

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

This Prospectus sets out the details of the non-renounceable restricted issue of up to 151,769,400 new Warrants in Genting Plantations Berhad ("**GENP**" or "**Company**") ("**Warrants**") to the Entitled Shareholders (as defined below) ("**Restricted Issue of Warrants**").

This Prospectus, together with the notice of provisional allotment and the rights subscription form (collectively, the "**Documents**") are not intended to comply with the laws of any country or jurisdiction other than Malaysia, are not intended to be (and will not be) issued, circulated or distributed in any country or jurisdiction other than Malaysia and have not been lodged, registered or approved under any applicable securities or equivalent legislation (or with or by any regulatory authority or other relevant body) of any country or jurisdiction other than Malaysia. Accordingly, the Documents are only despatched to the shareholders of GENP whose names appear in GENP's Record of Depositors as at 5.00 p.m. on 21 November 2013 ("**Entitled Shareholders**") at their addresses in Malaysia as stated therein, or at the addresses in Malaysia for service of the Documents as provided to Tricor Investor Services Sdn Bhd (being the Special Registrar for the Restricted Issue of Warrants) before 5.00 p.m. on 21 November 2013. Accordingly, Entitled Shareholders who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers as to whether the acceptance of all or any part of their provisional allotments of Warrants under the Restricted Issue of Warrants ("**Provisional Allotments**") would result in the contravention of any laws of such countries or jurisdictions. Neither GENP nor CIMB Investment Bank Berhad ("**CIMB**") shall accept any responsibility or liability in the event that any acceptance of the Provisional Allotments or application for or subscription of the Warrants or offer, sale, resale, pledge or other transfer of the Warrants made by any Entitled Shareholder is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which the said Entitled Shareholder is a resident.

The approval from the shareholders of GENP for the Restricted Issue of Warrants was obtained at the Extraordinary General Meeting of GENP held on 1 November 2013. The approval from Bursa Malaysia Securities Berhad ("**Bursa Securities**") for, amongst others, the admission of the Warrants to the Official List of Bursa Securities and the listing of and quotation for all the Warrants and the Shares (as defined in this Prospectus) to be issued upon the exercise of the Warrants on Bursa Securities was also obtained via its letter dated 11 October 2013. Admission to the Official List of Bursa Securities and the listing of and quotation for the said Warrants on the Main Market of Bursa Securities are in no way reflective of the merits of the Restricted Issue of Warrants.

A copy of this Prospectus has been registered with the Securities Commission Malaysia ("**SC**"). The registration of this Prospectus should not be taken to indicate that the SC recommends the Restricted Issue of Warrants or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of the Documents has also been lodged with the Registrar of Companies, who takes no responsibility for the contents of the Documents.

The Directors of GENP have seen and approved all the documentation relating to this Restricted Issue of Warrants including the Documents. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted would make the statements in the Documents false or misleading.

CIMB, being the Adviser for the Restricted Issue of Warrants, acknowledges that, based on all available information, and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Restricted Issue of Warrants.

All enquiries concerning the Restricted Issue of Warrants which is the subject of this Prospectus, should be addressed to GENP's Special Registrar for the Restricted Issue of Warrants, Tricor Investor Services Sdn Bhd at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur or call them at +603 2264 3883.



GENTING

PLANTATIONS

GENTING PLANTATIONS BERHAD

(Company No. 34993-X)

(Incorporated in Malaysia under the Companies Act, 1965)

NON-RENOUNCEABLE RESTRICTED ISSUE OF UP TO 151,769,400 NEW WARRANTS AT AN ISSUE PRICE OF RM1.65 PER WARRANT ON THE BASIS OF 1 WARRANT FOR EVERY 5 EXISTING ORDINARY SHARES OF RM0.50 EACH IN GENP HELD BY THE COMPANY'S SHAREHOLDERS AS AT 5.00 P.M. ON 21 NOVEMBER 2013

Adviser



CIMB Investment Bank Berhad (18417-M)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT TIMES AND DATES:

Entitlement Date : 5.00 p.m. on Thursday, 21 November 2013

Last time and date for acceptance : 5.00 p.m. on Monday, 9 December 2013*

* or such later time and date as the Directors of GENP may, at their absolute discretion, decide and announce not less than 2 Market Days (as defined in this Prospectus) before the stipulated time and date.

