GENTING
PLANTATIONS

ANNUAL REPORT 2018

GENTING PLANTATIONS BERHAD
(34993-X)

about
GENTING PLANTATIONS

OUR VISION

We strive:

To become a leader in the plantation industry.

To embark aggressively onto value-added downstream manufacturing activities which are synergistic to our core business.

To enhance return on the company land bank through property development activities.

To adopt a market-driven and customer-oriented approach, with emphasis on product quality and diversity.

To strengthen our competitive position by adopting new technologies and innovations.

As people are the key to achieving the company's vision, we are committed to develop our employees and create a highly motivating and rewarding environment for them.

OUR CORE VALUES

• HARDWORK • HONESTY • HARMONY • LOYALTY • COMPASSION

CORPORATE PROFILE

Genting Plantations, a subsidiary of Genting Berhad, commenced operations in 1980. It has a landbank of about 64,600 hectares in Malaysia and some 182,800 hectares (including the *Plasma* scheme) in Indonesia. It owns seven oil mills in Malaysia and four in Indonesia, with a total milling capacity of 550 metric tonnes per hour. In addition, our Group has ventured into the manufacturing of downstream palm-based products.

Genting Plantations has also diversified into property development to unlock the value of its strategically-located landbank and has invested significantly in biotechnology in a major effort to apply genomics-based solutions to increase crop productivity and sustainability.

www.gentingplantations.com

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CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of Genting Plantations Berhad ("the Company") and its subsidiaries ("our Group") for the year ended 31 December 2018.

FINANCIAL OVERVIEW

The year 2018 turned out to be a rather tumultuous year for the oil palm industry, culminating in a perfect storm in the second half of the year on a confluence of negatives, namely the elevated palm oil inventory levels amid stronger global production and muted demand attributed to, inter alia, the imposition of high import duties on palm products by India, the aversion to palm oil by the European Union, the erosion of the purchasing power of major palm oil importers arising from weakened currencies against the US Dollar, the protracted US-China trade tension and abundant supply of soybean from a record high US harvest.

All these factors had a telling role in the crude palm oil ("CPO") price trending steeply downwards from its peak in March at RM2,559 per metric tonne ("mt"), touching a 10-year low circa RM1,700 per mt in November and subsequently ending 2018 on a less sanguine note than when the year began.

Against this challenging backdrop, it is worthy to note that our Group recorded higher total revenue of RM1.90 billion compared to RM1.80 billion in 2017.

The higher revenue was mainly driven by the improved offtake from the Downstream Manufacturing Division coupled with the progressive completion of construction works by the Property Division. In contrast, the Plantation Division posted lower year-on-year revenue as the effect of the sharply lower palm products selling prices outweighed the Group-wide increase in fresh fruit bunch ("FFB") production, resulting in the Group's pre-tax profit declining by 55% year-on-year to RM207.7 million in 2018.

OPERATIONAL PERFORMANCE

At our mainstay Plantation Division, the Group's total FFB production continued its growth trajectory, recording a double-digit increase of 11% to a new high of 2.08 million mt in 2018, amidst an increase in mature areas and better palm age profile in our Indonesian operations, which more than compensated for the reduced production volume in Malaysia, brought about by the delayed effects of unfavourable weather conditions in the preceding two years as well as reduced harvesting areas from replanting activities. Despite the higher Group FFB production, the Plantation Division's FFB yield for 2018 of 18.2 mt per hectare was comparable to 2017 due to the higher proportion of crop output from our Indonesian operations which accounted for 46% of our Group FFB production.

Our Group's average CPO price achieved for the year fell 22% to RM2,117 per mt from RM2,715 per mt in 2017. Likewise, the average palm kernel price achieved was 31% lower at RM1,681 per mt compared to RM2,443 per mt in the previous year.

The performance of our Group's Property Division improved from the previous year, notwithstanding the soft property market conditions. Significant progresses were made in completing the various ongoing projects, resulting in a higher year-on-year profit recognition for the properties sold. This includes our new launches of 124 units of residential properties in Genting Indahpura priced between RM484,000 per unit to RM643,000 per unit which saw an almost 100% take-up, affirming the purchasers' confidence in our reasonably-priced and conveniently-located property offerings.

For the iconic Johor Premium Outlets®, it further enhanced its presence down south with the soft opening of the third phase in November 2018, which added another 45,000 square feet that houses new brands, bringing the total lettable area to about 313,000 square feet. The year 2018 also saw Genting Highlands Premium Outlets®, the second establishment under our joint venture with the US-based Simon Property Group, marking its maiden full-year in operations and earnings contribution. This new retail landmark has become a destination in its own right as well as one of the attractions to visit at Resorts World Genting.

Overall, our Group's Downstream Manufacturing Division posted a commendable performance as both its biodiesel and refinery operations recorded higher offtake and capacity utilisation on the back of a broader market reach. The biodiesel operations leveraged on the renewed export demand for discretionary blending due to the favourable palm oil–gas oil spread while the refinery outfit made further inroads to new markets and customers as it gained a firmer footing in its second year of operations.

Meanwhile, our Biotechnology Division is continuing its efforts on research and development ("R&D") of commercial solutions and related applications for oil palm.

DIVIDENDS

Despite the challenging environment that we operated in the past year, the Company remains committed to reward our shareholders with continuous returns in the form of dividends, whilst simultaneously recognising the need to maintain sufficient reserves to support our Group's future growth objectives. Accordingly, the Board of Directors has recommended a final single-tier dividend of 8.25 sen per ordinary share for the 2018 financial year. Should the final dividend be approved by our shareholders, total dividend (including the interim dividend of 4.75 sen) for the 2018 financial year will amount to 13.0 sen per ordinary share, representing a payout ratio of 63%. In comparison, the total dividend for the 2017 financial year paid out amounted to 26.0 sen per ordinary share, representing a comparable payout ratio to that of 2018.

LOOKING FORWARD

We firmly believe that the long-term outlook for the palm oil industry remains bright as it is increasingly being recognised as an exceptional resource, in part due to palm oil's natural versatility, in addressing the ever-growing demand for various food and non-food applications.

A notable development in the demand for palm oil is the rise in world biofuel consumption as governments raise their mandatory blending targets. In Malaysia, implementation of the B10 biodiesel programme for the transportation sector and B7 biodiesel for the industrial sector is expected to utilise over 700,000 mt of stocks in 2019. Over in Indonesia, its government has extended the B20 blending mandate to include non-subsidised diesel, with estimated additional demand for its palm oil feedstock of approximately 3 million mt a year. The Indonesian government also plans to bring forward the B30 mandate to 2019 from the originally planned 2020.

In 2019, palm products prices are expected to be on firmer footing aided by the expectations of slower global palm oil output growth as trees enter into biological rest after the good harvest from the previous years particularly in Indonesia, incremental global consumption of major oils and fats exceeding incremental global production, rising usage of biofuel, and the possibility of an El Nino phenomenon, which will impact palm oil production.

The palm oil industry in general will continue to contend with operational challenges which include the rising production cost as a result of higher fertiliser and labour cost as well as manpower shortages. These challenges, however, will act as an impetus for our Group to further focus on efficiency and constantly innovate to stay at the forefront in all aspects, including mechanising its operations, wherever possible. Given that our mechanisation objectives for our Malaysian operations have been duly implemented, our focus in the coming year will therefore be at our Indonesian operations where there are ample areas to derive efficiency from mechanisation.

Having attained more sustainability milestones in 2018, our Group is committed to be fully compliant to the Malaysian Sustainable Palm Oil certification by this year. Our Group's commitment in the preservation of natural wildlife and forest conservation was demonstrated by the setting aside of 44.5 hectares of plantation land for wildlife conservation in the Sukau Region of Sabah, known as the "The Keruak Wildlife Corridor", which is a joint effort by the Sabah State Government and NGOs. Hailed as the first plantation company in the region to do so, the land contributed by our Group is vital in establishing a continuous corridor to allow the free movement of wildlife, particularly the endangered Pygmy elephants.

An integral element of our Group's forward-looking vision of sustainability is the ongoing genomics R&D by our Biotechnology Division in enhancing the productivity and value creation from oil palm. Towards this end, a Scientific Advisory Panel has been formed to provide strategic scientific and technical advice, directions and endorsement of our Group's various ongoing R&D programmes. The Panel consists of esteemed members independent of our Group which were selected based on their vast experience and expertise in their respective fields namely biostatistics, metagenomics, breeding and seed production.

Our Group's vigilant approach to sustainability and commitment to responsible business practice has been recognised by our inclusion in the FTSE4Good Bursa Malaysia Index, effective 24 December 2018. The FTSE4Good Bursa Malaysia Index is designed to measure the performance of companies demonstrating good Environmental, Social and Governance ("ESG") practices and we are pleased to have attained the globally recognised standards.

MOVEMENTS ON THE BOARD OF DIRECTORS

As our Group forges ahead to meet the expectations and challenges of the environment in which we operate in, I wish to acknowledge the invaluable insights and governance offered by my fellow Board members. At this juncture, I would like to specially mention the redesignation of two Board members; Tan Sri Lim Kok Thay as Deputy Chairman and Executive Director, and Mr Lim Keong Hui as Deputy Chief Executive and Executive Director, both assuming their new roles in the Company effective 1 January 2019. Additionally, I am pleased to welcome Mr Tan Kong Han to the Board, and congratulate him on his promotion as our Chief Executive and Executive Director on the same date.

ACKNOWLEDGMENTS AND APPRECIATION

The Board is highly confident that the management's professionalism, dedication and proven capabilities, will ensure the future success of our Group.

I would like to put on record a special word of thanks to Dr Cheah Suan Choo, who has served with distinction for more than 12 years as Chief Scientific Officer and Mr Raymond Chong Ming Kong, Senior Vice President – Property, both of whom had retired on 31 December 2018, for their dedication and contribution throughout their years of service in our Group.

I also wish to express our appreciation to all shareholders for placing their confidence in the Board in executing our fiduciary duties to ensure that the highest standards of corporate governance are upheld in our Group's continuous pursuit of success. On behalf of my fellow board members, we thank you for your steadfast support.

The resilience demonstrated by the Group during this challenging time is also made possible by the solid foundation set and trust given by all our stakeholders, from governing authorities and regulatory bodies, to our business associates, vendors and customers. Of course, the biggest appreciation is reserved for the employees of our Group for their tireless contributions and dedicated service. With the endless show of support, I am certain that our Group will be able to weather any storm and be propelled to greater heights in the coming years.

Thank you.

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)
Chairman
26 February 2019

PENYATA PENGERUSI

Para Pemegang Saham yang Dihormati,

Bagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan Beraudit Genting Plantations Berhad ("Syarikat") dan anak-anak syarikatnya ("Kumpulan kami") bagi tahun berakhir 31 Disember 2018.

GAMBARAN KESELURUHAN KEWANGAN

Tahun 2018 menjadi tahun yang agak mencabar bagi industri kelapa sawit, dengan suasana sukar memuncak pada separuh kedua tahun ini berikutan pertindihan unsur-unsur negatif; iaitu paras inventori minyak sawit yang tinggi pada ketika pengeluaran yang lebih tinggi sedunia dan permintaan yang lemah disebabkan oleh, antara lain; penetapan duti import yang tinggi terhadap produk kelapa sawit oleh negara India, penolakan minyak kelapa sawit oleh Kesatuan Eropah kemerosotan kuasa pembelian pengimport utama minyak sawit disebabkan oleh pelemahan kebanyakan mata wang berbanding dolar Amerika Syarikat ("AS"), ketegangan dagangan antara AS-China yang berpanjangan dan lebihan bekalan kacang soya berikutan hasil tuaian tertinggi direkodkan oleh AS.

Semua faktor ini memainkan peranan tertentu dalam penurunan runcing harga minyak sawit mentah ("CPO") dari paras puncak di bulan Mac pada RM2,559 setiap tan metrik, menyentuh paras paling rendah dalam jangka masa 10 tahun di bulan November pada lebih kurang RM1,700 setiap tan metrik, dan kemudiannya menamatkan tahun 2018 pada nada yang lebih lemah berbanding permulaan tahun.

Di sebalik suasana mencabar ini, Kumpulan kami telah mencatatkan hasil yang boleh dibanggakan iaitu berjumlah RM1.90 bilion, lebih tinggi berbanding tahun 2017 yang bernilai RM1.80 bilion.

Hasil yang lebih tinggi ini adalah didorong terutamanya kerana dagangan yang lebih baik oleh Bahagian Pembuatan Hiliran serta kerja-kerja pembinaan yang disiapkan secara progresif oleh Bahagian Hartanah. Sebaliknya, Bahagian Perladangan mencatatkan hasil tahun ke tahun yang lebih rendah kerana kesan daripada harga jualan produk sawit yang jauh lebih rendah mengatasi peningkatan pengeluaran buah tandan segar ("FFB") Kumpulan, mengakibatkan keuntungan sebelum cukai Kumpulan merosot sebanyak 55% tahun ke tahun kepada RM207.7 juta pada tahun 2018.

PENCAPAIAN OPERASI

Di Bahagian Perladangan yang merupakan tulang belakang kami, jumlah pengeluaran keseluruhan FFB Kumpulan meneruskan trajektori pertumbuhannya, mencatatkan pertumbuhan dua angka sebanyak 11% kepada paras tertinggi baharu sebanyak 2.08 juta tan metrik pada tahun 2018, disebabkan oleh kawasan matang yang meningkat dan profil umur sawit yang lebih baik dari operasi kami di Indonesia, lebih daripada mencukupi untuk mengimbangi jumlah pengeluaran yang merosot di Malaysia, yang disebabkan oleh kesan lanjutan keadaan cuaca yang tidak baik pada dua tahun terdahulu dan pengurangan kawasan penuaian berikutan aktiviti penanaman semula. Walau bagaimanapun, hasil FFB pada tahun 2018 adalah sebanyak 18.2 tan metrik sehektar, setanding dengan tahun 2017 disebabkan oleh perkadaran pengeluaran tanaman yang lebih tinggi dari operasi kami di Indonesia yang menyumbangkan 46% daripada pengeluaran FFB Kumpulan kami.

Purata harga CPO yang dicapai oleh Kumpulan kami pada tahun ini jatuh 22% kepada RM2,117 setiap tan metrik berbanding RM2,715 setiap tan metrik pada tahun 2017. Begitu juga purata harga isirung kelapa sawit yang dicapai adalah 31% lebih rendah pada RM1,681 setiap tan metrik berbanding RM2,443 setiap tan metrik pada tahun sebelumnya.

Prestasi Bahagian Hartanah Kumpulan kami bertambah baik berbanding tahun sebelumnya, walaupun keadaan pasaran hartanah adalah lemah. Kemajuan yang ketara telah dicapai dengan penyiapan pelbagai projek pembangunan semasa, justeru membolehkan perolehan keuntungan tahun ke tahun yang lebih tinggi bagi hartanah yang telah dijual. Ini termasuk pelancaran baharu 124 unit hartanah kediaman di Genting Indahpura yang harganya di antara RM484,000 hingga RM643,000 setiap unit, di mana hampir 100% unit telahpun dijual. Maklum balas yang menggalakkan ini mengesahkan keyakinan pembeli terhadap penawaran hartanah kami yang terletak di lokasi yang menarik pada harga berpatutan.

Johor Premium Outlets® yang ikonik terus mengukuhkan kehadirannya di selatan Semenanjung Malaysia dengan pembukaan fasa ketiga pada November 2018, di mana keluasan sebanyak 45,000 kaki persegi ditambah lagi bagi menempatkan jenama-jenama baharu, menjadikan jumlah keluasan yang boleh disewakan kepada kira-kira 313,000 kaki persegi. Tahun 2018 juga menyaksikan Genting Highlands Premium Outlets®, premis kedua di bawah usahasama kami dengan Simon Property Group yang berpangkalan di Amerika Syarikat, merayakan operasi dan sumbangan pendapatan setahun penuh yang pertama. Mercu tanda peruncitan baharu ini telah menjadi destinasi yang tersendiri serta salah satu daya tarikan untuk dikunjungi di Resorts World Genting.

Secara keseluruhannya, Bahagian Pembuatan Hiliran Kumpulan kami mencatatkan prestasi yang baik kerana kedua-dua operasi biodiesel dan penapisan merakamkan dagangan dan penggunaan kapasiti yang lebih tinggi didorong oleh capaian pasaran yang lebih meluas. Operasi biodiesel meraih manfaat daripada peningkatan semula permintaan eksport bagi pengadunan biodiesel berikutan penyerakkan julat minyak kelapa sawit-minyak gas ("palm oil-gas oil spread") yang lebih menggalakkan, manakala loji penapisan terus mengukuhkan kedudukannya pada tahun kedua operasinya dengan meneroka pasaran dan pelanggan baharu.

Sementara itu, Bahagian Bioteknologi kami masih meneruskan usaha penyelidikan dan pembangunan produk komersial dan pelbagai penggunaan berkaitan kelapa sawit.

DIVIDEN

Walaupun beroperasi dalam persekitaran yang mencabar sepanjang tahun lalu, Syarikat tetap komited untuk memberi ganjaran kepada para pemegang saham kami dengan pulangan yang berterusan dalam bentuk dividen, serta pada masa yang sama mengiktiraf keperluan Kumpulan kami untuk mengekalkan rizab yang mencukupi bagi menyokong objektif pertumbuhan masa depan. Oleh itu, Lembaga Pengarah telah mencadangkan dividen akhir satu peringkat sebanyak 8.25 sen sesaham biasa bagi tahun kewangan 2018. Sekiranya dividen akhir diluluskan oleh pemegang saham kami, jumlah dividen (termasuk dividen interim sebanyak 4.75 sen) bagi tahun kewangan 2018 akan berjumlah 13.0 sen sesaham biasa, mewakili nisbah pembayaran sebanyak 63%. Secara perbandingan, jumlah dividen yang telah diagihkan bagi tahun kewangan 2017 adalah sebanyak 26.0 sen sesaham biasa dan ini merupakan nisbah pengagihan yang sama pada tahun 2018.

MELANGKAH KE HADAPAN

Kami amat yakin bahawa tinjauan jangka panjang bagi industri minyak sawit masih cerah kerana ia semakin diiktiraf sebagai sumber yang luar biasa, sebahagiannya disebabkan oleh kelebihan semulajadi minyak sawit, dalam menangani permintaan yang kian meningkat untuk pelbagai kegunaan makanan dan juga bukan makanan.

Pembangunan yang ketara dalam permintaan minyak sawit adalah peningkatan penggunaan biofuel sedunia apabila kerajaan-kerajaan mula meningkatkan sasaran pengadunan mandatori masing-masing. Di Malaysia, pelaksanaan program biodiesel B10 untuk sektor pengangkutan dan biodiesel B7 untuk sektor perindustrian dijangka menggunakan lebih 700,000 tan metrik stok minyak sawit pada tahun 2019. Sementara itu, di Indonesia, kerajaannya telah memperluaskan mandat pengadunan B20 untuk memasukkan diesel bukan subsidi, dengan anggaran permintaan tambahan minyak sawit mentah dalam lingkungan 3 juta tan metrik setahun. Kerajaan Indonesia juga merancang untuk melaksanakan mandat B30 lebih awal pada tahun 2019 berbanding perancangan awalnya pada tahun 2020.

Pada tahun 2019, harga produk sawit dijangka berada pada landasan lebih kukuh yang dibantu oleh pertumbuhan keluaran minyak sawit global yang dijangka perlahan memandangkan pokok memasuki fasa rehat biologi selepas hasil tuaian yang baik pada tahun-tahun sebelumnya terutamanya di Indonesia, penggunaan minyak dan lemak utama global yang semakin bertambah melebihi peningkatan pengeluaran global, peningkatan penggunaan dalam biofuel, dan kemungkinan fenomena El Nino, yang akan memberi kesan kepada pengeluaran minyak sawit.

Industri minyak sawit pada umumnya akan terus tertekan oleh cabaran operasi termasuk peningkatan kos pengeluaran berikutan kos baja dan kos buruh yang lebih tinggi serta kekurangan tenaga kerja. Cabaran-cabaran ini, bagaimanapun, akan menjadi pendorong bagi Kumpulan kami untuk memberi tumpuan kepada kecekapan dan terus berinovasi untuk kekal di barisan hadapan dalam semua aspek, termasuk mekanisasi dalam operasinya, di mana mungkin. Memandangkan objektif mekanisasi untuk operasi kami di Malaysia telah dilaksanakan dengan sewajarnya, inisiatif mekanisasi pada tahun 2019 akan ditumpukan kepada operasi kami di Indonesia di mana terdapat banyak ruang untuk mencapai kecekapan operasi melalui mekanisasi.

Setelah mencapai peningkatan dalam aspek kemampanan pada tahun 2018, Kumpulan kami komited untuk mematuhi sepenuhnya Pensijilan Minyak Sawit Mampan Malaysia (MSPO) pada tahun ini. Komitmen Kumpulan kami dalam pemeliharaan dan pemuliharaan alam semulajadi dapat diperhatikan dengan penetapan 44.5 hektar tanah perladangan bagi tujuan pemuliharaan hidupan liar di Wilayah Sukau Sabah, yang dikenali sebagai "Koridor Hidupan Liar Keruak", yang merupakan suatu usahasama dengan Kerajaan Negeri Sabah dan badan bukan kerajaan (NGO). Langkah Kumpulan kami sebagai syarikat perladangan pertama di rantau ini yang berbuat demikian mendapat pujian malah tanah yang disumbangkan oleh Kumpulan kami ini adalah penting untuk mewujudkan koridor berkesinambungan untuk membolehkan hidupan liar bergerak bebas, terutamanya gajah Pygmy yang terancam.

Unsur utama dalam visi kelestarian yang berpandangan ke hadapan Kumpulan kami adalah penyelidikan dan pembangunan (R&D) genomik oleh Bahagian Bioteknologi kami ke arah produktiviti dan penciptaan nilai tambah dari kelapa sawit. Untuk mencapai matlamat ini, Panel Penasihat Saintifik telah ditubuhkan untuk memberi nasihat saintifik, saranan teknikal dan penetapan hala tuju strategik serta pengiktirafan terhadap pelbagai program R&D yang sedang dijalankan oleh Kumpulan kami. Ahli-ahli Panel ini terdiri daripada individu-individu yang dihormati dan bebas dari Kumpilan kami yang telah dipilih berdasarkan pengalaman dan kepakaran mereka yang luas dalam bidang masing-masing iaitu biostatistik, metagenomik, pembiakan dan penghasilan biji benih.

Pendekatan Kumpulan kami yang mendukung kelestarian dan komitmen terhadap amalan perniagaan yang bertanggungjawab telah diiktiraf melalui penyenaraian kami di dalam Indeks FTSE4Good Bursa Malaysia, bermula 24 Disember 2018. Indeks FTSE4Good Bursa Malaysia diwujudkan untuk mengukur prestasi syarikat-syarikat yang menunjukkan amalan Persekitaran, Sosial dan Tadbir Urus yang baik dan kami gembira dapat mencapai standard yang diiktiraf di peringkat global.

PERUBAHAN DALAM LEMBAGA PENGARAH

Ketika Kumpulan kami terus berusaha untuk memenuhi jangkaan dan menghadapai cabaran persekitaran di mana kami beroperasi, saya ingin mengiktiraf pandangan dan tadbir urus yang tidak ternilai yang diberikan oleh rakan-rakan ahli Lembaga Pengarah. Secara khusus, saya ingin menyatakan tentang penjawatan semula dua ahli Lembaga; iaitu Tan Sri Lim Kok Thay sebagai Timbalan Pengerusi dan Pengarah Eksekutif, dan Encik Lim Keong Hui sebagai Timbalan Ketua Eksekutif dan Pengarah Eksekutif, kedua-dua mereka memegang peranan baharu dalam Syarikat bermula dari 1 Januari 2019. Selain itu, saya dengan sukacitanya mengalu-alukan pelantikan Encik Tan Kong Han sebagai ahli Lembaga Pengarah, serta mengucapkan tahniah sempena kenaikan pangkat beliau sebagai Ketua Eksekutif dan Pengarah Eksekutif pada tarikh yang sama.

PERAKUAN DAN PENGHARGAAN

Lembaga Pengarah yakin bahawa sikap profesionalisme, dedikasi dan keupayaan pengurusan kami yang telah terbukti akan memastikan kejayaan masa depan Kumpulan kami.

Saya ingin merakamkan ucapan terima kasih, khas untuk Dr Cheah Suan Choo, yang telah berkhidmat dengan cemerlang lebih dari 12 tahun sebagai Ketua Pegawai Saintifik dan Encik Raymond Chong Ming Kong, Naib Presiden Kanan – Hartanah, yang masing-masing telah bersara pada 31 Disember 2018, atas dedikasi dan sumbangan mereka sepanjang perkhidmatan mereka dalam Kumpulan kami.

Saya juga ingin merakamkan setinggi-tinggi penghargaan kepada semua pemegang saham kerana memberikan keyakinan mereka kepada Lembaga Pengarah dalam melaksanakan tugas fidusiari kami untuk memastikan piawaian tertinggi tadbir urus korporat ditegakkan dalam usaha berterusan Kumpulan kami untuk mencapai kejayaan. Bagi pihak rakan ahli lembaga, kami berterima kasih di atas sokongan kukuh anda.

Daya tahan yang ditunjukkan oleh Kumpulan pada masa yang mencabar ini menjadi kenyataan kerana asas kukuh yang ditetapkan dan kepercayaan yang diberikan oleh semua pihak berkepentingan kami, termasuk pihak berkuasa dan badan pengawalseliaan dan juga rakan usaha sama, vendor dan pelanggan kami. Sudah tentu, penghargaan tertinggi diberikan kepada para pekerja Kumpulan kami kerana sumbangan mereka yang tidak mengenal penat lelah dan perkhidmatan yang penuh dedikasi. Dengan sokongan yang berterusan, saya yakin bahawa Kumpulan kami akan dapat menghadapi apa jua cabaran dan akan melonjak ke tahap yang lebih tinggi pada tahun-tahun akan datang.

Terima kasih.

JEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (B)
Pengerusi
26 Februari 2019

主席文告

尊敬的股东们，

本人谨代表董事部欣然提呈云顶种植有限公司(简称“本公司”)与其子公司(统称“本集团”)截至2018年12月31日的年度报告及已审核的财务报表。

财务概览

2018年是棕油业动荡不定的一年，许多负面因素接踵而来，在下半年掀起千层浪，这些因素计有：棕油库存水平升高，主要因为产量增加之际需求却趋缓，导因包括印度对棕油产品征收高进口关税、欧盟抵制棕油，主要棕油进口国的货币兑美元汇价趋软，削弱了购买力；持久的美国—中国贸易关系紧张，加上美国大豆收成创新高导致供应充裕。

上述种种因素举足轻重，导致原棕油(CPO)价格从3月份的每公吨约二千五百五十九令吉的高峰，滑落至11月的每公吨约一千七百令吉，创下10年新低水平，2018年终的市场情绪并不如年初那么乐观。

在如此挑战的大环境下，值得一提的是，本集团依然逆流而上，取得更高的总营运收入，达到十九亿令吉，相比2017年为十八亿令吉。

按年收入增加，主要是下游制造组销售改善，加上产业组的建筑工程陆续竣工所致。反观，种植组的按年收入则下降，因为棕油产品售价大幅下跌带来的冲击，超越整个集团新鲜棕果串(FFB)产量增加的效应，因此，集团税前盈利按年下挫55%，于2018年报二亿零七百七十万令吉。

营运表现

主要业务种植组方面，集团的新鲜棕果串总产量持续处在成长轨道，于2018年录得双位数的11%成长率，创下二百零八万公吨的新高产量，这是因为印尼成熟果树面积增长与更好的油棕树龄组合，足以弥补马来西亚产量下跌的冲击。马来西亚的情况主要是因为前两年气候不利的效应延后浮现，以及翻种活动减少了收成区。儘管集团的新鲜棕果串产量有所增加，种植组新鲜棕果串2018年的平均收益率与2017年相若，每公顷的产量达18.2公吨，主要是因为印尼业务的农作物产量占更高比例，等于集团新鲜棕果串总产量的46%。

本集团的原棕油每公吨平均价格从2017年的二千七百一十五令吉，下挫22%至2018年的二千一百一十七令吉。同样的，棕仁平均价格亦下跌31%，从前一年每公吨二千四百四十三令吉，挫跌至一千六百八十一令吉。

虽然产业市场行情趋缓，集团产业组业务表现则比前一年有所改善。最明显的进展就是进行中的各个项目陆续竣工，出售物业进账的按年盈利因此升高。这包括优美城(Genting Indahpura)新推介的124单位住宅屋业，每单位售价介于四百八十四千令吉至六百四十三千令吉，录得将近100%认购率。显示购屋者对这些价格相宜且地点适中的产业供应深具信心。

标志性的柔佛名牌折扣购物中心(Johor Premium Outlets®)进一步巩固其在南马的地位，第三期发展计划于2018年11月非正式开张，增加额外四万五千平方尺空间，可容纳更多新名牌，可出租总面积达到约为三十一万三千平方尺。我们与美国的西蒙地产集团(Simon Property Group)联营合作的第二项设施——云顶高原名牌折扣购物中心(Genting Highlands Premium Outlets®)亦于2018年首度全年营运并贡献盈利。此崭新零售地标本身就自成一格为到访景点，亦是云顶世界的旅游景点之一。

整体而言，本集团的下游制造组表现优异，由于市场达到范围扩大且产能利用率提高，生物柴油与提炼业务均录得更高销售额。由于棕油—石油汽的价差更为有利，激励了非强制性生物燃油的出口需求，生物柴油业务因此从中受益，与此同时，提炼厂迈入营运第二年开始站稳阵脚，进一步深入新市场与客户群。

同时，生物科技组继续努力研发棕油的商业化方案与相关用途。

股息

尽管我们去年的营运环境充满挑战中，本公司保持承诺以股息形式持续地回馈股东，同时也认同需要保留充分的储备金，以支持本集团未来的成长目标。因此，董事部建议2018财政年度派发每一普通股8.25仙末期单层股息。若此末期股息获股东批准，2018财政年度的总股息(包括4.75仙中期股息)将达到每一普通股13.0仙，等于63%股息支付率。相比之下，2017财政年度的总股息为每一普通股26.0仙，与2018年的股息支付率相若。

展望未来

我们坚信棕油业的长期前景仍一片光明，因为此农作物日益受公认为是特殊资源，部分原因是基于棕油的天然多功能性，足以符合各种食品和非食品用途日渐增长的需求。

随着各国政府提高了强制性掺混目标，全球生物燃料亦同步增长，促使棕油需求有项显著进展。在马来西亚，对运输领域落实B10生物柴油计划，以及工业领域落实B7生物柴油，预计将于2019年可使用逾七十万公吨棕油库存。在印尼，其政府已扩大B20掺混指令至包括非津贴柴油，估计对其棕油给料每年会有三百万公吨额外需求。印尼政府亦有意将原定2020年落实的B30指令提前至2019年实施。

棕油产品价格预计将在2019年受到全球棕油产量增长放缓的推动下出现复苏，因为油棕果树，尤其是印尼在经历前几年的丰收后进入生物轮休期，而且全球主要油脂的消费增量超过全球生产增量，生物燃料使用量增加，以及可能出现厄尔尼诺现象，都将会影响棕油产量。

棕油业整体上将继续受到营运挑战的困扰，其中包括肥料与劳动力成本增加以及人力短缺导致生产成本上升。然而，这些挑战将推动本集团进一步专注于提升效率与不断创新，以便在各方面皆保持领先地位，包括尽可能机械化营运。鉴于我们在马来西亚的业务已适当地落实机械化目标，因此我们于2019年的机械化计划将专注于印尼业务，其中很多层面可藉着机械化来提升营运效率。

继2018年达到更多永续发展里程碑之后，本集团承诺于今年中全面获取马来西亚永续发展棕油(MSPO)认证。本集团联同沙巴州政府和非政府组织共同努力，在沙巴州苏高地区预留了44.5公顷的种植区作为野生动植物保育区，称为“Keruak野生动物走廊”，体现我们对保育自然野生动物和森林保护作出的承诺。作为该地区第一家采取此保育行动的种植公司，本集团贡献的土地有助建立一条连贯性的走廊，让野生动物特别是濒临灭绝的小矮象自由活动。

本集团对永续发展持有前瞻性愿景的另一个典范，就是生物科技组持续进行基因组学研究与开发(简称“研发”)，以增强油棕的价值创造。就此而言，我们成立了科学顾问小组，为本集团正在进行的各种研发计划提供策略科学和技术建议、指导与认可。我们根据各位专家在各自领域，即生物统计学、环境基因组学、育种与种子生产的丰富经验和专业知识遴选出备受尊敬的小组成员阵容。

本集团注重永续发展且奉行负责任的商业行为受到认同，而于2018年12月24日起被纳入大马交易所社会责任指数(FTSE4Good Bursa Malaysia Index)成份股。大马交易所社会责任指数是衡量各公司在良好环境保护、社会、治理的表现，我们欣然看到本集团已达到全球认可的标准。

董事部动态

正当本集团迈前迎合大家的期望，并在充满挑战的环境中营运之际，我欲表扬董事部成员珍贵无比的洞察力与治理。我在此欲特别提及两位董事成员的职位有所调动，即丹斯里林国泰转任副主席兼执行董事与林拱辉先生转任副首席执行员兼执行董事，两位皆从2019年1月1日担任新职务。此外，我欣然恭贺陈光汉先生擢升为首席执行员兼执行董事，并于同一天受委为董事部成员。

表扬与鸣谢

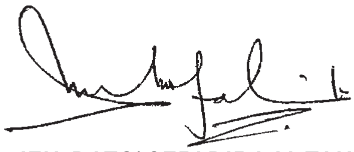
董事部深信管理层的专业表现、献身精神与久经考验的能力，可确保本集团在未来成功顺利。

我欲特别感谢Dr Cheah Suan Choo，在担任首席科学长逾12年期间表现杰出，以及产业组高级副总裁Raymond Chong Ming Kong先生，两位皆于2018年12月31日卸任，感谢他们在本集团服务多年的献身与贡献。

我欲感谢股东持续信任董事部具备能力履行受托付的职务，以确保本集团在追求成就之际，也秉承企业治理的最高标准。我谨代表董事部成员，感激您坚定不移的支持。

本集团在挑战时刻得以展现坚韧力是基于已奠定的稳定基础，以及我们全体利益相关者，包括监管当局与监管单位，我们的商业伙伴、供应商与客户给予强大的信任。当然，本集团员工孜孜不倦的贡献与献身服务，最让我们珍惜。藉着您们的鼎力支持，我确信本集团可安然渡过风暴，在未来几年登上更高峰。

谢谢!



JEN. DATO’ SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (B)
主席
2019年2月26日

BOARD OF DIRECTORS

TAN SRI DATO' SRI ZALEHA BINTI ZAHARI
Independent Non-Executive Director

MR QUAH CHEK TIN
Independent Non-Executive Director

MR LIM KEONG HUI
Deputy Chief Executive and Executive Director/ Non-Independent Executive Director

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

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

MR TAN KONG HAN
Chief Executive and Executive Director/ Non-Independent Executive Director

LT. GEN. DATO' ABDUL GHANI BIN ABDULLAH (R)
Independent Non-Executive Director

MR CHING YEW CHYE
Independent Non-Executive Director

MR YONG CHEE KONG
Non-Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

MR QUAH CHEK TIN
Chairman/Independent Non-Executive Director

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

LT. GEN. DATO' ABDUL GHANI BIN ABDULLAH (R)
Member/Independent Non-Executive Director

MR CHING YEW CHYE
Member/Independent Non-Executive Director

NOMINATION COMMITTEE

MR QUAH CHEK TIN
Chairman/Independent Non-Executive Director

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

LT. GEN. DATO' ABDUL GHANI BIN ABDULLAH (R)
Member/Independent Non-Executive Director

REMUNERATION COMMITTEE

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

MR QUAH CHEK TIN
Member/Independent Non-Executive Director

DIRECTORS' PROFILE

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)

Chairman/Independent Non-Executive Director

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R) (Malaysian, aged 70, male), appointed on 1 July 2005, is an Independent Non-Executive Director. He was appointed as the Chairman of the Company on 1 October 2011. 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, he 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 Affin Bank Berhad and Lembaga Tabung Angkatan Tentera. He is a director of Genting Malaysia Berhad, Bintang Capital Partners Berhad, Bintulu Port Holdings Berhad and Sogo (K.L.) Department Store 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 Trustees 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 the National Defence University of Malaysia, also known as Universiti Pertahanan Nasional Malaysia.

Tan Sri Lim Kok Thay

Deputy Chairman and Executive Director/
Non-Independent Executive Director

Tan Sri Lim Kok Thay (Malaysian, aged 67, male), appointed on 29 September 1977, was the Chief Executive and a Director until he relinquished his position as Chief Executive and assumed the position of Deputy Chairman and Executive Director of the Company on 1 January 2019. He 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.

He is also the Chairman and Chief Executive of Genting Berhad and Genting Malaysia Berhad; Chairman and Chief Executive Officer of Genting Hong Kong Limited ("GENHK"), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited and the Executive Chairman of Genting Singapore Limited and Genting UK Plc. He is also a Director of Travellers International Hotel Group, Inc., a company listed on the Main Board of The Philippine Stock Exchange, Inc. and an associate of GENHK. He joined the Genting Group in 1976 and has since served in various positions within the Group. He is a Founding Member and a Permanent Trustee of The Community Chest, Malaysia. He also sits on the Boards of other Malaysian and foreign companies as well as the Boards of Trustees of several charitable organisations in Malaysia.

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.

Mr Tan Kong Han

Chief Executive and Executive Director/
Non-Independent Executive Director

Mr Tan Kong Han (Malaysian, aged 53, male), the Deputy Chief Executive since 1 December 2010, was appointed as the Chief Executive and Executive Director of the Company on 1 January 2019. He is also the President and Chief Operating Officer of Genting Berhad, the holding company. He has more than 13 years working experience in investment banking prior to joining Tanjong Public Limited Company as the Group Chief Operating Officer in 2003. He left Tanjong Public Limited Company in 2007 to join Genting Berhad. He read economics and law and has been conferred a Master of Arts by the University of Cambridge. Mr Tan was called to the English Bar (Lincoln's Inn) in 1989 and the Malaysian Bar in 1990.

He serves as a director of a variety of subsidiary companies within the Genting Berhad and Genting Plantations Berhad group. He is also a member of the Board of Trustees of Yayasan Genting and Yayasan Kebajikan Komuniti Malaysia, the Administrator of The Community Chest, Malaysia and the Managing Director of Pan Malaysian Pools Sdn Bhd as well as a director of Asian Centre for Genomics Technology Berhad and GB Services Berhad, both of which are public companies.

Mr Lim Keong Hui

Deputy Chief Executive and Executive Director/
Non-Independent Executive Director

Mr Lim Keong Hui (Malaysian, aged 34, male), appointed on 23 November 2011 as a Non-Independent Non-Executive Director, was redesignated as a Non-Independent Executive Director, following his appointment as the Chief Information Officer ("CIO") of the Company on 1 January 2015. On 5 May 2017, Mr Lim was redesignated as Non-Independent Non-Executive Director of the Company following his resignation as the CIO of the Company. On 1 January 2019, he was redesignated as the Deputy Chief Executive and Executive Director of the Company.

He 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 Keong Hui is a son of Tan Sri Lim Kok Thay, the Deputy Chairman and Executive Director of the Company. Both Tan Sri Lim Kok Thay and Mr Lim Keong Hui are major shareholders of the Company.

On 1 January 2019, he was redesignated as the Deputy Chief Executive and Executive Director of Genting Berhad ("GENT"). He was a Non-Independent Executive Director of GENT following his appointment as the Senior Vice President ("SVP") – 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 CIO on 1 January 2015. On 1 January 2019, he was redesignated as the Deputy Chief Executive and Executive Director of Genting Malaysia Berhad ("GENM"). He was a Non-Independent Executive Director of GENM following his appointment as the CIO of GENM on 1 January 2015. 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 SVP – Business Development of GENT, he was the SVP - 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 was the Executive Director – Chairman's Office and CIO of GENHK after taking up additional role of CIO of GENHK on 1 December 2014. On 28 March 2019, Mr Lim was redesignated as the Deputy Chief Executive Officer and Executive Director of GENHK. Prior to joining GENHK in 2009, he had embarked on an investment banking career with The Hongkong and Shanghai Banking Corporation Limited.

Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)

Independent Non-Executive Director

Lt. Gen. Dato' Abdul Ghani bin Abdullah (R) (Malaysian, aged 77, male), appointed on 14 February 1996 was redesignated as an Independent Non-Executive Director on 21 May 2007.

Dato' Abdul Ghani retired as a Director of the Company pursuant to Section 129 of the Companies Act, 1965 at the conclusion of the Company's 39th Annual General Meeting of the Company held on 30 May 2017. On the same day, Dato' Abdul Ghani was appointed as an Independent Non-Executive Director of the Company pursuant to a resolution of the Board of Directors of the Company dated 30 May 2017.

Dato' Abdul Ghani has had a distinguished career with the Malaysian Armed Forces for 36 years. He was Field Army Commander before his retirement as a three star general. Prior to that, Dato' Abdul Ghani served in Kuching, Sarawak as Commander of the First Division for East Malaysia and earlier between 1990 and 1993 commanded the Armed Forces' Strategic Division with the rank of Major General. His long army career also saw Dato' Abdul Ghani doing planning and logistics at the Ministry of Defence and attending training programs at the US Army Intelligence School, Defence Services Staff College in India, the Joint Services Staff College in Canberra and the National Defence College in Pakistan. Dato' Abdul Ghani holds a Masters of Science in Defence and Strategic Studies.

