party Transactions (Cont'd)

		Current quarter RM'000	Current financial year-to-date RM'000
xi)	Income from rental of office space to Genting Hong Kong Limited ("GENHK") Group.	1,736	3,465
xii)	Provision of maintenance and construction services by an entity connected with shareholder of BBEL to the Group.	21,509	38,691
xiii)	Licensing fee for the use of gaming software and system charged by RWI Group to the Group.	1,370	2,695
xiv)	Income from rental of office space to RWI Group.	145	289
xv)	Provision of aviation related services by the Group to GENHK Group	438	438
xvi)	Provision of utilities, maintenance and security services by the Group to Genting Highlands Premium Outlets Sdn Bhd.	497	1,120
xvii)	Purchase of holiday packages from GENHK Group.	255	1,120
xviii)	Provision of support services by GENHK Group to the Group.	3,590	3,590

n) Fair Value of Financial Instruments

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

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

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

	Level 1 RM'Mil	Level 2 RM'Mil	Level 3 RM'Mil	Total RM'Mil
Financial assets				
Financial assets at fair value through profit or loss	6.9	615.9	165.0	787.8
Financial assets at fair value through other comprehensive income	-	-	116.0	116.0
	6.9	615.9	281.0	903.8
Financial liability				
Derivative financial instruments	-	6.0	-	6.0

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

GENTING MALAYSIA BERHAD
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – FINANCIAL PERIOD ENDED 30 JUNE 2019

Part II: Compliance with Appendix 9B of Bursa Securities Listing Requirements

1) Review of Performance

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

The results of the Group are tabulated below:

	INDIVIDUAL QUARTER				SIX MONTHS ENDED 30 JUNE			
	2Q2019	2Q2018	Var		2019	2018	Var	
	RM'Mil	RM'Mil	RM'Mil	%	RM'Mil	RM'Mil	RM'Mil	%
Revenue								
Leisure & Hospitality								
- Malaysia	**1,756.1**	1,591.9	164.2	10%	**3,665.6**	3,191.4	474.2	15%
- United Kingdom and Egypt	**420.1**	436.0	-15.9	-4%	**839.4**	848.4	-9.0	-1%
- United States of America and Bahamas	**378.1**	344.7	33.4	10%	**745.1**	691.1	54.0	8%
	2,554.3	2,372.6	181.7	8%	**5,250.1**	4,730.9	519.2	11%
Property	**23.6**	23.3	0.3	1%	**50.3**	47.0	3.3	7%
Investments & others	**23.6**	26.2	-2.6	-10%	**36.7**	43.7	-7.0	-16%
	2,601.5	2,422.1	179.4	7%	**5,337.1**	4,821.6	515.5	11%
Adjusted EBITDA								
Leisure & Hospitality								
- Malaysia	**540.0**	540.2	-0.2	-<1%	**1,095.6**	1,073.9	21.7	2%
- United Kingdom and Egypt	**45.1**	29.5	15.6	53%	**86.1**	60.1	26.0	43%
- United States of America and Bahamas	**102.6**	77.6	25.0	32%	**168.6**	142.4	26.2	18%
	687.7	647.3	40.4	6%	**1,350.3**	1,276.4	73.9	6%
Property	**12.3**	13.4	-1.1	-8%	**27.2**	28.0	-0.8	-3%
Investments & others	**11.5**	41.1	-29.6	-72%	**18.1**	5.1	13.0	>100%
Adjusted EBITDA	**711.5**	701.8	9.7	1%	**1,395.6**	1,309.5	86.1	7%
Pre-opening expenses	**65.9**	(15.7)	81.6	>100%	**(144.7)**	(32.3)	-112.4	->100%
Property, plant and equipment written off	**(0.8)**	(3.5)	2.7	77%	**(1.5)**	(19.2)	17.7	92%
Net (loss)/gain on disposal of property, plant and equipment	**-**	(0.1)	0.1	NC	**(3.7)**	0.1	-3.8	->100%
Impairment losses	**(3.0)**	(33.3)	30.3	91%	**(20.8)**	(33.3)	12.5	38%
Gain on disposal of a subsidiary	**-**	-	-	-	**123.8**	-	123.8	NC
Others	**(5.3)**	-	-5.3	NC	**(5.3)**	18.1	-23.4	->100%
EBITDA	**768.3**	649.2	119.1	18%	**1,343.4**	1,242.9	100.5	8%
Depreciation and amortisation	**(260.9)**	(238.0)	-22.9	-10%	**(517.5)**	(478.7)	-38.8	-8%
Interest income	**27.4**	92.2	-64.8	-70%	**59.3**	171.6	-112.3	-65%
Finance costs	**(58.6)**	(38.3)	-20.3	-53%	**(126.4)**	(73.2)	-53.2	-73%
Profit before taxation	**476.2**	465.1	11.1	2%	**758.8**	862.6	-103.8	-12%