This Prospectus is dated 21 November 2013

ALL ABBREVIATED TERMS USED ARE AS DEFINED IN THE "DEFINITIONS" PAGE OF THIS PROSPECTUS.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON GENP'S PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE RESTRICTED ISSUE OF WARRANTS AND ANY INVESTMENT IN THE COMPANY. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE ISSUE FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA (SUCH AS GENP'S DIRECTORS AND ADVISERS) ARE RESPONSIBLE.

INVESTORS ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE AND MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CMSA.

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO MALAYSIAN LAWS. GENP AND ITS ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. GENP AND ITS ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF THE WARRANTS BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY GENP SHARES AND WARRANTS IN ANY JURISDICTION OTHER THAN MALAYSIA. GENP AND ITS ADVISERS REQUIRE YOU TO INFORM YOURSELF OF AND TO OBSERVE SUCH RESTRICTIONS.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RESTRICTED ISSUE OF WARRANTS UNDER THE LAWS OF MALAYSIA. GENP AND ITS ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THE DOCUMENTS.

DEFINITIONS

Except where the context otherwise requires, the following definitions and abbreviations shall apply throughout this Prospectus:

Act	: The Companies Act, 1965
Adviser	: CIMB
Board	: The Board of Directors of GENP
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd
Bursa Securities	: Bursa Malaysia Securities Berhad
CDS	: Central Depository System
CDS Account	: A securities account established by Bursa Depository for a depositor for the recording of deposits, withdrawals or dealings in such securities by the depositor
CIMB	: CIMB Investment Bank Berhad
Closing Time and Date	: 5.00 p.m. on 9 December 2013 or such later time and date as the Directors may, at their absolute discretion, decide and announce not less than 2 Market Days before the stipulated time and date
CMSA	: Capital Markets and Services Act 2007
Corporate Exercise	: Collectively, the Special Interim Cash Dividend and the Restricted Issue of Warrants
CPO	: Crude palm oil
Deed Poll	: The deed poll executed by the Company on 8 November 2013 constituting the Warrants, as may be amended from time to time
Directors	: The directors of GENP
Dividend Payment Date	: 18 December 2013
Documents	: Collectively, this Prospectus and the accompanying NPA and RSF
EBITDA	: Earnings before interest, tax, depreciation and amortisation
EGM	: Extraordinary general meeting
Entitled Shareholder(s)	: Shareholder(s) whose name(s) appear in GENP's ROD on the Entitlement Date
Entitlement Date	: 5.00 p.m. on 21 November 2013, being the time and date on which the Entitled Shareholders must be registered in GENP's ROD in order to be entitled to the Net Dividend and to participate in the Restricted Issue of Warrants
EPS	: Earnings per share
Exercise Form	: The form for exercising the exercise rights in respect of the Warrants pursuant to the Deed Poll
Exercise Period	: The period commencing on and including the Issue Date to the close of business at 5.00 p.m. on the Market Day falling 5 ¹ / ₂ years from the Issue Date
Exercise Price	: RM7.75, being the price at which 1 Warrant is exercisable into 1 new Share, subject to such adjustments as may be allowed under the Deed Poll

DEFINITIONS (Cont'd)