Mr Quah Chek Tin

Independent Non-Executive Director

Mr Quah Chek Tin (Malaysian, aged 67, male), appointed on 19 October 2001, 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 of Genting Berhad as well as the Executive Director and Chief Operating Officer of Genting Malaysia Berhad prior to his retirement in October 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 Malaysia Berhad, Paramount Corporation Berhad and Batu Kawan Berhad.

Mr Ching Yew Chye

Independent Non-Executive Director

Mr Ching Yew Chye (Malaysian, aged 65, male), appointed on 23 November 2011, is an Independent Non-Executive Director. He holds an Honours Degree in Computer Science from the University of London.

He is a seasoned management and information technology professional with more than 25 years of experience. He held various management positions in Accenture until his retirement in 2007 as a senior partner of Accenture, a global management consulting, technology services and outsourcing company.

During his career with Accenture, he worked primarily with clients in the financial services industry in ASEAN. Major client assignments included strategic information planning, design and implementation of major information technology systems, bank reorganisation and operational integration arising from bank mergers. He is also a director of Petronas Chemicals Group Berhad, YTL Starhill Global Reit Management Limited, United Overseas Bank (Malaysia) Bhd and the Chairman of AIA Bhd and AIA General Berhad.

Mr Yong Chee Kong

Non-Independent Non-Executive Director

Mr Yong Chee Kong (Malaysian, aged 64, male), appointed on 1 January 2018, is a Non-Independent Non-Executive Director. He pursued his accountancy studies in Tunku Abdul Rahman University College. He is a Fellow of the Association of Chartered Certified Accountants, an Associate of the Institute of Chartered Secretaries and Administrators and a member of the Malaysian Institute of Accountants. In 1999, he attended the Advanced Management Program in Harvard Business School, Harvard University.

He joined Genting Berhad in 1985 and was appointed as Chief Financial Officer of Genting Plantations Berhad in 1991. In 2006, he was promoted to Chief Operating Officer and in 2010 as President & Chief Operating Officer of Genting Plantations Berhad, a position he held till his retirement on 1 July 2017. Prior to joining the Genting Group, he was attached to the Inland Revenue Department of Malaysia and two major international accounting firms.

Tan Sri Dato' Sri Zaleha binti Zahari

Independent Non-Executive Director

Tan Sri Dato' Sri Zaleha binti Zahari (Malaysian, aged 70, female), appointed on 26 February 2018, is an Independent Non-Executive Director. Having qualified as a Barrister-at-Law, Middle Temple, London in 1971, she joined the Judicial and Legal Service. In the twenty years of her service, she had, inter alia, served as a Magistrate, Senior Assistant Registrar of the High Court, Deputy Public Prosecutor as well as a Legal Adviser to the Ministry of Education, the Economic Planning Unit, the Ministry of Home Affairs as well as the Department of Inland Revenue. She was the Head of the Civil Division in the Attorney General's Chambers prior to being appointed as a Judge of the Superior Bench.

She was initially appointed as a Judicial Commissioner and subsequently as Judge of the High Court, then Court of Appeal Judge and thereafter, as a Federal Court Judge.

After her retirement from the Bench, she was appointed as an Independent Non-Executive Director of the Ombudsman of Financial Services. Currently, she is the Chairman of the Operations Review Panel of the Malaysian Anti-Corruption Commission.

Notes:

The details of Directors' attendances at Board Meetings are set out in the Corporate Governance Overview Statement on page 47 of this Annual Report.

The details of the Board Committees where certain Directors are also members are set out on pages 12 and 13 of this Annual Report.

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

MANAGEMENT & CORPORATE INFORMATION

PRINCIPAL EXECUTIVE OFFICERS' PROFILE

TAN SRI LIM KOK THAY
Deputy Chairman and Executive Director

His profile is disclosed in the Directors' Profile on page 15 of this Annual Report.

MR TAN KONG HAN
Chief Executive and Executive Director

His profile is disclosed in the Directors' Profile on page 16 of this Annual Report.

MR LIM KEONG HUI
Deputy Chief Executive and Executive Director

His profile is disclosed in the Directors' Profile on page 17 of this Annual Report.

MR TAN WEE KOK
President & Chief Operating Officer

Mr Tan Wee Kok, (Malaysian, aged 53, male), was promoted to President & Chief Operating Officer on 1 July 2017 after holding the position of Chief Financial Officer of the Company since 1 January 2009. He graduated with a Bachelor of Accounting (Hons.) degree from University of Malaya. He is a member of the Malaysian Institute of Certified Public Accountants and a member of the Malaysian Institute of Accountants. Prior to this appointment, he was the Senior Vice President – Corporate, in charge of corporate affairs and strategic planning, new projects and investments, as well as investor relations. He started his career with PricewaterhouseCoopers in 1991 and later joined Malaysia Mining Corporation Berhad as the Corporate Planner in 1995. He joined Genting Plantations Berhad ("GENP") in 1997. Currently, he holds directorships in various subsidiaries within the GENP Group and is a director of Asian Centre for Genomics Technology Berhad and Benih Restu Berhad, both of which are public companies.

Mr Tan Wee Kok does not have family relationship with any Director and/or major shareholders of GENP, has no conflict of interest with GENP, has not been convicted for any offences within the past five years and has no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

MR LEE SER WOR
Chief Financial Officer

Mr Lee Ser Wor, (Malaysian, aged 51, male), was appointed the Chief Financial Officer of Genting Plantations Berhad ('GENP') on 1 July 2017. He holds a professional qualification from the Chartered Institute of Management Accountants and is a member of the Malaysian Institute of Accountants.

He has been with GENP since 1991 and has held various work portfolios covering inter alia, corporate, treasury, tax and management accounting. Prior to his appointment as Chief Financial Officer, he was the Senior Vice President – Corporate and Finance of GENP. He currently holds directorships in various subsidiaries within the GENP Group as well as a public company, Benih Restu Berhad.

Mr Lee Ser Wor does not have family relationship with any Director and/or major shareholders of GENP, has no conflict of interest with GENP, has not been convicted for any offences within the past five years and has no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

SENIOR MANAGEMENT

TAN SRI LIM KOK THAY
Deputy Chairman and Executive Director

MR TAN KONG HAN
Chief Executive and Executive Director

MR LIM KEONG HUI
Deputy Chief Executive and Executive Director

MR TAN WEE KOK
President & Chief Operating Officer

MR LEE SER WOR
Chief Financial Officer

PLANTATION

MR TAN CHENG HUAT
Executive Vice President

DOWNSTREAM MANUFACTURING

MR CHOO HUAN BOON
Senior Vice President

BIOTECHNOLOGY

MR LEE WENG WAH
Vice President

CORPORATE INFORMATION

GENTING PLANTATIONS BERHAD

A public limited liability company
Incorporated and domiciled in Malaysia
Company No. 34993-X

REGISTERED OFFICE

24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : (603) 2178 2288/2333 2288
Fax : (603) 2161 5304
E-mail : gpbinfo@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

CORPORATE HEAD OFFICE/ PRINCIPAL PLACE OF BUSINESS

10th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : (603) 2178 2255/2333 2255
Fax : (603) 2161 6149

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
(Listed on 30 August 1982)

Stock Name : GENP
Stock Code : 2291

AUDITORS

PricewaterhouseCoopers PLT
(Chartered Accountants)

INTERNET HOMEPAGE

www.gentingplantations.com

CORPORATE
DIARY

2018

26 FEBRUARY 2018
Announcement on 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.
(b) Entitlement date for the special single-tier dividend of 11 sen per ordinary share in respect of the financial year ended 31 December 2017.
(c) Appointment of Tan Sri Dato' Sri Zaleha binti Zahari as an Independent Non-Executive Director with effect from 26 February 2018.

29 MARCH 2018
Announcement on the following :
(a) Proposed renewal of the shareholders' mandate for recurrent related party transactions of a revenue or trading nature.
(b) Entitlement date for the proposed final single-tier dividend for the financial year ended 31 December 2017.
(c) Proposed renewal of authority for the Company to purchase its own shares.

5 APRIL 2018
Notice to shareholders of Fortieth Annual General Meeting.

23 MAY 2018
Announcement on the Consolidated Unaudited Results of the Group for the first quarter ended 31 March 2018.

4 JUNE 2018
Fortieth Annual General Meeting

28 AUGUST 2018
Announcement on the following :
(a) Consolidated Unaudited Results of the Group for the second quarter ended 30 June 2018.
(b) Entitlement date for the interim single-tier dividend of 4.75 sen per ordinary share in respect of the financial year ended 2018.

29 NOVEMBER2018
Announcement on the Consolidated Unaudited Results of the Group for the third quarter ended 30 September 2018.

31 DECEMBER2018
Announcement on the following :
(a) Redesignation of Tan Sri Lim Kok Thay from Chief Executive and Director to Deputy Chairman and Executive Director of the Company with effect from 1 January 2019.
(b) Redesignation of Mr Lim Keong Hui from Non-Executive Director to Executive Director following his appointment as Deputy Chief Executive and Executive Director of the Company with effect from 1 January 2019.
(c) Appointment of Mr Tan Kong Han as the Chief Executive and Executive Director of the Company with effect from 1 January 2019.

2019

26 FEBRUARY 2019
Announcement on the Consolidated Unaudited Results of the Group for the fourth quarter and the Audited Results for the financial year ended 31 December 2018.

1 APRIL 2019
Announcement on the following :
(a) Proposed renewal of the shareholders' mandate for recurrent related party transactions of a revenue or trading nature.
(b) Entitlement date for the proposed final single-tier dividend for the financial year ended 31 December 2018.
(c) Proposed renewal of authority for the Company to purchase its own shares.

DIVIDENDS		Announcement	Entitlement Date	Payment
2017	Special single-tier – 11 sen per ordinary share	26 February 2018	13 March 2018	29 March 2018
2017	Final single-tier – 9.5 sen per ordinary share	26 February 2018	7 June 2018	26 June 2018
2018	Interim single-tier – 4.75 sen per ordinary share	28 August 2018	18 September 2018	8 October 2018
2018	Proposed Final single-tier - 8.25 sen per ordinary share	26 February 2019	28 June 2019	19 July 2019*

** Upon approval of shareholders at the Forty-First Annual General Meeting.*

FINANCIAL HIGHLIGHTS
2018

REVENUE
RM1,902.9 MILLION
2017: RM1,808.8 million

MARKET CAPITALISATION
RM7.94 BILLION
AS AT 31 DECEMBER 2018

ADJUSTED EBITDA*
RM436.8 MILLION
2017: RM625.5 million

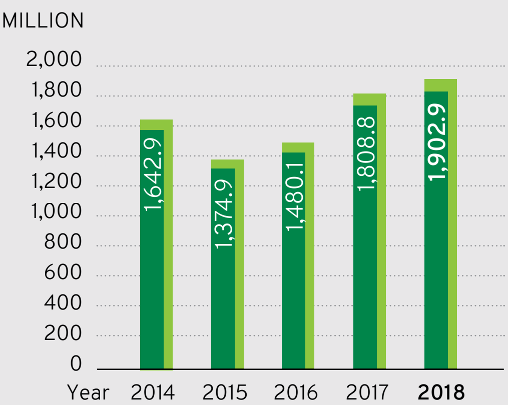
TOTAL EQUITY
RM4.3 BILLION
2017: RM4.6 billion

NET PROFIT
RM147.0 MILLION
2017: RM341.9 million

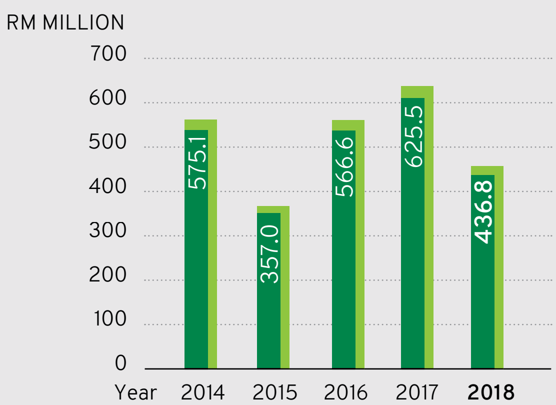
TOTAL ASSETS EMPLOYED
RM7.8 BILLION
2017: RM8.5 billion

* EBITDA refers to earnings before interest, tax, depreciation and amortisation.

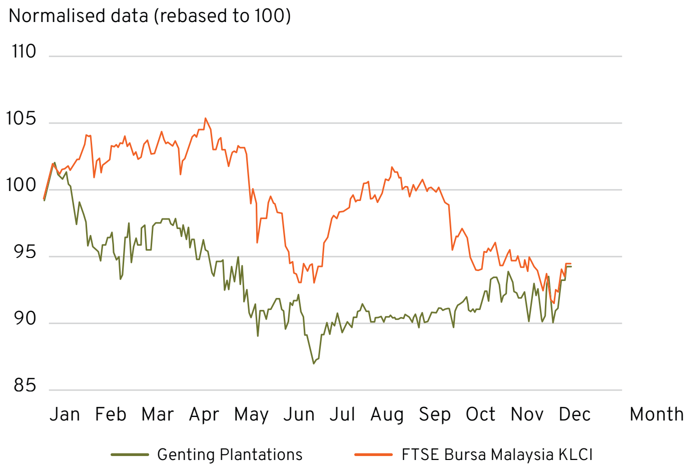
REVENUE



ADJUSTED EBITDA



2018 GENTING PLANTATIONS SHARE PRICE PERFORMANCE RELATIVE TO FTSE BURSA MALAYSIA KLCI



Source - Bloomberg

TOP 10 BURSA MALAYSIA PLANTATION COMPANIES

	By Market Capitalisation (31 Dec 2018)	RM billion
1	Sime Darby Plantation Berhad	32.37
2	IOI Corporation Berhad	27.17
3	Kuala Lumpur Kepong Berhad	26.33
4	**Genting Plantations Berhad**	**7.94**
5	Batu Kawan Berhad	7.27
6	United Plantations Berhad	5.30
7	Felda Global Ventures Holdings Berhad	2.61
8	Boustead Plantations Berhad	1.68
9	Far East Holdings Berhad	1.66
10	TSH Resources Berhad	1.37

Sources - Bursa Malaysia & Bloomberg

All figures are in Ringgit Malaysia

FIVE-YEAR
SUMMARY

Amount in RM'000 unless otherwise stated	2018	2017[1]	2016[2]	2015[2]	2014[2]
Revenue	1,902,899	1,808,774	1,480,079	1,374,931	1,642,939
Adjusted EBITDA	436,758	625,548	566,637	357,022	575,104
Profit before taxation	207,736	457,293	448,771	200,883	491,862
Taxation	(60,783)	(115,406)	(121,280)	(66,796)	(133,165)
Profit for the financial year	146,953	341,887	327,491	134,087	358,697
Attributable to:-					
Equity holders of the Company	164,898	335,089	338,213	156,452	356,076
Non-controlling interests	(17,945)	6,798	(10,722)	(22,365)	2,621
	146,953	341,887	327,491	134,087	358,697
Share capital	863,267	841,340	397,019	391,331	385,223
Retained earnings	3,428,873	3,465,165	3,297,472	2,995,275	2,905,296
Other reserves	(171,570)	35,170	586,434	474,101	285,942
	4,120,570	4,341,675	4,280,925	3,860,707	3,576,461
Non-controlling interests	191,873	231,334	255,380	265,720	246,821
Total equity	4,312,443	4,573,009	4,536,305	4,126,427	3,823,282
Borrowings (non-current)	2,279,367	2,559,068	2,315,708	2,232,537	999,762
Borrowings (current)	507,011	639,939	29,097	56,896	27,430
Total capital	7,098,821	7,772,016	6,881,110	6,415,860	4,850,474
Property, plant and equipment	4,419,409	4,425,151	3,811,281	3,349,143	2,741,125
Land held for property development	246,594	254,655	254,825	175,016	158,644
Investment properties	24,484	25,115	25,517	26,137	24,757
Leasehold land use rights	664,644	641,053	495,758	387,063	305,329
Intangible assets	32,832	32,189	34,628	145,684	159,233
Joint ventures	148,809	108,096	77,894	59,440	43,559
Associates	9,644	12,871	12,501	10,774	18,864
Available-for-sale financial assets	-	94,548	143,170	137,854	111,187
Financial assets at fair value through profit or loss	3,073	-	-	-	-
Other non-current assets	38,000	12,897	14,361	15,748	17,062
Deferred tax assets	110,850	105,743	92,556	134,314	83,289
Total non-current assets	5,698,339	5,712,318	4,962,491	4,441,173	3,663,049
Current assets	2,135,979	2,761,007	2,513,023	2,482,154	1,657,443
Total assets	7,834,318	8,473,325	7,475,514	6,923,327	5,320,492
Basic earnings per share (sen)	20.5	41.8	42.8	20.2	46.6
Net dividend per share (sen)	13.0	26.0	21.0	5.5	10.0
Dividend cover (times)	1.6	1.6	2.0	3.7	4.7
Current ratio	2.4	2.8	5.5	5.8	4.5
Net assets per share (RM)	5.12	5.40	5.39	4.93	4.64
Return (after tax and non-controlling interests) on average shareholders' equity (%)	3.9	7.8	8.3	4.2	10.6
Market share price					
- highest (RM)	10.72	11.72	11.56	10.90	11.62
- lowest (RM)	9.06	10.28	10.02	8.91	9.43

Notes: [1] Restated following the first-time adoption of the Malaysian Financial Reporting Standards ("MFRS") framework.
[2] The comparatives have not been restated for the first-time adoption of MFRS framework and reclassifications made in 2018.

OPERATIONS

	2018	2017	2016	2015	2014
OIL PALM					
FFB Production* (mt)	2,083,405	1,883,945	1,614,137	1,727,138	1,655,918
Yield Per Mature Hectare (mt)	18.2	18.4	17.5	19.0	20.1
Average Selling Prices					
Crude Palm Oil (RM/mt)	2,117	2,715	2,631	2,122	2,386
Palm Kernel (RM/mt)	1,681	2,443	2,477	1,552	1,667

* excluding *Plasma*

LAND AREAS

HECTARES	2018	2017	2016	2015	2014
Oil Palm					
Mature	112,822	110,285	92,691	90,212	87,406
Immature	31,005	33,619	38,468	36,253	32,494
	143,827	143,904	131,159	126,465	119,900
Oil Palm (*Plasma*)					
Mature	11,552	11,446	7,756	6,454	4,890
Immature	3,746	3,852	2,271	1,909	3,473
	15,298	15,298	10,027	8,363	8,363
TOTAL PLANTED AREA	159,125	159,202	141,186	134,828	128,263
Unplanted Area	81,691	81,998	113,903	99,102	112,843
Buildings, Infrastructure, etc.	6,332	6,143	6,023	5,855	5,789
Property Development	310	312	309	298	316
TOTAL LAND AREA	247,458	247,655	261,421	240,083	247,211

LIST OF GROUP PROPERTIES

AS AT 31 DECEMBER 2018

Location	Tenure	Year Of Expiry	Hectares: Plantation	Hectares: Property Developement	Description	Age Of Buildings (years)	Year Of Acquistion/ Revaluation*	Net Book Value As At 31 Dec 2018 (RM000)
PENINSULAR MALAYSIA								
A. NORTH								
1. Genting Bukit Sembilan Estate,Baling/ Jitra, Kedah	Freehold		1,241				1981*	10,521
2. Genting Selama Estate, Serdang & Kulim, Kedah/Selama, Perak	Freehold		1,830				1981*	23,584
B. CENTRAL								
3. Genting Sepang Estate, Sepang & Ulu Langat, Selangor	Freehold		432				1981*	18,836
4. Genting Tebong Estate, Jasin & Alor Gajah, Melaka/Tampin & Kuala Pilah, Negeri Sembilan	Freehold		2,217				1981*	33,450
5. Genting Cheng Estate, Melaka Tengah, Alor Gajah & Kuala Linggi, Melaka	Freehold		792	1			1981*	9,968
6. Genting Tanah Merah Estate, Tangkak, Johor	Freehold		1,801				1981*	30,115
C. SOUTH								
7. Genting Sri Gading Estate, Batu Pahat, Johor	Freehold		3,366	242			1983	142,915
8. Genting Sungei Rayat Estate, Batu Pahat, Johor	Freehold		1,707				1983	28,744
9. Genting Sing Mah Estate, Air Hitam, Johor	Freehold		669			38	1983	14,055
10. Genting Kulai Besar Estate, Kulai/ Simpang Renggam, Johor	Freehold		2,513	12			1983	206,432
11. Genting Setiamas Estate, Kulai & Batu Pahat, Johor	Freehold		71	51			1996	50,246
SABAH								
12. Genting Sabapalm Estate, Labuk Valley, Sandakan	Leasehold	2085,2887	4,360			48	1991	55,393
13. Genting Tanjung Estate, Kinabatangan	Leasehold	2086, 2096	4,345			24	1988, 2001	47,887
14. Genting Bahagia Estate,Kinabatangan	Leasehold	2085, 2086	4,548				1988, 2003	32,492
15. Genting Tenegang Estate, Kinabatangan	Leasehold	2088	3,653				1990	18,886
16. Genting Landworthy Estate, Kinabatangan	Leasehold	2083	4,039				1992	22,735
17. Genting Layang Estate, Kinabatangan	Leasehold	2090	2,077				1993	16,120
18. Genting Jambongan Estate, Beluran	Leasehold	2033 - 2100, 2043, 2044, 2045	4,062			5	2001 - 2004, 2014, 2015, 2016	103,218
19. Genting Indah, Genting Permai & Genting Kencana Estates, Kinabatangan	Leasehold	2096	8,182			10	2001	153,352
20. Genting Mewah & Genting Lokan Estates, Kinabatangan	Leasehold	2083 - 2890	5,611			22	2002	89,852
21. Genting Sekong & Genting Suan Lamba Estates, Kinabatangan	Leasehold	2022 - 2098	6,755			22	2004	127,320
INDONESIA								
22. Ketapang, Kalimantan Barat	Leasehold	2037, 2044, 2046 *Note*	38,793			6	2006, 2009, 2011, 2014, 2016	560,086
23. Sanggau, Kalimantan Barat	Leasehold	*Note*	25,595				2010, 2016	350,669
24. Sintang, Kalimantan Barat	Leasehold	*Note*	11,727				2016	67,849
25. Kapuas & Barito Selatan, Kalimantan Tengah	Leasehold	*Note*	85,843			5 & 3	2008, 2012, 2015	1,752,586
26. Tapin, Kalimantan Selatan	Leasehold	2044, *Note*	14,661			2	2017	746,527
OTHER PROPERTIES OWNED								
27. Bangi Factory, Selangor	Leasehold	2086		12,140 (sq.m)		37	1990	1,878
28. Wisma Genting Plantations, Sandakan, Sabah	Leasehold	2100	2,023 (sq.m)			16	2004	3,146
29. Residential Bungalows, Sandakan, Sabah	Leasehold	2887	1,206 (sq.m)			34	1991	109
30. Genting Vegetable Oils Refinery, Sandakan, Sabah	Leasehold	2080	8				1992	1,838
31. Genting Integrated Biorefinery Complex, Lahad Datu, Sabah	Leasehold	2104, 2105	41.50			11	2011, 2014, 2015	79,101
32. Commercial land, Segambut, Kuala Lumpur	Leasehold	2074		4			2016	73,004
33. Office Space at DBS Bank Tower 15th Floor, Ciputra World 1 Jakarta, Indonesia	Leasehold	2027	1,923 (sq. m.)			5	2017	26,266
34. Office Space, Kalimantan Selatan	Leasehold	2043	349 (sq.m.)			5	2017	969
35. Office Space, Kalimantan Selatan	Leasehold	2036	75 (sq.m.)			8	2018	567

Plantation
Property Development
Johor Premium Outlets®
Downstream Manufacturing
Mill
Office
Vacant Land
Note: Yet to be determined
Residential Bungalow
Factory
The Gasoline Tree™ Experimental Research Station
Genting Indahpura Car City
Genting Indahpura Sports City
Seed Garden

LOCATION OF GROUP PROPERTIES

PENINSULAR MALAYSIA

PLANTATION

- Genting Bukit Sembilan Estate
- Genting Selama Estate
- Genting Sepang Estate
- Genting Tebong Estate
- Genting Cheng Estate
- Genting Tanah Merah Estate
- Genting Sri Gading Estate
- Genting Sungei Rayat Estate
- Genting Kulai Besar Estate

OIL MILL

- Genting Ayer Item Oil Mill

PROPERTY

- Genting Indahpura
- Genting Pura Kencana
- Genting Cheng Perdana
- Johor Premium Outlets®
- Genting Highlands Premium Outlets®
- Segambut Land

BIOTECHNOLOGY

- ACGT Laboratories
- The Gasoline Tree™ Experimental Research Station

SABAH

PLANTATION

- Genting Sabapalm Estate
- Genting Indah Estate
- Genting Permai Estate
- Genting Kencana Estate
- Genting Mewah Estate
- Genting Lokan Estate
- Genting Sekong Estate
- Genting Suan Lamba Estate
- Genting Jambongan Estate
- Genting Tanjung Estate
- Genting Bahagia Estate
- Genting Tenegang Estate
- Genting Landworthy Estate
- Genting Layang Estate

SABAH

OIL MILL

- Genting Sabapalm Oil Mill
- Genting Mewah Oil Mill
- Genting Trushidup Oil Mill
- Genting Indah Oil Mill
- Genting Tanjung Oil Mill
- Genting Jambongan Oil Mill

SABAH

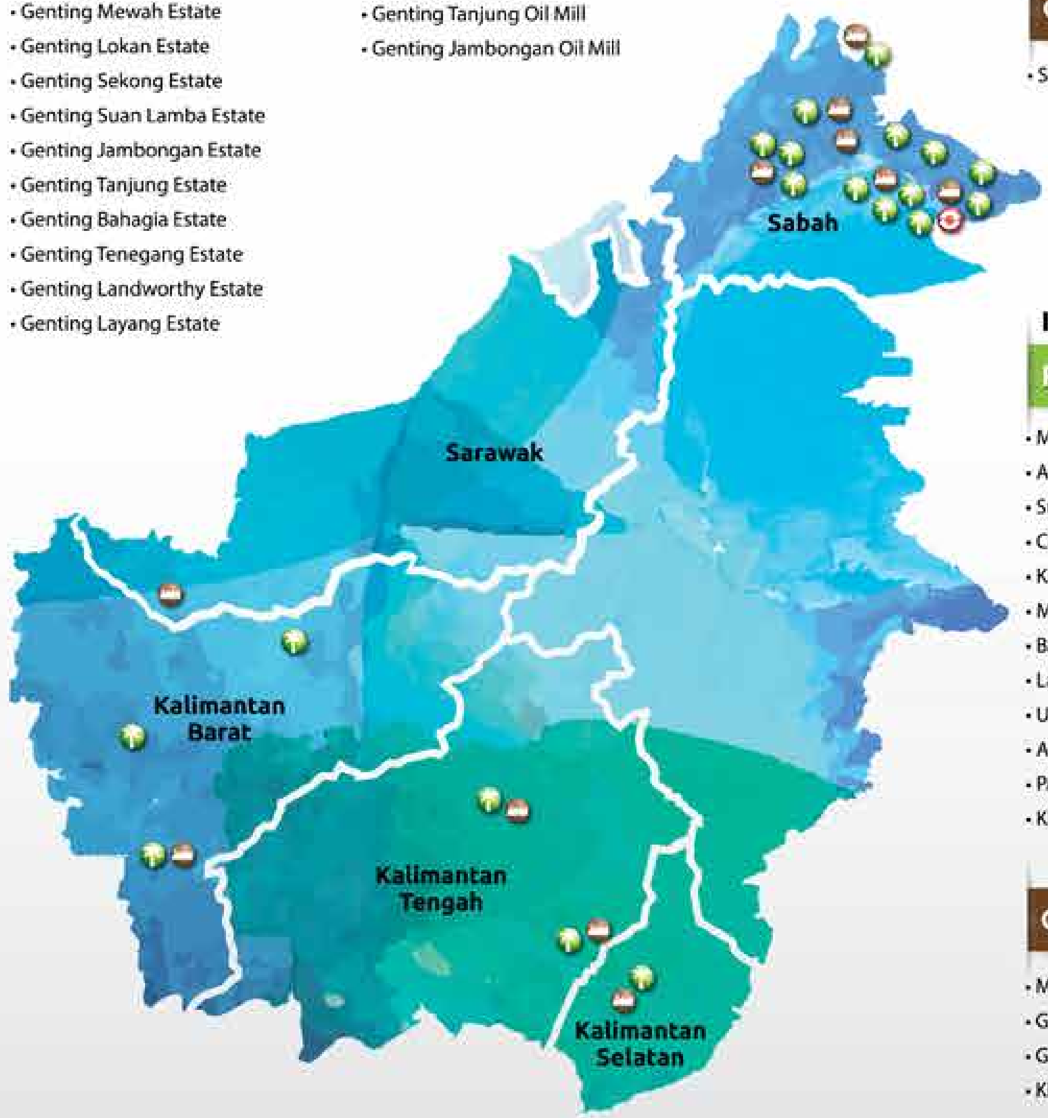
DOWNSTREAM MANUFACTURING

- Genting Integrated Biorefinery Complex

SARAWAK

OIL MILL

- Serian Palm Oil Mill



INDONESIA

PLANTATION

- Mulia Estates
- Abadi Estates
- Surya Estates
- Cemerlang Estates
- Kapuas Estates
- Mangkatip Estates
- Bakuta Estates
- Lamunti Estates
- UAI Estates
- AAC Estates
- PALJ Estates
- KIU Estates

OIL MILL

- Mulia Oil Mill
- Golden Hill Oil Mill
- Globalindo Oil Mill
- KIU Oil Mill

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

DESCRIPTION OF OUR GROUP'S BUSINESS AND STRATEGIES

Genting Plantations Berhad ("our Group") commenced operations in 1980 and its principal business is in oil palm plantations. As of 31 December 2018, our Group has a landbank of 247,400 hectares where about 64,600 hectares are located in Malaysia and some 182,800 hectares (including the *Plasma* scheme) in Indonesia. Our Group owns seven oil mills in Malaysia and four in Indonesia, with a total milling capacity of 550 metric tonnes per hour. Genting Plantations Berhad has also diversified into property development, biotechnology and the manufacturing of downstream palm-based products.

Our Group is focused on generating value enhancement and better returns to our shareholders. For our mainstay Plantation Division, our Group continuously explores opportunities to expand through value-accretive investments for future growth while progressively planting up areas in our existing landbank. At the same time, we are intent on managing cost and yield improvement through better agronomic practices and operational efficiency.

For the Property Division, we continuously identify and develop our strategically-located landbank for property development. We have also invested significantly in biotechnology in a major effort to apply genomics-based solutions to improve crop productivity and sustainability. In addition, as part of our Group's strategy to further enhance our Group's competitive strengths, we have ventured into the manufacturing of downstream products which are synergistic to our core plantation business.

FINANCIAL REVIEW

Revenue

Our Group registered revenue of RM1.90 billion for the financial year ended 31 December 2018 ("FY 2018"), representing a 5% year-on-year growth.

The higher year-on-year revenue was derived from the higher offtake of biodiesel and refinery products from the Downstream Manufacturing segment which more than offset its weaker selling prices along with progressive completion of works by the Property segment. In contrast, revenue from the Plantation segment slid year-on-year on account of the softer palm products selling prices despite an 11% growth in fresh fruits bunch ("FFB") production. The growth in FFB production was underpinned by a 45% improvement in crop output from our Indonesia operations, on the back of an increase in mature areas and better age profile, which more than compensated for the 8% year-on-year drop from our Malaysia operations due to the delayed effects of adverse weather conditions in the preceding two years along with a decline in mature areas stemming from replanting activities.

Our Group achieved a notably lower crude palm oil ("CPO") selling price of RM2,117 per metric tonne ("mt") in FY 2018 amid a confluence of adverse factors including weak demand from major purchasing countries such as India and the European Union, elevated inventory levels and concerns on the protracted trade war between the US and China amidst a record high US harvest. Likewise, our Group palm kernel ("PK") selling price in FY 2018 was also lower year-on-year at RM1,681 per mt.

	Financial Year ended 31 December		
	2018	**2017**	**Change (%)**
Average Selling Price/mt(RM)			
CPO	**2,117**	2,715	*-22*
PK	**1,681**	2,443	*-31*
FFB Production ('000mt)	**2,083**	1,884	*+11*

Costs and Expenses

For 2018, total costs and expenses before finance costs and share of results in joint ventures and associates increased to RM1,704.3 million compared to the previous year principally arising from the higher cost of sales from the Downstream Manufacturing segment in tandem with the higher sales quantity achieved.

EBITDA

Despite a 5% year-on-year increase in revenue, our Group's EBITDA for FY 2018 of RM451.1 million was 29% lower year-on-year mainly due to lower contribution from the Plantation segment although this was partly alleviated by the improved performance from the Property segment.

a) Plantation segment
For FY 2018, the Plantation segment registered a 33% decline in EBITDA to RM389.9 million due to the effects of softer palm products selling prices but partly mitigated by an 11% increase in FFB production.

b) Property segment
The Property segment posted a 54% year-on-year increase in EBITDA to RM36.2 million for FY 2018 in tandem with the higher revenue and improved profit margins.

c) Biotechnology segment
The Biotechnology segment's losses widened, in line with its ongoing research and development activities.

d) Downstream Manufacturing segment
The Downstream Manufacturing segment registered a 7% year-on-year decline in EBITDA to RM11.2 million for FY 2018 as its weaker selling prices compressed profit margins.

e) Others
The year-on-year movement in FY 2018 was mainly due to the effects of foreign currency translation position of our Group's US Dollar denominated cash reserves and borrowings arising from foreign exchange fluctuations.

Other Income

Other income for FY 2018 of RM75.6 million was marginally lower against FY 2017 mainly on account of lower interest income in tandem with lower cash reserves.

Finance Cost

Finance cost for FY 2018 increased to RM109.6 million or 47% higher year-on-year due to the higher charge-out of interest expenses in line with the increase in our mature areas in Indonesia along with higher external borrowings utilised to finance our Group's acquisition of an effective 85% equity interest in PT Kharisma Inti Usaha ("PT KIU") held through Knowledge One Investment Pte Ltd ("KOI") in October 2017 and the Downstream Manufacturing segment.

Taxation

The effective tax rate for FY 2018 was higher than the statutory tax rate mainly due to expenses not deductible for tax purposes and tax losses of certain subsidiaries where deferred tax assets have not been recognised. However, the effective tax rate for FY 2018 was partly moderated by income which was not subjected to tax.

Profit Attributable to Equity Holders of the Company

Underpinned by the lower year-on-year EBITDA, higher finance cost and depreciation, profit attributable to equity holders of the Company and earnings per share of our Group decreased to RM164.9 million and 20.50 sen respectively from a year ago.

Liquidity and Capital Resources

Our Group's cash and cash equivalents as at 31 December 2018 stood at RM949.9 million or a 22% year-on-year decline mainly due to the net effects of the following:-

a) Net cash inflow generated from operating activities totalling RM256.0 million, largely stemming from the Plantation segment.

Liquidity and Capital Resources (cont'd)

b) An outflow of RM116.9 million from investing activities mainly for capital expenditure of RM334.4 million but partly cushioned by RM33.6 million and RM16.3 million from interest and investment income respectively, along with a withdrawal of investment in financial assets at FVTPL of RM150.0 million.

c) A net cash outflow of RM402.3 million for financing activities mainly for payments of dividend amounting to RM203.1 million, finance cost of RM128.1 million and repayment of bank borrowings of RM817.7 million out of which RM547.3 million was for the acquisition of KOI in 2017. Following the said repayment of bank borrowings, an amount of RM357.3 million in restricted cash comprising an interest bearing deposit pledged with a licensed bank to secure the abovementioned bank borrowings was uplifted by the bank. This, together with a drawdown of bank borrowings of RM373.1 million and RM18.1 million received from issue of shares upon exercise of warrants in FY 2018 partly funded the abovementioned outflows.

Gearing

The Group's gearing ratio improved to 39% as at 31 December 2018 from 41% a year ago following the repayment of bank borrowings as mentioned earlier. The gearing ratio is calculated as total debt divided by total capital where total debt is calculated as total borrowings (including "short term and long term borrowings" as shown in the Statement of Financial Position). Total capital is calculated as the sum of total equity plus total debt.

Prospects

The Group's prospects for 2019 will largely be contingent on the performance of its Plantation segment, which in turn reflects the movements in palm products selling prices and the Group's FFB production. Palm prices are influenced by factors such as the underlying demand and supply dynamics of palm oil and other substitute oils and fats, weather patterns, currency exchange fluctuations, global economic conditions as well as relevant government policies and regulations such as biodiesel mandates and import/export tax and duty regimes.

The Group's FFB production for 2019 is expected to see further upward trajectory on prospects of higher crop output from its Indonesia operations, bolstered by additional areas coming into maturity and better age profile.

For the Property segment, the Group will continue to focus on residential offerings which cater to the broader market. The Premium Outlets is expected to continue performing well in 2019 with the full year contribution from the third phase of the Johor Premium Outlets®, which commenced operations in November 2018.

The Biotechnology segment will continue its efforts on developing commercial solutions and applications to enhance the yield and productivity of oil palm.

The implementation of the mandatory B10 biodiesel for the transportation sector and B7 biodiesel for the industrial sector is expected to shore up local demand for the Group's biodiesel operations in 2019 while offtake for discretionary biodiesel blending is underpinned by the viability of the palm oil-gas oil spread.

The Group's refinery operations will continue to focus on improving its market reach and offtake.

Genting Bahagia Estate won the National OSH Excellence Award 2018 - Plantation sector

Plantation

The year 2018 saw the palm oil industry being inundated with a combination of adverse elements which set a bearish tone as crude palm oil ("CPO") price came under sustained pressure, dipping to nearly RM1,700 per metric tonne ("mt") in November, the lowest level since 2009.

Consequently, our Group's achieved selling prices of palm products were considerably lower year-on-year, with the average achieved CPO price of RM2,117 per mt, compared with RM2,715 per mt in 2017. Palm kernel ("PK") prices averaged RM1,681 per mt, down from RM2,443 per mt in 2017.

On a brighter note, our Group's production of fresh fruit bunch ("FFB") recorded a commendable growth, as the increase from our Indonesian operations more than offset the decline experienced at our Malaysian operations. As a whole, Group FFB production increased 11% year-on-year to 2.08 million mt. Group FFB yield averaged 18.2 mt per hectare against 18.4 mt per hectare in the previous year.

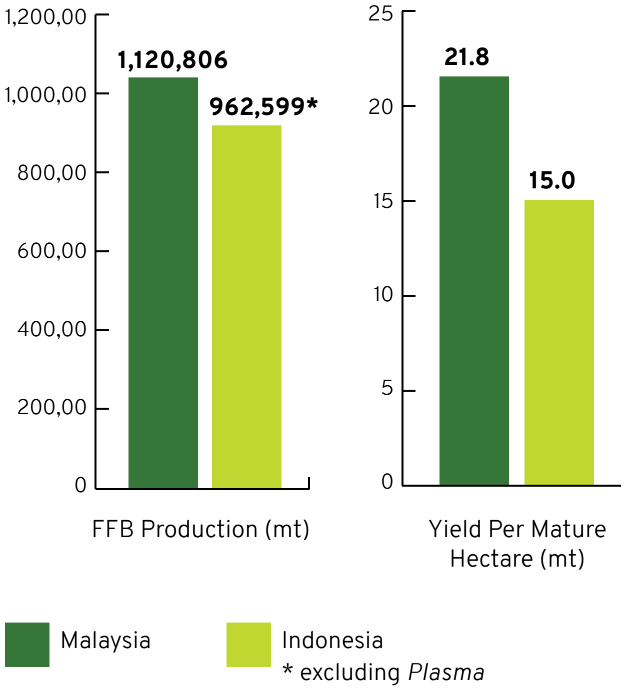
On the processing front, our Group recorded an average oil extraction rate of 21.3%, representing a marginal decrease compared to 21.5% in 2017 as the quality of the fruits processed were affected by poor bunch set formation.

As in the past, we continuously undertake initiatives aimed at enhancing the operating efficiency across all our Group's estates and oil mills. Efforts to reduce dependence on labour in the estates through mechanisation were kept up during the year. To date, our Group's Malaysian estates are nearly fully mechanised in all areas possible, with two of our oil mills automated and requiring minimal human supervision.

On top of this, Genting Indah Oil Mill has been selected by the Malaysian Palm Oil Board ("MPOB") to receive a grant for the installation of the 3-Monochloropropanediol ("3MCPD") Washing Facility, in an effort to reduce the processed contaminants in palm oil. This pilot facility, which is being developed in-house, is scheduled to be commissioned by the first quarter of 2019.

For our Indonesian operations, mechanisation for estate operations are being gradually introduced over the coming years. It is noteworthy to mention that all of the Group's Indonesian oil mills, save for KIU Oil Mill, are also similarly automated. These initiatives will assist to reduce the impact of the increasing minimum wages across our operations in Malaysia and Indonesia.

Production & Yield



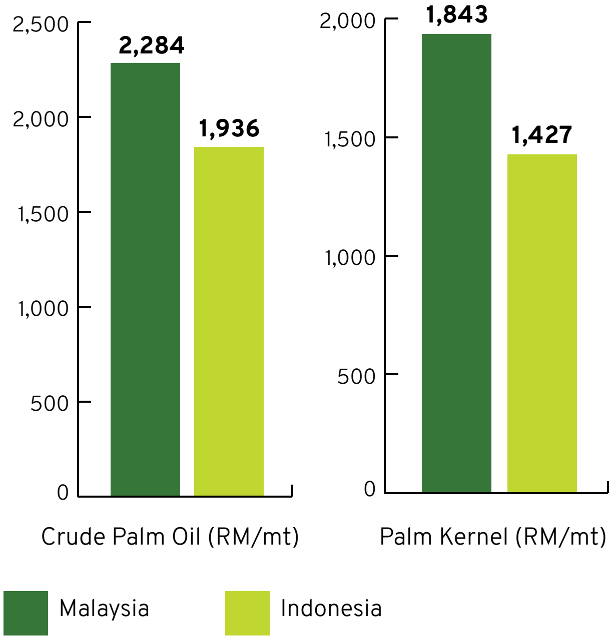
Group
FFB Production (mt) - **2,083,405**
Yield Per Mature Hectare (mt)- **18.2**

Apart from mechanisation, our Group also places utmost importance in addressing the ageing profile of planted areas in Malaysia, having rolled out a five-year replanting roadmap while simultaneously putting in place pertinent initiatives to achieve high early yields. A total of about 4,900 hectares have been planted since our Group started the replanting roadmap in 2017.