1) Review of Performance (Cont'd)

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

The results of the Group are tabulated below:

	INDIVIDUAL QUARTER 2Q2019 RM'Mil	PRECEDING QUARTER 1Q2019 RM'Mil	Var RM'Mil	Var %
Revenue				
Leisure & Hospitality				
- Malaysia	**1,756.1**	1,909.5	-153.4	-8%
- United Kingdom and Egypt	**420.1**	419.3	0.8	<1%
- United States of America and Bahamas	**378.1**	367.0	11.1	3%
	2,554.3	2,695.8	-141.5	-5%
Property	**23.6**	26.7	-3.1	-12%
Investments & others	**23.6**	13.1	10.5	80%
	2,601.5	2,735.6	-134.1	-5%
Adjusted EBITDA				
Leisure & Hospitality				
- Malaysia	**540.0**	555.6	-15.6	-3%
- United Kingdom and Egypt	**45.1**	41.0	4.1	10%
- United States of America and Bahamas	**102.6**	66.0	36.6	55%
	687.7	662.6	25.1	4%
Property	**12.3**	14.9	-2.6	-17%
Investments & others	**11.5**	6.6	4.9	74%
Adjusted EBITDA	**711.5**	684.1	27.4	4%
Pre-opening expenses	**65.9**	(210.6)	276.5	>100%
Property, plant and equipment written off	**(0.8)**	(0.7)	-0.1	-14%
Net loss on disposal of property, plant and equipment	**-**	(3.7)	3.7	NC
Impairment losses	**(3.0)**	(17.8)	14.8	83%
Gain on disposal of a subsidiary	**-**	123.8	-123.8	NC
Others	**(5.3)**	-	-5.3	NC
EBITDA	**768.3**	575.1	193.2	34%
Depreciation and amortisation	**(260.9)**	(256.6)	-4.3	-2%
Interest income	**27.4**	31.9	-4.5	-14%
Finance costs	**(58.6)**	(67.8)	9.2	14%
Profit before taxation	**476.2**	282.6	193.6	69%

NC: Not comparable

1) Review of Performance (Cont'd)

a) Quarter ended 30 June 2019 ("2Q 2019") compared with quarter ended 30 June 2018 ("2Q 2018")

The Group's revenue in 2Q 2019 was RM2,601.5 million, an increase of 7% compared with RM2,422.1 million in 2Q 2018.

The higher revenue for this quarter was mainly attributable to:

1. higher revenue from the leisure and hospitality business in Malaysia by RM164.2 million or 10%, mainly attributable to an improved hold percentage in the mid to premium players segments. However, the overall business volume from gaming segment declined during the quarter mainly due to reduction in incentives offered to the players as part of the cost rationalisation initiatives. The opening of new attractions under Genting Integrated Tourism Plan ("GITP") have been well received and contributed to a significant increase in non-gaming revenue; and

2. higher revenue from the leisure and hospitality businesses in United States of America ("US") and Bahamas by RM33.4 million or 10%, mainly due to foreign exchange movement as a result of strengthening of USD exchange rate to RM during 2Q 2019. Excluding the impact of foreign exchange movement, revenue from US and Bahamas increased by 4% mainly due to higher volume of business from Resorts World Casino New York City ("RWNYC") operations; offset by

3. lower revenue from the leisure and hospitality business in United Kingdom ("UK") and Egypt by RM15.9 million or 4%, mainly due to lower contribution from interactive business.

The Group's adjusted EBITDA in 2Q 2019 was RM711.5 million compared with RM701.8 million in 2Q 2018, an increase of 1%. The higher adjusted EBITDA was mainly attributable to:

1. an increase in adjusted EBITDA from the leisure and hospitality businesses in US and Bahamas by RM25.0 million or 32%, mainly due to lower operating loss from Bimini operations as a result of improved operational efficiencies; and

2. an increase in adjusted EBITDA from the leisure and hospitality businesses in UK and Egypt by RM15.6 million or 53%, mainly due to the impact of adopting MFRS 16 as mentioned in Part I Note (a) above partially offset by lower revenue. These were offset by,

3. a lower adjusted EBITDA by RM29.6 million from the "investments and others" segment in 2Q 2019, mainly due to lower unrealised foreign exchange gain on the Group's USD denominated assets.