Exercised Share(s)	: New Share(s) to be issued arising from the exercise of the Warrants
FFB	: Fresh fruit bunches
Foreign Shareholder(s)	: Entitled Shareholder(s) who do not have an address in Malaysia as stated in GENP's ROD and who have not provided the Special Registrar with an address in Malaysia for service of the Documents before the Entitlement Date
FPE	: Financial period ended/ending, as the case may be
FYE	: Financial year ended/ending, as the case may be
GEHK	: Genting Equities (Hong Kong) Limited
GENP or Company	: Genting Plantations Berhad
GENP Group or Group	: GENP and its subsidiaries
GENT	: Genting Berhad
Issue Date	: The date on which the Warrants are allotted and issued under or pursuant to the Deed Poll
Issue Price	: The issue price of RM1.65 per Warrant
LPD	: 31 October 2013, being the latest practicable date prior to the printing of this Prospectus
Market Day	: Any day between Monday and Friday (both days inclusive) on which Bursa Securities is open for trading in securities
NA	: Net assets
Net Dividend	: Special interim cash dividend of RM0.44 less 25% income tax for every Share held by the Entitled Shareholders
NPA	: Notice of provisional allotment
PK	: Palm kernel
Provisional Allotment(s)	: Warrants provisionally allotted to the Entitled Shareholders on the basis of 1 Warrant for every 5 existing Shares held as at the Entitlement Date
R&D	: Research and development
Restricted Issue of Warrants	: Non-renounceable restricted issue of up to 151,769,400 new Warrants on the basis of 1 Warrant for every 5 existing Shares held by the Entitled Shareholders at the Issue Price
ROD	: Record of Depositors
RSF	: Rights subscription form
Rules of Bursa Depository	: Rules of the Central Depository as defined in the SICDA
SC	: Securities Commission Malaysia
SICDA	: Securities Industry (Central Depositories) Act, 1991
Share(s)	: Ordinary share(s) of RM0.50 each in GENP
Share Registrar	: Genting Management and Consultancy Services Sdn Bhd, the Company's share registrar

DEFINITIONS (Cont'd)

Special Interim Cash Dividend	:	Declaration by the Board of the Net Dividend
Special Registrar	:	Tricor Investor Services Sdn Bhd, the special registrar appointed by the Company for the Restricted Issue of Warrants and Special Interim Cash Dividend
Undertakings	:	Undertakings dated 29 August 2013 by each of GENT, the holding company of GENP, and GEHK, GENT's direct wholly-owned subsidiary, to subscribe for their respective entitlements in full under the Restricted Issue of Warrants
Warrant(s)	:	New warrants in GENP to be issued pursuant to the Restricted Issue of Warrants
Warrant Holder(s)	:	Holder(s) of the Warrants
y-o-y	:	Year-on-year

CURRENCIES

HKD	:	Hong Kong Dollar
IDR	:	Indonesian Rupiah
RM	:	Ringgit Malaysia
SGD	:	Singapore Dollar
USD	:	United States Dollar

All references to "you" in this Prospectus are to the Entitled Shareholders.

Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. Reference to persons shall include an individual, company, corporation, unincorporated body or persons or any state agency thereof.

Any reference in this Prospectus to any statute is a reference to that statute as for the time being amended or re-enacted. Any reference to a time of day or date in this Prospectus shall be a reference to Malaysian time and date respectively, unless otherwise specified.

Any reference to the "voting shares" in GENP in this Prospectus is a reference to the issued and paid-up share capital of GENP excluding Shares which are held as treasury shares.

Any discrepancies in the tables included in this Prospectus between the amounts listed, actual figures and the totals thereof are due to rounding.

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GENTING PLANTATIONS BERHAD*(Company No. 34993-X)**(Incorporated in Malaysia under the Act)***CORPORATE DIRECTORY****BOARD OF DIRECTORS**