Our Group remains steadfast in our commitment towards sustainability and further strides were made in our sustainability certification journey. Genting Trushidup Oil Mill in Sabah and Mulia Oil Mill in Indonesia together with their supply bases received the certification by the Roundtable on Sustainable Palm Oil ("RSPO") during the year, bringing the number of oil mills and estates audited or certified under the scheme to six and sixteen respectively. All of the Group's Malaysian oil mills and their supply bases remain certified by the International Sustainability and Carbon Certification ("ISCC") EU and ISCC PLUS standards.

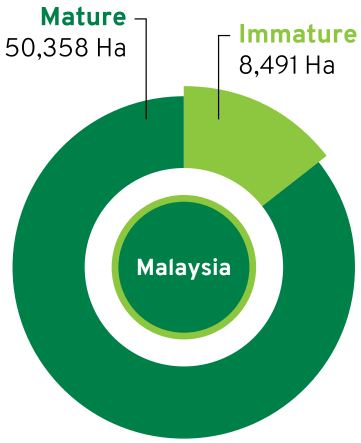
In addition, for our operations in Malaysia, five out of seven oil mills and their supply bases received the Malaysian Sustainable Palm Oil ("MSPO") certification in 2018 and will be fully compliant by 2019, as mandated by the Malaysian Government.

Average Selling Prices

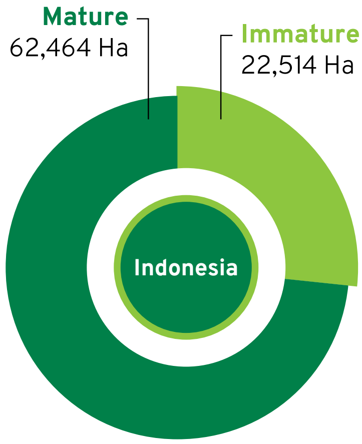


Group
Crude Palm Oil (RM/mt)- **2,117**
Palm Kernel (RM/mt) - **1,681**

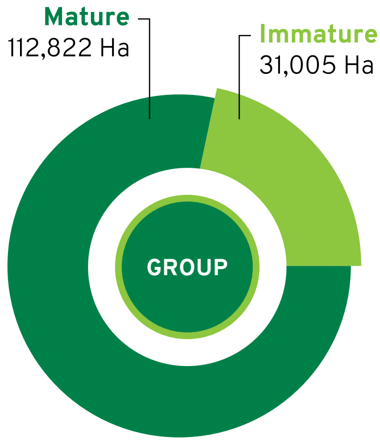
Planted Area



Planted Area - **58,849 Ha**



Planted Area - **84,978 Ha**
(excluding *Plasma* scheme)



Group Planted Area - **143,827 Ha**
(excluding *Plasma* scheme)

1. Housing complex at one of our Group's estates, Indonesia
2. Nursery

Our Group's contribution to " The Keruak Wildlife Corridor"- exchange of agreement witnessed by Sabah State Tourism, Culture and Environment Minister YB Puan Christina Liew

Our Group's organic growth in Indonesia remain challenged by RSPO's New Planting Procedures ("NPP") requirements, which were not forthcoming during the year, thus hampering our new planting activities.

During the year, our Group reinforced our commitment towards the stewardship and preservation of natural wildlife habitats, by setting aside 44.5 hectares of plantation land for wildlife conservation in the Sukau Region of our Sabah operations, known as "The Keruak Wildlife Corridor". The project is a joint effort by the Sabah State Government and NGOs to establish a corridor for wildlife, particularly the Pygmy elephants, to roam freely in its natural habitat.

As at 31 December 2018, our Group had a total of 159,125 hectares of oil palm planted area in Malaysia and Indonesia (including *Plasma* sheme), along with eleven oil mills with a combined capacity of 550 mt per hour. Out of the Group's total planted land bank, some 17,500 hectares or 11% thereof are protected as High Conservation Value areas, underscoring our continuous emphasis on economic, environmental and social ("EES") principles.

Genting Highlands Premium Outlets®

Property

Malaysia's property market was generally soft in early 2018 weighed by the spectre of the significant property overhang, inflationary pressures from the rising domestic cost of living and the uncertainty from the impending local 2018 General Election ("GE14"). Against this backdrop, potential buyers adopted a "wait-and-see" approach which further exacerbated the state of property overhang. Cognisant of this prevailing situation, the Property Division took on a prudent and measured approach, focusing its efforts on marketing its inventories of properties, expediting construction works of ongoing projects and deferred its planned new launches.

Market sentiments improved following the conclusion of GE14 and given the more stable outlook, the Property Division seized the opportunity to launch a total of 124 units of residential property offerings in July and August 2018 at its Genting Indahpura project priced between RM484,000 per unit and RM643,000 per unit, which received very favourable response. The Division is pleased to report that to date almost all the units launched have been taken up, evidencing that our focus on property offerings catering to the wider market segment is still relevant.

Over at the Division's Genting Pura Kencana project in Batu Pahat, 40 units of terraced houses were launched in October 2018 but the offtake is relatively slower compared to that of Genting Indahpura, given the smaller catchment of potential buyers.

In Budget 2019, the newly elected Government has provided clear indication of its conviction to assist the Bottom and Middle 40 percent of its population ("B40" and "M40") as well as first-time home buyers in purchasing their own accommodation. In line with the call by the Government, our Property Division has plans to launch more property offerings catering for this segment of home buyers including homes under the Rumah Mampu Milik Johor ("RMMJ") programme, which are priced at RM150,000 per unit.

The Property Division's strategic approach in 2018 yielded satisfactory results as it delivered an improved performance on account of the good demand for its new launches at Genting Indahpura along with the progressive construction and completion of its property projects. Reflective of this, the Division's revenue and adjusted EBITDA for 2018 of RM130.1 million and RM36.2 million were 13% and 54% higher year-on-year respectively, when compared against the revenue of RM115.2 million and adjusted EBITDA of RM23.5 million for 2017.

Johor Premium Outlets®

Genting Indahpura was the main contributor to the Division's overall revenue with RM126.2 million in sales, mainly from its residential properties. On the other hand, sales at Genting Pura Kencana was 30% lower year-on-year, registering RM17.8 million in sales for the year under review. Overall, property sales for 2018 of RM144.3 million were about 4% below that of last year's.

The performance of the Group's Premium Outlets® continued to progress in 2018. Genting Highlands Premium Outlets® marked its maiden full-year of operations and this iconic retail landmark at Resorts World Genting is gaining traction both in terms of operational and financial performance. Separately, the third phase of Johor Premium Outlets® was completed and commenced operations in November 2018, adding another 45,000 square feet, bringing the net leasable area to about 313,000 square feet with additional brands such as British India, Chaps, Under Armour, and the biggest Nike Factory Store in Southeast Asia, to name a few.

Genting Indahpura, Johor

Double-Storey Terrace Houses
1. Crystal 2 *(artists' impression)*

Single-Storey Terrace Houses
2. Iris *(artists' impression)*

Genting Pura Kencana, Johor

Double-Storey Terrace Houses
3. The Estate

Genting Integrated Biorefinery Complex at POIC Lahad Datu, Sabah

Downstream Manufacturing

Much like our Group's upstream Plantation Division, 2018 was a challenging year for the Downstream Manufacturing Division.

Malaysian refiners were adversely affected at the turn of 2018 with the suspension of the CPO export duty by the Malaysian government giving rise to a price and cost disadvantage for local refiners vis-à-vis Indonesian refiners. This situation resurfaced when the Malaysian CPO export duty was exempted from September 2018 and parity was only restored when the Indonesian government lifted its CPO export duty from November 2018. During the affected period, which totalled 6 months of the year, local refiners including the Group's Genting MusimMas Refinery ("GMMR") suffered a drastic drop in demand that shifted to the Indonesian refiners. On top of this, selling prices for refined palm products mirrored the decline of its feedstock CPO leading to compressed profit margins as selling prices softened throughout most of 2018.

Against this backdrop, it is heartening to note that GMMR had managed to turn in a laudable performance compared to 2017, with a 55% improvement in offtake for its refined palm products and capacity utilisation of 56% in its second year of operation. The key contributing factors were the expansion of its market reach and clientele base, leveraging on the established marketing channel of our joint venture partner, the Musim Mas Group. For 2018, GMMR's export extended beyond Asian countries such as China, Taiwan, Philippines, India, Bangladesh; to include USA, Spain, Holland, Africa and Turkey. The improved demand is also a function of the superiority of GMMR's refined palm products, which is ISCC certified.

In addition to the existing certifications from RSPO, ISCC, Hazard Analysis and Critical Control Points ("HACCP"), *Makanan Selamat Tanggungjawab Industri* ("MeSTI"), halal and Kosher, the refinery is targeting for MSPO certification in 2019, in compliance with the directive of the Malaysian Government.

The biodiesel operations also turned in an improved performance with its capacity utilisation almost doubling to 46% compared to the previous year. This is on account of the renewed and higher demand for discretionary blending, resulting in GMMR's export volume doubling to around 42,000 mt. The widening of the palm oil-gas oil ("POGO") spread during the year to as much as negative USD200 per mt offered an opportunity for biodiesel export with the increased demand in discretionary blending. This resulted in oil majors, blenders and traders blending higher

1-4. Genting MusimMas Refinery at POIC Lahad Datu, Sabah

palm biodiesel for other markets such as China and West Africa apart from Europe, which is the usual biodiesel buyer. Nevertheless, the increase in biodiesel production has caused the price of crude glycerin, a by-product of biodiesel, to decline in the second half of 2018. The significant increase in the Group's biodiesel exports for discretionary blending eclipsed the slower year-on-year demand for local biodiesel amid intensified competition, with the Malaysian biodiesel mandate remaining at 7% blending ratio. Overall, GMMR's biodiesel sales improved 17% year-on-year from that of 2017.

We foresee an improved performance for our Group's biodiesel operations in 2019 with the implementation of the B10 biodiesel mandate for the transportation sector and the B7 mandate for the industrial sector by the Malaysian Government. Additionally, we continue to see sustained demand for discretionary blending heading into the first quarter of 2019. As for GMMR, our Group aims to further improve on its capacity utilisation as we establish a wider customer base and reach, in addition to our continuous efforts to achieve cost efficiency including the reduction in logistic cost arising from the improved jetty facility at the Palm Oil Industrial Cluster ("POIC") in Lahad Datu.

ACGT Laboratories at TPM, Bukit Jalil

Biotechnology

Throughout 2018, our Group's Biotechnology Division continued with its research and development ("R&D") efforts towards advancing its marker-driven high yielding planting materials along with microbial solutions for improved plant productivity and health.

Our Biotechnology Division has now progressed to develop next generation DNA markers for improved yield and bunch component traits, in line with our sustainability commitment to achieve efficient land use through increased productivity. Mirroring our commitment, more than 1,000 hectares of our Group's estates are planted with marker-screened seeds since 2015. The yield results so far are encouraging and concerted efforts will be undertaken in the coming year to broaden the testing and validation of the improved DNA markers.

Genting AgTech Sdn Bhd ("GAT"), the seed production unit of the Division, achieved another milestone upon successfully obtaining the certification for its parental palms from SIRIM. On top of this, GAT has also applied for a seed production licence from MPOB that will pave the way for the production of high yielding marker-driven oil palm seeds for internal planting.

GAT continues to undertake research collaborations with the Department of Agriculture Sabah ("DoA Sabah") and IJM Plantations Berhad for field validation of its marker-assisted screening technology leveraging on the wider germplasm materials available and new genomic approaches. The Division has also initiated big data analytics for better prospect and precision towards achieving its aim of producing oil palm planting materials with superior traits.

The focus on plant health improvement through disease control and reduced usage of fertiliser was prioritised through our work on Yield Booster, a biofertiliser product developed by ACGT Sdn Bhd ("ACGT"), which contains properties promoting plant growth and biological control. In 2018, Yield Booster was applied in over 700 hectares of large scale trials, with the maiden application at our Group's Sabah estates. Henceforth, a stable and matured quality control pipeline for Yield Booster production will be implemented, with increasing production to cater for expanding trials. The work on a second series of microbial formulations, with higher performance, efficacy and better biocontrol agents against *Ganoderma*, are being developed for field trials as part of our continuous improvement.

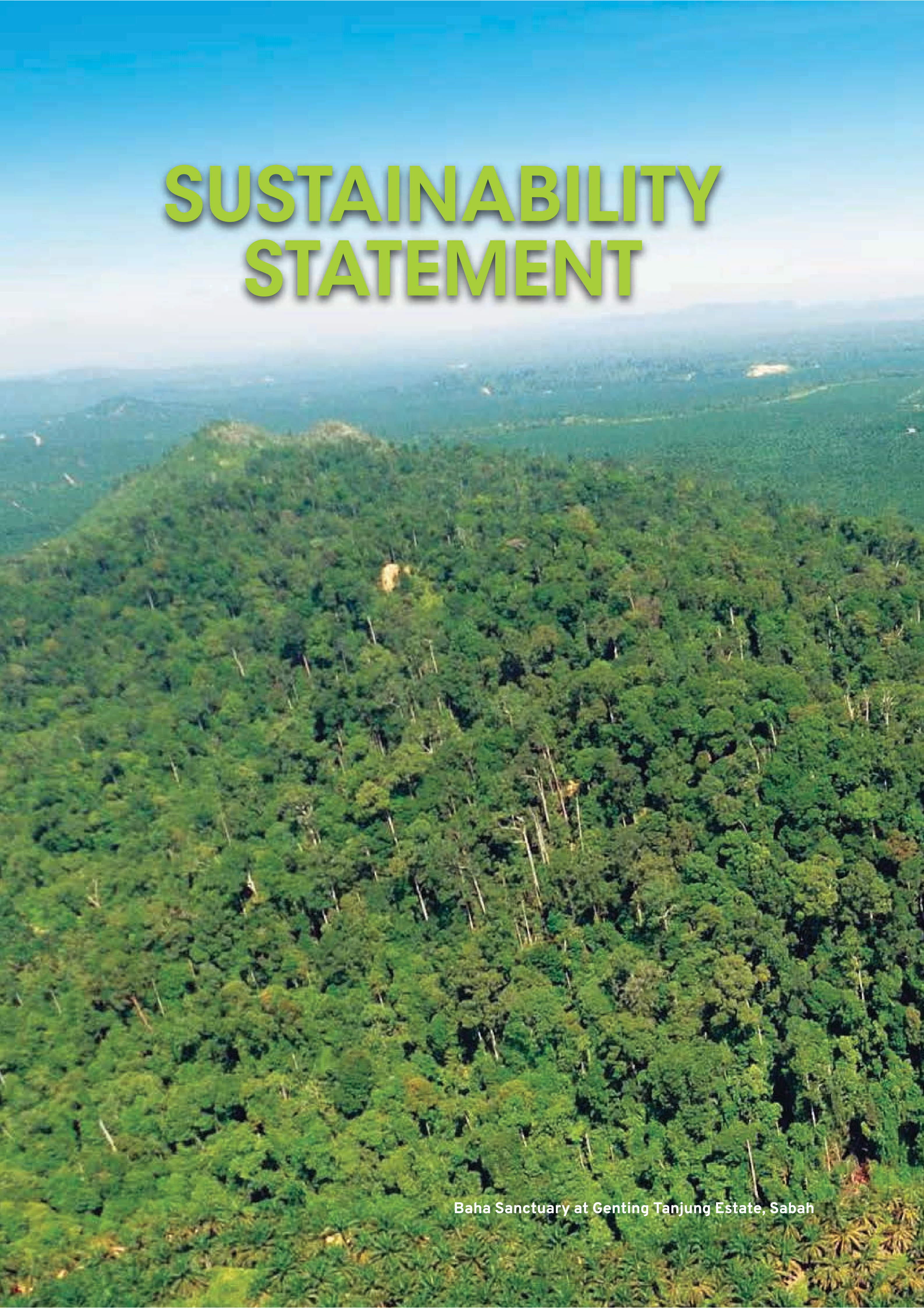
Nursery and field trials at our Group's estates

As the industry continues to face the endemic threat of *Ganoderma*, ACGT collaborated with the Indonesian Oil Palm Research Institute ("IOPRI") to successfully commercialise an oil palm variety with moderate resistance to *Ganoderma* in Indonesia in 2018. Moving forward, ACGT aims to develop oil palm varieties with other desirable value-added traits with potential collaborators.

ACGT's ongoing R&D works has also received positive feedback from the Scientific Advisory Panel ("SAP"), which was formed in 2017 and comprises esteemed members independent of our Group, who were selected based on their vast experience and expertise in their respective fields namely biostatistics, metagenomics, breeding and seed production.

With the positive results registered so far for its field trials and collaborative works, coupled with the endorsement of the SAP, our Group's Biotechnology Division is clearly progressing in the right direction towards meeting its objective of improving the sustainability, productivity and returns from oil palm through genomics research and applications.

SUSTAINABILITY STATEMENT



Baha Sanctuary at Genting Tanjung Estate, Sabah

SUSTAINABILITY
STATEMENT

We aspire to achieve a balanced integration of ethical, social, environmental and economic considerations in the way we conduct our business to create sustainable long-term value for our stakeholders.

Our Group is fully cognizant that it is imperative for businesses to forge mutually-desirable outcomes founded on shared values for our stakeholders, and seeks to pay as much heed to continuously raising our sustainability performance as we do to meeting our commercial goals.

Hence, we are always guided by the core commitments of our four-pillared sustainability agenda, encompassing Environment, Community, Workplace and Marketplace.

Environment

- To practise responsible stewardship of the environment given that our business is closely related to nature
- To strive to adhere to the principles of sustainable development for the benefit of current and future generations

Community

- To build mutually beneficial relationship with the communities where we operate and with society at large through active engagement
- To enrich the communities where we operate

Workplace

As our people is our most important asset, we strive

- To create a conducive and balanced working environment encircling good practices, safety and well-being of employees
- To attract and retain talent, and nurture our employees to enable them to realise their full potential
- To remunerate employees commensurating to their academic and work achievements
- To provide continuous development through training and further academic learning

Employees form an integral part of our Group and we remain committed to human resource development. Our global workforce was about 23,703 as at 31 December 2018 with 8% Malaysians comprising Malay (5.7%), Chinese (1.2%), Indian (1.1%) and Others (0.0%) and the remaining 92% from other countries including but not limited to Korea, Mauritius, India, Bangladesh, Philippines, Nepal, Sri Lanka, Pakistan, Myanmar and Indonesia.

The male to female employee ratios is 3:1; with ages below 30 (40%), between 30 to 55 (56%) and above 55 (4%).

Marketplace

- To conduct our business with honesty, integrity and a commitment to excellence
- To personify exemplary corporate governance and transparent business conduct

This Sustainability Statement is made in accordance with a resolution of the Board of Directors dated 26 February 2019. Our Sustainability Report is available for download from **www.gentingplantations.com/sustainability**

HIGHLIGHTS OF GROUP'S KEY SUSTAINABILITY PERFORMANCE

Economic

RM147.0 million
net profit in 2018

RM7.94 billion
Total Market Capitalisation
(31 December 2018)

Quantity of Products
Fresh Fruit Bunch • 2.08 million MT
Crude Palm Oil • 0.5 million MT
Refined Product • 0.3 million MT
Biodiesel & Crude Glycerin • 0.1 million MT

Environmental

Certification for 6 palm oil mills and its supply bases, and 1 refinery

MSPO
Certification for 5 Malaysian palm oil mills and its supply bases

ISCC
International Sustainability & Carbon Certification
Certification for all 7 Malaysian palm oil mills and its supply bases, 2 biodiesel plants and 1 refinery

ISPO
Indonesian Sustainable Palm Oil
ISPO Certification for 1 Indonesian oil mill and its supply bases

~1.12 million MT of biomass recycled (equivalent to ~54% FFB produced)

CO_2
~8% reduction in GHG emission compared to 2016

~17,500 hectares of High Conservation Value ("HCV") areas

Social

~15,300 hectares in Indonesia allocated for *plasma* scheme

Over 23,700 workforce

Over 5,000 women in our workforce

16% Hiring Rate
12% Turnover Rate

13% Women in Board of Directors
21% Women in Management

Lost Time Injury Frequency Rate ("LTIFR")
5.9 injuries for every one million man-hours worked

RM 6.6 community investment

10 Humana schools

7 Community Learning Centres

10 Scholars of Tan Sri (Dr.) Lim Goh Tong Endowment Fund

3 Fatalities in Indonesia

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 2017 Malaysian Code on Corporate Governance (“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 2018 which is made available at the Company’s website at www.gentingplantations.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 of the Company set out in the Board Charter mentioned in Practice 2.1

The details of Directors’ attendance during the financial year 2018 are set out below:

<table>
<tr><th>Name of Directors</th><th>Number of Meetings Attended</th></tr>
<tr><td>Gen. Dato’ Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)</td><td>4 out of 4</td></tr>
<tr><td>Tan Sri Lim Kok Thay</td><td>4 out of 4</td></tr>
<tr><td>Mr Lim Keong Hui</td><td>4 out of 4</td></tr>
<tr><td>Lt. Gen. Dato’ Abdul Ghani bin Abdullah (R)</td><td>4 out of 4</td></tr>
<tr><td>Mr Quah Chek Tin</td><td>4 out of 4</td></tr>
<tr><td>Mr Ching Yew Chye</td><td>4 out of 4</td></tr>
<tr><td>Mr Yong Chee Kong</td><td>4 out of 4</td></tr>
<tr><td>Tan Sri Dato’ Sri Zaleha binti Zahari (*Appointed on 26 February 2018)</td><td>*3 out of 3</td></tr>
</table>
</td></tr>
</table>

	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 Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj. Zainuddin 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.	Applied	The position of the Chairman of the Board is held by Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj. Zainuddin (R) whilst the position of Chief Executive is held by Tan Sri Lim Kok Thay until he relinguished the position to Mr Tan Kong Han with effect from 1 January 2019.
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 in sufficient time to enable 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.

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.gentingplantations.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.gentingplantations.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

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 independent directors.	Applied	With the appointment of Mr Tan Kong Han as the Chief Executive and Executive Director on 1 January 2019, the Board now has nine members comprising three Executive Directors, one Non-Independent Non- Executive Director and five Independent Non- Executive Directors which fulfils the requirement of the Board comprising a majority of independent directors

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
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 or any pre-determined age. 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 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, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj. Zainuddin (R), Lt. Gen. Dato' Abdul Ghani bin Abdullah (R) and Mr Quah Chek Tin who have been Independent Non-Executive Directors of the Company since 1 July 2005, 21 May 2007 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 9 years. All the three Directors 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.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
		For the financial year ended 31 December 2018, 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 five Independent Non-Executive Directors of the Company, namely Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj. Zainuddin (R), Lt. Gen. Dato' Abdul Ghani bin Abdullah (R), Mr Quah Chek Tin, Mr Ching Yew Chye and Tan Sri Dato' Sri Zaleha binti Zahari 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. 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.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
		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 9 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.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
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 accordingly, Tan Sri Dato' Sri Zaleha binti Zahari was appointed as Director on 26 February 2018. Currently, there are 8 male Directors and 1 female Director. The racial composition of the Board is 33% Malay and 67% Chinese. 22% of the Directors are between the ages of 30 and 55 and the remaining 78% 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 Nomination Committee of the Company has recommended a male candidate and a female candidate for appointment to the Board which fits the criteria requirements that the Board is looking for. The Board did not utilise independent sources to identify suitably qualified candidates as the management understand the specialised industry it operates in. Through its own network and bearing in mind the 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.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
Practice 4.7 The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.	Applied	The Chairman of the Nomination Committee, Mr Quah Chek Tin (chektin.quah@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.gentingplantations.com. The Nomination Committee met three times during the financial year ended 31 December 2018 where all the members attended. The main activities carried out by the Nomination Committee during the financial year ended 31 December 2018 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 trainings 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 and Risk Management Committee and each of its members to determine whether the Audit and Risk Management Committee and members have carried out their duties in accordance with their terms of reference; (e) assessed and recommended to the Board, the effectiveness of the Board, Board Committees and individual Directors, including the Chief Executive; and (f) considered and recommended to the Board, the appointment of Tan Sri Dato' Sri Zaleha binti Zahari as an Independent Non-Executive Director of the Company and Mr Tan Kong Han as Chief Executive and Executive Director based on a set of prescribed criteria, including but not limited to skills, knowledge, expertise and experience, professionalism and integrity.

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 on-going 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 2018 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 has taken the initial step 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.

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.gentingplantations.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 websites.	Applied	The Remuneration Committee is responsible for implementing the policies and procedures on the remuneration for the Executive Directors and making recommendations to the Board on the remuneration packages of Executive Directors and members of the Board Committees whilst the Board is responsible for approving the policies and procedures which govern the remuneration of the employees including Executive Directors and senior management of the Company. 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.gentingplantations.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 2018 on a named basis are set out in the Appendix A of this Corporate Governance Overview Statement.

	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 Group are Mr Tan Kong Han, Mr Tan Wee Kok, Mr Lee Ser Wor, Mr Tan Cheng Huat and Mr Choo Huan Boon (their designations as disclosed in the Annual Report 2018). The aggregate remuneration of these executives received in 2018 was RM6.55 million, representing 1.76% of the total employees remuneration of the Group. The remuneration of the aforesaid top five senior management is a combination of an annual salary, bonus, benefits in-kind and other emoluments which are determined in a similar manner as other management employees of the Group. This is based on their individual performance, the overall performance of the Group, inflation and benchmarked against other companies operating in similar industries in the region. 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 Mr Quah Chek Tin, 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.

	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 2018 and has recommended their re-appointment for the financial year ending 31 December 2019.
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 financial 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 2018, 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.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
		The courses and training programmes attended by the Directors in 2018 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 approved accounting standards, 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 of the financial performance of the Group and of the Company for the financial year. 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 2018 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 objectives 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.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
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 the Company 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 Plantations 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 and Risk Management Committee of the Company assists the Board in carrying out, among others, the responsibility of overseeing the Company and its subsidiaries' risk management framework and policies.

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	To assist the Board in maintaining a sound system of internal control for the purposes of safeguarding shareholders' investment and the Group's assets, the Group has in place, an adequately resourced internal audit department. The Internal Audit has an Audit Charter approved by the Audit & 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. Koh Chung Shen ("Head of Internal Audit" or "Mr. Koh"). He reports functionally to the Audit & Risk Management Committee and administratively to the senior management of the Company. The competency and working experience of Mr Koh 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.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
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 2018, the average number of internal audit personnel was 25 comprising degree holders and professionals from related disciplines with an average of 8.5 years of working experience per personnel. Mr. Koh Chung Shen is the head of internal audit. He joined the Company in November 2000 as Manager of Internal Audit and subsequently took over as Head of Internal Audit in November 2008. Mr. Koh started his career as an internal auditor in one of the financial institutions since then. Mr. Koh has in total 25 years of internal audit experience. The internal audit carries out its work according to the standards set by professional bodies, primarily consistent with the International Professional Practices Framework 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.gentingplantations.com which provides the relevant information to its stakeholders. The Group also participates in investor forums held locally and abroad and periodically organizes 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 2018.

	Applied/Departure Adopted/Not Adopted	Summary of governance practices of the Company
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 4 June 2018.
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 26 and adopted 2 out of the 36 Practices/Practice Step Up with 6 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 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 initial steps had been taken to appoint a first female director 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 26 February 2018.

Appendix A

Group/Company
Details of Directors' Remuneration received in 2018

Amount in RM million	SALARIES & BONUS	DEFINED CONTRIBUTION PLAN	FEES	MEETING ALLLOWANCE FOR BOARD COMMITTEE'S ATTENDANCE	ESTIMATED MONETARY VALUE OF BENEFITS IN-KIND	TOTAL
EXECUTIVE						
TAN SRI LIM KOK THAY	0.369	0.070	0.085	-	-	0.524
NON-EXECUTIVE						
GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)	-	-	0.169	0.044	0.004	0.217
MR LIM KEONG HUI	-	-	0.085	-	-	0.085
LT. GEN DATO' ABDUL GHANI BIN ABDULLAH (R)	-	-	0.111	0.031	0.004	0.146
MR QUAH CHEK TIN	-	-	0.118	0.055	-	0.173
MR CHING YEW CHYE	-	-	0.106	0.023	0.004	0.133
MR YONG CHEE KONG (APPOINTED ON 1 JANUARY 2018)	-	-	-	-	0.005	0.005
TAN SRI DATO' SRI ZALEHA BINTI ZAHARI (APPOINTED ON 26 FEBRUARY 2018)	-	-	-	-	0.0002	0.0002
MOHD DIN JUSOH (RETIRED ON 30 MAY 2017)	-	-	0.045	-	-	0.045

Appendix B

THE FOLLOWING ARE THE COURSES AND TRAINING PROGRAMMES ATTENDED BY THE DIRECTORS IN 2018

COURSES	NAME OF DIRECTORS	Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	Tan Sri Lim Kok Thay	Mr Lim Keong Hui	Mr Quah Chek Tin	Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	Mr Ching Yew Chye @ Chng Yew Chye	Mr Yong Chee Kong	Tan Sri Dato' Sri Zaleha binti Zahari
BNM-FIDE FORUM Dialogue: Managing Cyber Risks in Financial Institutions by Encik Zainal Abidin Maarif of Risk Specialist (Technology), Bank Negara Malaysia hosted by Financial Institutions Directors Education (FIDE) Programme.		•							
Seminar on Bursa's Corporate Governance Guide 3rd Edition "Moving from aspiration to actualisation" by Aram Global Sdn Bhd.		•							
Director training webcast entitled "Directors' Responsibilities at IPOs" organised by The Stock Exchange of Hong Kong Limited.			•						
Navigating the VUCA World - 1st Distinguished Board Leadership Series by Professor Tan Sri Dato' Dr. Lin See Yan organised by Financial Institutions Directors' Education (FIDE) Programme Forum.		•							
Directors & Officers Liability Insurance Presentation organised by Genting Berhad.						•			
Mandatory Accreditation Programme by The Iclif Leadership and Governance Centre.								•	•
MFRS 17 - High Level Briefing to Board of Directors by AIA.							•		
Corporate Governance Briefing Sessions: MCCG Reporting & CG Guide by Bursa Malaysia.						•			
Corporate Governance, Directors' Duties and Regulatory Updates Seminar 2018 II by Aram Global Sdn Bhd.						•			
Board Induction Session by Affin Bank Berhad.		•							
Latest updates on Hong Kong Listing Rules organised by Genting Hong Kong Limited.			•						
World Halal Conference 2018 by Halal Industry Development Corporation.		•							
Disclosure Framework and Key Activities by Bursatra Sdn Bhd.		•							
5th BNM–FIDE FORUM Annual Dialogue - Up Close with the Deputy Governor of Bank Negara Malaysia by Financial Institutions Directors' Education (FIDE) Programme Forum.		•							
SID Master Class - Anticipating Risk and Precaution at the Board Level.							•		

Appendix B

THE FOLLOWING ARE THE COURSES AND TRAINING PROGRAMMES ATTENDED BY THE DIRECTORS IN 2018 (cont'd)

COURSES	NAME OF DIRECTORS	Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	Tan Sri Lim Kok Thay	Mr Lim Keong Hui	Mr Quah Chek Tin	Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	Mr Ching Yew Chye @ Chng Yew Chye	Mr Yong Chee Kong	Tan Sri Dato' Sri Zaleha binti Zahari
PwC/Lamborghini Event: Family Business Retreat & Roundtable: Bridging the 'missing middle': successful strategies for business continuity by PwC Family Business Clients Programmes Leader, Bologna, Italy.				•					
Casino Orientation Program (Resort World Genting Highlands) by Genting Malaysia Berhad.				•					
Preparation for Corporate Liability on Corruption: 'How ready is your company to safeguard your directors, top management and personnel against a corruption prosecution?' by Malaysian Institute of Corporate Governance.						•			
Forbes Asia Forum: The Next Tycoons "A Generation Emerges" by Forbes Asia.				•					
37th Management Conference (Plantation Division) of Genting Plantations Berhad. Theme: "Driving Technology & Innovation in Delivering Value" - The Art of the Possible: Technology in Agriculture by Mr Sachin Gupta, IBM Singapore. - IoT - Taking Oil Palm Plantation to the Digital Age by Mr Vince Ng Chee Seng, Wavetree. - Enchancing GENP Management System Towards Excellence by Bpk Teguh Santosa, PT Artha Infotama. - Road Stabilization Technology for Problematic Areas by Dr. Mahesa Bhawanin, Tensar Malaysia. - GENP Model Estate by Mr Tan Cheng Huat, SVP - Plantation (Malaysia). - Never Ending Improvement and Achievement by Bpk Christian Adrianto, Motivasi Indonesia.		•			•	•		•	•
United Overseas Bank (Malaysia) Bhd Board Briefing. -Anti-Money Laundering and Counter Financing of Terrorism Referesher by Jagdeep Singh. - Digital Development in Malaysia & Cyber Security.							•		
Malaysia's 4th Business Ethics Round Table 2018 by Business Ethics Institute of Malaysia.								•	

Appendix B

THE FOLLOWING ARE THE COURSES AND TRAINING PROGRAMMES ATTENDED BY THE DIRECTORS IN 2018 (cont'd)

COURSES	NAME OF DIRECTORS	Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	Tan Sri Lim Kok Thay	Mr Lim Keong Hui	Mr Quah Chek Tin	Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	Mr Ching Yew Chye @ Chng Yew Chye	Mr Yong Chee Kong	Tan Sri Dato' Sri Zaleha binti Zahari
Seminar on Sales Tax and Services Tax 2018 organised by Genting Berhad.					•	•		•	
Genting Dream Cruises Orientation Program (Singapore & Bangkok) by Genting Hong Kong Limited.				•					
Corporate Malaysia Summit 2018 "A Meeting Platform of Malaysian Corporate Leaders and Government Leaders" by International Strategy Institute.								•	
Sustainability Engagement Series for Directors / Chief Executive Officers 2018 (Main Market) by Bursa Malaysia Berhad.					•	•			
The "Belt & Road" Southeast Asia Program – Orientation Module Fall Term 2018 by PBC School of Finance (PBCSF), Tsinghua University in Beijing, China.				•					
Briefing on MFRS 15, 9, 16 by Petronas Chemicals Bhd.							•		
Insitute of Corporate Directors Malaysia: To Enhance Board Effectiveness.		•							
AIA Board Governance Training (Bangkok).							•		
The New Malaysia Summit 2018 "Building a New Malaysia, Fulfilling Hope" by International Strategy Institute.					•				
SuperStar Aquarius Cruise Orientation Program (Taipei & Japan) by Genting Hong Kong Limited.				•					
Anti-Corruption Summit 2018 "Good Governance and Integrity for Sustainable Business Growth" by Aram Global Sdn Bhd.						•			
Affin Hwang Capital Conference Series 2018: Building A New Malaysia by Affin Hwang Capital.		•							
Updates on AMLATFPUAA 2001 & PDPA 2010: Risk, Challenges & Vulnerabilities Toward Regulatory Compliance by Mr Vijayaraj P Kanniah of Visioon Business Solutions Sdn Bhd organised by Affin Bank Berhad.		•							
The 32nd Sultan Azlan Shah Law Lecture entitled "Politics and the Judiciary" by the Right Honourable The Lord Reed, Justice and Deputy President of the Supreme Court of the United Kingdom by Sultan Azlan Shah Foundation.		•							

Appendix B

THE FOLLOWING ARE THE COURSES AND TRAINING PROGRAMMES ATTENDED BY THE DIRECTORS IN 2018 (cont'd)

COURSES	NAME OF DIRECTORS	Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	Tan Sri Lim Kok Thay	Mr Lim Keong Hui	Mr Quah Chek Tin	Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	Mr Ching Yew Chye @ Chng Yew Chye	Mr Yong Chee Kong	Tan Sri Dato' Sri Zaleha binti Zahari
Tsinghua PBCSF Belt & Road EMBA for Southeast Asia 2018 - Module II by Tsinghua University PBC School of Finance.				•					
FIDE : Briefing on Differential Levy System Framework to Board of Directors.							•		
Updates on The Accounting Standards: MFRS 15, MFRS 9 and MFRS 16 by Ernst and Young.		•							
Fintech: Disruption to be Embraced? Demo Day and Dialogue with 10 Fintech Companies organised by Financial Institutions Directors' Education (FIDE) Programme Forum in collaboration with Asia's leading fintech accelerator, Super Charger.							•		
BNM-FIDE FORUM Board Conversations (Insurance Companies & Takaful Operators) by Financial Institutions Directors' Education (FIDE) Programme Forum.							•		
Breakfast Series "Companies of the Future - The Role for Boards" by Bursa Malaysia Berhad.								•	
Breakfast Series "Non-Financials - Does It Matter" by Bursa Malaysia Berhad.								•	
Tax Seminar - The Budget 2019 organised by Genting Berhad.					•			•	

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

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 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 the Audit and Risk Management Committee ("Committee") on 29 December 2017.

MEMBERSHIP

The present members of the Committee comprise:

Mr Quah Chek Tin	Chairman/Independent Non-Executive Director
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	Member/Independent Non-Executive Director
Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	Member/Independent Non-Executive Director
Mr Ching Yew Chye	Member/Independent Non-Executive Director

TERMS OF REFERENCE

The Terms of Reference of the Committee are made available on the Company's website at www.gentingplantations.com.

ATTENDANCE AT MEETINGS DURING THE FINANCIAL YEAR 2018

The Committee held a total of six (6) meetings. Details of attendance of the Committee members are as follows

Name of Member	Number of Meetings Attended*
Mr Quah Chek Tin	6 out of 6
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	6 out of 6
Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	6 out of 6
Mr Ching Yew Chye	6 out of 6

* *The total number of meetings include the special meetings held between members of the 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 2018

The Committee carried out its duties in accordance with its Terms of Reference.

During the financial year ended 31 December 2018, 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 and deliberated 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 financial year ended 31 December 2017 and recommended for their approval by the Board;

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (cont'd)

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

xi) reviewed the 2017 Annual Report of the Company, including the Committee's Report, Sustainability Report and Statement of Risk Management and Internal Control.

HOW THE COMMITTEE DISCHARGED AND MET ITS RESPONSIBILITIES DURING THE FINANCIAL YEAR 2018

1. Financial Reporting

The 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 particularly 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 and financial performance of the Group and of the Company and are in compliance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia as well as the Listing Requirements of Bursa Malaysia Securities Berhad. New financial reporting standards and amendments that are effective for the current financial year were discussed. Other than the impact arising from the adoption of MFRS framework, MFRS 9 "Financial Instruments", MFRS 15 "Revenue from Contracts with Customers" and MFRS 141 "Agriculture" as disclosed in the quarterly consolidated financial statements, 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 Committee also reviewed and where applicable, commented on the representation letters issued 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.

Significant matters requiring follow-up were highlighted in the reports by the external auditors to the 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 Committee and highlighted and addressed by the external auditors in their audit report.

The 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 its subsidiaries were analysed and reviewed by the 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 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 Committee meetings were held on 22 February 2018 and 27 August 2018 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 Committee, and the 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 Group has an adequately resourced internal audit function to assist the Board in maintaining a sound system of internal control. The internal audit department of the Company reports to the 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 International Professional Practices Framework 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.

The Committee reviewed and approved the 2019 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 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 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 and its subsidiaries are involved in.

The 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 business 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 Committee that management has dealt with the weaknesses identified satisfactorily.

The total cost incurred for the internal audit function of the Group for the financial year ended 31 December 2018 amounted to RM3.94 million.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (cont'd)

4. Related Party Transactions

Related party transactions of the Company and its subsidiaries which exceeded pre-determined thresholds were reviewed by the 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 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 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 Committee also reviewed the adequacy and effectiveness of the internal control system to ensure compliance with internal controls and procedures set up within the Group.

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 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 Committee. In this regard, half-yearly risk management reports and the annual Statement on Risk Management and Internal Control are reviewed and deliberated by the 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 73 to 76 of the Annual Report.

This Audit and Risk Management Committee Report is made in accordance with a resolution of the Board of Directors dated 26 February 2019.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

BOARD RESPONSIBILITY

The Board of Directors ("the Board") affirms its overall responsibility for establishing an effective risk management and internal control framework for Genting Plantations Berhad ("the Company") and for reviewing its adequacy and effectiveness. The Board recognises that business decisions involve the taking of appropriate risks and hence, necessary actions need to be taken to understand the principal risks and monitor that risks are being managed within the risk appetite.

Through the years, the risk management framework has been enhanced to ensure that the ongoing risk management processes are able to identify, analyse, evaluate, and manage significant risks within the risk tolerance levels and risks that may impede the achievement of the business and corporate objectives of Genting Plantations Berhad Group of Companies' ("the Group"), are effectively mitigated. It should be noted that the internal control system is designed to manage rather than eliminate risks, and provides 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 and Risk Management Committee ("ARMC").

MANAGEMENT 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 Risk and Business Continuity Management Committee ("RBCMC") has been established to:

- Institutionalise the risk management practices in the respective business units.
- 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.
- Review significant changes in the risk profiles and emerging risks, taking into consideration the changing business and regulatory environment; ensuring that appropriate actions are taken; and communicating them to the ARMC and the Board.