The Group's profit before taxation was RM476.2 million in 2Q 2019, an increase of 2% compared with RM465.1 million in 2Q 2018 mainly due to:

1. reversal of pre-opening expenses of RM65.9 million in 2Q 2019 compared to pre-opening expenses of RM15.7 million in 2Q 2018 mainly due to reversal of provision of termination related costs of RM60.2 million relating to outdoor theme park at Resorts World Genting following the finalisation of claims from certain contractors by the Company; and

2. impairment losses on certain assets in Malaysia operation of RM33.3 million in 2Q 2018; offset by

3. lower interest income by RM64.8 million mainly due to impairment of the Group's investment in the promissory notes issued by the Mashpee Wampanoag Tribe ("the Tribe") in 2018.

b) Financial period for the six months ended 30 June 2019 ("1H 2019") compared with six months ended 30 June 2018 ("1H 2018")

The Group's revenue in 1H 2019 was RM5,337.1 million, an increase of 11% compared with RM4,821.6 million in 1H 2018. The increase was mainly attributable to:

1. higher revenue from the leisure and hospitality business in Malaysia by RM474.2 million or 15%, mainly attributable to an exceptionally high hold percentage from the mid to premium players segments. However, the overall business volume from gaming segment declined in 1H 2019 due to reduction in incentives offered to the players. The non-gaming segment has also contributed to the increase in revenue; and

2. higher revenue from the leisure and hospitality businesses in US and Bahamas by RM54.0 million or 8%, mainly due to the strengthening of USD against RM. Excluding this impact, revenue would have increased by 3% mainly due to higher volume of business from RWNYC operations.

The Group's adjusted EBITDA in 1H 2019 was RM1,395.6 million compared with RM1,309.5 million in 1H 2018, an increase of 7%. The higher adjusted EBITDA was mainly attributable to:

1. an increase in adjusted EBITDA from the leisure and hospitality businesses in US and Bahamas by RM26.2 million, mainly due to higher revenue from Hilton Miami Downtown Hotel and lower operating loss from Bimini operations as a result of improved operational efficiencies;

2. an increase in adjusted EBITDA from the leisure and hospitality businesses in UK and Egypt by RM26.0 million, mainly due to impact of adopting MFRS 16 as mentioned in Part I Note (a) above. This was partially offset by lower debts recovery in 1H 2019; and

3. an increase in adjusted EBITDA from the leisure and hospitality business in Malaysia by RM21.7 million mainly due to higher revenue and lower payroll and related expenses as a result of reduction in the number of employees, offset by higher casino duty.

The Group's profit before taxation was RM758.8 million in 1H 2019, a decrease of 12% compared with RM862.6 million in 1H 2018 mainly due to:

1. higher pre-opening expenses by RM112.4 million mainly due to provision for termination related costs relating to the outdoor theme park of RM138.0 million;

2. lower interest income by RM112.3 million mainly due to impairment of the Group's investment in the promissory notes issued by the Tribe in 2018; and

3. higher finance costs by RM53.2 million mainly due to lower qualifying assets eligible for interest capitalisation during the period, upon completion of certain projects under GITP; mitigated by

4. recognition of a gain of RM123.8 million from the disposal of a subsidiary in UK; and

5. higher adjusted EBITDA as mentioned above.

2) *Material Changes in Profit before Taxation for the Current Quarter ("2Q 2019") compared with Profit before Taxation for the Immediate Preceding Quarter ("1Q 2019")*

Profit before taxation for 2Q 2019 was RM476.2 million compared with RM282.6 million in 1Q 2019, an increase of RM193.6 million or 69% mainly due to:

1. reversal of pre-opening expenses of RM65.9 million in 2Q 2019 mainly due to reversal of provision of termination related costs of RM60.2 million compared to the provision of termination related costs of RM198.3 million in 1Q 2019; and

2. higher adjusted EBITDA from leisure and hospitality businesses in US and Bahamas mainly due to higher revenue and recognition of expenses under accrued in the previous periods of RM27.1 million for RWNYC during 1Q 2019; offset by,

3. recognition of a gain of RM123.8 million from the disposal of a subsidiary in UK in 1Q 2019.