Name	Address	Nationality	Occupation
Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin <i>(Chairman/Independent Non-Executive Director)</i>	Villa Perkasa No. 17 Jalan P10D Presint 10 62550 Putrajaya	Malaysian	Company Director
Tan Sri Lim Kok Thay <i>(Chief Executive)</i>	28 Jalan Tengku Ampuan Taman Duta 50480 Kuala Lumpur	Malaysian	Company Director
Encik Mohd Din Jusoh <i>(Independent Non-Executive Director)</i>	No.1, Jalan USJ 2/4D 47600 Subang Jaya Selangor Darul Ehsan	Malaysian	Company Director
Lt. Gen. (B) Dato' Abdul Ghani bin Abdullah <i>(Independent Non-Executive Director)</i>	No. 61, Lorong Pakis 2 Taman Ferngrove CUEPACS Bt. 8 Jalan Cheras 43200 Cheras Kuala Lumpur	Malaysian	Company Director
Mr Quah Chek Tin <i>(Independent Non-Executive Director)</i>	7, Jalan USJ 17/7B 47630 Subang Jaya Selangor Darul Ehsan	Malaysian	Company Director
Mr Ching Yew Chye <i>(Independent Non-Executive Director)</i>	No.5, Jalan Setiamurni 9 Bukit Damansara 50490 Kuala Lumpur	Malaysian	Company Director
Mr Lim Keong Hui <i>(Non-Independent Non-Executive Director)</i>	Suite 4608 Convention Plaza Apartment 1 Harbour Road Wan Chai Hong Kong	Malaysian	Company Director

CORPORATE DIRECTORY (Cont'd)

AUDIT COMMITTEE

Name	Position	Designation
Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin	Chairman	Chairman/Independent Non-Executive Director
Encik Mohd Din Jusoh	Member	Independent Non-Executive Director
Lt. Gen. (B) Dato' Abdul Ghani bin Abdullah	Member	Independent Non-Executive Director
Mr Quah Chek Tin	Member	Independent Non-Executive Director
Mr Ching Yew Chye	Member	Independent Non-Executive Director

COMPANY SECRETARY

: Loh Bee Hong (MAICSA 7001361)
160 Jalan Loke Yew
55200 Kuala Lumpur

Tel. no.: +603 2178 2288

REGISTERED OFFICE

: 24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur

Tel. no.: +603 2178 2288/2333 2288

Fax no.: +603 2161 5304

E-mail: gpbinfo@genting.com

Website: <http://www.gentingplantations.com/>

AUDITORS AND REPORTING ACCOUNTANTS

: PricewaterhouseCoopers (AF 1146)
Chartered Accountants
Level 10, 1 Sentral
Jalan Travers
Kuala Lumpur Sentral
50706 Kuala Lumpur

Tel. no.: +603 2173 1188

Fax no.: +603 2173 1288

SHARE REGISTRAR OF THE COMPANY

: Genting Management and Consultancy Services Sdn Bhd
24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur

Tel. no.: +603 2178 2266 / 2333 2266

Fax no.: +603 2161 5304

CORPORATE DIRECTORY (Cont'd)

SPECIAL REGISTRAR FOR THE RESTRICTED ISSUE OF WARRANTS AND SPECIAL INTERIM CASH DIVIDEND : Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur

Tel. no.: +603 2264 3883
Fax no.: +603 2282 1886

PRINCIPAL BANKERS : Citibank Berhad
Menara Citibank
165 Jalan Ampang
50450 Kuala Lumpur

Tel. no.: +603 2383 8585

Malayan Banking Berhad
Menara Maybank
100 Jalan Tun Perak
50050 Kuala Lumpur

Tel. no.: +603 2070 8833

OCBC Bank (Malaysia) Berhad
Head Office
Menara OCBC
18 Jalan Tun Perak
50050 Kuala Lumpur

Tel. no.: +603 2034 5034

SOLICITORS FOR THE RESTRICTED ISSUE OF WARRANTS : Messrs Adnan Sundra & Low
Advocates & Solicitors
Level 11, Menara Olympia
No.8, Jalan Raja Chulan
50200 Kuala Lumpur

Tel. no.: +603 2070 0466

ADVISER FOR THE RESTRICTED ISSUE OF WARRANTS : CIMB Investment Bank Berhad
13th Floor, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur

Tel. no.: +603 2261 8888

STOCK EXCHANGE LISTING OF THE SHARES AND LISTING SOUGHT FOR THE WARRANTS : Main Market of Bursa Securities