The RBCMC comprises senior management of the Group and is chaired by the Chief Financial Officer. The RBCMC met on a quarterly basis in 2018 to ensure the continual effectiveness, adequacy and integrity of the risk management system and key matters were escalated to the ARMC and the Board for deliberation and approval.

KEY INTERNAL CONTROL PROCESSES

Key elements of the Group's internal control framework are as follows:

- The Board and the ARMC meet every quarter to discuss business and operational matters raised by 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 significant findings detected. Management takes appropriate action on these internal control recommendations.
- The Board has delegated the responsibilities to various committees established by the Board and Management of the Company 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 the Management and Executive Committee ("EXCO") to facilitate review and monitoring of financial performance and cash flow position.
- Business/ Operating Units present their annual budget, which includes financial and operating targets, capital expenditure proposals and performance indicators for approval by the EXCO.
- Quarterly results are compared with the budget to identify and where appropriate, to address significant variances from the budget.

- A whistleblower policy is in place and anyone who has a genuine concern on detrimental actions or improper conduct may raise it using the confidential channels laid out in the policy.

INTERNAL AUDIT FUNCTION

The Internal Audit Department ("Internal Audit") is responsible for undertaking regular and systematic reviews of the risk management and internal control processes to provide the ARMC and the Board with sufficient assurance that the systems of internal control is effective in addressing the risks identified.

Internal Audit functions independently of the operational activities it audits and carries out its duties according to the standards and best practices set out by professional bodies, primarily consistent with the International Professional Practices Framework 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 audit plan status for review and approval by the ARMC. Included in the reports are recommended corrective measures on risks 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 has either taken the necessary measures to address these weaknesses or is in the process of addressing them.

RISK MANAGEMENT FUNCTION

The Risk Management Department facilitates the implementation of the risk management framework and processes with the respective Business/ Operating Units and reviews that risks that may impede the achievement of objectives are adequately identified, evaluated, managed and controlled. Amongst others, the Risk Management Framework articulates the risk policy, risk tolerance levels, standardised classifications and categories of risks and the risk review process.

On a quarterly basis, the Risk Management Department 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 and EXCO.

During the year under review, the Risk Management Framework for the Group was reviewed and updated to align its practices with ISO31000:2018 Risk Management Guidelines. The updated Risk Management Framework was approved for application by the Board at its meeting on 28 August 2018 and has taken effect from 1 September 2018.

Additionally, the Business Continuity Management Framework, which is a core component of good corporate governance and an integral part of risk management, was revised during the year. The Business Continuity Management Framework, which provides business resilience in the face of crisis and ensures continuity of operations, is aligned with ISO22301:2012 Societal Security – Business Continuity Management Systems. This framework was approved by the Board at its meeting on 28 August 2018 and has taken effect from 1 September 2018.

Key aspects of the risk management process during the year under review were:

- Risks were identified by each key business function or activity along with assessments of the probability and impact of their occurrence. The level of residual risk was determined after identifying and evaluating the effectiveness of existing controls and mitigating measures.

- The risk profiles were re-examined on a six monthly basis and Business/ Operations Heads provided a confirmation that the review was carried out and that action plans were being monitored.

- The Risk Management Department facilitated 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, the RBCMC and EXCO met to review the status of risk reviews, the significant risks identified and the progress of implementation of action plans. Consequently, a risk management report summarising the significant risks and/or status of action plans of the respective Business/ Operating Units was presented to the ARMC for review, deliberation and recommendation for endorsement by the Board.

KEY RISKS FOR 2018

a. Financial Risk
The Group is exposed to foreign currency exchange, interest rate, credit, price and liquidity risks. With the objective of optimising the value creation for shareholders, the strategies adopted to manage these risks were mostly to minimise potential adverse impacts to the financial performance of the Group. These include entering into forward foreign currency exchange contracts, entering into floating-to-fixed interest rate swaps, a comprehensive insurance program and adherence to financial risk management policies.

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

c. Business Continuity Risk
The daily business activities of the Group may be disrupted by failure of IT systems, cyber-attacks, a major health pandemic or even inaccessibility to the workplace. Appropriate systems with adequate capacity, security arrangements, facilities and resources to mitigate risks that may cause interruption to critical business functions have been put in place. Respective departments have established their Disaster Recovery and Business Continuity Management Plans. These plans were reviewed and updated and tests were also conducted, including on the core IT systems to ascertain the preparedness in response to prolonged business disruption situations. Findings and feedbacks were gathered post exercise and analysed for continual improvement.

d. Cybersecurity Risk
The Group is exposed to the risk of malware, ransomware, unauthorised access, corruption and/or loss of its information assets. To manage these risks, processes are in place to manage and protect the confidentiality, integrity, and availability of data and critical infrastructure. Amongst others, network gateway protection systems limit, manage and monitor network traffic and accessibility to the Group's systems; anti-malware software installed in major systems and endpoints; and encryption used to protect critical and confidential data. Any notifications and alerts received for suspicious network traffic were investigated. Regular maintenance of the Group's systems were carried out and action taken to close any identified gaps.

e. Commodity risk
As globally traded commodities, palm products are subject to fluctuations in selling prices stemming from the volatility and cyclicality of world markets. Aside from the global demand and supply dynamics of palm oil and other substitute oils and fats, a number of other factors may also affect the movement and direction of domestic and international palm product prices. These factors, some of which are interrelated and unforeseeable, include, but are not limited to, (i) import and export tariff barriers; (ii) agricultural policies and regulations imposed by importing and exporting countries; (iii) renewable fuel policies and regulations; (iv) food safety and quality standards; and (v) weather and other agricultural influences.

As GENP's profitability is linked to the selling prices of palm products achieved, there is no assurance that adverse movements in the prices of CPO, PK and FFB will not have an adverse effect on the performance of GENP Group.

Some of the avenues available for industry participants to hedge against fluctuations in prices of palm products include commodity sales contracts and derivative instruments, including physical forwards, non-deliverable forwards, futures and options. However, there is no assurance that in the event of GENP Group chooses to enter such contracts or trade in such instrument, its financial results would not be adversely affected by fluctuations in the prices of the underlying commodity products.

CONCLUSION

The process as outlined in this statement for identifying, evaluating and managing risks has been in place for the year under review and up to date of approval of this statement. The risk management process and internal control system of the 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 executives officers including the Chief Executive, President & Chief Operating Officer and Chief Financial Officer of the Company.

The representations made by the Business/ Operations Heads of the Group in respect of their risk management and internal control systems have been taken into consideration by the Board in issuing this statement.

The disclosures in this statement do not include the risk management and internal control practices of the Company's associated companies. The Company's interests in these entities are safeguarded through the appointment of members of the Company's senior management to the boards of directors of the investee companies. Additionally, where necessary, key financial and other appropriate information on the performance of these entities are obtained and reviewed periodically.

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 Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants.

AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

This Statement on Risk Management and Internal Control is made in accordance with a resolution of the Board dated 26 February 2019.

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

The Directors of **GENTING PLANTATIONS 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 2018.

PRINCIPAL ACTIVITIES

The principal activities of the Company are plantation and provision of management services to its subsidiaries.

The principal activities of the subsidiaries include plantation, property development, property investment, genomics research and development and downstream manufacturing activities.

Details of the principal activities of the subsidiaries, joint ventures and associates are set out in Note 45 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'000	Company RM'000
Profit before taxation	207,736	66,113
Taxation	(60,783)	(3,621)
Profit for the financial year	146,953	62,492

TREASURY SHARES

The shareholders of the Company had granted a mandate to the Company to purchase its own shares at the Annual General Meeting of the Company held on 4 June 2018.

As at 31 December 2018, the total number of shares purchased was 160,000 and held as treasury shares in accordance with the provision of Section 127(4) of the Companies Act 2016.

DIVIDENDS

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

(i) a special single-tier dividend of 11 sen per ordinary share amounting to RM88,366,670 in respect of the financial year ended 31 December 2017 which was paid on 29 March 2018;

(ii) a final single-tier dividend of 9.5 sen per ordinary share amounting to RM76,459,482 in respect of the financial year ended 31 December 2017 which was paid on 26 June 2018; and

(iii) an interim single-tier dividend of 4.75 sen per ordinary share amounting to RM38,231,674 in respect of the financial year ended 31 December 2018 which was paid on 8 October 2018.

The Directors recommend payment of a final single-tier dividend of 8.25 sen per ordinary share in respect of the financial year ended 31 December 2018 to be paid to shareholders registered in the Register of Members on a date to be determined by the Directors. Based on the total number of issued ordinary shares (excluding treasury shares) of the Company as at 31 December 2018, the final dividend would amount to RM66,459,783.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in Note 36 to the financial statements.

ISSUE OF SHARES AND DEBENTURES

During the financial year, 2,334,060 new ordinary shares were issued by virtue of the exercise of 2,334,060 warrants to subscribe for 2,334,060 ordinary shares in the capital of the Company at an exercise price of RM7.75 per ordinary share pursuant to the non-renounceable restricted issue of 139,199,464 new warrants in the Company ("Warrants 2013/2019").

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

There were no issue of debentures during the financial year.

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

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 the unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

WARRANTS 2013/2019

The Warrants 2013/2019 are constituted by a Deed Poll dated 8 November 2013. The Warrants 2013/2019 are listed on the Main Market of Bursa Malaysia Securities Berhad with effect from 20 December 2013.

Each Warrant carries the right to subscribe for 1 new ordinary share in the Company at any time from 20 December 2013 up to the expiry date on 17 June 2019, at an exercise price of RM7.75 for each new share. Any Warrant not exercised by the expiry of the exercise period will lapse and cease to be valid for all purposes.

The ordinary shares issued from the exercise of Warrants 2013/2019 shall rank pari passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new shares arising from the exercise of Warrants 2013/2019.

At the end of the financial year, there were 92,313,340 outstanding Warrants in 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 this report are:

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)
Tan Sri Lim Kok Thay
Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)
Mr Quah Chek Tin
Mr Ching Yew Chye
Mr Lim Keong Hui
Mr Yong Chee Kong
Tan Sri Dato' Sri Zaleha Binti Zahari
Mr Tan Kong Han (Appointed on 1 January 2019)

According to the Register of Directors' Shareholdings, the following persons who were Directors of the Company at the end of the financial year have interests in shares and/or warrants and/or performance shares of the Company; Genting Berhad, a company which owns 51.41% equity interest in the Company as at 31 December 2018; Genting Malaysia Berhad, a company which is 49.45% owned by Genting Berhad and Genting Singapore Limited, a subsidiary of Genting Berhad, as set out below:

Interest in the Company	**1.1.2018**	**Acquired**	**Disposed**	**31.12.2018**
	(Number of ordinary shares)			
Shareholdings in which the Directors have direct interests				
Tan Sri Lim Kok Thay	369,000	-	-	369,000
Mr Yong Chee Kong	1,000	-	-	1,000

Interest in the Company (cont'd)	1.1.2018	Acquired	Disposed	31.12.2018
		(Number of ordinary shares)		
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	407,005,000[(1)]	-	-	407,005,000[(1)]
Mr Lim Keong Hui	407,005,000[(1)]	-	-	407,005,000[(1)]
Interest of Spouse/Child of a Director				
Mr Yong Chee Kong	40,000	-	-	40,000

	1.1.2018	Acquired	Exercised/ Disposed	31.12.2018
		(Number of warrants 2013/2019)		
Warrantholdings in which the Directors have direct interests				
Tan Sri Lim Kok Thay	73,800	-	-	73,800
Mr Yong Chee Kong	200	-	-	200

	1.1.2018	Acquired	Exercised/ Disposed	31.12.2018
		(Number of warrants 2013/2019)		
Warrantholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	81,401,000[(1)]	-	-	81,401,000[(1)]
Mr Lim Keong Hui	81,401,000[(1)]	-	-	81,401,000[(1)]
Interest of Spouse/Child of a Director				
Mr Yong Chee Kong	70,000	-	-	70,000

Interest in Genting Berhad	1.1.2018	Acquired	Disposed	31.12.2018
		(Number of ordinary shares)		
Shareholdings in which the Directors have direct interests				
Tan Sri Lim Kok Thay	68,119,980	-	-	68,119,980
Mr Quah Chek Tin	5,000	1,250	-	6,250
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	1,630,411,110[(2)]	300,000[(2)]	-	1,630,711,110[(2)]
Mr Lim Keong Hui	1,630,411,110[(2)]	300,000[(2)]	-	1,630,711,110[(2)]
Interest of Spouse/Child of the Directors				
Mr Quah Chek Tin	1,000,000	250,000	-	1,250,000
Mr Yong Chee Kong	1,000	-	-	1,000

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

Interest in Genting Berhad (cont'd)	1.1.2018	Acquired	Exercised#/ Expired*	31.12.2018
	(Number of warrants 2013/2018)			
Warrantholdings in which the Directors have direct interests				
Tan Sri Lim Kok Thay	17,029,995	-	17,029,995*	-
Mr Quah Chek Tin	1,250	-	1,250#	-
Warrantholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	407,602,777(2)	-	407,602,777*	-
Mr Lim Keong Hui	407,602,777(2)	-	407,602,777*	-
Interest of Spouse/Child of the Directors				
Mr Quah Chek Tin	250,000	-	250,000#	-
Mr Yong Chee Kong	250	-	250*	-

Interest in Genting Malaysia Berhad	1.1.2018	Acquired	Disposed	31.12.2018
	(Number of ordinary shares)			
Shareholdings in which the Directors have direct interests				
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	10,000	-	-	10,000
Tan Sri Lim Kok Thay	8,127,900	6,012,200	-	14,140,100
Mr Lim Keong Hui	186,800	235,500	-	422,300
Mr Quah Chek Tin	5,000	-	-	5,000

	1.1.2018	Acquired	Disposed	31.12.2018
	(Number of ordinary shares)			
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	2,796,992,189(3)	-	-	2,796,992,189(3)
Mr Lim Keong Hui	2,796,992,189(3)	-	-	2,796,992,189(3)
Interest of Spouse/Children of the Directors				
Mr Yong Chee Kong	9,000	-	-	9,000
Mr Ching Yew Chye	-	100,000	-	100,000

	1.1.2018	Granted	Vested	Lapsed	31.12.2018
	(Number of ordinary shares)				
Long Term Incentive Plan shares in the names of Directors					
Restricted Share Plan					
Tan Sri Lim Kok Thay	4,203,425(4)	1,561,000(4)	1,842,700	-	3,921,725(4)
Mr Lim Keong Hui	183,400(4)	51,100(4)	62,300	-	172,200(4)
Performance Share Plan					
Tan Sri Lim Kok Thay	7,213,987(4)	5,748,875(4)	4,169,500	293,468	8,499,894(4)
Mr Lim Keong Hui	378,924(4)	188,125(4)	173,200	46,306	347,543(4)

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

Interest in Genting Singapore Limited	1.1.2018	Acquired	Disposed	31.12.2018
		(Number of ordinary shares)		
Shareholdings in which the Directors have direct interests				
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	988,292	-	-	988,292
Tan Sri Lim Kok Thay	13,445,063	-	-	13,445,063
Mr Quah Chek Tin	1,190,438	-	-	1,190,438
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	6,353,828,069(5)	-	-	6,353,828,069(5)
Mr Lim Keong Hui	6,353,828,069(5)	-	-	6,353,828,069(5)

	1.1.2018	Awarded	Vested	Lapsed	31.12.2018
		(Number of performance shares)			
Performance Shares in the name of a Director					
Tan Sri Lim Kok Thay	-	750,000(6)	-	-	750,000(6)

Legend:

(1) *Deemed interests by virtue of Tan Sri Lim Kok Thay ("TSLKT") and Mr Lim Keong Hui ("LKH") being beneficiaries of a discretionary trust of which Parkview Management Sdn Bhd ("PMSB") is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of Kien Huat International Limited ("KHI") which in turn owns 100% of the voting shares in Kien Huat Realty Sdn Berhad ("KHR"). KHR owns more than 20% of the voting shares of Genting Berhad ("GENT") which owns these Genting Plantations Berhad ("GENP") ordinary shares and warrants. As such, PMSB as trustee of the discretionary trust is deemed interested in the GENP ordinary shares and warrants 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.*

(2) *Deemed interests by virtue of TSLKT and LKH 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 in KHR. As such, PMSB as trustee of the discretionary trust is deemed interested in the GENT ordinary shares and warrants held by KHR and Inverway Sdn Bhd ("Inverway"), a wholly-owned subsidiary of KHR, by virtue of its controlling interest in KHR and Inverway; and*

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

Arising from the above, TSLKT and LKH have deemed interests in the shares of certain subsidiaries of GENT.

(3) *Deemed interests by virtue of TSLKT and LKH 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 in KHR. KHR owns more than 20% of the voting shares of GENT which owns these Genting Malaysia Berhad ("GENM") shares. 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 FNTC is the trustee. GHL acts as trustee of the GHUT, a private unit trust whose voting units are ultimately owned by FNTC as trustee of the discretionary trust. GHL as trustee of the GHUT owns ordinary shares in GENM.*

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

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

(5) Deemed interests by virtue of TSLKT and LKH being beneficiaries of a discretionary trust of which PMSB is the trustee.

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

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

** The 2013/2018 warrants of Genting Berhad expired on 18 December 2018.*

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 benefits included in the aggregate amount of remunerations received or due and receivable by the Directors and the provision for Directors' retirement gratuities or the fixed salary of a full-time employee of the Company and/or its related corporations as shown in the respective financial statements of the Company and/or its related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he/she is a member or with a company in which he/she has a substantial financial interest except for any benefit which may be deemed to have arisen by virtue of the following transactions:

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

(a) leased an office premise on the 10th Floor, Genting Centre, Singapore from Resorts World Properties Pte. Ltd., a wholly owned subsidiary of Genting Singapore Limited ("GENS") which in turn is an indirect 52.73% owned subsidiary of Genting Berhad ("GENT");

(b) been appointed by Genting Malaysia Berhad ("GENM"), a company which is 49.45% owned by GENT as the consultant for theme park and resort development and operations of the Resorts World Genting at Genting Highlands;

(c) 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; and

(d) 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.

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi Bin Hj Zainuddin (R), Tan Sri Lim Kok Thay and Mr Ching Yew Chye 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.

Mr Tan Kong Han is due to retire at the forthcoming AGM in accordance with Paragraph 104 of the Company's Constitution and he, being eligible, has offered himself for re-election.

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

DIRECTORS' REMUNERATION

Details of the remuneration of the Directors of the Company are set out in Note 11 to the financial statements.

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

Mr Tan Kong Han
Mr Tan Wee Kok
Mr Lee Ser Wor
Mr Tan Cheng Huat
Mr Choo Huan Boon
Datuk Abidin bin Madingkir
Dato' Justin Leong Ming Loong
Mr Narayanan Ramanathan
Datuk Chin Chee Kee
Datuk Mohd Hasnol bin Datuk Ayub
Datuk Haji Light Haji Nanis# (alternate director to Datuk Mohd Hasnol bin Datuk Ayub)
Datuk Yap Yiw Sin (alternate director to Datuk Chin Chee Kee)
Mr John Lim Yeu Siang
Mr Robin Joseph Weitkamp
Mr Charles Gary Hepburn*
Mr Christopher James Tushingham* (alternate director to Mr Charles Gary Hepburn)
Mr John Craig Brown
Mr Christopher James Tushingham (alternate director to Mr John Craig Brown)
Mr Chong Ming Kong*

*#Demised/*Resigned during the financial year*

Total remuneration paid by these subsidiaries during the financial year was RM0.79 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 amounted to RM0.1 million.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, 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 values of current assets as shown in the accounting records of the Group and of the Company, were written down to an amount which they might be expected so to realise.

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

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

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

(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; or

(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.

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

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; 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 subsidiaries of the Company are set out in Note 45 to the financial statements.

ULTIMATE HOLDING COMPANY

The Company's immediate and ultimate holding company is Genting Berhad, a company incorporated in Malaysia.

AUDITORS

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

Details of auditors' remuneration are set out in Note 9 to the financial statements.

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

We, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R) and Lt. Gen. Dato' Abdul Ghani bin Abdullah (R), being two of the Directors of Genting Plantations Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 86 to 178, are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2018 and financial performance of the Group and of the Company for the financial year ended 31 December 2018 in accordance with 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 26 February 2019.

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

LT. GEN. DATO' ABDUL GHANI BIN ABDULLAH (R)
Director

Kuala Lumpur
26 February 2019

FINANCIAL STATEMENTS

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2018	2017	**2018**	2017
Revenue	5 & 6	**1,902,899**	1,808,774	**344,235**	746,646
Cost of sales	7	**(1,494,608)**	(1,186,350)	**(92,243)**	(65,206)
Gross profit		**408,291**	622,424	**251,992**	681,440
Other income		**75,634**	75,993	**68,462**	77,688
Selling and distribution costs		**(55,923)**	(46,448)	**(7,128)**	(6,910)
Administration expenses		**(119,255)**	(128,752)	**(66,974)**	(75,715)
Other expenses		**(30,333)**	(29,380)	**(139,584)**	(5,608)
Other (losses)/gains	8	**(4,137)**	3,340	**12,089**	4,791
Operating profit		**274,277**	497,177	**118,857**	675,686
Finance cost		**(109,568)**	(74,579)	**(52,744)**	(48,701)
Share of results in joint ventures		**40,713**	30,202	**-**	-
Share of results in associates		**2,314**	4,493	**-**	-
Profit before taxation	5 & 9	**207,736**	457,293	**66,113**	626,985
Taxation	12	**(60,783)**	(115,406)	**(3,621)**	(4,734)
Profit for the financial year		**146,953**	341,887	**62,492**	622,251
Attributable to:					
- Equity holders of the Company		**164,898**	335,089	**62,492**	622,251
- Non-controlling interests		**(17,945)**	6,798	**-**	-
		146,953	341,887	**62,492**	622,251
Earnings per share for profit attributable to the equity holders of the Company:					
- basic (sen)	13	**20.50**	41.80		
- diluted (sen)	13	**20.03**	40.41		

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Amounts in RM'000 unless otherwise stated

	Group		Company	
	2018	2017	**2018**	2017
Profit for the financial year	**146,953**	341,887	**62,492**	622,251
Other comprehensive income/(loss), net of tax				
Items that will not be reclassified subsequently to profit or loss:				
Fair value loss on financial assets at fair value through other comprehensive income	**(94,159)**	-	**-**	-
Actuarial gain on retirement benefit liability	**2,224**	867	**-**	-
	(91,935)	867	**-**	-
Items that will be reclassified subsequently to profit or loss:				
Fair value loss on available-for-sale financial assets	**-**	(31,106)	**-**	-
Cash flow hedge	**(4,693)**	5,528	**-**	26
Foreign currency translation differences	**(123,986)**	(148,565)	**-**	-
	(128,679)	(174,143)	**-**	26
Other comprehensive (loss)/income for the financial year, net of tax	**(220,614)**	(173,276)	**-**	26
Total comprehensive (loss)/income for the financial year	**(73,661)**	168,611	**62,492**	622,277
Total comprehensive (loss)/ income attributable to:				
Equity holders of the Company	**(36,136)**	174,340		
Non-controlling interests	**(37,525)**	(5,729)		
	(73,661)	168,611		

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

Amounts in RM'000 unless otherwise stated

	Note	Group		
		31.12.2018	31.12.2017	1.1.2017
ASSETS				
Non-current assets				
Property, plant and equipment	15	**4,419,409**	4,425,151	3,811,281
Land held for property development	16	**246,594**	254,655	250,112
Investment properties	17	**24,484**	25,115	25,517
Leasehold land use rights	18	**664,644**	641,053	495,758
Intangible assets	19	**32,832**	32,189	34,628
Joint ventures	21	**148,809**	108,096	77,894
Associates	22	**9,644**	12,871	12,501
Financial assets at fair value through profit or loss	23	**3,073**	-	-
Financial assets at fair value through other comprehensive income	24	**-**	-	-
Available-for-sale financial assets	25	**-**	94,548	143,170
Other non-current assets	26	**38,000**	12,897	14,361
Deferred tax assets	27	**110,850**	105,743	91,533
		5,698,339	5,712,318	4,956,755
Current assets				
Property development costs	16	**44,833**	31,218	50,006
Inventories	29	**291,026**	232,270	174,278
Produce growing on bearer plants	30	**3,828**	6,095	9,122
Tax recoverable		**14,876**	6,965	13,112
Trade and other receivables	31	**473,882**	397,474	504,758
Amounts due from joint ventures	21	**3,193**	4,213	3,759
Amounts due from associates	22	**2,223**	356	380
Derivative financial assets	39	**2,217**	3,441	424
Financial assets at fair value through profit or loss	23	**350,016**	-	-
Available-for-sale financial assets	25	**-**	500,001	500,006
Restricted cash	33	**-**	357,300	-
Cash and cash equivalents	33	**949,885**	1,221,674	1,260,266
		2,135,979	2,761,007	2,516,111
Assets classified as held for sale	28	**-**	-	6,034
		2,135,979	2,761,007	2,522,145
Total assets		**7,834,318**	8,473,325	7,478,900

Amounts in RM'000 unless otherwise stated

	Note	Group		
		31.12.2018	31.12.2017	1.1.2017
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital	34	**863,267**	841,340	397,019
Reserves	35 & 36	**3,257,303**	3,500,335	3,894,006
		4,120,570	4,341,675	4,291,025
Non-controlling interests		**191,873**	231,334	255,983
Total equity		**4,312,443**	4,573,009	4,547,008
Non-current liabilities				
Borrowings	40	**2,279,367**	2,559,068	2,315,708
Provisions	38	**24,230**	24,079	17,085
Derivative financial liabilities	39	**3,605**	128	2,073
Deferred tax liabilities	27	**317,704**	318,163	145,014
Deferred income	41	**13,642**	8,493	8,493
		2,638,548	2,909,931	2,488,373
Current liabilities				
Trade and other payables	37	**370,402**	333,775	387,791
Amount due to ultimate holding company	32	**627**	1,118	960
Amounts due to other related companies	32	**435**	1,142	1,112
Borrowings	40	**507,011**	639,939	40,066
Derivative financial liabilities	39	**-**	9	574
Taxation		**4,852**	14,402	13,016
		883,327	990,385	443,519
Total liabilities		**3,521,875**	3,900,316	2,931,892
Total equity and liabilities		**7,834,318**	8,473,325	7,478,900

Amounts in RM'000 unless otherwise stated

	Note	Company		
		31.12.2018	31.12.2017	1.1.2017
ASSETS				
Non-current assets				
Property, plant and equipment	15	**305,428**	312,653	328,349
Subsidiaries	20	**4,019,800**	3,378,726	3,095,284
Associates	22	**1,872**	2,123	2,123
Other non-current assets	26	**676,954**	8,000	8,000
		5,004,054	3,701,502	3,433,756
Current assets				
Inventories	29	**3,560**	1,839	1,598
Produce growing on bearer plants	30	**382**	743	960
Tax recoverable		**3,279**	3,785	7,613
Trade and other receivables	31	**5,636**	5,789	38,053
Amounts due from subsidiaries	20	**145,125**	1,397,785	783,375
Amounts due from other related companies	32	**946**	1,858	1,200
Amounts due from associates	22	**2,223**	356	380
Financial assets at fair value through profit or loss	23	**350,016**	-	-
Available-for-sale financial assets	25	**-**	500,001	500,006
Restricted cash	33	**-**	357,300	-
Cash and cash equivalents	33	**553,365**	790,793	827,754
		1,064,532	3,060,249	2,160,939
Total assets		**6,068,586**	6,761,751	5,594,695

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

Amounts in RM'000 unless otherwise stated

	Note	Company		
		31.12.2018	31.12.2017	1.1.2017
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital	34	**863,267**	841,340	397,019
Reserves	35 & 36	**3,976,746**	4,121,150	4,066,884
Total equity		**4,840,013**	4,962,490	4,463,903
Non-current liabilities				
Borrowings	40	**-**	236,640	-
Amount due to a subsidiary	20	**1,000,000**	1,000,000	1,000,000
Provisions	38	**12,112**	12,511	10,872
Deferred tax liabilities	27	**26,535**	28,423	31,476
		1,038,647	1,277,574	1,042,348
Current liabilities				
Trade and other payables	37	**22,688**	20,090	19,770
Amount due to ultimate holding company	32	**627**	1,118	960
Amounts due to subsidiaries	20	**166,338**	177,120	66,682
Amounts due to other related companies	32	**273**	1,141	1,006
Borrowings	40	**-**	322,218	-
Derivative financial liabilities	39	**-**	-	26
		189,926	521,687	88,444
Total liabilities		**1,228,573**	1,799,261	1,130,792
Total equity and liabilities		**6,068,586**	6,761,751	5,594,695

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Amounts in RM'000 unless otherwise stated

	Attributable to equity holders of the Company										
Group	**Share Capital**	**Warrants Reserve**	**Re-valuation Reserve**	**Fair Value Reserve**	**Reserve on Exchange Differences**	**Cash Flow Hedge Reserve**	**Treasury Shares**	**Retained Earnings**	**Total**	**Non-controlling Interests**	**Total Equity**
At 1 January 2018, as previously reported	841,340	155,624	18,063	9,573	(132,411)	3,733	(1,372)	3,439,606	4,334,156	235,315	4,569,471
Effects of transition from FRSs to MFRSs and reclassifications *(see Note 43)*	-	-	(18,063)	-	23	-	-	25,559	7,519	(3,981)	3,538
At 1 January 2018, as restated	841,340	155,624	-	9,573	(132,388)	3,733	(1,372)	3,465,165	4,341,675	231,334	4,573,009
Profit for the financial year	-	-	-	-	-	-	-	164,898	164,898	(17,945)	146,953
Other comprehensive income/(loss)	-	-	-	(94,159)	(104,567)	(4,175)	-	1,867	(201,034)	(19,580)	(220,614)
Total comprehensive income/(loss) for the financial year	-	-	-	(94,159)	(104,567)	(4,175)	-	166,765	(36,136)	(37,525)	(73,661)
Transactions with owners:											
Issue of shares upon exercise of warrants *(see Note 36)*	21,927	(3,839)	-	-	-	-	-	-	18,088	-	18,088
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(1,936)	(1,936)
Appropriation:											
- Special single-tier dividend paid for the financial year ended 31 December 2017 *(11 sen)* *(see Note 14)*	-	-	-	-	-	-	-	(88,367)	(88,367)	-	(88,367)
- Final single-tier dividend paid for the financial year ended 31 December 2017 *(9.5 sen)* *(see Note 14)*	-	-	-	-	-	-	-	(76,459)	(76,459)	-	(76,459)
- Interim single-tier dividend paid for the financial year ended 31 December 2018 *(4.75 sen)* *(see Note 14)*	-	-	-	-	-	-	-	(38,231)	(38,231)	-	(38,231)
Total transactions with owners	21,927	(3,839)	-	-	-	-	-	(203,057)	(184,969)	(1,936)	(186,905)
At 31 December 2018	863,267	151,785	-	(84,586)	(236,955)	(442)	(1,372)	3,428,873	4,120,570	191,873	4,312,443

Amounts in RM'000 unless otherwise stated

Group	Share Capital	Share Premium	Warrants Reserve	Re-valuation Reserve	Fair Value Reserve	Reserve on Exchange Differences	Cash Flow Hedge Reserve	Treasury Shares	Retained Earnings	Total	Non-controlling Interests	Total Equity
	Attributable to equity holders of the Company											
At 1 January 2017, as previously reported	397,019	356,384	171,015	18,063	40,679	2,944	(1,279)	(1,372)	3,297,472	4,280,925	255,380	4,536,305
Effects of transition from FRSs to MFRSs and reclassifications *(see Note 43)*	-	-	-	(18,063)	-	(16)	-	-	28,179	10,100	603	10,703
At 1 January 2017, as restated	397,019	356,384	171,015	-	40,679	2,928	(1,279)	(1,372)	3,325,651	4,291,025	255,983	4,547,008
Profit for the financial year	-	-	-	-	-	-	-	-	335,089	335,089	6,798	341,887
Other comprehensive income/(loss)	-	-	-	-	(31,106)	(135,316)	5,012	-	661	(160,749)	(12,527)	(173,276)
Total comprehensive income/(loss) for the financial year	-	-	-	-	(31,106)	(135,316)	5,012	-	335,750	174,340	(5,729)	168,611
Transactions with owners:												
Effects arising from changes in composition of the Group	-	-	-	-	-	-	-	-	-	-	(16,161)	(16,161)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(16,161)	(16,161)
Issue of shares upon exercise of warrants *(see Note 36)*	73,929	14,008	(15,391)	-	-	-	-	-	-	72,546	-	72,546
Transfer from share premium	370,392	(370,392)	-	-	-	-	-	-	-	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(2,759)	(2,759)
Appropriation:												
- Special single-tier dividend paid for the financial year ended 31 December 2016 *(11 sen) (see Note 14)*	-	-	-	-	-	-	-	-	(87,805)	(87,805)	-	(87,805)
- Final single-tier dividend paid for the financial year ended 31 December 2016 *(8 sen) (see Note 14)*	-	-	-	-	-	-	-	-	(64,254)	(64,254)	-	(64,254)
- Interim single-tier dividend paid for the financial year ended 31 December 2017 *(5.5 sen) (see Note 14)*	-	-	-	-	-	-	-	-	(44,177)	(44,177)	-	(44,177)
Total contributions by and distribution to owners	444,321	(356,384)	(15,391)	-	-	-	-	-	(196,236)	(123,690)	(2,759)	(126,449)
Total transactions with owners	444,321	(356,384)	(15,391)	-	-	-	-	-	(196,236)	(123,690)	(18,920)	(142,610)
At 31 December 2017	841,340	-	155,624	-	9,573	(132,388)	3,733	(1,372)	3,465,165	4,341,675	231,334	4,573,009

Amounts in RM'000 unless otherwise stated

Company	Non-Distributable Share Capital	Warrants Reserve	Re-valuation Reserve	Fair Value Reserve	Distributable Retained Earnings	Treasury Shares	Total
At 1 January 2018, as previously reported	841,340	155,624	104	5	3,966,224	(1,372)	4,961,925
Effects of transition from FRSs to MFRSs and reclassifications *(see Note 43)*	-	-	(104)	-	669	-	565
At 1 January 2018, as restated	841,340	155,624	-	5	3,966,893	(1,372)	4,962,490
Profit/Total comprehensive income for the financial year	-	-	-	-	62,492	-	62,492
Transactions with owners:							
Issue of shares upon exercise of warrants *(see Note 36)*	21,927	(3,839)	-	-	-	-	18,088
Appropriation:							
- Special single-tier dividend paid for the financial year ended 31 December 2017 *(11 sen) (see Note 14)*	-	-	-	-	(88,367)	-	(88,367)
- Final single-tier dividend paid for the financial year ended 31 December 2017 *(9.5 sen) (see Note 14)*	-	-	-	-	(76,459)	-	(76,459)
- Interim single-tier dividend paid for the financial year ended 31 December 2018 *(4.75 sen) (see Note 14)*	-	-	-	-	(38,231)	-	(38,231)
Total transactions with owners	21,927	(3,839)	-	-	(203,057)	-	(184,969)
At 31 December 2018	863,267	151,785	-	5	3,826,328	(1,372)	4,840,013

Amounts in RM'000 unless otherwise stated

Company	Share Capital	Share Premium	Warrants Reserve	Re-valuation Reserve	Fair Value Reserve	Cash Flow Hedge Reserve	Retained Earnings	Treasury Shares	Total
	Non-Distributable						Distributable		
At 1 January 2017, as previously reported	397,019	356,384	171,015	104	5	(26)	3,540,044	(1,372)	4,463,173
Effects of transition from FRSs to MFRSs and reclassifications *(see Note 43)*	-	-	-	(104)	-	-	834	-	730
At 1 January 2017, as restated	397,019	356,384	171,015	-	5	(26)	3,540,878	(1,372)	4,463,903
Profit/Total comprehensive income for the financial year	-	-	-	-	-	26	622,251	-	622,277
Transactions with owners:									
Issue of shares upon exercise of warrants *(see Note 36)*	73,929	14,008	(15,391)	-	-	-	-	-	72,546
Transfer from share premium	370,392	(370,392)	-	-	-	-	-	-	-
Appropriation:									
- Special single-tier dividend paid for the financial year ended 31 December 2016 *(11 sen) (see Note 14)*	-	-	-	-	-	-	(87,805)	-	(87,805)
- Final single-tier dividend paid for the financial year ended 31 December 2016 *(8 sen) (see Note 14)*	-	-	-	-	-	-	(64,254)	-	(64,254)
- Interim single-tier dividend paid for the financial year ended 31 December 2017 *(5.5 sen) (see Note 14)*	-	-	-	-	-	-	(44,177)	-	(44,177)
Total transactions with owners	444,321	(356,384)	(15,391)	-	-	-	(196,236)	-	(123,690)
At 31 December 2017	841,340	-	155,624	-	5	-	3,966,893	(1,372)	4,962,490

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Amounts in RM'000 unless otherwise stated

	Group		Company	
	2018	2017	**2018**	2017
Cash flows from operating activities				
Profit before taxation	**207,736**	457,293	**66,113**	626,985
Adjustments for:				
Depreciation of property, plant and equipment	**205,517**	175,138	**26,378**	32,013
Depreciation of investment properties	**631**	599	**-**	-
Amortisation of leasehold land use rights	**4,291**	1,733	**-**	-
Property, plant and equipment written off	**1,253**	2,053	**80**	391
Impairment loss on investment in subsidiaries	**-**	-	**133,426**	-
Impairment loss on amounts due from subsidiaries	**-**	-	**816**	-
Write down of inventories	**1,283**	-	**28**	-
Write off of receivables	**70**	2,354	**19**	33
Write down of land held for property development	**-**	858	**-**	-
Provision for retirement gratuities/benefits	**1,503**	10,228	**(399)**	5,859
Impairment loss on/(write back of) receivables	**296**	(323)	**-**	-
(Gain)/Loss on disposal of property, plant and equipment	**(19)**	90	**31**	188
Gain on disposal of subsidiaries	**-**	(640)	**-**	-
Loss/(Gain) on disposal of investment in an associate	**377**	-	**(1,000)**	-
Fair value changes arising from produce growing on bearer plants	**2,248**	3,090	**361**	217
Share of results in joint ventures	**(40,713)**	(30,202)	**-**	-
Share of results in associates	**(2,314)**	(4,493)	**-**	-
Investment income	**(16,305)**	(17,826)	**(16,305)**	(17,826)
Interest income	**(33,646)**	(40,755)	**(50,402)**	(58,616)
Finance cost	**109,568**	74,579	**52,744**	48,701
Net unrealised exchange gains	**(5,015)**	(3,912)	**(2,684)**	(5,031)
Net surplus arising from compensation in respect of land acquired by the Government	**(17,500)**	(10,595)	**-**	-
Dividend income	**-**	-	**(185,054)**	(582,463)
Other non-cash items	**(938)**	1,953	**-**	-
	210,587	163,929	**(41,961)**	(576,534)
Operating profit before changes in working capital	**418,323**	621,222	**24,152**	50,451
Property development costs	**(30,216)**	11,953	**-**	-
Inventories	**(60,038)**	(49,415)	**(1,749)**	(242)
Receivables	**(104,209)**	156,491	**134**	32,232
Amounts due from joint ventures	**2,378**	1,010	**-**	-
Amounts due from associates	**47**	24	**(1,867)**	24
Assets classified as held for sale	**-**	6,034	**-**	-
Payables	**113,001**	(51,413)	**(6,817)**	2,421
Amount due to ultimate holding company	**(491)**	158	**(491)**	158
Amounts due from/to other related companies	**(707)**	30	**44**	(523)
Amounts due from/to subsidiaries	**-**	-	**(37,447)**	(35,979)
	(80,235)	74,872	**(48,193)**	(1,909)

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2018	2017	**2018**	2017
Cash generated from/(used in) operations		**338,088**	696,094	**(24,041)**	48,542
Tax paid (net of tax refund)		**(81,060)**	(95,272)	**(5,003)**	(3,959)
Retirement gratuities/benefits paid		**(1,070)**	(4,808)	**-**	(4,220)
Net cash flows generated from/(used in) operating activities		**255,958**	596,014	**(29,044)**	40,363
Cash flows from investing activities					
Proceeds received from Government in respect of acquisition of land		**17,960**	11,008	**-**	-
Interest received		**33,646**	40,755	**23,044**	31,257
Dividends received from associates		**3,914**	4,123	**3,914**	4,123
Investment income		**16,305**	17,826	**16,305**	17,826
Proceeds from disposal of property, plant and equipment		**135**	737	**117**	205
Land held for property development		**(5,699)**	(8,410)	**-**	-
Purchase of property, plant and equipment		**(296,838)**	(309,878)	**(19,380)**	(17,101)
Purchase of leasehold land use rights		**(37,515)**	(50,390)	**-**	-
Purchase of investment properties		**-**	(201)	**-**	-
Available-for-sale financial assets		**-**	(2,843)	**-**	5
Acquisition of subsidiaries		**-**	(531,090)	**-**	-
Proceeds received from disposal of investment in associate		**1,250**	-	**1,250**	-
Proceeds received from disposal of subsidiaries		**-**	14,507	**-**	-
Financial assets at FVTPL		**149,985**	-	**149,985**	-
Repayment of advances from/(Advances to) subsidiaries		**-**	-	**43,553**	(147,838)
Net cash flows (used in)/generated from investing activities		**(116,857)**	(813,856)	**218,788**	(111,523)
Cash flows from financing activities					
Proceeds from bank borrowings		**373,116**	836,052	**-**	575,994
Proceeds from issue of shares upon exercise of warrants		**18,088**	72,546	**18,088**	72,546
Repayment of bank borrowings and transaction costs		**(817,687)**	(43,047)	**(547,330)**	-
Finance cost paid		**(128,098)**	(101,748)	**(54,857)**	(46,600)
Dividends paid		**(203,057)**	(196,236)	**(203,057)**	(196,236)
Dividends paid to non-controlling interests		**(1,936)**	(2,759)	**-**	-
Movement in restricted cash		**357,300**	(357,300)	**357,300**	(357,300)
Net cash flows (used in)/generated from financing activities		**(402,274)**	207,508	**(429,856)**	48,404
Net decrease in cash and cash equivalents		**(263,173)**	(10,334)	**(240,112)**	(22,756)
Cash and cash equivalents at beginning of the financial year		**1,221,674**	1,260,266	**790,793**	827,754
Effects of currency translation		**(8,616)**	(28,258)	**2,684**	(14,205)
Cash and cash equivalents at end of the financial year	33	**949,885**	1,221,674	**553,365**	790,793

STATEMENTS OF CASH FLOWS (cont'd)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Amounts in RM'000 unless otherwise stated

Note:

The following principal non-cash transactions during the financial year have been set-off against amounts due from subsidiaries:

	Company	
	2018	2017
(i) Capitalisation of intercompany balances as redeemable convertible non-cumulative preference shares	**774,500**	265,942
(ii) Dividend income from subsidiaries	**181,140**	578,340

(a) Reconciliation of liabilities arising from financing activities

	Group	Company
2018		
Beginning of the financial year	**3,199,007**	**558,858**
Cash flows	**(572,669)**	**(602,187)**
Non-cash changes		
Finance cost charged to profit or loss	**109,568**	**52,744**
Finance cost capitalised	**26,703**	**-**
Foreign exchange differences	**23,769**	**(9,415)**
End of financial year	**2,786,378**	**-**
2017		
Beginning of the financial year	2,355,774	-
Cash flows	691,257	529,394
Borrowings of subsidiaries acquired during the financial year	188,764	-
Non-cash changes		
Finance cost charged to profit or loss	74,579	48,701
Finance cost capitalised	31,202	-
Foreign exchange differences	(142,569)	(19,237)
End of financial year	3,199,007	558,858

Amounts in RM'000 unless otherwise stated

1. CORPORATE INFORMATION

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

The principal activities of the Company are plantation and provision of management services to its subsidiaries.