3) *Prospects*

Global economic growth is expected to continue moderating across certain developed economies and emerging markets due to prolonged geopolitical and global trade policy uncertainties. The expansion of the Malaysian economy is expected to continue, albeit at a slower pace as it is expected to be affected by both domestic and global macroeconomic issues.

In line with uncertain economic sentiments, the regional gaming industry is anticipated to remain challenging, particularly in the premium players segment, as evidenced by the recent performances of certain gaming operators in Singapore and Macau. Meanwhile, the modest outlook for international travel demand is expected to persist.

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

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

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

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

4) *Variance of Actual Profit from Forecast Profit*

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

5) *Taxation*

Taxation charges for the current quarter and six months ended 30 June 2019 are as follows:

	Current quarter ended 30 June 2019 RM'000	Six months ended 30 June 2019 RM'000
Current taxation		
Malaysian income tax charge	33,222	68,902
Foreign income tax charge	25,084	26,116
	58,306	95,018
Deferred tax charge	13,922	7,133
	72,228	102,151
Prior period taxation		
Income tax under provided	900	463
	73,128	102,614

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

6) *Status of Corporate Proposals Announced*

Other than the announcements by GENM dated 6 August 2019 and 20 August 2019 as disclosed in Part 1 Note (i)(2), there were no other corporate proposals announced but not completed as at 22 August 2019.

7) *Group Borrowings*

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

	As at 30.06.2019				As at 31.12.2018
	Secured/ Unsecured	Foreign Currency 'Mil		RM Equivalent 'Mil	RM Equivalent 'Mil
Short term borrowings	Secured	USD	-	-	54.8
	Secured	GBP	14.9	78.6	133.8
	Unsecured	USD	37.2	154.2	151.6
	Unsecured	RM	N/A	135.0	137.4
				367.8	477.6
Long term borrowings	Secured	USD	281.9	1,168.1	1,124.8
	Secured	GBP	69.2	366.1	500.1
	Unsecured	USD	53.6	221.9	64.9
	Unsecured	RM	N/A	7,593.6	7,592.9
				9,349.7	9,282.7
Total borrowings	Secured	USD		1,168.1	1,179.6
	Secured	GBP		444.7	633.9
	Unsecured	USD		376.1	216.5
	Unsecured	RM		7,728.6	7,730.3
				9,717.5	9,760.3

8) *Outstanding Derivatives*

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

Types of Derivative	Contract/Notional Value RM'000	Fair Value Liabilities RM'000
Interest Rate Swaps		
GBP		
- Less than 1 year	79,322	2,268
- More than 1 year	370,170	3,767
		6,035

Other than the above, there is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2018:

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

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

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

9) *Fair Value Changes of Financial Liabilities*

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

10) *Changes in Material Litigation*

Following the settlement of the litigation filed by the Company against Fox and The Walt Disney Company in connection with the planned Fox-branded theme park at Resorts World Genting, as disclosed in Part 1 Note (i)(1), there are no other pending material litigation as at 22 August 2019.

11) *Dividend Proposed or Declared*

(a) (i) An interim single-tier dividend of 6.00 sen per ordinary share in respect of the financial year ending 31 December 2019 has been declared by the Directors.

(ii) The interim single-tier dividend declared and paid for the previous year's corresponding period was 6.00 sen per ordinary share.

(iii) The interim single-tier dividend shall be payable on 11 October 2019.

(iv) Entitlement to the interim single-tier dividend:

A Depositor shall qualify for entitlement to the interim single-tier dividend only in respect of:

(I) Shares transferred into the Depositor's Securities Account before 4.30 p.m. on 19 September 2019 in respect of ordinary transfers; and

(II) Shares bought on Bursa Securities on a cum entitlement basis according to the Main Market Listing Requirements of Bursa Securities.

(b) The total single-tier dividend payable for the financial year ending 31 December 2019 is 6.00 sen per ordinary share.