The principal activities of the subsidiaries include plantation, property development, property investment, genomics research and development and downstream manufacturing activities.

Details of the principal activities of the subsidiaries, joint ventures and associates are set out in Note 45 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.

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 26 February 2019.

2. BASIS OF PREPARATION

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

The financial statements of the Group and of the Company for the financial year ended 31 December 2018 are the first set of financial statements prepared in accordance with the MFRS, including MFRS 1 "First-time Adoption of Malaysian Financial Reporting Standards". Subject to certain transition elections as disclosed in Note 43, the Group and the Company have consistently applied the same accounting policies in their opening MFRS statements of financial position as at 1 January 2017, being the transition date, and throughout all years presented, as if these policies had always been in effect. The impact of the transition to MFRS on the Group's and on the Company's reported financial position, financial performance and cash flows, are disclosed in Note 43.

The financial statements have been prepared on a historical cost convention, modified by the financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and produce growing on bearer plants which is measured at fair value less costs to sell as disclosed in the significant accounting policies below.

(a) Judgements and estimations

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

i) Income taxes

The Group is subject to income taxes in numerous jurisdictions in which the Group operates. Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. The Group also recognised certain tax recoverable for which the Group believes that there is reasonable basis for recognition. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions and tax recoverable balance in the financial year in which such determination is made.

ii) Deferred tax assets

Deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the particular entity in which the deferred tax asset has been recognised. *(see Note 27)*

2. BASIS OF PREPARATION (cont'd)

(a) Judgements and estimations (cont'd)

iii) Property development activities

The Group recognises property development revenue over time using the input method, which is based on the contract costs incurred to-date to the estimated total costs for the contract. Significant judgement is required in determining the extent of the costs incurred and the estimated total contract revenue and costs, as well as the recoverability of the contracts. In making the judgement, the Group relies on past experience and work of specialists. The carrying amount of the Group's property development activities is shown in Note 16 to the financial statements.

iv) Impairment and valuation of financial assets at fair value through profit or loss ("FVTPL") and financial assets at fair value through other comprehensive income ("FVOCI")

The Group measures its unquoted financial assets at FVTPL and FVOCI *(2017: Available-for-Sale ("AFS") financial assets)*. The fair values of certain unquoted equity investments are determined based on valuation techniques which involve the use of estimates as disclosed in Notes 24 and 25 respectively. In addition, the measurements of these financial assets within Level 3 of the fair value hierarchy are disclosed in Note 4(c) to the financial statements.

v) Produce growing on bearer plants

The produce growing on bearer plants of the Group comprises fresh fruit bunches ("FFB") prior to harvest.

Management has deliberated on the oil content of such unharvested FFB which is unripe and concluded that since the oil content of unharvested FFB accrues exponentially up to 15 days prior to harvest, such unharvested FFB more than 15 days are excluded from the valuation as their fair values are considered negligible. The fair value of unharvested FFB is computed based on market approach which takes into consideration the market prices of harvested FFB, adjusted to the estimated oil content of unharvested FFB, less harvesting, transport and other costs to sell.

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

A number of new standards and amendments to standards and interpretations are effective for financial year beginning on or after 1 January 2019. None of these is expected to have a significant effect on the Group and on the Company, except the following set out below:

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

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

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

  The right-of-use asset is depreciated in accordance with the principle in MFRS 116 "Property, Plant and Equipment" and the lease liability is accreted over time with interest expense recognised in profit or loss.

  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 reviewed all of its leasing arrangements in light of the new lease accounting rules in MFRS 16. The standard will affect primarily the accounting for the Group's operating leases.

  As at the reporting date, the Group and the Company expect to recognise right-of-use assets of approximately RM9.6 million and RM8.9 million respectively and lease liabilities of RM10.1 million and RM9.3 million respectively on 1 January 2019.

2. BASIS OF PREPARATION (cont'd)

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

The Group and the Company expect that net profit after tax will decrease by approximately RM0.1 million in the financial year ending 31 December 2019 as a result of adopting the new rules. Adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") used to measure segment results is expected to increase by approximately RM2.9 million and RM2.6 million respectively for the Group and the Company, as under MFRS 117 the operating lease payments are included in EBITDA, whereas under MFRS 16 the amortisation of the right-of-use assets and interest on the lease liabilities are not accounted for in EBITDA.

Operating cash flows will increase and financing cash flows will decrease by approximately RM2.9 million and RM2.6 million respectively for the Group and the Company as repayment of the lease liabilities will be classified as cash flows from financing activities.

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied.

- IC Interpretation 23 "Uncertainty over Income Tax Treatments" (effective from 1 January 2019) provides guidance on how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment.

  If an entity concludes that it is not probable that the tax treatment will be accepted by the tax authority, the effect of the tax uncertainty should be included in the period when such determination is made. An entity shall measure the effect of uncertainty using the method which best predicts the resolution of the uncertainty.

  IC Interpretation 23 will be applied retrospectively. The adoption of IC Interpretation 23 will not have any significant impact on the Group's and on the Company's financial statements.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group and on the Company in the current or future reporting periods.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

a) Subsidiaries

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

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

Acquisition-related costs are expensed as incurred.

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Basis of Consolidation (cont'd)

a) Subsidiaries (cont'd)

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

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

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

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

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

c) Disposal of subsidiaries

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

d) Joint arrangements

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Basis of Consolidation (cont'd)

d) Joint arrangements (cont'd)

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

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

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

e) Associates

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

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

The Group's investments in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition. See accounting 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.

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

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

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

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

Investments in Subsidiaries

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investments in Subsidiaries (cont'd)

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 investment in subsidiaries.

Property, Plant and Equipment

Property, plant and equipment are tangible items that:

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

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

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

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

Cost of other property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items.

Cost of property, plant and equipment also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. (See accounting policy on borrowings). Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year 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 is stated at cost and is not depreciated. Leasehold lands are amortised equally over their respective periods of lease. The depreciation of leasehold land is capitalised as part of the cost of bearer plant from the stage of land clearing up to the stage of maturity. Immature bearer plants and other property, plant and equipment which are under construction are not depreciated. Depreciation commences when the bearer plants mature or when the assets under construction are ready for their intended use.

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

	Years
Leasehold lands	51 - 897
Land improvements	15
Bearer plants	22
Buildings and improvements	20 - 50
Plant and machinery	4 - 15
Motor vehicles	5
Furniture, fittings and equipment	3 - 10

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

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

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

Investment Properties

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

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

	Years
Buildings and improvements	5 - 50

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investment Properties (cont'd)

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

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

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

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

Leasehold Land Use Rights

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

Financial Assets

Accounting policy applied from 1 January 2018

(a) Classification

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

- those to be measured at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

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

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

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

(b) Recognition and derecognition

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

(c) Measurement

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

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

(i) Debt instruments

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

- Amortised cost:

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Assets (cont'd)

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

(c) Measurement (cont'd)

(i) Debt instruments (cont'd)

- FVTPL:

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. Gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

(ii) Equity instruments

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

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

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(d) Impairment

From 1 January 2018, the Group assesses on a forward looking basis the expected credit loss associated with its debts instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables and contract assets, the Group applies the simplified approach permitted by MFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Accounting policies applied until 31 December 2017

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

(a) Classification

The Group classified 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. Management determines the classification of its financial assets at initial recognition.

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

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

(ii) Loans and receivables

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

(iii) Available-for-sale financial assets

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Assets (cont'd)

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

(b) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs 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. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

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

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

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in profit or loss as "gains or losses or impairment losses from available-for-sale financial assets", respectively.

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.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Financial assets are derecognised when the 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.

(c) Impairment of financial assets

In the previous financial years, the Group assessed impairment of financial assets based on incurred loss model. The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is taken as evidence that the securities are impaired. If any such evidence exists for 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Intangible Assets

a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired and liabilities assumed. If the aggregate of consideration transferred, the amount of non-controlling interest and the fair value of previously held interest in the acquiree are less than the fair value of the net identifiable assets of the acquiree, the resulting gain is recognised in profit or loss. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes indicate that it might be impaired, and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

b) Licencing Fees

The licencing fee is initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. The cost is amortised using the straight line method over its estimated useful life, and amortisation commences when the assets are ready for their intended use (i.e upon the commissioning of the plant which will utilise the licence to produce specialty chemicals, olefins and oleochemicals). The amortisation period is reviewed at each reporting date and 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 is assessed and written down immediately to its recoverable amount.

See accounting policy note on impairment of non-financial assets for intangible assets.

Property Development Activities

a) Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at the lower of cost and net realisable value.

Costs comprise cost of land and all related costs incurred on activities necessary to prepare the land for its intended use.

Land held for property development is transferred to property development costs and included under current assets when development activities have commenced and where the development activities can be completed within the normal operating cycle.

b) Property Development Costs

Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or costs that can be allocated on a reasonable basis to these activities. Property development costs are stated at the lower of cost and net realisable value, and are subsequently recognised as an expense in profit or loss as and when the control of the development unit is transferred to the customer.

Contract Assets and Contract Liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. In the case of property development, contract asset is the excess of cumulative revenue earned over the billings to-date, for which the billings to customers are based on progress milestones set out in Sale and Purchase Agreement ("SPA") with the customers. Contract asset is stated at cost less accumulated impairment losses. The amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration or has billed the customer. In the case of property development, contract liability is the excess of the billings to-date over the cumulative revenue earned.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less costs to completion and selling expenses.

a) Completed development properties

The cost of unsold completed properties comprise cost associated with the acquisition of land, direct costs and an appropriate proportion of allocated costs attributable to property development activities.

b) Produce stocks, stores, spares, raw materials and consumables

Cost of produce stocks, stores, spares, raw materials and consumables includes, where relevant, appropriate proportions of overheads and is determined on a weighted average basis.

Produce Growing on Bearer Plants

The produce growing on bearer plants of the Group comprises fresh fruit bunches ("FFB") prior to harvest. The produce growing on bearer plants are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised within cost of sales in profit or loss. The fair value of unharvested FFB is determined by using the market approach, which takes into consideration the market prices of FFB, adjusted for estimated oil content of unharvested FFB, less harvesting, transport and other costs to sell.

Non-Current Assets Held for Sale

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

Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment losses. Impairment assessment will be based on the expected credit loss model where the changes in credit quality of receivables since initial recognition will determine the measurement of impairment losses at each reporting date. Impairment will be reversed if the credit quality improves. A credit loss is the difference between the present value ("PV") of cash flows that are due to the Group in accordance with the contract and the PV of cash flows that the Group expects to receive.

Advances for plasma schemes represent the accumulated plantation development costs, including borrowing costs and indirect overheads, which are recoverable either through bank loans obtained by the plasma cooperatives or direct repayments from the cooperatives when these plasma areas come to maturity. Impairment losses are made when the estimated recoverable amounts are less than the outstanding advances.

Cash and Cash Equivalents

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

Financial Liabilities

Financial liabilities comprise payables, borrowings and intercompany balances. Financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are classified as current liabilities for those having maturity dates of less than twelve months after the reporting date, otherwise, the balance is classified as non-current.

Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another entity or to exchange financial assets or liabilities with another entity that are potentially unfavourable to the issuer.

Incremental costs directly attributable to the issue of new shares, warrants, options or for the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

The proceeds received net of any directly attributable transaction costs are credited to share capital when new shares are issued.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Treasury Shares

A purchase by the Company of its own equity shares is accounted for under the treasury stock method. Under this method, the shares purchased and held as treasury shares is measured and carried at the cost of purchase (including any directly attributable incremental external costs, net of tax). On presentation in the statements of financial position, the carrying amount of the treasury shares is offset against equity. Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the distributable reserves. Where treasury shares are reissued by re-sale in the open market, the difference between the sales consideration and the carrying amount of the treasury shares is shown as a movement in equity. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

Warrants Reserve

Proceeds from the issuance of warrants, net of issuance costs, are credited to warrants reserve. Warrants reserve is transferred to the share capital upon the exercise of the warrants. Warrants reserve in relation to unexercised warrants at the expiry of the warrants period is transferred to retained earnings.

Borrowings

Borrowings are recognised initially at fair value net of transaction cost 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.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan and are capitalised and amortised over the period of the facility to which it relates.

All other borrowings costs are charged to profit or loss.

Borrowings are derecognised from the statements of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the borrowings that have been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred and liabilities assumed, is recognised in profit or loss.

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

<u>Accounting policies applied from 1 January 2018</u>

When borrowing measured at amortised cost is modified without resulting in derecognition, any gain or loss, being the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate, shall be recognised immediately in profit or loss.

<u>Accounting policies applied until 31 December 2017</u>

The difference arising from the modifications of borrowings, if any, measured at amortised cost without resulting in the extinguishment of the original borrowings are amortised in profit or loss over the remaining life of the modified borrowings.

Financial Guarantee Contracts

A financial guarantee 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 payments when it becomes due. Financial guarantee contracts are recognised initially at fair value.

<u>Accounting policies applied from 1 January 2018</u>

Financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with the expected credit loss model under MFRS 9 "Financial Instruments" and the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15 "Revenue from Contracts with Customers", where appropriate.

<u>Accounting policies applied until 31 December 2017</u>

Financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with MFRS 137 "Provisions, Contingent Assets and Contingent Liabilities" and the amount initially recognised less cumulative amortisation, where appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Impairment of Non-Financial Assets

The carrying amounts of non-financial assets other than inventories, assets arising from 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 tests goodwill acquired in a business combination and intangible assets with indefinite useful life for impairment annually by comparing its carrying amount with its recoverable amount.

Impairment loss is recognised when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash generating unit.

An impairment loss is charged to profit or loss.

Non-financial assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

An impairment loss is reversed only to the extent of previously recognised impairment losses for the same asset. An impairment loss recognised for goodwill shall not be reversed.

Contingent Liabilities and Contingent Assets

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

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

In the acquisition of subsidiaries by the Group under a business combination, the contingent liabilities assumed are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The Group recognises separately the contingent liabilities of the acquirees as part of allocating the cost of a business combination where the fair values can be measured reliably. Where the fair values cannot be measured reliably, the resulting effect will be reflected in the goodwill arising from the acquisitions.

Subsequent to the initial recognition, the Group measures the contingent liabilities that are recognised separately at the date of acquisition at the higher of the amount that would be recognised in accordance with the provision of MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets" and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with MFRS 15 "Revenue from Contracts with Customers".

Provisions

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

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits received under it.

Where the Group expects a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Income Taxes

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Income Taxes (cont'd)

Deferred tax liabilities and/or assets are recognised, using liability method, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their related tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit or loss. Deferred tax assets are recognised to the extent that it is probable that taxable profits 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 reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, joint ventures and associates except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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, bonuses, social security contributions and paid annual leave. These benefits are accrued when incurred and are measured on an undiscounted basis.

b) Post-employment benefits

Post-employment benefits include defined contribution plans under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. These benefits are accrued when incurred and are measured on an undiscounted basis.

c) Long-term employee benefits

(i) Long-term employee benefits include retirement gratuities payable to Executive Directors and a retirement gratuity scheme for Executives of the Company and certain subsidiaries. The level of retirement gratuities payable is determined by the Board of Directors in relation to the services rendered and it does not take into account the employee's services to be rendered in later years up to retirement. The gratuity, which is calculated based either on length of service and basic salary or on the emoluments earned in the immediate past three years, is a vested benefit when the employee reaches retirement age.

The present value of the retirement gratuities is determined by discounting the amount payable by reference to market yields at the reporting date on high quality corporate bonds which have terms to maturity approximating the terms of the related liability. Employee turnover is also factored in arriving at the level of the retirement gratuities payable. Past service costs are recognised immediately in profit or loss.

Such retirement gratuities payable are classified as current liabilities when 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.

(ii) The Group provides employee benefits in respect of its Indonesia subsidiaries as required under the Indonesian Labor Law No. 13/2003. The Group is required to recognise a provision for employee service entitlements, which represents a defined benefit plan and the entitlement usually depends on several factors such as age, years of service and compensation.

The liability recognised in the statements of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation as at the reporting date, which is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates at the reporting date of government bonds that are denominated in Indonesian Rupiah, in which the benefits will be paid and that have terms to maturity approximating to the terms of the related defined benefit obligation.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Employee Benefits (cont'd)

c) Long-term employee benefits (cont'd)

Remeasurement arising from experience adjustments and changes in actuarial assumptions are recognised in OCI in the period in which they arise. Current and past service costs are recognised immediately in profit or loss.

d) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets" and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of the reporting period are discounted to their present value.

Revenue Recognition

(a) Revenue from contracts with customers

Revenue from contracts with customers is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group transfers controls of the goods or services promised in a contract and the customer obtains control of the goods and services. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of indirect taxes, returns, rebates and discounts. The transaction price is allocated to each distinct good or service promised in the contract. Depending on the terms of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

Plantations and Downstream Manufacturing

The Group's revenue is derived mainly from its upstream and downstream operations.

In the upstream operations, the Group sells plantation products and produce such as crude palm oil, palm kernel and FFB (collectively known as "plantation products and produce"). In the downstream operations, revenue is derived from sales of Refined Bleached Deoderised Palm Oil, Olein, Stearin, biodiesel and Crude Glycerin (collectively known as "biodiesel and refined palm products").

Revenue from sales of plantation produce, biodiesel and refined palm products are recognised (net of discount and taxes collected on behalf) at the point when the control of goods has been transferred to the customer. Based on the terms of the contract with the customer, control transfers upon delivery of the goods to a location specified by the customer and the acceptance of the goods by the customer.

There is no element of financing present as the Group's sales of goods are either on cash terms (including cash on delivery ("COD") for export) or on credit terms ranging from 7 to 45 days. The Group's obligation to provide quality claims against off-spec goods under the Group's contractual terms is recognised as a provision.

Revenue from provision of tolling services is recognised in the period in which the manufacturing activities are performed. There is no element of financing present as sales are normally on COD basis.

Property

Contracts with customers may include multiple promises to customers and are therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each separate performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from property development is measured at the fixed transaction price agreed under the SPA. When the Group determines that it is not probable that the Group will collect the consideration to which the Group is entitled to in exchange for the properties, the Group will defer the recognition of revenue from such sales of properties and consideration received from the customer is recognised as a contract liability. For such properties, the Group recognises revenue when it becomes probable that the Group will collect consideration to which it will be entitled to in exchange for the properties sold.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue Recognition (cont'd)

(a) Revenue from contracts with customers (cont'd)

Property (cont'd)

Revenue from property development is recognised as and when the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for work performance completed to-date.

The promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) as attached in its layout plan in the SPA. The purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised property for another use is substantive and therefore the promised properties sold to the purchasers do not have an alternative use to the Group. The Group has the right to payment for performance completed to-date, is entitled to continue to transfer to the customer the development units promised, and has the right to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the contract costs incurred to-date to the estimated total costs for the contract.

For sale of completed properties, the Group recognises revenue when the control of the properties has been transferred to the purchasers, being when the properties have been handed over to the purchasers (i.e. upon delivery of vacant possession).

Fee from Management Services

Fee from management services are recognised as revenue over time during the period in which the services are rendered.

(b) Revenue from other sources

Revenue recognition criteria for other revenue and income earned by the Group are as follows:

- **Rental income**

  Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

- **Dividend income**

  Dividend income from subsidiaries, joint ventures and associates are recognised when the right to receive payment is established.

- **Interest income**

  Interest income is recognised on an accrual basis, using the effective interest method.

  Interest income from financial assets at FVTPL is recognised as part of net gains or losses on these financial instruments.

  Interest income on financial assets at amortised cost is calculated by using the effective interest method and is recognised as other income.

  Accounting policies applied from 1 January 2018

  Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount (after deduction of the loss allowance).

  Accounting policies applied until 31 December 2017

  When a financial asset is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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 grant related to assets is recognised initially as deferred income at fair value when there is reasonable assurance that it will be received and the Group will comply with the conditions associated with the grant and is then recognised in profit or loss as other income on a systematic basis over the useful life of the assets when the assets are commissioned.

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, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities held at fair value through other comprehensive income are included in reserve on exchange differences as OCI.

(c) Group companies

On consolidation, the results and financial position of all the Group's entities which have a functional currency different from that of the Group's presentation currency are translated into the Group's presentation currency as follows:

(i) assets and liabilities are translated at the closing rate at the reporting date;
(ii) income and expenses in profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
(iii) all resulting exchange differences are recognised as a separate component of OCI.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to OCI. When a foreign operation is partially disposed of or sold, such exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on disposal.

Advances from parent to subsidiaries where the settlement is neither planned nor likely to occur in the foreseeable future, are treated as part of the parent's net investment in these subsidiaries and translation differences arising therefrom are recognised in OCI.

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

Derivative Financial Instruments and Hedging Activities

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value at the end of each reporting period. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The fair value changes on derivative that are not designated or do not qualify for hedge accounting are recognised in profit or loss within other gains/(losses) when the changes arise.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Derivative Financial Instruments and Hedging Activities (cont'd)

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The fair value changes on the effective portion of derivatives that are designated and qualify as cash flow hedges are recognised in the cash flow hedge reserve and reclassified to the profit or loss when the interest expense on the borrowings is recognised in profit or loss unless the amount transferred can be capitalised as part of the cost of self-constructed asset, in which case, both the reclassification and interest expense incurred are capitalised. The fair value changes on the ineffective portion are recognised immediately in the profit or loss.

When a hedging instrument expires or is sold or is terminated, or when the cash flow hedge is discontinued or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is only transferred to profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in cash flow hedge reserve is immediately transferred to profit or loss within other gains/(losses).

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 twelve months, otherwise it will be classified as a current asset or liability.

Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments have been identified as the Chief Executive, Deputy Chief Executive, and the President and Chief Operating Officer of the Company.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Financial risk factors

The Group's overall financial risk management objective is to optimise the value creation for shareholders. The Group seeks to minimise the potential adverse impacts arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group operates within clearly defined guidelines that are approved by the Board of Directors. Financial risk management is carried out through risk reviews conducted at all significant operating units. This process is further enhanced by effective internal controls, a comprehensive insurance programme and adherence to the financial risk management policies.

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

(i) Foreign currency exchange risk

The Group is exposed to foreign currency exchange risk in relation to its borrowings in foreign currency and sale of palm oil commodities by the Group's downstream manufacturing segment. The Group attempts to significantly limit its exposure for committed transactions by entering into forward foreign currency exchange contracts within the constraints of market and government regulations.

The Group's principal foreign currency exposure relates mainly to United States Dollar ("USD") in the current financial year *(2017: USD)*.

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

(a) Financial risk factors (cont'd)

(i) Foreign currency exchange risk (cont'd)

The Group's exposure to foreign currencies in respect of its financial assets and financial liabilities as at the reporting date is as follows:

	USD	Others	Total
Group			
At 31 December 2018			
Financial assets			
Trade and other receivables	**4,312**	**-**	**4,312**
Cash and cash equivalents	**173,953**	**1,452**	**175,405**
	178,265	**1,452**	**179,717**
Financial liability			
Trade and other payables	**(6)**	**(2)**	**(8)**
Net currency exposure	**178,259**	**1,450**	**179,709**
Company			
At 31 December 2018			
Financial asset			
Cash and cash equivalents	**152,000**	**-**	**152,000**
Net currency exposure	**152,000**	**-**	**152,000**
Group			
At 31 December 2017			
Financial assets			
Trade and other receivables	560	-	560
Cash and cash equivalents	165,405	2,598	168,003
	165,965	2,598	168,563
Financial liabilities			
Trade and other payables	(1,016)	(238)	(1,254)
Borrowings	(699,420)	-	(699,420)
	(700,436)	(238)	(700,674)
Net currency exposure	(534,471)	2,360	(532,111)
Company			
At 31 December 2017			
Financial asset			
Cash and cash equivalents	155,420	-	155,420
Financial liability			
Borrowings	(556,757)	-	(556,757)
Net currency exposure	(401,337)	-	(401,337)

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

(a) Financial risk factors (cont'd)

(i) Foreign currency exchange risk (cont'd)

The following table demonstrates the sensitivity of the Group's profit after tax and equity to 3% *(2017: 10%)* strengthening of USD against the functional currency, with all other variables held constant.

	2018		2017	
	← Increase/(Decrease) →		← Increase/(Decrease) →	
	Profit after tax	**Equity**	Profit after tax	Equity
Group				
USD against the functional currency	**5,348**	**5,348**	(53,447)	(53,447)
Company				
USD against the functional currency	**4,560**	**4,560**	(40,134)	(40,134)

A 3% *(2017: 10%)* weakening of the above currencies against the functional currency would have the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

(ii) 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. The Group manages its cash flow interest rate risk by using the 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 swap, the Group agrees with a financial institution to exchange, at specific intervals, the difference between the fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

The Group's outstanding borrowings as at the year end at variable rates for which hedges have not been entered into amount to RM1,310.4 million *(2017: RM1,799.2 million)*. At the reporting date, if annual interest rates had been 1% *(2017: 1%)* higher/lower respectively, with all other variables in particular foreign exchange rates and tax rate being held constant, the Group's profit after tax will be lower/higher by RM9.5 million *(2017: RM7.6 million)* as a result of increase/(decrease) in finance cost on those borrowings.

(iii) Credit risk

Risk Management

The Group's and the Company'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 funds and debts instruments carried at amortised cost. In addition, the Company is also exposed to credit risks arising from amounts due from subsidiaries and associates. Risks arising therefrom are minimised through:

- Effective monitoring of receivables and suspension of sales to customers whose accounts exceed the stipulated credit terms.
- Setting credit limits and reviewing credit history to minimise potential losses.
- Ensuring that the Group remains as the registered owner of the development properties (in respect of the Group's sale of development properties) until full settlement by the purchaser of the self-financed portion of the purchase consideration and upon obtaining the undertaking from the purchaser's end-financier.
- Investing cash assets safely and profitably, which involves placement of cash and cash equivalents and short-term deposits with creditworthy financial institutions. In addition, the Group and the Company set exposure limits as well as limit placement tenures to less than one year for each of the financial institutions.
- Assessment of counterparty's credit risks and setting of limits to minimise any potential losses. To minimise the Group's counterparty risk, the Group enters into derivative transactions only with creditworthy financial institutions.
- Purchasing insurance to protect the Group and the Company against insurable risks.
- Performing regular reviews of the aging profiles of amounts due from subsidiaries and associates.

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

(a) Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

Impairment

The Group has three types of financial assets that are subject to the expected credit loss model:

- Trade receivables for sales of goods and services;
- Contract assets; and
- Debt instruments carried at amortised cost.

While cash and cash equivalents are also subject to the impairment requirements as set out in MFRS 9, there is no impairment loss identified given the financial strength of the financial institutions in which the Group and the Company have a relationship with.

The Group assesses on a forward looking basis the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group considers the probability of default upon initial recognition of an asset and whether there has been significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information, such as:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligation;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; or
- significant changes in the expected performance or behaviour of the debtor, including changes in the payment status of the debtor.

The Group considers a trade receivable or other receivable as credit impaired when one or more events that have a detrimental impact on the estimated cash flow have occurred.

Trade and other receivables are written off when there is no expectation of recovery based on the assessment performed. Where the receivables are written off, the Group continues to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group and the Company use three categories for those receivables which reflect their credit risk and how the loss provision is determined for those categories.

(i) Trade receivables and contract assets using the simplified approach

The Group and the Company apply the simplified approach under MFRS 9 to measure expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and days past due.

The expected loss rates are based on historical payment profiles of sales and the corresponding historical credit losses experienced during these periods. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors (such as palm products prices and crude oil price) affecting the ability of the customers to settle the receivables. The historical loss rates will be adjusted based on the expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

In determining the expected loss rates, the Group also takes into consideration of the collateral or payments received in advance, as set out below:

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

(a) Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

Impairment (cont'd)

(i) Trade receivables and contract assets using the simplified approach (cont'd)

Plantation

Receivables are generally collected within the credit term and therefore, there is minimal exposure to doubtful debts. Upfront payments are also collected for certain sales made by the Group's subsidiaries in Indonesia.

Property

Purchasers are generally financed by loan facilities from banks.

Manufacturing

Sales made are generally accompanied by letters of credit or advance payments. Outstanding receivables are generally collected within the credit term.

The Group's maximum exposure to credit risk and loss allowance recognised as at 31 December 2018 is disclosed in Note 31. The remaining amount in which no ECL allowance was recognised is deemed to be recoverable, with low probability of default.

In respect of the previous financial years, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables were assessed to determine whether there was objective evidence that a loss event had occurred and an allowance for impairment was recognised accordingly when the loss event occurred. Information in respect of the allowance for impairment loss in the prior financial year is disclosed in Note 31.

(ii) Debt instruments at amortised costs other than trade receivables and contract assets using the 3-stage general approach

The Group and the Company use four categories to reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions underpinning the Group's and the Company's expected credit loss is as follows:

Category	Definition of category	Basis for recognition of expected credit loss provision
Performing	Customers have a low risk of default and a strong capacity to meet contractual cash flows.	12 months expected losses. Where the expected lifetime on an asset is less than 12 months, expected losses are measured at its expected lifetime.
Underperforming	Debtors for which there is a significant increase in credit risk due to actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligation.	Lifetime expected losses
Non-performing	There is evidence indicating the assets are credit-impaired.	Lifetime expected losses
Write-off	There is evidence indicating that there is no reasonable expectation of recovery based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.	Asset is written off

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

(a) Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

Impairment (cont'd)

(ii) Debt instruments at amortised costs other than trade receivables and contract assets using the 3-stage general approach (cont'd)

Based on the above, loss allowance is measured on either 12 month ECL or lifetime ECL, by considering the likelihood that the debtor would not be able to repay during the contractual period, the percentage of contractual cash flows that will not be collected if default happens and the outstanding amount that is exposed to default risk.

For intercompany balances that are repayable on demand, the Company's ECL is based on the following assumptions:

- If the borrower has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, the ECL is likely to be immaterial.
- If the borrower could not repay the loan if demanded at the reporting date, the Company considers the expected manner of recovery to measure the ECL. The recovery manner could be either through 'repayment over time' or a fire sale of less liquid assets by the borrower.
- If the recovery strategies indicate that the Company would fully recover the outstanding balance of the loan, the ECL would be limited to the effect of the discounting of the amount due on the loan, at the loan's effective interest rates, over the period until the amount is fully recovered.

All of the Group's and of the Company's debt instruments at amortised costs other than trade receivables and contract assets are considered to have low credit risks, as these were considered to be performing, have low risks of default and historically there were minimal instances where contractual cash flow obligations have not been met.

The maximum exposure to credit risks for debt instruments at amortised cost other than trade receivables and contract assets are represented by the carrying amounts recognised in the statements of financial position.

(iii) Financial guarantee contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowance were identified based on 12 months ECL.

Information regarding other non-current assets and trade and other receivables that are neither past due nor impaired is disclosed in Notes 26 and 31 respectively. Deposits with banks and other financial institutions, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

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

(a) Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

Impairment (cont'd)

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position, except the following financial guarantee contracts which have not been reflected in the statements of financial position of the Group and of the Company:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Corporate guarantee provided by certain subsidiaries in Indonesia to banks on plasma farmers' loan facilities	**127,343**	131,416	133,365

	Company		
	31.12.2018	31.12.2017	1.1.2017
Corporate guarantee provided to banks on Sukuk Murabahah	**1,000,000**	1,000,000	1,000,000

(iv) Liquidity risk

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities. The Group's cash flow is reviewed regularly to ensure that the Group is able to settle its commitments when they fall due.

The Group manages its liquidity risk with the view to maintaining a healthy level of cash and cash equivalents appropriate to the operating environment and expected cash flows of the Group. Liquidity requirements are further enhanced with its undrawn committed borrowing facilities (Note 40) that are sufficient and available to the Group to meet its obligations.

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

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

(a) Financial risk factors (cont'd)

(iv) Liquidity risk (cont'd)

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2018				
Group				
Trade and other payables	**358,398**	**-**	**-**	**-**
Borrowings (principal and finance costs)	**675,847**	**384,969**	**878,441**	**1,419,025**
Derivative financial liabilities	**-**	**1,658**	**1,947**	**-**
Amount due to ultimate holding company	**627**	**-**	**-**	**-**
Amounts due to other related companies	**435**	**-**	**-**	**-**
	1,035,307	**386,627**	**880,388**	**1,419,025**
Financial guarantee contracts	**127,343**	**-**	**-**	**-**
Company				
Trade and other payables	**17,423**	**-**	**-**	**-**
Amounts due to subsidiaries (principal and finance costs)	**270,628**	**46,580**	**138,347**	**1,069,363**
Amount due to ultimate holding company	**627**	**-**	**-**	**-**
Amounts due to other related companies	**273**	**-**	**-**	**-**
	288,951	**46,580**	**138,347**	**1,069,363**
Financial guarantee contracts	**1,000,000**	**-**	**-**	**-**
At 31 December 2017				
Group				
Trade and other payables	318,264	-	-	-
Borrowings (principal and finance costs)	746,807	497,325	949,352	1,543,613
Derivative financial liabilities	9	128	-	-
Amount due to ultimate holding company	1,118	-	-	-
Amounts due to other related companies	1,142	-	-	-
	1,067,340	497,453	949,352	1,543,613
Financial guarantee contracts	131,416	-	-	-
Company				
Trade and other payables	11,346	-	-	-
Borrowings (principal and finance costs)	333,437	238,990	-	-
Amounts due to subsidiaries (principal and finance costs)	219,903	46,200	138,727	1,115,563
Amount due to ultimate holding company	1,118	-	-	-
Amounts due to other related companies	1,141	-	-	-
	566,945	285,190	138,727	1,115,563
Financial guarantee contracts	1,000,000	-	-	-

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

(a) Financial risk factors (cont'd)

(iv) Liquidity risk (cont'd)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 1 January 2017				
Group				
Trade and other payables	373,050	-	-	-
Borrowings (principal and finance costs)	123,416	136,332	1,012,254	1,659,153
Derivative financial liabilities	574	802	1,271	-
Amount due to ultimate holding company	960	-	-	-
Amounts due to other related companies	1,112	-	-	-
	499,112	137,134	1,013,525	1,659,153
Financial guarantee contracts	133,365	-	-	-
Company				
Trade and other payables	19,770	-	-	-
Amounts due to subsidiaries (principal and finance costs)	112,882	46,200	138,853	1,161,637
Derivative financial liabilities	26	-	-	-
Amount due to ultimate holding company	960	-	-	-
Amounts due to other related companies	1,006	-	-	-
	134,644	46,200	138,853	1,161,637
Financial guarantee contracts	1,000,000	-	-	-

(b) Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to provide returns for shareholders and benefits for other stakeholders.

In order to optimise the capital structure, or the capital allocation amongst the Group's various businesses, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and warrants, buy back issued shares, take on new debts or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital utilisation on the basis of the gearing ratio. This ratio is calculated as total debt divided by total capital. Total debt is calculated as total borrowings (including "short term and long term borrowings" as shown in the statements of financial position). Total capital is calculated as the sum of total equity and total debts.

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

(b) Capital Management (cont'd)

The gearing ratio are as follows:

Group	31.12.2018	31.12.2017	1.1.2017
Total debts	**2,786,378**	3,199,007	2,355,774
Total equity	**4,312,443**	4,573,009	4,547,008
Total capital	**7,098,821**	7,772,016	6,902,782
Gearing ratio	**39.3%**	41.2%	34.1%

There were no changes in the Group's approach to capital management during the financial year. The Group is not subject to any externally imposed capital requirements for the financial years ended 31 December 2018 and 2017.

(c) Fair Value Hierarchy

The assets and liabilities carried at fair value are categorised into different levels of fair value hierarchy as follows:

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

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign currency exchange contracts is determined using forward exchange rates at the reporting date.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

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

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

(c) Fair Value Hierarchy (cont'd)

The following table presents the Group's financial instruments that are measured at fair value.

	Level 1	Level 2	Level 3	Total
2018				
Group				
Assets				
Financial assets at fair value through profit or loss	**-**	**350,016**	**3,073**	**353,089**
Derivative financial instruments:				
- Interest rate swap	**-**	**782**	**-**	**782**
- Foreign exchange contracts	**-**	**1,068**	**-**	**1,068**
- Commodity future contracts	**-**	**367**	**-**	**367**
	-	**352,233**	**3,073**	**355,306**
Liabilities				
Derivative financial instruments:				
- Interest rate swap	**-**	**3,605**	**-**	**3,605**
Company				
Assets				
Financial assets at fair value through profit or loss	**-**	**350,016**	**-**	**350,016**
2017				
Group				
Assets				
Available-for-sale financial assets:				
- Equity securities	-	-	94,548	94,548
- Income funds	-	500,001	-	500,001
Derivative financial instruments:				
- Foreign exchange contracts	-	1,403	-	1,403
- Commodity future contracts	-	2,038	-	2,038
	-	503,442	94,548	597,990
Liabilities				
Derivative financial instruments:				
- Interest rate swap	-	137	-	137
Company				
Assets				
Available-for-sale financial assets:				
- Income funds	-	500,001	-	500,001

There were no transfers between Level 1 and Level 2 during the current financial year.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The assessment of the fair value of unquoted securities is performed based on discounted cash flow analysis with key inputs such as growth rates and discount rates.

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

(c) Fair Value Hierarchy (cont'd)

The following table presents the changes in Level 3 instruments for the financial year ended 31 December:

	Group		
	2018 FVTPL	**2018 FVOCI**	2017 Available-for-sale financial assets
As at 1 January	**2,740**	**91,808**	143,170
Additions	**-**	**-**	2,843
Interest income	**262**	**-**	-
Fair value loss – recognised in other comprehensive income	**-**	**(94,159)**	(31,106)
Foreign exchange differences	**71**	**2,351**	(20,359)
As at 31 December	**3,073**	**-**	94,548

Although the Group believes that its estimates of fair values are appropriate, the use of different methodologies or assumptions could lead to different measurement of fair value. For fair value measurement in Level 3, if the growth rate or discount rate changes by 1%, the impact to the profit or loss or equity would not be significant.

5. SEGMENT ANALYSIS

Management has determined the operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions, resource allocation and performance assessment.

The chief operating decision-makers consider the Group's principal activities based on the nature of the products and services, specific expertise and technology requirements of individual reportable segments. The reportable segments are as follows:

(i) Plantation
- upstream activities relating to oil palm plantations in Malaysia and Indonesia.

(ii) Property
- activities relating to property development and property investment.

(iii) Biotechnology
- activities relating to genomics research and development.

(iv) Downstream manufacturing
- activities relating to manufacturing and sale of biodiesel and refined palm products.

(v) Others
- other insignificant business which are not reported separately.

The performance of the operating segments is based on a measure of adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA"). This measurement basis excludes the effects of non-recurring items from the operating segments such as fair value gain and losses, impairment losses, gain or loss on disposal of assets and assets written off.

Segments assets consist primarily of property, plant and equipment, land held for property development, leasehold land use rights, intangible assets, FVOCI, FVTPL *(2017: available-for-sale financial assets)*, inventories, trade and other receivables and cash and cash equivalents. Segment assets exclude interest bearing instruments, joint ventures, associates, deferred tax assets and tax recoverable as these assets are managed on a group basis.

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

5. SEGMENT ANALYSIS (cont'd)

	Plantation*	Property	Bio-technology	Downstream Manufacturing	Others	Elimination	Total
2018							
Group							
Revenue							
- External	808,740	130,133	-	964,026	-	-	1,902,899
- Inter segment	414,351	-	-	13,723	-	(428,074)	-
Total Revenue	1,223,091	130,133	-	977,749	-	(428,074)	1,902,899
Adjusted EBITDA	389,927	36,188	(13,039)	11,204	12,478	-	436,758
Gain on disposal of assets	15	4	-	-	-	-	19
Net surplus arising from Government acquisition	12,882	4,618	-	-	-	-	17,500
Loss on disposal of investment in associate	(377)	-	-	-	-	-	(377)
Assets written off and others	(1,033)	(484)	(1,257)	(56)	-	-	(2,830)
	401,414	40,326	(14,296)	11,148	12,478	-	451,070
Depreciation and amortisation	(196,485)	(887)	(2,093)	(10,974)	-	-	(210,439)
Share of results in joint ventures	-	40,713	-	-	-	-	40,713
Share of results in associates	2,362	(34)	-	-	(14)	-	2,314
	207,291	80,118	(16,389)	174	12,464	-	283,658
Interest income							33,646
Finance cost							(109,568)
Profit before taxation							207,736
Taxation							(60,783)
Profit for the financial year							146,953
Other information:							
Assets							
Segment assets	5,441,086	457,783	28,521	514,009	350,631	-	6,792,030
Joint ventures	-	148,809	-	-	-	-	148,809
Associates	9,609	190	-	-	(155)	-	9,644
	5,450,695	606,782	28,521	514,009	350,476	-	6,950,483
Interest bearing instruments							758,109
Deferred tax assets							110,850
Tax recoverable							14,876
Total assets							7,834,318
Liabilities							
Segment liabilities	228,078	146,798	3,053	33,908	1,104	-	412,941
Interest bearing instruments							2,786,378
Deferred tax liabilities							317,704
Taxation							4,852
Total liabilities							3,521,875

* *Comprises Plantation Malaysia and Indonesia as one reportable segment and the comparatives for 2017 are restated accordingly.*

5. SEGMENT ANALYSIS (cont'd)

	Plantation*	Property	Bio-technology	Downstream Manufacturing	Others	Elimination	Total
2017							
Group							
Revenue							
- External	970,191	115,227	-	723,356	-	-	1,808,774
- Inter segment	520,640	-	-	-	-	(520,640)	-
Total Revenue	1,490,831	115,227	-	723,356	-	(520,640)	1,808,774
Adjusted EBITDA	578,169	23,506	(11,013)	12,066	22,820	-	625,548
(Loss)/gain on disposal of assets	(85)	(2)	(3)	-	-	-	(90)
Net surplus arising from Government acquisition	9,293	1,302	-	-	-	-	10,595
Gain on disposal of subsidiaries	640	-	-	-	-	-	640
Write down of land held for property development	-	(744)	-	-	-	-	(744)
Assets written off	(1,652)	(88)	(170)	(147)	-	-	(2,057)
	586,365	23,974	(11,186)	11,919	22,820	-	633,892
Depreciation and amortisation	(162,100)	(915)	(2,306)	(12,149)	-	-	(177,470)
Share of results in joint ventures	-	30,202	-	-	-	-	30,202
Share of results in associates	4,442	64	-	-	(13)	-	4,493
	428,707	53,325	(13,492)	(230)	22,807	-	491,117
Interest income							40,755
Finance cost							(74,579)
Profit before taxation							457,293
Taxation							(115,406)
Profit for the financial year							341,887
Other information:							
Assets							
Segment assets	5,374,617	439,167	122,519	489,294	500,568	-	6,926,165
Joint ventures	-	108,096	-	-	-	-	108,096
Associates	12,666	347	-	-	(142)	-	12,871
	5,387,283	547,610	122,519	489,294	500,426	-	7,047,132
Interest bearing instruments							1,313,485
Deferred tax assets							105,743
Tax recoverable							6,965
Total assets							8,473,325
Liabilities							
Segment liabilities	219,114	127,758	2,164	17,411	2,297	-	368,744
Interest bearing instruments							3,199,007
Deferred tax liabilities							318,163
Taxation							14,402
Total liabilities							3,900,316

* *Comprises Plantation Malaysia and Indonesia as one reportable segment and the comparatives for 2017 are restated accordingly.*

5. SEGMENT ANALYSIS (cont'd)

Geographical Information

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

	Revenue		Non-Current Assets	
	2018	2017	**2018**	2017
Malaysia	**1,393,505**	1,280,223	**1,636,804**	1,638,902
Indonesia	**509,394**	528,551	**3,751,159**	3,739,261
	1,902,899	1,808,774	**5,387,963**	5,378,163

Non-current assets information presented above exclude investments in joint ventures and associates, financial instruments and deferred tax assets as presented in the consolidated statements of financial position.

6. REVENUE

Revenue of the Group and of the Company comprises the following:

	Group		Company	
	2018	2017	**2018**	2017
Revenue from contracts with customers:				
Sale of plantation products and produce	**1,221,188**	1,489,106	**121,733**	128,204
Sale of development properties	**126,748**	111,610	**-**	-
Sale of biodiesel and refined palm products	**977,749**	723,356	**-**	-
Fee from management services	**3,013**	2,543	**37,448**	35,979
	2,328,698	2,326,615	**159,181**	164,183
Inter segment *(see Note 5)*	**(428,074)**	(520,640)	**-**	-
	1,900,624	1,805,975	**159,181**	164,183
Revenue from other sources:				
Rental income	**2,275**	2,799	**-**	-
Dividend income	**-**	-	**185,054**	582,463
	2,275	2,799	**185,054**	582,463
Total revenue	**1,902,899**	1,808,774	**344,235**	746,646
Timing of revenue from contracts with customers:				
- at a point in time	**1,798,223**	1,734,114	**121,733**	128,204
- over time	**102,401**	71,861	**37,448**	35,979
	1,900,624	1,805,975	**159,181**	164,183

7. COST OF SALES

	Group		Company	
	2018	2017	**2018**	2017
Cost of inventories sold for plantation products and produce	**914,866**	964,794	**92,243**	65,206
Cost of development properties sold	**75,644**	73,295	**-**	-
Cost of inventories sold for bio-diesel and refined palm products	**932,172**	668,901	**-**	-
	1,922,682	1,706,990	**92,243**	65,206
Inter segment *(see Note 6)*	**(428,074)**	(520,640)	**-**	-
	1,494,608	1,186,350	**92,243**	65,206

8. OTHER (LOSSES)/GAINS

	Group 2018	Group 2017	Company 2018	Company 2017
Net foreign exchange gains/(losses)				
- realised	**(9,152)**	(572)	**9,405**	(240)
- unrealised	**5,015**	3,912	**2,684**	5,031
	(4,137)	3,340	**12,089**	4,791

9. PROFIT BEFORE TAXATION

Profit before taxation has been determined after inclusion of the following charges and credits. The expenses by nature of the Group are also disclosed in the charges below:

	Group 2018	Group 2017	Company 2018	Company 2017
Charges:				
Depreciation of property, plant and equipment	**205,517**	175,138	**26,378**	32,013
Depreciation of investment properties	**631**	599	**-**	-
Amortisation of leasehold land use rights	**4,291**	1,733	**-**	-
Total Directors' remuneration *(see Note 11)*	**1,482**	2,707	**1,482**	2,707
Charges payable to related companies:				
- Rental of premises and related services	**2,657**	5,623	**2,302**	2,315
- Shared services fee	**2,037**	1,655	**1,530**	1,228
- Hire of equipment	**1,455**	2,055	**1,455**	1,663
Property, plant and equipment written off	**1,253**	2,053	**80**	391
Impairment loss on investment in subsidiaries	**-**	-	**133,426**	-
Impairment loss on amounts due from subsidiaries	**-**	-	**816**	-
Loss/(Gain) on disposal of investment in an associate	**377**	-	**(1,000)**	-
Shared services fee payable to ultimate holding company	**2,180**	2,210	**842**	823
Write off of receivables	**70**	2,354	**19**	33
Impairment loss on/(write back of) receivables	**296**	(323)	**-**	-
Write down of inventories	**1,283**	-	**28**	-
Statutory audit fees:				
- Payable to auditors	**975**	933	**252**	182
- Payable to member firms of an organisation which are separate and independent legal entitles from the auditors	**1,431**	1,534	**-**	-
Audit related fees:				
- Payable to auditors	**199**	193	**199**	193
Non-audit fees and non-audit related costs*:				
- Payable to auditors	**56**	55	**10**	10
- Payable to member firms of an organisation which are separate and independent legal entities from the auditors	**175**	1,180	**171**	88
Employee benefits expense *(see Note 10)*	**363,779**	334,513	**71,085**	79,231
Research and development expenditure	**12,871**	12,487	**-**	-
Repairs and maintenance:				
- property, plant and equipment	**32,085**	37,319	**2,440**	3,326
- investment properties	**100**	55	**-**	-
Transportation costs	**127,346**	100,615	**8,311**	8,718
Utilities	**21,612**	10,518	**93**	85
Raw materials and consumables	**673,645**	372,467	**-**	-
Oil palm cess and levy	**2,863**	6,698	**-**	-

9. PROFIT BEFORE TAXATION (cont'd)

	Group 2018	Group 2017	Company 2018	Company 2017
Charges (cont'd):				
Finance costs:				
- bank borrowings	**66,611**	43,835	**6,544**	2,501
- Sukuk Murabahah	**38,472**	29,060	**-**	-
- loan from a subsidiary	**-**	-	**46,200**	46,200
- others	**4,485**	1,684	**-**	-
	109,568	74,579	**52,744**	48,701

* *Non-audit fees and non-audit related costs are in respect of: (i) tax related services of RM0.2 million (2017: RM0.5 million) and financial advisory services of RMNil (2017: RM0.7 million) for the Group (ii) tax related services of RM0.2 million (2017: financial advisory services of RM0.1 million) for the Company.*

	Group 2018	Group 2017	Company 2018	Company 2017
Credits:				
Net surplus arising from compensation in respect of land acquired by the Government	**17,500**	10,595	**-**	-
Interest income	**33,646**	40,755	**50,402**	58,616
Investment income	**16,305**	17,826	**16,305**	17,826
Dividend income from associates	**-**	-	**3,914**	4,123
Rental income	**2,870**	3,349	**189**	180
Rental income from related companies	**403**	403	**16**	16
Gain/(Loss) on disposal of property, plant and equipment	**19**	(90)	**(31)**	(188)
Gain on disposal of subsidiaries	**-**	640	**-**	-
Income from subsidiaries:				
- Single-tier dividend	**-**	-	**181,140**	578,340
- Management fee	**-**	-	**37,448**	35,979

10. EMPLOYEE BENEFITS EXPENSE

	Group 2018	Group 2017	Company 2018	Company 2017
Wages, salaries and bonuses	**270,090**	248,479	**55,673**	56,537
Defined contribution plans	**18,909**	15,376	**5,561**	6,157
Provision for retirement gratuities/benefits	**1,503**	10,228	**(399)**	5,859
Other short term employee benefits	**73,277**	60,430	**10,250**	10,678
	363,779	334,513	**71,085**	79,231

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

11. DIRECTORS' REMUNERATION

	Group 2018	Group 2017	Company 2018	Company 2017
Non-Executive Directors				
Fees	**851**	550	**851**	550
Provision for retirement gratuities	**-**	519	**-**	519
Benefits-in-kind	**16**	59	**16**	59
	867	1,128	**867**	1,128
Executive Directors				
Fees	**95**	170	**95**	170
Salaries and bonuses	**437**	828	**437**	828
Defined contribution plans	**83**	146	**83**	146
Provision for retirement gratuities	**-**	435	**-**	435
	615	1,579	**615**	1,579
Total Directors' remuneration *(see Note 9)*	**1,482**	2,707	**1,482**	2,707

12. TAXATION

	Group 2018	Group 2017	Company 2018	Company 2017
Current taxation charge:				
Malaysian income tax charge	**64,108**	101,848	**5,041**	7,789
Foreign income tax charge	**305**	480	**-**	-
Deferred tax (reversal)/charge *(see Note 27)*	**(2,909)**	12,601	**(1,888)**	(3,053)
	61,504	114,929	**3,153**	4,736
Prior years' taxation:				
Income tax (over)/under provided	**(721)**	477	**468**	(2)
	60,783	115,406	**3,621**	4,734

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

	Group 2018 %	Group 2017 %	Company 2018 %	Company 2017 %
Malaysian tax rate	**24.0**	24.0	**24.0**	24.0
Tax effects of:				
- expenses not deductible for tax purposes	**8.8**	1.5	**52.6**	0.4
- income not subject to tax	**(1.8)**	(0.6)	**(71.8)**	(22.5)
- tax incentives	**-**	(0.9)	**-**	(0.7)
- recognition of previously unrecognised tax losses and capital allowances	**(4.4)**	(1.8)	**-**	-
- unrecognised tax losses and capital allowances	**7.9**	5.5	**-**	-
- (over)/under provision in prior years	**(0.3)**	0.1	**0.7**	-
- share of results in joint ventures and associates	**(5.0)**	(1.8)	**-**	-
- others	**0.1**	(0.8)	**-**	(0.4)
Average effective tax rate	**29.3**	25.2	**5.5**	0.8

The income tax effect of the other comprehensive income/(loss) item is RM0.3 million *(2017: RM17.3 million)* in the current financial year.

13. EARNINGS PER SHARE

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.

	Group	
	2018	2017
(a) Basic earnings per share		
Profit for the financial year attributable to equity holders of the Company *(RM'000)*	**164,898**	335,089
Weighted average number of ordinary shares in issue *('000)*	**804,425**	801,600
Basic earnings per share *(sen)*	**20.50**	41.80
(b) Diluted earnings per share		
Profit for the financial year attributable to equity holders of the Company *(RM'000)*	**164,898**	335,089
Adjusted weighted average number of ordinary shares in issue		
Weighted average number of ordinary shares in issue *('000)*	**804,425**	801,600
Adjustment for assumed conversion of warrants *('000)*	**18,846**	27,660
	823,271	829,260
Diluted earnings per share *(sen)*	**20.03**	40.41

14. DIVIDENDS

	Group and Company			
	2018		2017	
	Single-tier dividend per share Sen	**Amount of single-tier dividend RM'000**	Single-tier dividend per share Sen	Amount of single-tier dividend RM'000
Special dividend paid in respect of previous year	**11.00**	**88,367**	11.00	87,805
Final dividend paid in respect of previous year	**9.50**	**76,459**	8.00	64,254
Interim dividend paid in respect of current year	**4.75**	**38,231**	5.50	44,177
	25.25	**203,057**	24.50	196,236

At the forthcoming Annual General Meeting, a final single-tier dividend in respect of the financial year ended 31 December 2018 of 8.25 sen *(2017: 9.5 sen)* per ordinary share amounting to RM66.6 million *(2017: RM76.5 million)* will be proposed for shareholders' approval. The financial statements did not reflect this final dividend which will be accrued as a liability upon the approval by shareholders.

15. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and improvements	Leasehold lands	Buildings and improvements	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Bearer plants	Construction in progress	Total
2018									
Group									
Net book value:									
At 1 January, as previously reported	487,522	274,375	412,338	423,188	27,292	30,607	2,602,181	135,046	4,392,549
Measurement period adjustment relating to the acquisition of subsidiaries *(see Note 43)*	-	-	-	-	-	-	32,602	-	32,602
At 1 January, as restated	487,522	274,375	412,338	423,188	27,292	30,607	2,634,783	135,046	4,425,151
Additions	44,759	290	1,284	31,926	3,953	4,273	141,751	37,448	265,684
Disposals	(296)	-	-	-	(111)	(4)	(23)	-	(434)
Written off	-	-	(517)	(316)	(105)	(176)	(30)	(109)	(1,253)
Depreciation charge for the financial year	(18,588)	(3,109)	(15,888)	(49,466)	(3,820)	(9,892)	(104,754)	-	(205,517)
Depreciation capitalised	(3,965)	(587)	(1,193)	(2,450)	(915)	(1,127)	10,237	-	-
Interest capitalised	-	-	-	-	-	-	26,703	-	26,703
Amortisation of leasehold land use rights capitalised *(see Note 18)*	-	-	-	-	-	-	281	-	281
Reclassifications	2,728	(894)	39,692	13,430	198	6,164	-	(61,318)	-
Foreign exchange differences	(8,014)	-	(6,319)	(6,692)	(726)	(604)	(66,380)	(2,471)	(91,206)
At 31 December	504,146	270,075	429,397	409,620	25,766	29,241	2,642,568	108,596	4,419,409
At 31 December									
Cost	693,344	319,627	556,049	773,886	59,271	95,017	3,260,447	108,596	5,866,237
Accumulated depreciation	(189,198)	(49,552)	(126,652)	(364,266)	(33,505)	(65,776)	(617,879)	-	(1,446,828)
Net book value	504,146	270,075	429,397	409,620	25,766	29,241	2,642,568	108,596	4,419,409

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

	Freehold land and improvements	Leasehold lands	Buildings and improvements	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Bearer plants	Construction in progress	Total
2017									
Group									
Net book value:									
At 1 January	497,620	277,154	311,296	290,912	28,473	36,047	2,083,188	286,591	3,811,281
Additions	29,822	89	33,054	25,077	6,337	3,550	178,686	38,817	315,432
Assets of subsidiaries acquired	3	-	18,491	31,522	929	553	567,349	40,448	659,295
Disposals	(170)	-	-	(1)	(423)	(8)	(263)	(394)	(1,259)
Written off	(592)	-	(504)	(332)	(41)	(267)	(317)	-	(2,053)
Depreciation charge for the financial year	(16,758)	(2,953)	(13,661)	(46,245)	(4,574)	(10,388)	(80,559)	-	(175,138)
Depreciation capitalised	(4,807)	(409)	(1,285)	(1,895)	(985)	(1,091)	10,472	-	-
Interest capitalised	-	-	-	-	-	-	31,202	-	31,202
Amortisation of leasehold land use rights capitalised *(see Note 18)*	-	-	-	-	-	-	334	-	334
Reclassifications	2,199	494	81,672	136,907	(714)	3,694	-	(224,252)	-
Foreign exchange differences	(19,795)	-	(16,725)	(12,757)	(1,710)	(1,483)	(155,309)	(6,164)	(213,943)
At 31 December	487,522	274,375	412,338	423,188	27,292	30,607	2,634,783	135,046	4,425,151
At 31 December 2017									
Cost	659,228	320,231	525,041	747,053	57,906	89,509	3,177,313	135,046	5,711,327
Accumulated depreciation	(171,706)	(45,856)	(112,703)	(323,865)	(30,614)	(58,902)	(542,530)	-	(1,286,176)
Net book value	487,522	274,375	412,338	423,188	27,292	30,607	2,634,783	135,046	4,425,151
At 1 January 2017									
Cost	658,609	318,956	413,038	566,006	54,246	86,368	2,550,548	286,591	4,934,362
Accumulated depreciation	(160,989)	(41,802)	(101,742)	(275,094)	(25,773)	(50,321)	(467,360)	-	(1,123,081)
Net book value	497,620	277,154	311,296	290,912	28,473	36,047	2,083,188	286,591	3,811,281

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

	Freehold land and improvements	Leasehold lands	Buildings and improvements	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Bearer plants	Construction in progress	Total
2018									
Company									
Net book value:									
At 1 January	25,850	150,223	26,090	6,773	4,483	9,658	86,826	2,750	312,653
Additions	1,687	57	104	1,230	282	873	9,980	5,168	19,381
Disposals	-	-	-	-	(133)	(15)	-	-	(148)
Written off	-	-	(34)	(14)	-	(6)	(26)	-	(80)
Depreciation	(1,824)	(1,393)	(1,193)	(2,292)	(626)	(4,472)	(14,578)	-	(26,378)
Reclassification	40	-	1,664	212	-	5,202	-	(7,118)	-
At 31 December	25,753	148,887	26,631	5,909	4,006	11,240	82,202	800	305,428
At 31 December									
Cost	39,360	164,231	34,874	22,192	7,072	39,138	276,578	800	584,245
Accumulated depreciation	(13,607)	(15,344)	(8,243)	(16,283)	(3,066)	(27,898)	(194,376)	-	(278,817)
Net book value	25,753	148,887	26,631	5,909	4,006	11,240	82,202	800	305,428

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

	Freehold land and improvements	Leasehold lands	Buildings and improvements	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Bearer plants	Construction in progress	Total
2017									
Company									
Net book value:									
At 1 January	26,200	151,617	24,740	8,490	3,783	12,840	99,393	1,286	328,349
Additions	1,386	3	150	1,010	1,805	363	7,063	5,321	17,101
Disposals	-	-	-	(60)	(315)	(18)	-	-	(393)
Written off	-	-	(162)	(39)	(18)	(7)	(165)	-	(391)
Depreciation	(1,736)	(1,397)	(1,187)	(2,727)	(772)	(4,729)	(19,465)	-	(32,013)
Reclassification	-	-	2,549	99	-	1,209	-	(3,857)	-
At 31 December	25,850	150,223	26,090	6,773	4,483	9,658	86,826	2,750	312,653
At 31 December 2017									
Cost	37,633	164,174	33,186	20,982	7,323	35,837	273,454	2,750	575,339
Accumulated depreciation	(11,783)	(13,951)	(7,096)	(14,209)	(2,840)	(26,179)	(186,628)	-	(262,686)
Net book value	25,850	150,223	26,090	6,773	4,483	9,658	86,826	2,750	312,653
At 1 January 2017									
Cost	36,247	164,171	30,812	20,225	6,348	34,506	275,770	1,286	569,365
Accumulated depreciation	(10,047)	(12,554)	(6,072)	(11,735)	(2,565)	(21,666)	(176,377)	-	(241,016)
Net book value	26,200	151,617	24,740	8,490	3,783	12,840	99,393	1,286	328,349

The carrying values of the freehold land of the Group and of the Company as at 31 December 2018 are RM142.6 million *(2017: RM142.6 million)* and RM1.6 million *(2017: RM1.6 million)* respectively.

The Group's property, plant and equipment with a carrying amount of approximately RM110.5 million *(2017: RM144.7 million)* have been pledged as collateral as at 31 December 2018.

16. PROPERTY DEVELOPMENT ACTIVITIES

	Group			
	2018		2017	
(a) Land held for property development:				
Freehold land		**67,721**		70,047
Leasehold land		**72,231**		68,089
Development costs		**112,213**		122,090
Accumulated impairment		**(5,571)**		(5,571)
		246,594		254,655
At the beginning of the financial year:				
- freehold land	**70,047**		72,367	
- leasehold land	**68,089**		68,089	
- development costs	**122,090**		114,369	
- accumulated impairment	**(5,571)**	**254,655**	(4,713)	250,112
Costs incurred during the financial year:				
- leasehold land	**4,142**		-	
- development costs	**4,450**	**8,592**	6,202	6,202
Cost charged to profit or loss		**(52)**		-
Write-down charged to profit or loss		**-**		(858)
Costs transferred to property development costs : *(see Note 16(b))*				
- freehold land	**(2,274)**		(2,408)	
- development costs	**(14,327)**	**(16,601)**	(4,427)	(6,835)
Costs transferred from assets classified as held for sale:				
- freehold land	**-**		88	
- development costs	**-**	**-**	5,946	6,034
At the end of the financial year		**246,594**		254,655
(b) Property development costs:				
Freehold land		**5,202**		4,215
Development costs		**84,309**		48,673
Accumulated costs charged to profit or loss		**(44,678)**		(21,670)
		44,833		31,218
At the beginning of the financial year:				
- freehold land	**4,215**		2,696	
- development costs	**48,673**		68,314	
- accumulated costs charged to profit or loss	**(21,670)**	**31,218**	(21,004)	50,006
Costs incurred during the financial year:				
- development costs		**68,111**		47,610
Costs charged to profit or loss		**(55,264)**		(44,144)
Costs transferred from land held for property development *(see Note 16(a))*		**16,601**		6,835
Costs transferred to inventories:				
- freehold land	**(1,287)**		(889)	
- development costs	**(46,802)**		(71,678)	
- accumulated costs charged to profit or loss	**32,256**	**(15,833)**	43,478	(29,089)
At the end of the financial year		**44,833**		31,218

17. INVESTMENT PROPERTIES

	Group 2018	Group 2017
Net book value:		
At 1 January	**25,115**	25,517
Additions	**-**	201
Depreciation	**(631)**	(599)
Written off	**-**	(4)
At 31 December	**24,484**	25,115

	Group 31.12.2018	Group 31.12.2017	Group 1.1.2017
Completed properties			
- Cost	**32,752**	32,752	31,416
- Accumulated depreciation	**(8,268)**	(7,637)	(7,038)
	24,484	25,115	24,378
Construction in progress	**-**	-	1,139
Net book value at end of the financial year	**24,484**	25,115	25,517
Fair value of completed properties at end of the financial year	**38,235**	38,235	37,240

The aggregate rental income and direct operating expenses arising from investment properties that generated rental income which were recognised during the financial year amounted to RM2.3 million and RM1.1 million *(2017: RM2.8 million and RM1.0 million)* respectively.

Fair values of the Group's investment properties at the end of financial year have been determined by independent professional valuers based on the market comparable approach that reflect the recent transaction prices for similar properties in size and type within the vicinity and are within Level 2 of the fair value hierarchy.

18. LEASEHOLD LAND USE RIGHTS

	Group 2018	Group 2017
Net book value		
At 1 January	**641,053**	495,758
Additions	**37,515**	50,390
Asset of subsidiaries acquired	**-**	163,361
Disposal of a subsidiary	**-**	(42,941)
Amortisation charged to profit or loss	**(4,291)**	(1,733)
Amortisation capitalised under property, plant and equipment *(see Note 15)*	**(281)**	(334)
Foreign exchange differences	**(9,352)**	(23,448)
At 31 December	**664,644**	641,053

	Group 31.12.2018	Group 31.12.2017	Group 1.1.2017
Cost	**692,711**	665,248	519,559
Accumulated amortisation	**(28,067)**	(24,195)	(23,801)
Net book value	**664,644**	641,053	495,758

Leasehold land use rights of certain subsidiaries with an aggregate carrying value of RM540.6 million *(2017: RM469.1 million)* are pledged as securities for borrowings *(see Note 40)*.

18. LEASEHOLD LAND USE RIGHTS (cont'd)

The Group holds land rights in Indonesia in the form of Hak Guna Usaha ("HGU"), which give the rights to cultivate land for agricultural purposes with expiry dates between 2037 and 2053. The Group also holds other rights relating to certain plots of land in Indonesia and the Group is at various stages of the application process in converting such rights to HGU.

19. INTANGIBLE ASSETS

	Goodwill	Licencing fee	Total
2018			
Group			
Net book value:			
At 1 January	**25,105**	**7,084**	**32,189**
Foreign exchange differences	**643**	**-**	**643**
At 31 December	**25,748**	**7,084**	**32,832**
At 31 December 2018			
Cost/Net book value	**25,748**	**7,084**	**32,832**
2017			
Group			
Net book value:			
At 1 January	27,544	7,084	34,628
Foreign exchange differences	(2,439)	-	(2,439)
At 31 December	25,105	7,084	32,189
At 31 December 2017			
Cost/Net book value	25,105	7,084	32,189
At 1 January 2017			
Cost/Net book value	27,544	7,084	34,628

Goodwill arose due to the Group's acquisition in AsianIndo Holdings Pte Ltd. The impairment test for goodwill was based on fair value less cost to sell model, benchmarking to the most recent transacted prices of plantation lands in Indonesia.

20. SUBSIDIARIES

	Company		
	31.12.2018	31.12.2017	1.1.2017
Unquoted shares - at cost	**4,452,551**	3,678,051	3,394,609
Accumulated impairment losses	**(432,751)**	(299,325)	(299,325)
	4,019,800	3,378,726	3,095,284
Amounts due from subsidiaries			
- Current	**145,125**	1,397,785	783,375
- Non-current *(see Note 26)*	**668,954**	-	-
	814,079	1,397,785	783,375
Amounts due to subsidiaries			
- Current	**166,338**	177,120	66,682
- Non-current	**1,000,000**	1,000,000	1,000,000
	1,166,338	1,177,120	1,066,682

20. SUBSIDIARIES (cont'd)

The amounts due from and to subsidiaries classified as current assets and current liabilities respectively represent outstanding amounts arising from inter-company sales and purchases, advances, payments and receipts on behalf of or by subsidiaries. The outstanding amounts which are less than one year and classified as current assets and current liabilities respectively, are unsecured, repayable on demand and interest free. Included in the amounts due from subsidiaries is a loan to a subsidiary amounting to RM592.2 million *(2017: RM592.2 million)* bearing a fixed interest rate of 4.62% *(2017: 4.62%)* per annum. This amount is classified as non-current as at 31 December 2018.

The non-current amount due to a subsidiary represents the proceeds from the issuance of Sukuk Murabahah advanced to the Company by Benih Restu Berhad, a wholly owned subsidiary, and bears a fixed interest rate of 4.62% *(2017: 4.62%)* per annum.

During the financial year, the Company had subscribed for redeemable convertible non-cumulative preference shares issued by its wholly owned subsidiaries amounting to RM774.5 million *(2017: RM265.9 million)* which is settled via capitalisation of intercompany balances.

An impairment loss on investment in subsidiaries of RM133.4 million has been recognised in the current financial year as the timing and extent of the future economics benefits that can be derived from these subsidiaries remain uncertain.

The subsidiaries are listed in Note 45 and the subsidiaries with material non-controlling interests are set out below:

Indonesia Subsidiaries

1. PalmIndo Holdings Pte Ltd
2. Sri Nangatayap Pte Ltd
3. Sanggau Holdings Pte Ltd
4. Sandai Maju Pte Ltd
5. Ketapang Agri Holdings Pte Ltd
6. Ketapang Holdings Pte Ltd
7. Borneo Palma Mulia Pte Ltd
8. Palma Citra Investama Pte Ltd
9. Cahaya Agro Abadi Pte Ltd
10. Palm Capital Investment Pte Ltd
11. Knowledge One Investment Pte Ltd
12. PT Citra Sawit Cemerlang
13. PT Sawit Mitra Abadi
14. PT Sepanjang Intisurya Mulia
15. PT Surya Agro Palma
16. PT Agro Abadi Cemerlang
17. PT Palma Agro Lestari Jaya
18. PT Kharisma Inti Usaha
19. PT Dwie Warna Karya
20. PT Kapuas Maju Jaya
21. PT Susantri Permai
22. GlobalIndo Holdings Pte Ltd
23. Global Agri Investment Pte Ltd
24. Universal Agri Investment Pte Ltd
25. PT GlobalIndo Agung Lestari
26. PT United Agro Indonesia

Malaysia Subsidiaries

1. Genting Biorefinery Sdn Bhd
2. Genting MusimMas Refinery Sdn Bhd

The accumulated non-controlling interests of the above Malaysia and Indonesia subsidiaries as at 31 December 2018 are RM62.7 million *(2017: RM62.1million)* and RM114.9 million *(2017: RM154.5 million)* respectively.

The profit or loss allocated to non-controlling interests of the above Malaysia and Indonesia subsidiaries are a profit of RM0.3 million *(2017: loss of RM3.6 million*) and a loss of RM19.8 million *(2017: profit of RM7.5 million)* respectively.

20. SUBSIDIARIES (cont'd)

Set out below are the summarised financial information for subsidiaries with material non-controlling interests to the Group. The amounts disclosed are before inter-company eliminations:

	Indonesia Subsidiaries		Malaysia Subsidiaries	
	2018	2017	**2018**	2017
Summarised statement of financial position				
As at 31 December				
Current assets	**553,416**	496,146	**251,827**	238,736
Non-current assets	**2,381,311**	2,394,923	**334,906**	332,137
Current liabilities	**(1,558,780)**	(1,248,446)	**(191,320)**	(178,980)
Non-current liabilities	**(1,209,386)**	(1,252,037)	**(101,295)**	(96,471)
Net assets	**166,561**	390,586	**294,118**	295,422
Summarised statement of comprehensive income				
For the financial year ended 31 December				
Revenue for the financial year	**615,864**	614,299	**976,311**	597,702
(Loss)/Profit for the financial year	**(243,795)**	(80,610)	**1,178**	(12,683)
Total comprehensive (loss)/income for the financial year	**(216,200)**	(57,692)	**2,138**	(9,241)
Summarised cash flows				
For the financial year ended 31 December				
Cash flows generated from/(used in) operating activities	**74,786**	97,349	**(10,697)**	(82,031)
Cash flows used in investing activities	**(187,100)**	(236,546)	**(2,165)**	(11,591)
Cash flows generated from financing activities	**101,577**	197,801	**15,455**	1,726
Net (decrease)/increase in cash and cash equivalents	**(10,737)**	58,604	**2,593**	(91,896)
Dividend paid to non-controlling interests	**-**	-	**-**	-

21. JOINT VENTURES

	Group		
	31.12.2018	31.12.2017	1.1.2017
Unquoted – at cost:			
Shares in a foreign corporation	**12,500**	12,500	12,500
Group's share of post acquisition reserves	**136,309**	95,596	65,394
	148,809	108,096	77,894
Amounts due from joint ventures	**6,731**	9,110	10,120
Less: Balance included in current assets	**(3,193)**	(4,213)	(3,759)
Balance included in other non-current assets *(see Note 26)*	**3,538**	4,897	6,361
	152,347	112,993	84,255

The joint ventures of the Group, as detailed in Note 45, comprise Simon Genting Limited, Genting Simon Sdn Bhd and Genting Highlands Premium Outlets Sdn Bhd.

The joint ventures are private companies and there is no quoted market price available for their shares.

The amounts due from joint ventures included in current assets are unsecured, interest free and are receivable within the next twelve months. The amount due from a joint venture which is more than one year represents the balance of purchase price receivable arising from the sale of land to Genting Simon Sdn Bhd by Genting Property Sdn Bhd, a wholly-owned subsidiary of the Company.

There are no contingent liabilities relating to the Group's interest in the joint ventures at the financial year end *(2017: Nil)*.

Set out below are the summarised financial information for joint ventures which are accounted for using the equity method:

	Group	
	2018	2017
Summarised statement of financial position as at 31 December		
Current assets	**102,599**	80,782
Non-current assets	**404,883**	334,874
Current liabilities	**(91,584)**	(74,877)
Non-current liabilities	**(108,112)**	(114,419)
Net assets	**307,786**	226,360
Included in the statement of financial position are:		
Cash and cash equivalents	**71,145**	37,493
Current financial liabilities (excluding trade and other payables and provisions)	**(29,941)**	(12,130)
Non-current financial liabilities (excluding trade and other payables and provisions)	**(108,112)**	(114,419)
Summarised statements of profit or loss for the financial year ended 31 December		
Profit for the financial year	**81,426**	60,404
Other comprehensive income	**-**	-
Total comprehensive income	**81,426**	60,404
Included in the statements of profit or loss are:		
Revenue	**126,969**	93,867
Depreciation and amortisation	**(8,350)**	(5,368)
Interest income	**1,024**	212
Interest expense	**(9,805)**	(4,742)
Income tax expense	**(246)**	-

21. JOINT VENTURES (cont'd)

	Group 2018	2017
Reconciliation of net assets to carrying amount:		
As at 31 December		
Group's share of net assets	**153,893**	113,180
Profit elimination on transaction with a joint venture	**(5,084)**	(5,084)
Carrying amount in the statement of financial position	**148,809**	108,096

22. ASSOCIATES

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Unquoted shares - at cost	**1,872**	2,123	2,123	**1,872**	2,123	2,123
Group's share of post-acquisition reserves	**7,772**	10,748	10,378	**-**	-	-
Share of net assets	**9,644**	12,871	12,501	**1,872**	2,123	2,123
Amounts due from associates	**2,223**	356	380	**2,223**	356	380
Less: Balance included in current assets	**(2,223)**	(356)	(380)	**(2,223)**	(356)	(380)
	-	-	-	**-**	-	-
	9,644	12,871	12,501	**1,872**	2,123	2,123

The associates are listed in Note 45.

The amounts due from associates represent outstanding amounts arising from trade transactions and advances and payments made on behalf of associates, are unsecured, interest free and repayable on demand.

There are no contingent liabilities relating to the Group's interest in associates at the financial year end *(2017: Nil)*.

The following table summarises, in aggregate, the financial information of all individually immaterial associates that are accounted for using the equity method:

	Group 2018	2017
Share of profit for the financial year	**2,314**	4,493
Share of other comprehensive income	**-**	-
Share of total comprehensive income	**2,314**	4,493

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Debts security in a foreign corporation						
- unquoted	**3,073**	-	-	**-**	-	-
Income funds in Malaysian corporations						
- unquoted	**350,016**	-	-	**350,016**	-	-
At 31 December	**353,089**	-	-	**350,016**	-	-
Analysed as follows:						
Current	**350,016**	-	-	**350,016**	-	-
Non-current	**3,073**	-	-	**-**	-	-
	353,089	-	-	**350,016**	-	-

The debts security in a foreign corporation represents 8% Convertible Promissory Notes ("Notes") in Synthetic Genomics, Inc ("SGI"), a privately held company incorporated in the United States of America, specialising in developing and commercialising genomic-driven solution to address global sustainability challenges. The Notes is repayable upon maturity or convertible to equity share in SGI in its next equity issuance.

The income funds in Malaysia corporations are redeemable at the discretion of the Group and of the Company and the fair values are based on the fund managers' statements at the reporting date.

At 1 January 2018, the Group classified its debts investment in SGI of RM2.7 million as FVTPL, which previously was classified as available-for-sale financial assets *(see Note 25).*

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group		
	31.12.2018	31.12.2017	1.1.2017
Equity investments in foreign corporations			
- unquoted	**-**	-	-

At 1 January 2018, the Group has made an irrevocable election to classify its equity investments of RM91.8 million as FVOCI, which previously was classified as available-for-sale financial assets *(see Note 25).*

During the current financial year, a fair value loss of RM94.2 million was recognised in relation to the equity investments in foreign corporations as the timing and extent of the future economic benefits that can be received from these investments remain uncertain.

25. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Equity investments in foreign corporations - unquoted	**-**	91,808	143,170	**-**	-	-
Debt security in a foreign corporation - unquoted	**-**	2,740	-	**-**	-	-
Income funds in Malaysian corporations - unquoted	**-**	500,001	500,006	**-**	500,001	500,006
At 31 December	**-**	594,549	643,176	**-**	500,001	500,006
Analysed as follows:						
Current	**-**	500,001	500,006	**-**	500,001	500,006
Non-current	**-**	94,548	143,170	**-**	-	-
	-	594,549	643,176	**-**	500,001	500,006

Arising from the initial application of MFRS 9 on 1 January 2018, the Group has irrevocably elected to present in OCI the fair value changes in unquoted equity investments in foreign corporations. The Group considers this classification to be more relevant as the unquoted equity investments in foreign corporations are not held for trading purpose *(see Note 24)*.

In addition, the Group and the Company have also reclassified the debt security in a foreign corporation and income funds in Malaysian corporations to financial assets at fair value through profit or loss because their contractual cash flows do not represent solely for payments of principal and interest *(see Note 23)*.

The fair value of the equity investments in unquoted foreign corporations was determined based on discounted cash flow valuation technique in the prior financial year. A fair value loss of RM31.1 million was recognised in OCI in relation to this investment in the prior financial year.

26. OTHER NON-CURRENT ASSETS

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Amounts due from plasma cooperatives *(see Note 31)*	**26,462**	-	-	**-**	-	-
Amount due from subsidiaries *(see Note 20)*	**-**	-	-	**668,954**	-	-
Amount due from a joint venture *(see Note 21)*	**3,538**	4,897	6,361	**-**	-	-
Amount due from a related party	**8,000**	8,000	8,000	**8,000**	8,000	8,000
	38,000	12,897	14,361	**676,954**	8,000	8,000
The maturity profile for the other non-current assets is as follows:						
More than one year and less than two years	**18,057**	9,721	9,721	**8,000**	8,000	8,000
More than two years and less than five years	**19,943**	3,176	4,640	**668,954**	-	-
	38,000	12,897	14,361	**676,954**	8,000	8,000

The carrying amounts of the non-current assets approximate their fair values, which are based on cash flows discounted using the appropriate market interest rates. The fair values are within Level 2 of the fair value hierarchy.

27. 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 relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Subject to income tax:						
- Deferred tax assets	**110,850**	105,743	91,533	**-**	-	-
- Deferred tax liabilities	**(317,704)**	(318,163)	(145,014)	**(26,535)**	(28,423)	(31,476)
	(206,854)	(212,420)	(53,481)	**(26,535)**	(28,423)	(31,476)

	Group		Company	
	2018	2017	**2018**	2017
At 1 January, as previously reported	**(174,393)**	(50,801)	**(28,245)**	(31,246)
Effects of transition from FRSs to MFRSs and reclassifications *(see Note 43)*	**(38,027)**	(2,680)	**(178)**	(230)
At 1 January, as restated	**(212,420)**	(53,481)	**(28,423)**	(31,476)
(Charged)/Credited to statements of profit or loss *(see Note 12)***:**				
- Property, plant and equipment	**2,024**	(13,201)	**1,270**	6,325
- Provision for retirement gratuities	**123**	370	**(96)**	394
- Land held for property development	**575**	807	**-**	-
- Property development costs	**129**	(193)	**-**	-
- Inventories	**(3,479)**	10,597	**-**	-
- Payables	**2,806**	1,006	**(12)**	13
- Tax losses	**812**	(10,008)	**-**	(3,731)
- Unabsorbed capital allowances	**-**	-	**640**	-
- Other temporary differences	**(81)**	(1,979)	**86**	52
	2,909	(12,601)	**1,888**	3,053
Acquisition of subsidiaries	**-**	(158,593)	**-**	-
Currency translation differences	**2,657**	12,255	**-**	-
At 31 December	**(206,854)**	(212,420)	**(26,535)**	(28,423)

27. DEFERRED TAXATION (cont'd)

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Subject to income tax/RPGT:						
i) Deferred tax assets (before offsetting)						
- Property, plant and equipment	**17,592**	8,986	10,453	**-**	-	-
- Provision for retirement gratuities	**3,335**	3,212	2,842	**2,907**	3,003	2,609
- Land held for property development	**6,241**	4,844	4,036	**-**	-	-
- Inventories	**8,430**	11,900	1,303	**-**	-	-
- Payables	**23,310**	20,586	19,586	**160**	172	159
- Tax losses	**165,201**	133,622	128,589	**-**	-	3,731
- Unabsorbed capital allowances	**-**	-	-	**640**	-	-
- Other temporary differences	**4,053**	1,320	1,562	**-**	-	-
	228,162	184,470	168,371	**3,707**	3,175	6,499
Offsetting	**(117,312)**	(78,727)	(76,838)	**(3,707)**	(3,175)	(6,499)
Deferred tax assets (after offsetting)	**110,850**	105,743	91,533	**-**	-	-
ii) Deferred tax liabilities (before offsetting)						
- Property, plant and equipment	**(430,761)**	(388,890)	(218,589)	**(30,242)**	(31,598)	(37,975)
- Land held for property development	**(182)**	(204)	(204)	**-**	-	-
- Property development costs	**(1,210)**	(1,339)	(1,146)	**-**	-	-
- Inventories	**(250)**	(241)	(239)	**-**	-	-
- Other temporary differences	**(2,613)**	(6,216)	(1,674)	**-**	-	-
	(435,016)	(396,890)	(221,852)	**(30,242)**	(31,598)	(37,975)
Offsetting	**117,312**	78,727	76,838	**3,707**	3,175	6,499
Deferred tax liabilities (after offsetting)	**(317,704)**	(318,163)	(145,014)	**(26,535)**	(28,423)	(31,476)

The deferred tax assets recognised on unutilised tax losses mainly relate to carried forward tax losses of subsidiaries in Indonesia, to the extent that the deferred tax assets will be recoverable based on the estimated future financial performance of the subsidiaries.