12) *Profit before Taxation*

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

	Current quarter ended 30 June 2019 RM'000	**Six months ended 30 June 2019 RM'000**
Charges:		
Depreciation and amortisation	260,938	517,548
Impairment losses	2,990	20,824
Net loss on disposal of property, plant and equipment	21	3,713
Property, plant and equipment written off	846	1,506
Provision for termination related costs	-	138,016
Finance costs:		
- Interest on borrowings	114,752	229,392
- Other finance costs	11,533	25,926
- Less: capitalised costs	(46,022)	(83,885)
- Less: interest income earned	(21,644)	(45,039)
Finance costs charged to income statements	58,619	126,394
Credits:		
Net foreign currency exchange gain	5,926	5,907
Gain on disposal of subsidiary	-	123,825
Interest income	27,410	59,306
Investment income	6,036	11,670
Reversal of provision for termination related costs	60,244	-

13) *Earnings per share ("EPS")*

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

	Current quarter ended 30 June 2019 RM'000	**Current financial year-to-date ended 30 June 2019 RM'000**
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of basic and diluted EPS)	416,482	684,771

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

	Current quarter ended 30 June 2019 Number of Shares ('000)	**Current financial year-to-date ended 30 June 2019 Number of Shares ('000)**
Weighted average number of ordinary shares in issue (*) (used as denominator for the computation of basic EPS)	5,653,649	5,653,238
Adjustment for dilutive effect of Employee Share Scheme	6,248	6,248
Adjusted weighted average number of ordinary shares in issue (used as denominator for the computation of diluted EPS)	5,659,897	5,659,486

(*) The weighted average number of ordinary shares in issue during the current quarter and six months ended 30 June 2019 excludes the weighted average treasury shares held by the Company.

14) Disclosure of Audit Report Qualification and Status of Matters Raised

The audit report of the Group's annual financial statements for the financial year ended 31 December 2018 was not qualified.

15) Approval of Interim Financial Statements

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

GENTING MALAYSIA

GENTING MALAYSIA BERHAD
(58019-U)

PRESS RELEASE **For Immediate Release**

GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2019

KUALA LUMPUR, 29 August 2019 – Genting Malaysia Berhad (Group) today announced its financial results for the second quarter (2Q19) and half year ended 30 June 2019 (1H19).

The Group's 2Q19 total revenue grew by 7% to RM2,601.5 million. The adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) registered a marginal improvement to RM711.5 million. Profit before tax (PBT) was higher by 2% to RM476.2 million while net profit increased by 7% to RM403.1 million in the quarter.

In 1H19, the Group's total revenue increased by 11% to RM5,337.1 million while adjusted EBITDA grew by 7% to RM1,395.6 million. However, PBT and net profit were lower by 12% and 9% to RM758.8 million and RM656.2 million respectively.

2Q19 Results

The Malaysian leisure and hospitality business registered a 10% growth in revenue to RM1,756.1 million while adjusted EBITDA remained flat at RM540.0 million. In the period, Resorts World Genting (RWG) reported overall decline in volume of business in the gaming segment, primarily due to lower incentives offered to customers in line with the Group's cost rationalisation initiatives. However, the Group's earnings were aided by improved hold percentage in the mid to premium players segment. Additionally, the Group recorded a reversal of provision for contract termination related costs of RM60.2 million in relation to the outdoor theme park at RWG.

In the United Kingdom (UK) and Egypt, the Group's operations recorded a decline in revenue to RM420.1 million, mainly due to lower contribution from the Group's interactive business. However, adjusted EBITDA improved by 53% to RM45.1 million largely attributable to the adoption of a new accounting standard involving the reclassification of lease expenses.

The Group's operations in the United States (US) and Bahamas reported higher revenue by 10% to RM378.1 million, aided by foreign exchange translation gains from the strengthening of USD against RM. Excluding this impact, revenue from the Group's operations grew by 4% mainly due to higher volume of business recorded at Resorts World Casino New York City (RWNYC). Adjusted EBITDA also improved by 32% to RM102.6 million, mainly contributed by improved operational efficiencies at Resorts World Bimini.

The Group's overall adjusted EBITDA was impacted by lower foreign exchange translation gains on its USD denominated assets of RM0.8 million as compared to higher foreign exchange translation gains of RM32.0 million recorded in the same period last year.

1H19 Results

The leisure and hospitality business in Malaysia registered revenue and adjusted EBITDA of RM3,665.6 million and RM1,095.6 million respectively. The Group's earnings were primarily aided by exceptionally high hold percentage from the mid to premium players segment. However, overall volume of business from the Group's gaming segment recorded a decline, largely due to the reduction in incentives offered to customers as part of ongoing cost rationalisation initiatives at RWG. Adjusted EBITDA was also supported by lower payroll and related expenses as a result of a reduction in headcount. Nevertheless, the improvement in adjusted EBITDA was offset by higher casino duties. The Group's earnings were also impacted by a provision for contract termination related cost of RM138.0 million in relation to the outdoor theme park.