The amount of tax savings in respect of brought forward tax losses for which credit has been recognised by the Group during the financial year amounted to RM1.6 million *(2017: RM20.3 million)*.

27. DEFERRED TAXATION (cont'd)

The amounts of unutilised tax losses and deductible temporary differences on property, plant and equipment for which no deferred tax asset has been recognised in the statements of financial position are as follows:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Unutilised tax losses			
- Expiring not more than five years *(see Note (a) below)*	**155,960**	154,701	137,606
- Expiring not more than seven years *(see Note (b) below)*	**87,141**	-	-
- No expiry period *(see Note (b) below)*	**333,085**	411,751	392,172
	576,186	566,452	529,778
Unutilised capital allowances with no expiry period *(see Note (b) below)*	**117,569**	133,348	97,868
	693,755	699,800	627,646

(a) Deferred tax assets for Indonesia subsidiaries that have not been recognised as the realisation of the tax benefits accruing to these tax losses is not probable.

(b) During the current financial year, as a consequence of the announcement of the 2018 Finance Bill by the Government of Malaysia which places a 7-year time limit on carry forward tax losses, the unutilised tax losses of RM87.1 million relating to Malaysian subsidiaries have been reclassified as "expiring not more than seven years" whilst unabsorbed capital allowances and unabsorbed investment tax allowances are not subject to the proposed time limit. Included in the amount of unutilised tax losses with no expiry period are unutilised tax losses of certain subsidiaries of the Group amounting to RM333.1 million *(2017: RM318.7 million)* for which deferred tax assets have not been recognised as these subsidiaries are accredited with tax exemption for 10 years and the tax losses arising therefrom are not subject to the expiry limit. No deferred tax has been recognised on the tax losses of RM87.1 million *(2017: RM93.1 million)* as the realisation of the tax benefits accruing to these tax losses is not probable.

28. ASSETS CLASSIFIED AS HELD FOR SALE

	Group		
	31.12.2018	31.12.2017	1.1.2017
Land held for property development	**-**	-	6,034

The assets classified as held for sale as at 1 January 2017 comprised land and infrastructure costs measuring approximately 20 acres pursuant to a sale and purchase agreement signed with a third party. The sale and purchase agreement was subsequently terminated in the previous financial year and the cost had been accordingly reclassified to land held for property development.

29. INVENTORIES

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Produce/products stocks	**159,948**	113,750	66,637	**-**	-	-
Stores and spares	**58,034**	40,695	37,131	**3,560**	1,839	1,598
Raw materials and consumables	**8,997**	5,567	2,020	**-**	-	-
Completed development properties	**64,047**	72,258	68,490	**-**	-	-
	291,026	232,270	174,278	**3,560**	1,839	1,598

30. PRODUCE GROWING ON BEARER PLANTS

	Group		Company	
	2018	2017	**2018**	2017
At 1 January	**6,095**	-	**743**	-
Effects of transition to MFRS Framework *(see Note 43)*	**-**	9,122	**-**	960
	6,095	9,122	**743**	960
Transferred to produce stocks	**(6,095)**	(9,122)	**(743)**	(960)
Changes in fair value	**3,847**	6,032	**382**	743
Foreign exchange differences	**(19)**	63	**-**	-
At 31 December	**3,828**	6,095	**382**	743

The fair value measurement of the produce growing on bearer plants is determined by using the market approach, which takes into consideration the market prices of fresh fruits bunches ("FFB"), adjusted for estimated oil content of unharvested FFB, less harvesting, transport and other costs to sell and is categorised within Level 3 of the fair value hierarchy. A reasonable change in the key assumptions would not result in a material impact to the financial statements.

31. TRADE AND OTHER RECEIVABLES

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Current:						
a) Trade receivables	**120,467**	78,040	140,895	**-**	-	80
Less: Loss allowance on trade receivables	**(343)**	(47)	(370)	**-**	-	-
	120,124	77,993	140,525	**-**	-	80
Deposits	**4,584**	5,537	7,675	**806**	820	775
Prepayments	**14,187**	11,479	10,431	**726**	540	730
Other receivables*	**303,041**	293,987	337,805	**4,104**	4,429	36,468
	441,936	388,996	496,436	**5,636**	5,789	38,053
(b) Contract assets in relation to property development activities	**31,946**	8,478	8,322	**-**	-	-
	473,882	397,474	504,758	**5,636**	5,789	38,053

(a) Trade and other receivables

* *Included in other receivables and other non-current assets of the Group are advances for plasma schemes of RM169.8 million (2017: RM165.2 million) which are recoverable by the Group's subsidiaries in Indonesia. In accordance with the policy of the Government of the Republic of Indonesia ("Government"), nucleus companies involved in plantation developments are required to provide support to develop and cultivate palm oil lands for local communities as part of their social obligation which is known as "plasma" schemes.*

In line with this requirement, the Group's subsidiaries in Indonesia participate in several plasma cooperative programs for the development and cultivation of oil palm lands for the local communities. The Group's subsidiaries manage the plasma plantation activities and purchase the plantation produce arising therefrom at prices determined by the Government. Advances made by the Group's subsidiaries to the plasma schemes in the form of plantation development costs are recoverable either through bank loans obtained by the plasma cooperatives or direct repayments from the cooperatives when these plasma areas come to maturity. Impairment losses are made when the estimated recoverable amounts are less than the outstanding advances.

Credit terms offered by the Group in respect of trade receivables range from 7 days to 45 days *(2017: 7 days to 45 days)* from the date of invoice.

The Group's trade receivables that are individually determined to be impaired at the reporting date relate to property debtors that have defaulted on payment.

31. TRADE AND OTHER RECEIVABLES (cont'd)

(a) Trade and other receivables (cont'd)

Movements on the Group's loss allowance on trade receivables are as follows:

	Group	
	2018	2017
At 1 January	**47**	370
Loss allowance on trade receivables	**324**	28
Write back of allowance	**(28)**	(351)
At 31 December	**343**	47

Other than as disclosed above, the remaining trade and other receivables balances are neither past due nor impaired. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables and other receivables mentioned above.

(b) Contract assets and contract liabilities

	Group	
	2018	2017
At 1 January		
- contract assets	**8,478**	8,322
- contract liabilities	**(2,465)**	(503)
	6,013	7,819
Property development revenue recognised	**99,388**	69,318
Less: Progress billings issued	**(73,455)**	(71,124)
At 31 December	**31,946**	6,013
Analysed as follows:		
- contract assets	**31,946**	8,478
- contract liabilities *(see Note 37)*	**-**	(2,465)
	31,946	6,013

The contract liabilities at the beginning of the financial year have been recognised as revenue during the financial year.

The amount of unfulfilled performance obligation of RM29.5 million as at the reporting date will be recognised in the financial statements in the next two to three years.

32. HOLDING COMPANY AND OTHER RELATED COMPANIES

The Company's immediate and ultimate holding company is Genting Berhad, a company incorporated in Malaysia.

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Current:						
Amount due to ultimate holding company	**(627)**	(1,118)	(960)	**(627)**	(1,118)	(960)
Amounts due to other related companies	**(435)**	(1,142)	(1,112)	**(273)**	(1,141)	(1,006)
	(1,062)	(2,260)	(2,072)	**(900)**	(2,259)	(1,966)
Amounts due from other related companies	**-**	-	-	**946**	1,858	1,200
	(1,062)	(2,260)	(2,072)	**46**	(401)	(766)

The amounts due to ultimate holding company and other related companies and the amounts due from other related companies are unsecured, interest free and repayable on demand.

33. CASH AND CASH EQUIVALENTS

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Deposits with licensed banks	**75,325**	398,945	503,857	**12,730**	160,613	426,649
Cash and bank balances	**191,776**	265,489	263,318	**34,112**	161,318	209,391
	267,101	664,434	767,175	**46,842**	321,931	636,040
Add:						
Money market instruments	**682,784**	914,540	493,091	**506,523**	826,162	191,714
	949,885	1,578,974	1,260,266	**553,365**	1,148,093	827,754
Less: Restricted cash	**-**	(357,300)	-	**-**	(357,300)	-
Cash and cash equivalents	**949,885**	1,221,674	1,260,266	**553,365**	790,793	827,754

The deposits of the Group and of the Company as at 31 December 2018 have maturity period of one month *(2017: one month)*. The money market instruments of the Group and of the Company as at 31 December 2018 have maturity periods ranging between overnight and one month *(2017: between overnight and one month)*. Bank balances of the Group and of the Company are held at call. These deposits have weighted average interest rates ranging from 2.96% to 3.61% *(2017: 3.26% to 3.43%)* per annum.

Included in the bank balances of the Group is an amount of RM22.8 million *(2017: RM31.3 million)* deposited by a subsidiary involved in property development activities into various Housing Development Accounts in accordance with Section 7(A) of the Housing Developers (Control and Licensing) Act, 1966. This amount is available for use by the said subsidiary for the payment of property development expenditure.

Restricted cash in the previous financial year relates to money market instruments pledged with a licensed bank that was secured against certain bank borrowings.

34. SHARE CAPITAL

	Group and Company			
	Number of shares		Share Capital	
	2018	2017	**2018**	2017
Authorised share capital:				
At 1 January	**-**	100,000,000	**-**	500,000
Effects of transition to no authorised share capital regime on 31 January 2017 under the Companies Act 2016 (“the Act”)	**-**	(100,000,000)	**-**	(500,000)
At 31 December	**-**	-	**-**	-
Issued and fully-paid:				
Ordinary shares				
At 1 January				
- Ordinary shares with no par value *(2017: ordinary shares of RM0.50 each)*	**803,399,064**	794,038,404	**841,340**	397,019
Effect of transition to no par value regime on 31 January 2017 under the Act	**-**	-	**-**	370,392
Issuance pursuant to conversion of warrants	**2,334,060**	9,360,660	**21,927**	73,929
At 31 December				
- Ordinary shares with no par value	**805,733,124**	803,399,064	**863,267**	841,340

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

The Act which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, any amounts standing to the credit of the share premium account of RM370.4 million in previous financial year became part of the Company’s share capital pursuant to the transitional provisions set out in Section 618(2) of the Act. There is no impact on the number of ordinary share in issue or the relative entitlement of any of the members as a result of this transition.

35. TREASURY SHARES

At the Annual General Meeting of the Company held on 4 June 2018, the shareholders of the Company approved the renewal of the authority for the Company to purchase its own shares up to 10% of the issued and paid-up share capital of the Company.

The Company did not purchase its own shares in the current and previous financial year. The purchased shares are held as treasury shares in accordance with the requirements of Section 127(4) of the Companies Act 2016 in Malaysia. There are no cancellation, resale or reissuance of treasury shares during the financial year. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

As at 31 December 2018, of the total 805,733,124 *(2017: 803,399,064)* issued and fully paid ordinary shares, 160,000 *(2017: 160,000)* shares are held as treasury shares by the Company. At 31 December 2018, the number of outstanding ordinary shares in issue after netting-off treasury shares against equity is 805,573,124 *(2017: 803,239,064)* ordinary shares.

	Total shares purchased in units ’000	Total consideration paid RM’000	Average price* RM
At 1 January/31 December	160	1,372	8.58

** Average price includes stamp duty, brokerage and clearing fees.*

36. RESERVES

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Share premium	**-**	-	356,384	**-**	-	356,384
Warrants reserve	**151,785**	155,624	171,015	**151,785**	155,624	171,015
Fair value reserve	**(84,586)**	9,573	40,679	**5**	5	5
Treasury shares *(see Note 35)*	**(1,372)**	(1,372)	(1,372)	**(1,372)**	(1,372)	(1,372)
Cash flow hedge reserve	**(442)**	3,733	(1,279)	**-**	-	(26)
Reserve on exchange differences	**(236,955)**	(132,388)	2,928	**-**	-	-
	(171,570)	35,170	568,355	**150,418**	154,257	526,006
Retained earnings	**3,428,873**	3,465,165	3,325,651	**3,826,328**	3,966,893	3,540,878
	3,257,303	3,500,335	3,894,006	**3,976,746**	4,121,150	4,066,884

The warrants reserve represents monies received from the issuance of 139,199,464 warrants by the Company pursuant to the Restricted Issue of Warrants. The warrants were listed on the Main Market of Bursa Malaysia Securities Berhad on 20 December 2013. Each warrant carries the right to subscribe for 1 new ordinary share in the Company at any time on or after the issue date up to the expiry date of 17 June 2019 at the exercise price of RM7.75 for each new share. Any warrant not exercised by the expiry of the exercise period will lapse and cease to be valid for all purposes. The warrants are constituted by a Deed Poll dated 8 November 2013.

The movements in the warrants reserve and number of warrants during the financial year are summarised below:

	Group and Company			
	2018	2017	**2018**	2017
	No. of Warrants		**RM'000**	RM'000
At 1 January	**94,647,400**	104,008,060	**155,624**	171,015
Conversion of warrants	**(2,334,060)**	(9,360,660)	**(3,839)**	(15,391)
At 31 December	**92,313,340**	94,647,400	**151,785**	155,624

37. TRADE AND OTHER PAYABLES

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Current:						
Trade payables	**118,872**	90,553	75,818	**5,012**	4,042	4,315
Accruals for property development expenditure	**85,237**	93,342	82,922	**-**	-	-
Deposits	**7,923**	8,785	46,975	**293**	330	292
Accrued expenses	**146,376**	124,768	163,945	**17,364**	15,682	15,121
Retention monies	**11,994**	13,862	17,628	**19**	36	42
	370,402	331,310	387,288	**22,688**	20,090	19,770
Contract liabilities in relation to property development activities *(see Note 31)*	**-**	2,465	503	**-**	-	-
	370,402	333,775	387,791	**22,688**	20,090	19,770

38. PROVISION

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Retirement gratuities *(see (a) below)*	**14,856**	14,292	12,469	**12,112**	12,511	10,872
Retirement benefits *(see (b) below)*	**9,374**	9,787	4,616	**-**	-	-
	24,230	24,079	17,085	**12,112**	12,511	10,872

	Group		Company	
	2018	2017	**2018**	2017
a) Retirement gratuities				
Non-current:				
At 1 January	**14,292**	12,469	**12,511**	10,872
Charged/(Credited) to profit or loss	**602**	6,043	**(399)**	5,859
Payment made	**-**	(4,220)	**-**	(4,220)
Foreign exchange difference	**(38)**	-	**-**	-
At 31 December	**14,856**	14,292	**12,112**	12,511

b) Retirement benefits

The subsidiaries in Indonesia operate an unfunded defined benefit plan for its eligible employees. The obligation under the defined benefit plan is determined based on the actuarial valuation carried out by an independent qualified actuary. The latest actuarial valuation of the plan in Indonesia was carried out on 31 December 2018.

The movements in the amounts recognised in the statements of financial position are as follows:

	Group	
	2018	2017
At 1 January	**9,787**	4,616
Charged to profit or loss	**901**	4,185
Payment made	**(1,070)**	(588)
Actuarial gains	**(2,965)**	(1,156)
Liability of subsidiary acquired	**-**	1,949
Foreign exchange differences	**2,721**	781
At 31 December	**9,374**	9,787

38. PROVISION (cont'd)

b) Retirement benefits (cont'd)

The amounts recognised in the statements of financial position are determined as follows:

	Group		
	31.12.2018	31.12.2017	1.1.2017
Present value of unfunded obligations - non current	**9,374**	9,787	4,616

The amounts recognised in the statements of profit or loss comprise mainly current service costs.

The principal assumptions used in respect of the unfunded defined benefits plan are as follows

	Group	
	2018	2017
Discount rate	**8.35% - 8.65%**	7.02% - 7.22%
Future salary increases	**5%**	5%

Based on the same method used to derive the present value of the defined benefits obligation using the projected unit credit method, it is estimated that 1% change in principal assumptions would not have a significant impact to the defined benefit obligation of the Group.

The weighted average duration of the defined benefit obligation is 20.24 years *(2017: 19.85 years)* for the Group.

39. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Non-current:						
Designated as cash flow hedge						
Interest rate swap	**(3,605)**	(128)	(2,073)	**-**	-	-
Current:						
Designated as cash flow hedge						
Interest rate swap	**782**	(9)	424	**-**	-	-
Forward foreign currency exchange contracts	**1,068**	1,403	(574)	**-**	-	(26)
Commodity future contracts	**367**	2,038	-	**-**	-	-
	2,217	3,432	(150)	**-**	-	(26)

39. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (cont'd)

As at 31 December 2018, the summary and maturity analysis of the outstanding derivative financial assets and liabilities of the Group and of the Company are as follows:

(a) Interest Rate Swap

	Contract/Notional Value (RM'000)	Fair Value Asset/(Liability) (RM'000)
As at 31 December 2018		
Group		
USD	460,295	
- Less than 1 year		782
- 1 year to 2 years		(1,658)
- 2 years to 5 years		(1,947)
As at 31 December 2017		
Group		
USD	244,800	
- Less than 1 year		(9)
- 1 year to 3 years		(128)
As at 1 January 2017		
Group		
USD	313,355	
- Less than 1 year		424
- 1 year to 3 years		(2,073)

(b) Forward Foreign Currency Exchange Contracts

	Contract/Notional Value (RM'000)	Fair Value Asset/(Liability) (RM'000)
As at 31 December 2018		
Group		
USD	208,454	
- Less than 1 year		1,068
As at 31 December 2017		
Group		
USD	92,122	
- Less than 1 year		1,403
As at 1 January 2017		
Group		
USD	70,310	
- Less than 1 year		(574)
Company		
USD	31,946	
- Less than 1 year		(26)

39. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (cont'd)

(c) Commodity Future Contracts

	Contract/Notional Value (RM'000)	Fair Value Asset (RM'000)
As at 31 December 2018		
Group		
USD	32,797	
- Less than 1 year		367
As at 31 December 2017		
Group		
USD	31,003	
- Less than 1 year		2,038

The commodity future contracts were entered into with the objective of managing and hedging on the Group's downstream manufacturing operations to adverse price movements in the palm oil commodities.

These interest rate swap, forward foreign currency exchange contracts and commodity future contracts are accounted using the hedge accounting method. The changes in fair value of these contracts are included in hedging reserves in equity and are recognised in profit or loss when the underlying hedged items are recognised.

The fair values of the above instruments have been estimated using the published market prices or quotes from reputable financial institutions and are within Level 2 of the fair value hierarchy. The Group had no significant concentration of credit risk as at 31 December 2018.

40. BORROWINGS

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Current						
Secured:						
Term loans	**182,173**	526,790	36,648	**-**	322,218	-
Unsecured:						
Bridging loans	**192,360**	-	-	**-**	-	-
Trade financing	**129,060**	109,731	-	**-**	-	-
Sukuk Murabahah	**3,418**	3,418	3,418	**-**	-	-
	507,011	639,939	40,066	**-**	322,218	-
Non-current						
Secured:						
Term loans	**1,281,358**	1,561,369	1,318,318	**-**	236,640	-
Unsecured:						
Sukuk Murabahah	**998,009**	997,699	997,390	**-**	-	-
	2,279,367	2,559,068	2,315,708	**-**	236,640	-
	2,786,378	3,199,007	2,355,774	**-**	558,858	-

40. BORROWINGS (cont'd)

a) Contractual terms of borrowings

	Contractual interest/ profit rate (per annum)	Total carrying amount	< 1 year	1 - 2 years	2 - 5 years	> 5 years
			← Maturity Profile →			
Group						
At 31 December 2018						
Secured						
Term loans	3.15% - 5.04%	**1,463,531**	**182,173**	**290,361**	**656,315**	**334,682**
Unsecured						
Bridging loans	4.23%	**192,360**	**192,360**	**-**	**-**	**-**
Trade financing	4.64% - 5.02%	**129,060**	**129,060**	**-**	**-**	**-**
Sukuk Murabahah	4.62%	**1,001,427**	**3,418**	**-**	**-**	**998,009**
		2,786,378	**507,011**	**290,361**	**656,315**	**1,332,691**
Group						
At 31 December 2017						
Secured						
Term loans	1.89% - 10.50%	2,088,159	526,790	405,412	724,104	431,853
Unsecured						
Trade financing	4.64% - 4.76%	109,731	109,731	-	-	-
Sukuk Murabahah	4.62%	1,001,117	3,418	-	-	997,699
		3,199,007	639,939	405,412	724,104	1,429,552
Company						
At 31 December 2017						
Secured						
Term loans	1.89% - 2.05%	558,858	322,218	236,640	-	-
Group						
At 1 January 2017						
Secured						
Term loans	1.78% - 4.87%	1,354,966	36,648	39,960	797,708	480,650
Unsecured						
Sukuk Murabahah	4.62%	1,000,808	3,418	-	-	997,390
		2,355,774	40,066	39,960	797,708	1,478,040

The term loans are secured over the plantation lands of certain subsidiaries in Indonesia, land and refinery in Lahad Datu, Sabah and money market instruments as disclosed in Notes 15 and 18.

The carrying amounts of the Group's borrowings approximate their fair values.

b) Undrawn committed borrowing facilities

	Group		
	31.12.2018	31.12.2017	1.1.2017
Floating rate:			
- expiring within one year	**-**	40,615	-
- expiring more than one year and not more than two years	**-**	-	102,720
- expiring more than two years and not more than five years	**210,444**	298,409	409,711
	210,444	339,024	512,431

The facilities have been arranged to finance the expansion of the Group's plantation activities in Indonesia.

41. DEFERRED INCOME

	Group	
	2018	2017
Non-current		
Government grant		
At 1 January	**8,493**	8,493
Addition	**5,149**	-
At 31 December	**13,642**	8,493

This refers to the government grant totalling RM13.6 million *(2017: RM8.5 million)* which relates to the construction of a biorefinery plant. The government grant is to be recognised in profit or loss over the useful lives of the assets when the assets are commissioned.

42. CAPITAL COMMITMENTS

	Group			Company		
	31.12.2018	31.12.2017	1.1.2017	**31.12.2018**	31.12.2017	1.1.2017
Authorised capital expenditure not provided for in the financial statements:						
- contracted	**85,241**	98,414	109,875	**2,317**	2,691	990
- not contracted	**1,288,501**	1,475,503	1,506,837	**16,333**	33,710	16,742
	1,373,742	1,573,917	1,616,712	**18,650**	36,401	17,732
Analysed as follows:						
- Property, plant and equipment	**1,344,933**	1,531,455	1,580,279	**18,650**	36,401	17,732
- Leasehold land use rights	**15,322**	28,975	22,946	**-**	-	-
- Intellectual property development	**13,487**	13,487	13,487	**-**	-	-
	1,373,742	1,573,917	1,616,712	**18,650**	36,401	17,732

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION

(a) Transition from FRSs to MFRS Framework

The financial statements of the Group and the Company for the financial year ended 31 December 2018 are the first set of financial statements prepared in accordance with MFRS, including MFRS 1 "First-time adoption of Malaysian Financial Reporting Standards". Subject to certain transition elections and effects of adoption of MFRS 141 "Agriculture" as disclosed below, the Group and the Company have consistently applied the same accounting policies in its opening MFRS statement of financial position at 1 January 2017, being the transition date, and throughout all periods presented, as if these policies had always been in effect.

The effects of the Group's transition to MFRSs are as follows:

Transition from FRSs to MFRSs

(i) Exemption for business combinations

The Group has elected to apply MFRS 3 "Business Combinations" prospectively from the date FRS 3 "Business Combinations" was adopted, i.e. 1 January 2011. Business combinations that occurred prior to that date have not been restated. In addition, the Group has also applied MFRS 10 "Consolidated Financial Statements" on the same date as FRS 3. This election does not have any impact on the Group.

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

(a) Transition from FRSs to MFRS Framework (cont'd)

(ii) Property, plant and equipment – previous revaluation as deemed cost exemption

Under FRS, valuation adjustments on certain property, plant and equipment were incorporated into the financial statements in accordance with transitional provision allowed by the Malaysian Accounting Standards Board ("MASB") upon the initial adoption of IAS 16 "Property, Plant and Equipment". The Group has elected to use the previous revaluation as deemed cost under MFRS. Accordingly, the carrying amounts of these property, plant and equipment of RM46.6 million as at 1 January 2017 have not been restated. The revaluation reserve of RM18.1 million and RM0.1 million of the Group and of the Company respectively as at 1 January 2017 were reclassified to retained earnings.

(iii) MFRS 9 "Financial Instruments"

The Group has elected the exemption in MFRS 1 which allows the Group not to restate comparative information in the year of initial application. The Group continues to apply FRS 139 "Financial Instruments: Recognition and Measurement" and FRS 7 "Financial Instruments: Disclosures" for the comparative information. Any adjustments to align the carrying amounts of financial assets and financial liabilities under the previous FRS 139 with MFRS 9 are recognised in retained earnings and other reserves as at 1 January 2018.

(iv) MFRS 15 "Revenue from Contracts with Customers"

The Group has elected the exemption in MFRS 1 which allows the Group not to restate any contracts that are completed as at the date of transition of 1 January 2017.

(v) Assets and liabilities of subsidiaries, joint ventures and associates

The assets and liabilities of subsidiaries, joint ventures and associates which have adopted the MFRS Framework or International Financial Reporting Standards ("IFRS") earlier than the Group shall remain at the same carrying amounts as in the financial statements of these subsidiaries, joint ventures and associates, after adjusting for consolidation adjustments.

The optional exemptions elected by the Group that have an impact on the reported financial positions prepared in accordance with FRSs have been applied in the opening MFRS statement of financial position as at 1 January 2017 and throughout all periods presented in the financial statements.

Effects of adoption of MFRS 141 "Agriculture"

Prior to the adoption of MFRS 141 "Agriculture", produce growing on bearer plants was not recognised. Following the adoption of these MFRSs, produce growing on bearer plants are measured at fair value less costs to sell with fair value changes recognised in profit or loss. The produce growing on bearer plants of the Group comprises fresh fruit bunches ("FFB") prior to harvest. Management has deliberated on the oil content of such unharvested FFB which is unripe and concluded that since the oil content of unharvested FFB accrues exponentially up to 15 days prior to harvest, such unharvested FFB more than 15 days are excluded from the valuation as their fair values are considered negligible. The fair value of unharvested FFB is computed based on market approach which takes into consideration the market prices of FFB, adjusted for estimated oil content of unharvested FFB less harvesting, transport and other costs to sell. The financial effects of the adoption of MFRS 141 are disclosed under the transition from FRSs to MFRSs.

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

(b) Adoption of MFRS 9 "Financial Instruments"

MFRS 9 replaces MFRS 139 and amends the previous requirements in three main areas: (i) classification and measurement of financial assets; (ii) impairment of financial assets, mainly by introducing a forward looking expected loss impairment model; and (iii) hedge accounting including removing some of the restrictions on applying hedge accounting in MFRS 139. The impact of MFRS 9 adoption is described below:

(i) Classification and measurement

Under MFRS 9, financial assets are classified according to their cash flow characteristics and the business model which they are managed. The Group has categorised its financial assets as financial assets measured at amortised cost, FVTPL and FVOCI.

The Group has made an irrevocable election to classify RM91.8 million of the Group's equity investments previously classified as available-for-sale as financial assets at FVOCI. Fair value changes on equity investments at FVOCI are presented in other comprehensive income ("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.

Available-for-sale investments in debt instruments of RM2.7 million and income funds of RM500.0 million that do not meet the criteria for classification either as FVOCI or at amortised cost have been classified as FVTPL. Accordingly, financial assets previously classified as available-for-sale of RM502.7 million and RM500.0 million of the Group and of the Company respectively had been reclassified as financial assets at FVTPL.

The other financial assets held by the Group include trade and other receivables, other non-current assets, amounts due from joint ventures, associates and other related companies currently accounted for at amortised cost will continue to meet the conditions for classification as amortised cost under MFRS 9.

There is no impact on the Group for financial liabilities as the new requirements only affect the accounting for financial liabilities that are designated at FVTPL and the Group does not have such liabilities.

(ii) Impairment

MFRS 9 changes the recognition of impairment provision for financial assets by introducing an expected credit loss ("ECL") model. Upon the adoption of MFRS 9, the Group has revised its impairment methodology which depends on whether there has been a significant increase in credit risk. The Group assesses possible increase in credit risk for financial assets measured at amortised cost and contract assets at the end of each reporting period. The impairment provision is estimated at an amount equal to a 12 months expected credit loss at the current reporting date if there has not been a significant increase in credit risk. Based on the assessment undertaken, there is no significant increase in credit risk to the Group and the Company as a result of the adoption of the ECL model.

(iii) Hedge accounting

The new hedge accounting guidance in MFRS 9 aligns the hedge accounting treatment more closely with the Group's risk management practices. The Group has applied the new hedge accounting requirements prospectively. The adoption of the new accounting requirements did not have any material impact on the reporting period.

The Group has elected the exemption in MFRS 1 which allows the Group not to restate comparative information in the year of initial application of MFRS 9.

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

(c) Adoption of MFRS 15 "Revenue from Contracts with Customers"

With the adoption of MFRS 15, revenue is recognised by reference to each distinct performance obligation in the contract with customer. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group has applied this standard retrospectively and has elected the exemption in MFRS 1 not to restate contracts that were completed as at the date of transition of 1 January 2017.

The Group has also elected the following practical expedients upon the adoption of MFRS 15:

(i) completed contracts that began and ended in the same comparative reporting period as well as completed contracts as at the transition date, are not restated; and

(ii) for all reporting periods presented before the first MFRS reporting period, the amount of transaction price allocated to the remaining performance obligation and an explanation of when the Group expects to recognise the amount as revenue are not disclosed.

The effects from adoption of MFRS 15 are:

(i) Property development costs and land held for property development will be measured at the lower of costs and net realisable value in accordance with MFRS 102 "Inventories". Arising therefrom, a write down of RM5.6 million had been provided for land held for property development.

(ii) The provision for foreseeable losses on the development of affordable housing previously recognised under FRSIC 17 "Development of Affordable Housing" amounted to RM9.1 million as at 31 December 2017 had been reversed and the comparatives were restated.

The Group has also changed the presentation of certain amounts in trade and other receivables and trade and other payables as at 31 December 2017 and 1 January 2017 on adoption of MFRS 15. Contract assets were previously presented as "accrued billing in respect of property development". Contract liabilities were previously presented as "progress billing in respect of property development". The details of contract assets and contract liabilities are set out in Note 31.

(d) Changes to comparatives - Reclassification and adjustments

(i) Statements of profit or loss

To better reflect the nature and substance of the transactions:

(i) the Group has reclassified rental income derived from investment properties and fees from management services provided to plasma cooperatives from other income to revenue; and

(ii) the Group and the Company have reclassified foreign exchange gains/(losses) from other income to other gains/(losses).

	RM'000
Statements of profit or loss	
Financial year ended 31 December 2017	
Group	
Revenue	4,524
Cost of sales	(832)
Other income	(7,032)
Other gains/(losses)	3,340
Company	
Other income	(4,791)
Other gains/(losses)	4,791

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

(d) Changes to comparatives - Reclassification and adjustments (cont'd)

(ii) Statements of financial position

(1) Purchase Price Allocation ("PPA") on the acquisition of Knowledge One Investment Pte Ltd

As reported in the previous financial year ended 31 December 2017, AsianIndo Holdings Pte Ltd ("AsianIndo"), a 100% indirect subsidiary of the Company, had on 10 October 2017 completed the acquisition of 100% equity interest in Knowledge One Investment Pte Ltd which in turn holds 85% equity interest in PT Kharisma Inti Usaha ("PT KIU"). As allowed under MFRS 3 "Business Combination", the Group had twelve months from the date of acquisition to complete the PPA.

During the financial year, the Group has concluded the PPA exercise within the stipulated time period and had adjusted the fair values of certain identifiable assets and liabilities of PT KIU. This revision has been accounted for retrospectively.

The following table summarises the adjustments made:

	Preliminary Assessment	Adjustment	Final Assessment
	RM'000	RM'000	RM'000
Property, plant and equipment	(626,693)	(32,602)	(659,295)
Leasehold land use rights	(163,361)	-	(163,361)
Inventories	(9,149)	573	(8,576)
Trade and other receivables	(46,279)	(156)	(46,435)
Cash and bank balances	(10,223)	-	(10,223)
Trade and other payables	153,422	232	153,654
Borrowings	188,764	-	188,764
Deferred tax liabilities	122,328	36,265	158,593
Non-controlling interests	(10,620)	(4,312)	(14,932)
Total purchase consideration/Fair value of identifiable net assets acquired	(401,811)	-	(401,811)
Less: Cash and bank balances acquired	10,223	-	10,223
Add: Assumption of liabilities	(139,502)	-	(139,502)
Net cash outflow on acquisition of subsidiaries	(531,090)	-	(531,090)

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

(d) Changes to comparatives - Reclassification and adjustments (cont'd)

(ii) Statements of financial position (cont'd)

(2) The Group and the Company have reclassified retirement benefits and interest payable from Trade and other payables to Provisions and Borrowings (current) respectively to conform with the current year's presentation.

	RM'000
Statements of Financial Position	
Group	
As at 31 December 2017	
Current liabilities	
Trade and other payables	(24,414)
Borrowings	14,627
Non-current liability	
Provisions	9,787
Group	
As at 1 January 2017	
Current liabilities	
Trade and other payables	(15,585)
Borrowings	10,969
Non-current liability	
Provisions	4,616
Company	
As at 31 December 2017	
Current liabilities	
Trade and other payables	(2,101)
Borrowings	2,101

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

The effects of transitioning from FRSs to MFRSs, adoption of MFRS 15 and MFRS 9 and reclassification are as follows:

	As previously stated under FRSs	Effect of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	Reclassification	As restated
	RM'000	RM'000	RM'000	RM'000	RM'000
Statements of Profit or Loss					
Financial year ended 31 December 2017					
Group					
Revenue	1,804,250	-	-	4,524	1,808,774
Cost of sales	(1,181,684)	(3,090)	(744)	(832)	(1,186,350)
Other income	83,025	-	-	(7,032)	75,993
Other gains/(losses)	-	-	-	3,340	3,340
Profit before taxation	461,127	(3,090)	(744)	-	457,293
Taxation	(116,339)	754	179	-	(115,406)
Profit for the financial year	344,788	(2,336)	(565)	-	341,887
Profit attributable to:					
Equity holders of the Company	337,710	(2,056)	(565)	-	335,089
Non-controlling interests	7,078	(280)	-	-	6,798
Earnings per share (sen):					
- Basic	42.13	(0.27)	(0.06)	-	41.80
- Diluted	40.72	(0.25)	(0.06)	-	40.41
Company					
Cost of sales	(64,989)	(217)	-	-	(65,206)
Other income	82,479	-	-	(4,791)	77,688
Other gains/(losses)	-	-	-	4,791	4,791
Profit before taxation	627,202	(217)	-	-	626,985
Taxation	(4,786)	52	-	-	(4,734)
Profit for the financial year	622,416	(165)	-	-	622,251
Profit attributable to:					
Equity holders of the Company	622,416	(165)	-	-	622,251

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

	As previously stated under FRSs	Effect of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	As restated
	RM'000	RM'000	RM'000	RM'000
Statements of Comprehensive Income				
Financial year ended 31 December 2017				
Group				
Profit for the financial year	344,788	(2,336)	(565)	341,887
Foreign currency translation differences	(148,613)	48	-	(148,565)
Other comprehensive loss for the financial year, net of tax	(173,324)	48	-	(173,276)
Total comprehensive income for the financial year	171,464	(2,288)	(565)	168,611
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	176,921	(2,016)	(565)	174,340
Non-controlling interests	(5,457)	(272)	-	(5,729)
Company				
Profit for the financial year	622,416	(165)	-	622,251
Total comprehensive income attributable to:				
Equity holders of the Company	622,442	(165)	-	622,277

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	Reclassification	As at 31 Dec 2017, as restated	Effects of adoption of MFRS 9	As at 1 Jan 2018, as restated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Statements of Financial Position							
As at 31 December 2017/ 1 January 2018							
Group							
Non-current assets							
Property, plant and equipment	4,392,549	-	-	32,602	4,425,151	-	4,425,151
Land held for property development	260,226	-	(5,571)	-	254,655	-	254,655
Available-for-sale financial assets	94,548	-	-	-	94,548	(94,548)	-
Financial assets at fair value through profit or loss	-	-	-	-	-	2,740	2,740
Financial assets at fair value through other comprehensive income	-	-	-	-	-	91,808	91,808
Deferred tax assets	134,316	-	(844)	(27,729)	105,743	-	105,743
Current assets							
Inventories	232,843	-	-	(573)	232,270	-	232,270
Produce growing on bearer plants	-	6,095	-	-	6,095	-	6,095
Trade and other receivables	397,318	-	-	156	397,474	-	397,474
Available-for-sale financial assets	500,001	-	-	-	500,001	(500,001)	-
Financial assets at fair value through profit or loss	-	-	-	-	-	500,001	500,001
Non-current liabilities							
Deferred tax liabilities	308,709	918	-	8,536	318,163	-	318,163
Provisions	14,292	-	-	9,787	24,079	-	24,079
Current liabilities							
Trade and other payables	367,045	-	(9,088)	(24,182)	333,775	-	333,775
Borrowings	625,312	-	-	14,627	639,939	-	639,939
Equity							
Reserves	3,492,816	4,846	2,673	-	3,500,335	-	3,500,335
Non-controlling interests	235,315	331	-	(4,312)	231,334	-	231,334

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	Reclassification	As at 31 Dec 2017, as restated	Effects of adoption of MFRS 9	As at 1 Jan 2018, as restated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Statements of Financial Position (cont'd)							
As at 31 December 2017/ 1 January 2018							
Company							
Current assets							
Produce growing on bearer plants	-	743	-	-	743	-	743
Available-for-sale financial assets	500,001	-	-	-	500,001	(500,001)	-
Financial assets at fair value through profit or loss	-	-	-	-	-	500,001	500,001
Non-current liability							
Deferred tax liabilities	28,245	178	-	-	28,423	-	28,423
Current liabilities							
Trade and other payables	22,191	-	-	(2,101)	20,090	-	20,090
Borrowings	320,117	-	-	2,101	322,218	-	322,218
Equity							
Reserves	4,120,585	565	-	-	4,121,150	-	4,121,150

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	Reclassification	As at 1 Jan 2017, as restated
	RM'000	RM'000	RM'000	RM'000	RM'000
Statements of Financial Position (cont'd)					
As at 1 January 2017					
Group					
Non-current assets					
Land held for property development	254,825	-	(4,713)	-	250,112
Deferred tax assets	92,556	-	(1,023)	-	91,533
Current assets					
Produce growing on bearer plants	-	9,122	-	-	9,122
Non-current liabilities					
Deferred tax liabilities	143,357	1,657	-	-	145,014
Provisions	12,469	-	-	4,616	17,085
Current liabilities					
Trade and other payables	412,350	-	(8,974)	(15,585)	387,791
Borrowings	29,097	-	-	10,969	40,066
Equity					
Reserves	3,883,906	6,862	3,238	-	3,894,006
Non-controlling interests	255,380	603	-	-	255,983
Company					
Current assets					
Produce growing on bearer plants	-	960	-	-	960
Non-current liability					
Deferred tax liabilities	31,246	230	-	-	31,476
Equity					
Reserves	4,066,154	730	-	-	4,066,884

43. FIRST TIME ADOPTION OF MFRS FRAMEWORK, ADOPTION OF MFRS 9, MFRS 15 AND RECLASSIFICATION (cont'd)

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	Reclassification	As restated
	RM'000	RM'000	RM'000	RM'000	RM'000
Statements of Cash Flows					
Financial year ended 31 December 2017					
Group					
Cash flows from operating activities					
Profit before taxation	461,127	(3,090)	(744)	-	457,293
Fair value loss arising from produce growing on bearer plants	-	3,090	-	-	3,090
Write down of land held for property development	-	-	858	-	858
Changes in working capital:					
- Payables	(51,887)	-	(114)	588	(51,413)
Retirement gratuities/benefits paid	(4,220)	-	-	(588)	(4,808)
Company					
Cash flows from operating activities					
Profit before taxation	627,202	(217)	-	-	626,985
Fair value changes arising from produce growing on bearer plants	-	217	-	-	217

44. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

In the normal course of business, the Group and the Company undertake on agreed terms and prices, transactions with its related companies and other related parties.

In addition to related party transactions mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions listed below were carried out on terms and conditions negotiated and agreed between the parties:

	Group		Company	
	2018	2017	**2018**	2017
a) Transactions with immediate and ultimate holding company				
Provision of shared services in relation to secretarial, tax, treasury and other services by Genting Berhad, the Company's immediate and ultimate holding company.	**2,180**	2,210	**842**	823
b) Transactions with subsidiaries				
i) Fees receivable from subsidiaries for the provision of management services.	**-**	-	**37,448**	35,979
ii) Dividend income from subsidiaries.	**-**	-	**181,140**	578,340
iii) Sales of fresh fruits bunches to a subsidiary.	**-**	-	**85,103**	127,826
iv) Purchase of crude palm oil from subsidiaries.	**-**	-	**36,073**	-

44. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (cont'd)

	Group		Company	
	2018	2017	**2018**	2017
c) Transaction with associate and joint ventures				
i) Provision of management services to Genting Simon Sdn Bhd, a joint venture of the Group, by Genting Awanpura Sdn Bhd, a wholly-owned subsidiary of the Company.	**1,110**	529	**-**	-
d) Transactions with other related parties				
i) Provision of information technology and system implementation services and rental of equipment by Genting Information Knowledge Enterprise Sdn Bhd and Genting Malaysia Berhad, both are subsidiaries of Genting Berhad ("GENT"), the Company's immediate and ultimate holding company; and by eGenting Sdn Bhd, an indirect wholly-owned subsidiary of Resort World Inc Pte Ltd, which is a 50% joint venture of Genting Berhad.	**3,799**	4,245	**2,985**	2,891
ii) Letting of office space and provision of related services by Oakwood Sdn Bhd, a wholly-owned subsidiary of Genting Malaysia Berhad ("GENM"), a company which is 49.45% owned by Genting Berhad, the Company's immediate and ultimate holding company.	**2,657**	2,670	**2,302**	2,315
iii) Purchase of air-tickets, hotel accommodation and other related services from GENM, a company which is 49.45% owned by Genting Berhad, the Company's immediate and ultimate holding company.	**865**	836	**865**	836
iv) Letting of office space and provision of related services by PT Lestari Properti Investama ("PT LPI"), an indirect subsidiary of Genting Berhad, the Company's immediate and ultimate holding company.	**-**	2,953	**-**	-
v) Sale of refined palm oil products to Inter-Continental Oils & Fats Pte Ltd, a wholly-owned subsidiary of Musim Mas Holdings Pte Ltd, the holding company of Musim Mas International (South Asia) Pte Ltd, which in turn holds 28% equity interest in Genting MusimMas Refinery Sdn Bhd.	**704,867**	481,795	**-**	-
vi) Sale of fresh fruit bunches by PT Agro Abadi Cemerlang ("PT AAC") to Sepanjang Group, which vide PalmIndo Holdings Pte Ltd and PT Bintang Harapan Desa, holds an effective 30% equity interest in PT AAC.	**5,779**	10,278	**-**	-

44. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (cont'd)

	Group		Company	
	2018	2017	**2018**	2017
d) Transactions with other related parties (con't)				
vii) Purchase of 1,923 square metres of office space at DBS Bank Tower, 15th Floor, Ciputra World 1 Jakarta from PT LPI by PT Genting Plantations Nusantara.	**-**	29,686	**-**	-
viii) Provision of sequencing and bioinformatic services by Genting Laboratory Services Sdn Bhd, an indirect subsidiary of Genting Berhad, the Company's immediate and ultimate holding company to ACGT Sdn Bhd.	**484**	517	**-**	-
ix) Disposal of PT Permata Sawit Mandiri to PT Suryaborneo Mandiri, which is owned by a major shareholder in PalmIndo Holdings Pte Ltd, a 73.685% indirect subsidiary of the Company.	**-**	14,117	**-**	-

e) Directors and key management personnel

The remuneration of Directors and other key management personnel is as follows:

	Group 2018	Group 2017	Company 2018	Company 2017
Fees, salaries and bonuses	**5,292**	5,831	**5,292**	5,831
Defined contribution plans	**670**	789	**670**	789
Provision for retirement gratuities	**-**	5,132	**-**	5,132
Other short term employee benefits	**6**	55	**6**	55
Benefits-in-kind	**101**	167	**101**	167
	6,069	11,974	**6,069**	11,974

f) The significant outstanding balances with subsidiaries, joint ventures, associates and other related parties are shown in Notes 20, 21, 22, 26 and 32 respectively.

45. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

		Effective Percentage of Ownership 2018	2017	Country of Incorporation	Principal Activities
	Direct Subsidiaries				
	ACGT Sdn Bhd	**96**	96	Malaysia	Genomics research and development and providing plant screening services
	Asiaticom Sdn Bhd	**100**	100	Malaysia	Oil palm plantation
#	Azzon Limited	**100**	100	Isle of Man	Investment holding
	Benih Restu Berhad	**100**	100	Malaysia	Issuance of debt securities under Sukuk programme
	Esprit Icon Sdn Bhd	**100**	100	Malaysia	Property development and property investment
	GENP Services Sdn Bhd	**100**	100	Malaysia	Provision of management services
	Genting AgTech Sdn Bhd	**100**	100	Malaysia	Research and development and production of superior oil palm planting materials
	Genting Biodiesel Sdn Bhd	**100**	100	Malaysia	Manufacture and sale of biodiesel
	Genting Biorefinery Sdn Bhd	**75**	75	Malaysia	Manufacture and sale of downstream palm oil derivatives
#	Genting Bioscience Limited	**100**	100	Isle of Man	Investment holding
	Genting Biotech Sdn Bhd	**100**	100	Malaysia	Investment holding
	Genting Land Sdn Bhd	**100**	100	Malaysia	Property investment
	Genting Oil Mill Sdn Bhd	**100**	100	Malaysia	Processing of fresh fruit bunches
	Genting Plantations (WM) Sdn Bhd	**100**	100	Malaysia	Oil palm plantation
	Genting Property Sdn Bhd	**100**	100	Malaysia	Property development
	Genting SDC Sdn Bhd	**100**	100	Malaysia	Oil palm plantation and processing of fresh fruit bunches
	Genting Tanjung Bahagia Sdn Bhd	**100**	100	Malaysia	Oil palm plantation
#	GP Overseas Limited	**100**	100	Isle of Man	Investment holding
	GProperty Construction Sdn Bhd	**100**	100	Malaysia	Provision of project management services
	Landworthy Sdn Bhd	**84**	84	Malaysia	Oil palm plantation
	Mediglove Sdn Bhd	**100**	100	Malaysia	Investment holding
	Orbit Crescent Sdn Bhd	**100**	100	Malaysia	Investment holding
	Palma Ketara Sdn Bhd	**100**	100	Malaysia	Investment holding
	PalmIndo Sdn Bhd	**100**	100	Malaysia	Investment holding
	Sunyield Success Sdn Bhd	**100**	100	Malaysia	Investment holding
	Technimode Enterprises Sdn Bhd	**100**	100	Malaysia	Property investment
	Aura Empire Sdn Bhd	**100**	100	Malaysia	Dormant

45. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (cont'd)

		Effective Percentage of Ownership 2018	2017	Country of Incorporation	Principal Activities
	Direct Subsidiaries (cont'd)				
	Genting Commodities Trading Sdn Bhd	**100**	100	Malaysia	Dormant
	Genting Vegetable Oils Refinery Sdn Bhd	**100**	100	Malaysia	Dormant
	Glugor Development Sdn Bhd	**100**	100	Malaysia	Dormant
#	Grosmont Limited	**100**	100	Isle of Man	Dormant
	Hijauan Cergas Sdn Bhd	**100**	100	Malaysia	Dormant
	Kenyalang Borneo Sdn Bhd	**100**	100	Malaysia	Dormant
	Kinavest Sdn Bhd	**100**	100	Malaysia	Dormant
	Larisan Prima Sdn Bhd	**100**	100	Malaysia	Dormant
	Profile Rhythm Sdn Bhd	**100**	100	Malaysia	Dormant
	Unique Upstream Sdn Bhd	**100**	100	Malaysia	Dormant
	Zillionpoint Project Sdn Bhd	**100**	100	Malaysia	Dormant
	Zillionpoint Vision Sdn Bhd	**100**	100	Malaysia	Dormant
	Indirect Subsidiaries				
#	ACGT Intellectual Limited	**96**	96	British Virgin Islands	Genomics research and development
+	Asian Palm Oil Pte Ltd	**100**	100	Singapore	Investment holding
+	AsianIndo Agri Pte Ltd	**100**	100	Singapore	Investment holding
+	AsianIndo Holdings Pte Ltd	**100**	100	Singapore	Investment holding
+	AsianIndo Palm Oil Pte Ltd	**100**	100	Singapore	Investment holding
+	Borneo Palma Mulia Pte Ltd	**74**	74	Singapore	Investment holding
+	Cahaya Agro Abadi Pte Ltd	**74**	74	Singapore	Investment holding
#	Degan Limited	**96**	96	Isle of Man	Investment holding
#	GBD Holdings Limited	**100**	100	Cayman Islands	Investment holding
	Genting Awanpura Sdn Bhd	**100**	100	Malaysia	Provision of technical and management services
	Genting Indahpura Development Sdn Bhd	**100**	100	Malaysia	Property development
	Genting MusimMas Refinery Sdn Bhd	**72**	72	Malaysia	Refining and selling of palm oil products
+	Global Agri Investment Pte Ltd	**63**	63	Singapore	Investment holding
+	GlobalIndo Holdings Pte Ltd	**63**	63	Singapore	Investment holding
+	Kara Palm Oil Pte Ltd	**100**	100	Singapore	Investment holding
+	Ketapang Agri Holdings Pte Ltd	**74**	74	Singapore	Investment holding
+	Knowledge One Investment Pte Ltd	**100**	100	Singapore	Investment holding
+	Palm Capital Investment Pte Ltd	**74**	74	Singapore	Investment holding
+	Palma Citra Investama Pte Ltd	**74**	74	Singapore	Investment holding
+	PalmIndo Holdings Pte Ltd	**74**	74	Singapore	Investment holding

45. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (cont'd)

		Effective Percentage of Ownership 2018	2017	Country of Incorporation	Principal Activities
	Indirect Subsidiaries (cont'd)				
+	PT Agro Abadi Cemerlang	**70**	70	Indonesia	Oil palm plantation
+	PT Citra Sawit Cemerlang	**70**	70	Indonesia	Oil palm plantation
+	PT Dwie Warna Karya	**95**	95	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Genting Plantations Nusantara	**100**	100	Indonesia	Provision of management services
+	PT GlobalIndo Agung Lestari	**60**	60	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Kapuas Maju Jaya	**95**	95	Indonesia	Oil palm plantation
+	PT Kharisma Inti Usaha	**85**	85	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Palma Agro Lestari Jaya	**70**	70	Indonesia	Oil palm plantation
+	PT Sawit Mitra Abadi	**70**	70	Indonesia	Oil palm plantation
+	PT Sepanjang Intisurya Mulia	**70**	70	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Surya Agro Palma	**70**	70	Indonesia	Oil palm plantation
+	PT Susantri Permai	**95**	95	Indonesia	Oil palm plantation
+	PT United Agro Indonesia	**60**	60	Indonesia	Oil palm plantation
+	Sandai Maju Pte Ltd	**74**	74	Singapore	Investment holding
+	Sanggau Holdings Pte Ltd	**74**	74	Singapore	Investment holding
	Sawit Sukau Usahasama Sdn Bhd	**56**	56	Malaysia	Oil palm plantation
	Setiamas Sdn Bhd	**100**	100	Malaysia	Oil palm plantation and property development
	SPC Biodiesel Sdn Bhd	**100**	100	Malaysia	Manufacture and sale of biodiesel
+	Sri Nangatayap Pte Ltd	**74**	74	Singapore	Investment holding
	Trushidup Plantations Sdn Bhd	**100**	100	Malaysia	Investment holding
+	Universal Agri Investment Pte Ltd	**63**	63	Singapore	Investment holding
	Wawasan Land Progress Sdn Bhd	**100**	100	Malaysia	Oil palm plantation
	Cengkeh Emas Sdn Bhd	**100**	100	Malaysia	Dormant
	Dianti Plantations Sdn Bhd	**100**	100	Malaysia	Dormant
	Global Bio-Diesel Sdn Bhd	**100**	100	Malaysia	Dormant
#	ACGT Global Pte Ltd	**100**	100	Singapore	Pre-operating
#	ACGT Singapore Pte Ltd	**100**	100	Singapore	Pre-operating
+	Full East Enterprise Limited	**100**	100	Hong Kong, SAR	Pre-operating
#	Genting AgTech Singapore Pte Ltd	**100**	100	Singapore	Pre-operating

45. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (cont'd)

		Effective Percentage of Ownership 2018	2017	Country of Incorporation	Principal Activities
	Indirect Subsidiaries (cont'd)				
#	GP Equities Pte Ltd	**100**	100	Singapore	Pre-operating
#	Ketapang Holdings Pte Ltd	**74**	74	Singapore	Pre-operating
#	Sri Kenyalang Pte Ltd	**100**	100	Singapore	Pre-operating
	Joint Ventures				
	Genting Highlands Premium Outlets Sdn Bhd	**50**	50	Malaysia	Development, ownership and management of outlet shopping centres
	Genting Simon Sdn Bhd	**50**	50	Malaysia	Development, ownership and management of outlet shopping centres
#	Simon Genting Limited	**50**	50	Isle of Man	Investment holding
	Associates				
	Asiatic Ceramics Sdn Bhd *(In Liquidation)*	**49**	49	Malaysia	In liquidation
*	Serian Palm Oil Mill Sdn Bhd	**35**	40	Malaysia	Processing of fresh fruit bunches
	Setiacahaya Sdn Bhd	**50**	50	Malaysia	Property investment
*	Sri Gading Land Sdn Bhd	**49**	49	Malaysia	Property development

* *The financial statements of these companies are audited by firms other than member firms of PricewaterhouseCoopers International Limited.*

\+ *These entities are audited by member firms of PricewaterhouseCoopers International Limited, which are separate and independent legal entities from PricewaterhouseCoopers PLT, Malaysia.*

\# *These entities are either exempted or have no statutory audit requirement.*

STATEMENT ON DIRECTORS' RESPONSIBILITY

PURSUANT TO PARAGRAPH 15.26(a) OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

As required under the Companies Act 2016 ("Act") in Malaysia, the Directors of Genting Plantations Berhad have made a statement expressing an opinion on the financial statements. The Board is of the opinion that the financial statements have been drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2018 and of the financial performance of the Group and of the Company for the financial year ended on that date in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and comply with the requirements of the Act.

In the process of preparing these financial statements, the Directors have reviewed the accounting policies and practices to ensure that they were consistently applied throughout the financial year. In cases where judgements and estimates were made, they were based on reasonableness and prudence.

Additionally, the Directors have relied on the systems of risk management and internal control to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.

This statement is made in accordance with a resolution of the Board dated 26 February 2019.

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, **LEE SER WOR** (Malaysian Institute of Accountants Membership Number: 16822), the Officer primarily responsible for the financial management of **GENTING PLANTATIONS BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 86 to 178, are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed)
LEE SER WOR, at KUALA LUMPUR in the State of FEDERAL TERRITORY)
on 26 February 2019)

Before me,

TAN SEOK KETT
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GENTING PLANTATIONS BERHAD
(Incorporated in Malaysia)
(Company No. 34993-X)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Genting Plantations Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2018, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position of the Group and of the Company as at 31 December 2018, and the statements of profit or loss, 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 86 to 178.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants,
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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GENTING PLANTATIONS BERHAD (cont'd)
(Incorporated in Malaysia)
(Company No. 34993-X)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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, Management's Discussion and Analysis, Corporate Governance Statement, Sustainability Report and other sections of the 2018 Annual Report, but does not include the financial statements of the Group and of the Company and our auditors' 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.

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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GENTING PLANTATIONS BERHAD (cont'd)
(Incorporated in Malaysia)
(Company No. 34993-X)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

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 of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GENTING PLANTATIONS BERHAD (cont'd)
(Incorporated in Malaysia)
(Company No. 34993-X)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Auditors' responsibilities for the audit of the financial statements (cont'd)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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 45 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

HEW CHOOI YOKE
03203/07/2019 J
Chartered Accountant

Kuala Lumpur
26 February 2019

ANALYSIS OF SHAREHOLDINGS/ WARRANTHOLDINGS

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 2019

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares*	% of Shares
Less than 100	268	3.798	1,440	0.000
100 - 1,000	3,002	42.539	2,353,734	0.291
1,001 - 10,000	2,949	41.788	11,070,844	1.370
10,001 - 100,000	587	8.318	18,884,374	2.337
100,001 to less than 5% of issued shares	243	3.443	211,694,878	26.200
5% and above of issued shares	8	0.114	564,005,824	69.802
Total	**7,057**	**100.000**	**808,011,094**	**100.000**

Note
* *Excluding 160,000 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 2019 (Without aggregating the securities from different securities accounts belonging to the same depositor)

Name	No. of Shares	% of Shares
1. Genting Berhad	85,171,000	10.541
2. Genting Berhad	80,000,000	9.901
3. Genting Berhad	80,000,000	9.901
4. Genting Berhad	80,000,000	9.901
5. Genting Berhad	80,000,000	9.901
6. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	60,741,100	7.517
7. AmanahRaya Trustees Berhad *Amanah Saham Bumiputera*	50,000,000	6.188
8. Kumpulan Wang Persaraan (Diperbadankan)	48,093,724	5.952
9. Malaysia Nominees (Tempatan) Sdn Bhd *Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)*	13,014,200	1.611
10. Citigroup Nominees (Tempatan) Sdn Bhd *Exempt AN for AIA Bhd*	12,072,500	1.494
11. Pertubuhan Keselamatan Sosial	10,911,000	1.350
12. Cartaban Nominees (Tempatan) Sdn Bhd *PAMB for Prulink Equity Fund*	8,276,700	1.024
13. Cartaban Nominees (Asing) Sdn Bhd *Exempt AN for State Street Bank & Trust Company (WEST CLT OD67)*	7,757,428	0.960
14. Maybank Nominees (Tempatan) Sdn Bhd *Maybank Trustees Berhad for Public Ittikal Fund (N14011970240)*	7,485,800	0.926

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORS AS AT 14 MARCH 2019 (cont'd)
(Without aggregating the securities from different securities accounts belonging to the same depositor)

Name	No. of Shares	% of Shares
15. Genting Equities (Hong Kong) Limited	7,139,000	0.884
16. AmanahRaya Trustees Berhad *Public Ittikal Sequel Fund*	6,684,000	0.827
17. AmanahRaya Trustees Berhad *Amanah Saham Malaysia 2 - Wawasan*	6,368,900	0.788
18. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Emerging Markets Stock Index Fund*	5,579,800	0.692
19. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Total International Stock Index Fund*	5,339,600	0.661
20. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (AFFIN-HWG)*	4,392,200	0.544
21. AmanahRaya Trustees Berhad *Public Islamic Dividend Fund*	4,318,340	0.534
22. Maybank Nominees (Tempatan) Sdn Bhd *MTrustee Berhad for CIMB Islamic Dali Equity Growth Fund (UT-CIMB-DALI)(419455)*	4,083,400	0.505
23. Malaysia Nominees (Tempatan) Sendirian Berhad *Great Eastern Life Assurance (Malaysia) Berhad (PAR3)*	3,670,300	0.454
24. AmanahRaya Trustees Berhad *Public Islamic Select Enterprises Fund*	2,912,000	0.360
25. AmanahRaya Trustees Berhad *Public Islamic Equity Fund*	2,378,000	0.294
26. AmanahRaya Trustees Berhad *PB Growth Fund*	2,296,900	0.284
27. Cartaban Nominees (Asing) Sdn Bhd *GIC Private Limited for Government of Singapore (C)*	2,292,300	0.284
28. Cartaban Nominees (Tempatan) Sdn Bhd *PBTB for Takafulink Dana Ekuiti*	1,920,000	0.238
29. Genting Berhad	1,834,000	0.227
30. AmanahRaya Trustees Berhad *Public Islamic Sector Select Fund*	1,750,000	0.217
Total	**686,482,192**	**84.960**

ANALYSIS OF SHAREHOLDINGS/ WARRANTHOLDINGS (cont'd)

Type of Securities : Warrants 2013/2019
Exercise Price : RM7.75
Expiry Date : 17 June 2019

Voting Rights at a meeting of Warrantholders
- **On a show of hands : 1 vote**
- **On a poll : 1 vote for each Warrant held**

As At 14 March 2019

Size of Holdings	No. of Warrantholders	% of Warrantholders	No. of Warrants	% of Outstanding Warrants
Less than 100	85	3.827	3,186	0.004
100 - 1,000	1,657	74.606	693,954	0.772
1,001 - 10,000	396	17.830	1,258,800	1.401
10,001 - 100,000	64	2.882	1,800,090	2.004
100,001 to less than 5% of outstanding Warrants	14	0.630	5,042,640	5.613
5% and above of outstanding Warrants	5	0.225	81,034,200	90.206
Total	**2,221**	**100.000**	**89,832,870**	**100.000**

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORS AS AT 14 MARCH 2019
(Without aggregating the securities from different securities accounts belonging to the same depositor)

Name	No. of Warrants	% of Outstanding Warrants
1. Genting Berhad	17,034,200	18.962
2. Genting Berhad	16,000,000	17.811
3. Genting Berhad	16,000,000	17.811
4. Genting Berhad	16,000,000	17.811
5. Genting Berhad	16,000,000	17.811
6. Genting Equities (Hong Kong) Limited	1,427,800	1.589
7. Citigroup Nominees (Tempatan) Sdn Bhd *Exempt AN for AIA Bhd*	863,540	0.961
8. Maybank Nominees (Tempatan) Sdn Bhd *Etiqa Life Insurance Berhad (Balance)*	557,300	0.620
9. Genting Berhad	366,800	0.408
10. Citigroup Nominees (Asing) Sdn Bhd *Exempt AN for UBS Switzerland AG (Clients Assets)*	300,000	0.334
11. Cartaban Nominees (Asing) Sdn Bhd *Exempt AN for Barclays Capital Securities Ltd (SBL/PB)*	288,100	0.321
12. Hong Leong Investment Bank Berhad *IVT*	260,000	0.289

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORS AS AT 14 MARCH 2019 (cont'd)
(Without aggregating the securities from different securities accounts belonging to the same depositor)

Name	No. of Warrants	% of Outstanding Warrants
13. Tokio Marine Life Insurance Malaysia Bhd *As Beneficial Owner (PF)*	173,800	0.193
14. HSBC Nominees (Asing) Sdn Bhd *Exempt AN for Credit Suisse (Switzerland) Ltd*	170,000	0.189
15. Tham Sook Yuen	130,000	0.145
16. Mah Sook Yin	130,000	0.145
17. Daud Mah Bin Abdullah @ Mah Siew Whye	130,000	0.145
18. Kyang Meng Choon	125,300	0.139
19. TMF Trustees Malaysia Berhad *Tan Sri Mohd Amin Bin Osman*	120,000	0.134
20. Public Investment Bank Berhad *Clearing for Public Mutual Berhad*	79,200	0.088
21. Lim Kok Thay	73,800	0.082
22. Ee Soon Leong	67,500	0.075
23. Dinesh Kumar A/L Bachulal	65,300	0.073
24. Ng Sim Boong	60,000	0.067
25. Chui Ah Chan	60,000	0.067
26. Chang Kuan Kee @ Tay Seng Pang	57,350	0.065
27. Ooi Pek See	57,000	0.063
28. Yap Yak Jin	50,000	0.056
29. Rowena Binti Md Nahar	50,000	0.056
30. Yeo Khee Huat	48,000	0.053
Total	**86,744,990**	**96.563**

ANALYSIS OF SHAREHOLDINGS/ WARRANTHOLDINGS (cont'd)

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 14 MARCH 2019

Name	No. of Shares			
	Direct Interest	% of Shares	Deemed Interest	% of Shares
Genting Berhad ("GENT")	407,005,000	50.37	7,139,000*	0.88
Employees Provident Fund Board	68,731,200	8.51	-	-
Kumpulan Wang Persaraan (Diperbadankan)	52,007,500	6.44		
AmanahRaya Trustees Berhad – Amanah Saham Bumiputera	50,000,000	6.19		
Kien Huat Realty Sdn Berhad ("KHR")	-	-	407,005,000^	50.37
Kien Huat International Limited ("KHI")	-	-	407,005,000^	50.37
Parkview Management Sdn Bhd ("PMSB") as trustee of a discretionary trust	-	-	407,005,000^	50.37
Tan Sri Lim Kok Thay	369,000	0.05	407,005,000#	50.37
Mr Lim Keong Hui	-	-	407,005,000#	50.37

Notes:

* *Deemed interest through a direct subsidiary of GENT.*

^ *Deemed interest through GENT.*

\# *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 Genting Plantations Berhad ("GENP") ordinary shares. As such, PMSB as trustee of the discretionary trust is deemed interested in the GENP ordinary shares 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 2019

INTEREST IN THE COMPANY

Name	No. of Shares				No. of Warrants			
	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	0.0457	407,005,000(1)	50.3686	73,800	0.0822	81,401,000(1)	90.6138
Mr Lim Keong Hui	-	-	407,005,000(1)	50.3686	-	-	81,401,000(1)	90.6138
Mr Tan Kong Han	20,000	0.0025	-	-	4,000	0.0045	-	-
Mr Yong Chee Kong(6c)	1,000	0.0001	-	-	200	0.0002	-	-

INTEREST IN GENTING BERHAD ("GENT"), A COMPANY WHICH OWNS 51.3% INTEREST IN THE COMPANY

Name	No. of Shares			
	Direct Interest	% of Shares	Deemed Interest	% of Shares
Tan Sri Lim Kok Thay	68,119,980	1.7691	1,630,711,110(2)	42.3498
Mr Lim Keong Hui	-	-	1,630,711,110(2)	42.3498
Mr Tan Kong Han	650,000	0.0169	100,000(5)	0.0026
Mr Quah Chek Tin(6a)	6,250	0.0002	-	-
Mr Yong Chee Kong(6d)	-	-	-	-

ANALYSIS OF SHAREHOLDINGS/ WARRANTHOLDINGS (cont'd)

INTEREST IN GENTING MALAYSIA BERHAD ("GENM"), A COMPANY WHICH IS 49.5% OWNED BY GENT

Name	No. of Shares				No. of Performance Shares granted	
	Direct Interest	% of Shares	Deemed Interest	% of Shares	Restricted Share Plan	Performance Share Plan
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	10,000	0.0002	-	-	-	-
Tan Sri Lim Kok Thay	14,140,100	0.2505	2,796,992,189(3)	49.5532	3,921,725	8,499,894
Mr Tan Kong Han	240,000	0.0043	-	-	-	-
Mr Quah Chek Tin	5,000	0.0001	-	-	-	-
Mr Lim Keong Hui	422,300	0.0075	2,796,992,189(3)	49.5532	172,200	347,543
Mr Ching Yew Chye(6b)	-	-	-	-	-	-
Mr Yong Chee Kong(6e)	-	-	-	-	-	-

INTEREST IN GENTING SINGAPORE LIMITED ("GENS"), AN INDIRECT 52.7% OWNED SUBSIDIARY OF GENT

Name	No. of Shares				No. of Performance Shares granted
	Direct Interest	% of Shares	Deemed Interest	% of Shares	
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	988,292	0.0082	-	-	-
Tan Sri Lim Kok Thay	14,195,063	0.1177	6,353,828,069(4)	52.6972	750,000
Mr Tan Kong Han	450,000	0.0037	100,000(5)	0.0008	-
Mr Quah Chek Tin	1,190,438	0.0099	-	-	-
Mr Lim Keong Hui	-	-	6,353,828,069(4)	52.6972	-

Notes:

(1) Deemed interest by virtue of Tan Sri Lim Kok Thay ("TSLKT") and Mr Lim Keong Hui ("LKH") being beneficiaries of a discretionary trust of which Parkview Management Sdn Bhd ("PMSB") is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of Kien Huat International Limited ("KHI") which in turn owns 100% of the voting shares in Kien Huat Realty Sdn Berhad ("KHR"). KHR owns more than 20% of the voting shares of Genting Berhad ("GENT") which owns these Genting Plantations Berhad ("GENP") ordinary shares and warrants. As such, PMSB as trustee of the discretionary trust is deemed interested in the GENP ordinary shares and warrants 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.

(2) Deemed interest by virtue of TSLKT and LKH 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 in KHR. As such, PMSB as trustee of the discretionary trust is deemed interested in the GENT ordinary shares held by KHR and Inverway Sdn Bhd ("Inverway"), a wholly-owned subsidiary of KHR, by virtue of its controlling interest in KHR and Inverway; and

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

(3) Deemed interest by virtue of TSLKT and LKH 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 in KHR. KHR owns more than 20% of the voting shares of GENT which owns these Genting Malaysia Berhad ("GENM") ordinary shares. 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 FNTC is the trustee. GHL acts as trustee of the GHUT, a private unit trust whose voting units are ultimately owned by FNTC as trustee of the discretionary trust. GHL as trustee of the GHUT owns ordinary shares in GENM.

(4) Deemed interest by virtue of TSLKT and LKH being beneficiaries of a discretionary trust of which PMSB is the trustee.

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

(5) Deemed interest by virtue of Mr Tan Kong Han being the sole director and shareholder of Chan Fun Chee Holdings Inc ("CFC") which currently holds the assets of his late grandmother's estate. Mr Tan is the Executor of his late grandmother's estate and holding the CFC assets as trustee for himself and certain of his family members in accordance with the will of his late grandmother.

(6) The following disclosures are made pursuant to Section 59(11)(c) of the Companies Act 2016:

(a) Mr Quah's spouse holds 1,250,000 ordinary shares (0.0325%) in GENT.
(b) Mr Ching's spouse holds 100,000 ordinary shares (0.0018%) in GENM.
(c) Mr Yong's spouse holds 40,000 ordinary shares (0.0050%) and 70,000 warrants (0.0779%) in the Company.
(d) Mr Yong's spouse holds 1,000 ordinary shares (negligible) in GENT.
(e) Mr Yong's spouse and children collectively hold 9,000 ordinary shares (0.0002%) in GENM.

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 2018, or entered into since the end of the previous financial year are disclosed in Note 44 to the financial statements under "Significant Related Party Transaction and Balances" on pages 173 to 174 of the Annual Report.

NOTICE IS HEREBY GIVEN that the Forty-First Annual General Meeting of Genting Plantations Berhad ("the Company") will be held at 26th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur on Tuesday, 18 June 2019 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 2018 and the Directors' and Auditors' Reports thereon. *(Please see Explanatory Note A)*

2. To approve the declaration of a final single-tier dividend of 8.25 sen per ordinary share for the financial year ended 31 December 2018 to be paid on 19 July 2019 to members registered in the Record of Depositors on 28 June 2019. **(Ordinary Resolution 1)**

3. To approve the payment of Directors' fees of RM792,925 for the financial year ended 31 December 2018. **(Ordinary Resolution 2)**

4. To approve the payment of Directors' benefits-in-kind for the period from 18 June 2019 until the next annual general meeting of the Company in 2020. *(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) Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R) *(Please see Explanatory Note C)* **(Ordinary Resolution 4)**
   (ii) Tan Sri Lim Kok Thay **(Ordinary Resolution 5)**
   (iii) Mr Ching Yew Chye *(Please see Explanatory Note C)* **(Ordinary Resolution 6)**

6. To re-elect Mr Tan Kong Han as a Director of the Company pursuant to Paragraph 104 of the Company's Constitution. **(Ordinary Resolution 7)**

7. To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 8)**

AS SPECIAL BUSINESSES

To consider and, if thought fit, pass the following Ordinary and Special 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 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 9)**

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 2018, the balance of the Company's retained earnings was approximately RM3.83 billion;

(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 ordinary resolution of the shareholders of the Company in 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 10)**

10. **Proposed renewal of shareholders' mandate for 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 which are 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 resolution passed by the shareholders in general meeting,

whichever is the earlier." **(Ordinary Resolution 11)**

11. **Proposed adoption of a new Constitution of the Company**

"That approval be and is hereby given to revoke the existing Memorandum and Articles of Association of the Company (referred to as "Constitution") with immediate effect and in place thereof, the new Constitution of the Company as set out in the Circular to Shareholders relating to the proposed adoption of a new Constitution of the Company be and is hereby adopted AND THAT the Directors of the Company be and are hereby authorised to assent to any modification, variation and/or amendment as may be required and to do all acts and things and take all such steps as may be considered necessary to give full effect to the adoption of the new Constitution of the Company." **(Special Resolution)**

12. 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 28 June 2019 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
8 April 2019

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 proportion 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 Forty-First 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 11 June 2019. Only depositors whose names appear on the Record of Depositors as at 11 June 2019 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, Ordinary Resolution 3 on the payment of Directors' benefits-in-kind for the period from 18 June 2019 until the next annual general meeting of the Company in 2020 in the manner set out below:-

(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 and other reimbursable/claimable benefits-in-kind	Up to RM40,000	

In the event that the Directors' benefits-in-kind payable to the Non-Executive Directors of the Company during the above period exceed the estimated amount sought at the forthcoming Forty-First Annual General Meeting ("41st AGM") 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 Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R) and Mr Ching Yew Chye who are seeking for re-election pursuant to the Company's Constitution at the forthcoming 41st AGM. The annual assessment has been disclosed in the Corporate Governance Report which is made available at the Company's website at www.gentingplantations.com.

Explanatory Notes on Special Businesses

(1) *Ordinary Resolution 9, 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 4 June 2018 and the said mandate will lapse at the conclusion of the 41st AGM.

The Company is seeking approval from the 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.

(2) *Ordinary Resolution 10, 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 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 8 April 2019 which is despatched together with the Company's 2018 Annual Report.

(3) *Ordinary Resolution 11, 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 Renewal"). 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 ordinary resolution of the shareholders of the Company at a general meeting, whichever is earlier.*

Further information on the Proposed Shareholders' Mandate Renewal is set out in the Document to Shareholders dated 8 April 2019 which is despatched together with the Company's 2018 Annual Report.

(4) *Special Resolution, if passed, will bring the Company's Constitution in line with the provisions of the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad as well as to enhance administrative efficiency*

Further information on the proposed adoption of a new Constitution of the Company is set out in the Circular to Shareholders dated 8 April 2019 which is despatched together with the Company's 2018 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 Forty-First Annual General Meeting of the Company ("41st 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 (1) of the Notice of 41st AGM.

GENTING PLANTATIONS

GENTING PLANTATIONS BERHAD (34993-X)
(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 PLANTATIONS 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 Forty-First Annual General Meeting of the Company to be held at 26th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia on Tuesday, 18 June 2019 at 10.00 a.m. and at any adjournment thereof.

** Delete if inapplicable*

My/our proxy(ies) shall vote as follows:

ORDINARY BUSINESS	RESOLUTIONS	For	Against
To approve the declaration of a final single-tier dividend of 8.25 sen per ordinary share.	**Ordinary Resolution 1**		
To approve the payment of Directors' fees for the financial year ended 31 December 2018.	**Ordinary Resolution 2**		
To approve the payment of Directors' benefits-in-kind for the period from 18 June 2019 until the next annual general meeting in 2020.	**Ordinary Resolution 3**		
To re-elect the following Directors pursuant to Paragraph 99 of the Company's Constitution: (i) Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin	**Ordinary Resolution 4**		
(ii) Tan Sri Lim Kok Thay	**Ordinary Resolution 5**		
(iii) Mr Ching Yew Chye	**Ordinary Resolution 6**		
To re-elect Mr Tan Kong Han pursuant to Paragraph 104 of the Company's Constitution.	**Ordinary Resolution 7**		
To re-appoint Auditors.	**Ordinary Resolution 8**		
SPECIAL BUSINESS			
To approve the authority to Directors pursuant to Sections 75 and 76 of the Companies Act 2016.	**Ordinary Resolution 9**		
To renew the authority for the Company to purchase its own shares.	**Ordinary Resolution 10**		
To approve the proposed shareholders' mandate renewal for recurrent related party transactions of a revenue or trading nature.	**Ordinary Resolution 11**		
To approve the proposed adoption of a new Constitution of the Company.	**Special Resolution**		

(Please indicate with an "✘" 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 _________________ 2019

No. of Shares held	CDS Account No.	Shareholder's Contact No.

*Delete if inapplicable

____
Signature of Member

NOTES

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GROUP OFFICES AND OPERATING UNITS

PLANTATION DIVISION

West Malaysia

Genting Bukit Sembilan Estate
Kuala Ketil
09300 Kedah
Tel : +604 4430927/019-515 0927

Genting Selama Estate
Serdang
09800 Kedah
Tel : +604 3690027

Genting Sepang Estate
P.O. Box N0.31
71800 Nilai, Negeri Sembilan
Tel : +603 87061240

Genting Tebong Estate
75990 Tebong
Melaka
Tel : +606 4486226
Fax : +606 4486750

Genting Cheng Estate
78000 Alor Gajah
Melaka
Tel : +606 5561216
Fax : +606 5563286

Genting Tanah Merah Estate
P.O. Box 68
84907 Tangkak, Johor
Tel : +606 9781310
Fax : +606 9789810

Genting Sri Gading Estate
P.O. Box 510
83009 Batu Pahat, Johor
Tel : +607 4558634
Fax : +607 4559629

Genting Sungei Rayat Estate
P.O. Box 511
83009 Batu Pahat, Johor
Tel : +607 4558237/019-777 8237
Fax : +607 4557931

Genting Kulai Besar Estate
No. 1213-1215
Jalan Kasturi 36/45, Indahpura
81000 Kulaijaya, Johor
Tel : +607 6840386

Genting Ayer Item Oil Mill
Batu 54 Jalan Johor
Air Hitam
86100 Johor
Tel : +607 7631992
Fax : +607 7631998

Sabah

Genting Plantations Office, Sabah
Wisma Genting Plantations
KM 12, Labuk Road
90000 Sandakan, Sabah
Tel : +6089 672787/672767
Fax : +6089 673976

Genting Sabapalm Estate
Tel : +6089 265796

Genting Tenegang Estate
Tel/Fax : +6089 565220

Genting Bahagia Estate
Tel : +6089 577157

Genting Tanjung Estate
Tel : +6089 568087

Genting Landworthy Estate
Tel : +6089 845152

Genting Layang Estate
Tel : +6089 845102

Genting Jambongan Estate
Tel : +6089 251200

Genting Indah Estate
Tel : +6087 307110

Genting Permai Estate
Tel : +6087 307100

Genting Kencana Estate
Tel : +6087 307116

Genting Mewah Estate
Tel : +6089 565914

Genting Lokan Estate
Tel : +6089 842110

Genting Sekong Estate
Tel/Fax : +6089 677231/622688

Genting Suan Lamba Estate
Tel : +6089 622291/623233

GROUP OFFICES AND OPERATING UNITS (cont'd)

Genting Sabapalm Oil Mill
Tel/Fax : +6089 265317

Genting Tanjung Oil Mill
Tel : +6089 567288
Fax : +6089 567091

Genting Mewah Oil Mill
Tel : +6089 565470
Fax : +6089 563068

Genting Trushidup Oil Mill
Tel/Fax : +6089 677230

Genting Indah Oil Mill
Tel : +6087 307112/307113

Genting Jambongan Oil Mill
Tel : +6089 257112

Sarawak

Serian Palm Oil Mill
4 Km Kedup/Mongkos Link Road
Off 13 Km Poaon Limau/Mentung Marau Road
Off 20 Km Serian/Sri Aman Road
P.O.Box 150, 94700 Serian, Sarawak
Tel/Fax : +6082 895264

Indonesia

PT Genting Plantations Nusantara
DBS Tower
15th Floor, Ciputra World 1
Jl. Prof. Dr. Satrio Kav. 3-5
Jakarta 12940, Indonesia
Tel : +62 21 29887600
Fax : +62 21 29887601

PROPERTY DIVISION

Head Office
Genting Property Sdn Bhd
3rd Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
Tel : +603 21782255 / 23332255
Fax : +603 21641218

Genting Indahpura Sales Office
No. 1213-1215
Jalan Kasturi 36/45, Indahpura
81000 Kulaijaya, Johor, Malaysia
Tel : +607 6624652
Fax : +607 6624655

Genting Pura Kencana Sales Office
No. 1, Jalan Sisiran Pura Kencana 1A/1
Taman Pura Kencana
83300 Sri Gading, Batu Pahat
Johor, Malaysia
Tel : +607 4558181
Fax : +607 4557171

Johor Premium Outlets®
Jalan Premium Outlets
Indahpura, 81000 Kulai,
Johor, Malaysia
Tel : +607 6618888
Fax : +607 6618810

Genting Highlands Premium Outlets®
KM13, Genting Highlands Resort
69000 Genting Highlands
Pahang Darul Makmur
Tel : +603 6433 8888
Fax : +603 6433 8810

BIOTECHNOLOGY DIVISION

ACGT Laboratories
L3-I-1 Enterprise 4, Technology Park Malaysia
Lebuhraya Puchong-Sg Besi, Bukit Jalil
57000 Kuala Lumpur, Malaysia
Tel : +603 89969888
Fax : +603 89963388

The Gasoline Tree™ Experimental Research Station
Jalan Kuarters-KLIA
43900 Sepang
Selangor, Malaysia
Tel : +6019 2868856

DOWNSTREAM MANUFACTURING DIVISION

Head Office
10th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
Tel : +603 21782255
Fax : +603 21616149

GENTING PLANTATIONS BERHAD (34993-X)
10th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia

T : +603 2178 2255 / 2333 2255
F : +603 2161 5304

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