In the UK and Egypt, the Group's operations recorded a decline in revenue to RM839.4 million. However, adjusted EBITDA increased by 43% to RM86.1 million despite lower debt recovery, mainly due to the Group's adoption of a new accounting standard involving the reclassification of lease expenses.

In the US and Bahamas, the Group registered an 8% improvement in revenue to RM745.1 million. This was mainly attributable to foreign exchange translation gains from the strengthening of USD against RM. Excluding this impact, revenue increased by 3% largely due to higher business volumes recorded at RWNYC. Adjusted EBITDA was also higher by 18% to RM168.6 million, mainly driven by lower operating losses at Resorts World Bimini as a result of continued improvements to operational efficiencies at the resort.

The Board of Directors has maintained the interim single-tier dividend at 6.00 sen per ordinary share.

Outlook

Global economic growth is expected to continue moderating across certain developed economies and emerging markets due to prolonged geopolitical and global trade policy uncertainties. The expansion of the Malaysian economy is expected to continue, albeit at a slower pace as it is expected to be affected by both domestic and global macroeconomic issues.

In line with uncertain economic sentiments, the regional gaming industry is anticipated to remain challenging, particularly in the premium players segment, as evidenced by the recent performances of certain gaming operators in Singapore and Macau. Meanwhile, the modest outlook for international travel demand is expected to persist.

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

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

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

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

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD	INDIVIDUAL QUARTER		Variance		SIX MONTHS ENDED 30 JUNE		Variance	
SUMMARY OF RESULTS	**2Q2019**	**2Q2018**	**2Q19 vs 2Q18**		**2019**	**2018**	**1H19 vs 1H18**	
	RM'Mil	**RM'Mil**	**RM'Mil**	**%**	**RM'Mil**	**RM'Mil**	**RM'Mil**	**%**
Revenue								
Leisure & Hospitality								
- Malaysia	**1,756.1**	1,591.9	164.2	10%	**3,665.6**	3,191.4	474.2	15%
- United Kingdom and Egypt	**420.1**	436.0	-15.9	-4%	**839.4**	848.4	-9.0	-1%
- United States of America and Bahamas	**378.1**	344.7	33.4	10%	**745.1**	691.1	54.0	8%
	2,554.3	2,372.6	181.7	8%	**5,250.1**	4,730.9	519.2	11%
Property	**23.6**	23.3	0.3	1%	**50.3**	47.0	3.3	7%
Investments & others	**23.6**	26.2	-2.6	-10%	**36.7**	43.7	-7.0	-16%
	2,601.5	2,422.1	179.4	7%	**5,337.1**	4,821.6	515.5	11%
Adjusted EBITDA								
Leisure & Hospitality								
- Malaysia	**540.0**	540.2	-0.2	-<1%	**1,095.6**	1,073.9	21.7	2%
- United Kingdom and Egypt	**45.1**	29.5	15.6	53%	**86.1**	60.1	26.0	43%
- United States of America and Bahamas	**102.6**	77.6	25.0	32%	**168.6**	142.4	26.2	18%
	687.7	647.3	40.4	6%	**1,350.3**	1,276.4	73.9	6%
Property	**12.3**	13.4	-1.1	-8%	**27.2**	28.0	-0.8	-3%
Investments & others	**11.5**	41.1	-29.6	-72%	**18.1**	5.1	13.0	>100%
Adjusted EBITDA	**711.5**	701.8	9.7	1%	**1,395.6**	1,309.5	86.1	7%
Pre-opening expenses	**65.9**	(15.7)	81.6	>100%	**(144.7)**	(32.3)	-112.4	->100%
Property, plant and equipment written off	**(0.8)**	(3.5)	2.7	77%	**(1.5)**	(19.2)	17.7	92%
Net (loss) / gain on disposal of property, plant and equipment	**-**	(0.1)	0.1	NC	**(3.7)**	0.1	-3.8	->100%
Impairment losses	**(3.0)**	(33.3)	30.3	91%	**(20.8)**	(33.3)	12.5	38%
Gain on disposal of a subsidiary	**-**	-	-	-	**123.8**	-	123.8	NC
Others	**(5.3)**	-	-5.3	NC	**(5.3)**	18.1	-23.4	->100%
EBITDA	**768.3**	649.2	119.1	18%	**1,343.4**	1,242.9	100.5	8%
Depreciation and amortisation	**(260.9)**	(238.0)	-22.9	-10%	**(517.5)**	(478.7)	-38.8	-8%
Interest income	**27.4**	92.2	-64.8	-70%	**59.3**	171.6	-112.3	-65%
Finance costs	**(58.6)**	(38.3)	-20.3	-53%	**(126.4)**	(73.2)	-53.2	-73%
Profit before taxation	**476.2**	465.1	11.1	2%	**758.8**	862.6	-103.8	-12%
Taxation	**(73.1)**	(86.9)	13.8	16%	**(102.6)**	(142.3)	39.7	28%
Profit/(loss) for the financial period	**403.1**	378.2	24.9	7%	**656.2**	720.3	-64.1	-9%
Basic earnings per share (sen)	**7.37**	6.99	0.4	5%	**12.11**	13.33	-1.2	-9%
Diluted earnings per share (sen)	**7.36**	6.99	0.4	5%	**12.10**	13.31	-1.2	-9%

NC : Not comparable

About Genting Malaysia

Genting Malaysia is one of the leading leisure and hospitality corporations in the world. Listed on Bursa Malaysia with approximately RM18 billion in market capitalisation, Genting Malaysia owns and operates major resort properties including Resorts World Genting (RWG) in Malaysia, Resorts World Casino New York City (RWNYC) in the United States (US), Resorts World Bimini (RW Bimini) in the Bahamas, Resorts World Birmingham and approximately 40 casinos in the United Kingdom (UK) and Crockfords Cairo in Egypt. Genting Malaysia also owns and operates two seaside resorts in Malaysia, namely Resorts World Kijal in Terengganu and Resorts World Langkawi on Langkawi island.

RWG is a premier leisure and entertainment resort in Malaysia. It is equipped with about 10,500 rooms spread across 7 hotels, theme parks and entertainment attractions, dining and retail outlets, as well as international shows and business convention facilities. The transformation at RWG has seen the Group introducing a plethora of new facilities and attractions which include the First World Hotel Tower 3, the Awana SkyWay cable car system, the Theme Park Hotel, the Crockfords Hotel, new attractions in the SkyAvenue entertainment complex and the First World Plaza, as well as the new Skytropolis Indoor Theme Park. The opening of the Genting Highlands Premium Outlet (a joint venture between Genting Plantations Berhad and Simon Property Group) at the mid-hill further complements the new and existing offerings at RWG.

In the UK, Genting Malaysia owns and operates approximately 40 casinos, making it one of the largest casino operators in the country. The Group is also involved in an interactive business which operates an online gaming platform comprising an online casino and sports book operation aimed at providing customers a seamless multi-channel gaming experience. Additionally, Genting Malaysia operates Resorts World Birmingham, the first integrated leisure complex of its kind in the UK, offering gaming and entertainment facilities, retail and dining outlets and a 182-room four-star hotel. In the Middle East, Crockfords Cairo, an exclusive casino nestled within the posh surroundings of 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 the 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 embarked on an expansion project in July 2017 to add new facilities and attractions to its portfolio, such as a 400-room hotel, additional gaming space, F&B outlets, retail stores and entertainment facilities. Over in Miami, the Group owns the 527-room Hilton Miami Downtown which sits on 30 acres of prime freehold waterfront land.

In the Bahamas, the Group operates RW Bimini, which features a casino, The Hilton at RW Bimini, restaurants and bars, various resort amenities as well as the largest yacht and marina complex on the island surrounded by turquoise waters and white-sand beaches.

Genting Malaysia is a member of the Genting Group, one of Asia’s leading and best-managed multinational companies. 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 US, the Bahamas and the UK, as well as significant investments in oil palm plantations, power generation, oil and gas, property development, cruise, biotechnology and other industries globally.

For more information, visit http://www.gentingmalaysia.com or contact ir.genm@genting.com.

For information on the major properties of Genting Malaysia
Resorts World Genting, visit www.rwgenting.com
Genting Casinos UK Limited, visit www.gentingcasinos.co.uk
Resorts World Casino New York City, visit www.rwnewyork.com
Resorts World Birmingham, visit www.resortsworldbirmingham.co.uk
Resorts World Bimini, visit www.rwbimini.com

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