GENTING PLANTATIONS

GENTING PLANTATIONS BERHAD
(Company No. 34993-X)
(Incorporated in Malaysia under the Act)

Registered Office:

24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur

21 November 2013

Board of Directors:

Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin (*Chairman/Independent Non-Executive Director*)
Tan Sri Lim Kok Thay (*Chief Executive*)
Encik Mohd Din Jusoh (*Independent Non-Executive Director*)
Lt. Gen. (B) Dato' Abdul Ghani bin Abdullah (*Independent Non-Executive Director*)
Mr Quah Chek Tin (*Independent Non-Executive Director*)
Mr Ching Yew Chye (*Independent Non-Executive Director*)
Mr Lim Keong Hui (*Non-Independent Non-Executive Director*)

To the Shareholders of GENP

Dear Sir/Madam,

NON-RENOUNCEABLE RESTRICTED ISSUE OF UP TO 151,769,400 NEW WARRANTS IN GENP AT AN ISSUE PRICE OF RM1.65 PER WARRANT ON THE BASIS OF 1 WARRANT FOR EVERY 5 EXISTING SHARES HELD BY THE COMPANY'S SHAREHOLDERS ON THE ENTITLEMENT DATE

1. INTRODUCTION

- 1.1 On 29 August 2013, CIMB announced on behalf of GENP that it proposes to undertake, amongst others, the Restricted Issue of Warrants.
- 1.2 On 30 September 2013, the SC approved the application made by CIMB on behalf of GENP to issue a modified prospectus for the Restricted Issue of Warrants based on the format and content set out under the "Prospectus Guidelines - Abridged Prospectus" ("**AP Guidelines**"), instead of the format and content set out under the "Prospectus Guidelines - Equity and Debt" ("**Prospectus Guidelines**"). The SC has also approved the application made by CIMB on behalf of GENP to comply with the procedures for registration of prospectuses under the AP Guidelines instead of procedures for registration under the Prospectus Guidelines.
- 1.3 On 11 October 2013, CIMB announced on behalf of GENP that Bursa Securities had, via its letter dated 11 October 2013, given its approval for the admission of the Warrants to the Official List of Bursa Securities and for the listing of and quotation for the Warrants and the Exercised Shares on the Main Market of Bursa Securities.

- 1.4 On 1 November 2013, the shareholders of GENP had at an EGM held, approved the Restricted Issue of Warrants. A certified true extract of the ordinary resolution pertaining to the Restricted Issue of Warrants which was passed at the said EGM is set out in Appendix I of this Prospectus.

As the Special Interim Cash Dividend was conditional upon GENP obtaining all the relevant approvals for the Restricted Issue of Warrants, the Special Interim Cash Dividend was deemed declared on 1 November 2013.

- 1.5 On 7 November 2013, CIMB announced on behalf of GENP that the Entitlement Date for the Restricted Issue of Warrants had been fixed at 5.00 p.m. on 21 November 2013.

No person is authorised to give any information or make any representation not contained in the Documents in connection with the Restricted Issue of Warrants and if given or made, such information or representation must not be relied upon as having been authorised by GENP or CIMB.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

2. DETAILS OF THE RESTRICTED ISSUE OF WARRANTS

2.1 Details of the Restricted Issue of Warrants

The Restricted Issue of Warrants is intended to provide the Entitled Shareholders with an option to reinvest some or all of their Net Dividend back into the Company, through the subscription of Warrants, similar to a dividend reinvestment scheme.

The Restricted Issue of Warrants entails the non-renounceable issuance of new Warrants at the Issue Price on the basis of 1 Warrant for every 5 existing Shares held by the Entitled Shareholders on the Entitlement Date. The entitlement basis of 1 Warrant for every 5 existing Shares was established to minimise the occurrence of fractional entitlements.

As at the LPD, a total of 758,747,000 Shares were outstanding, excluding 100,000 Shares which are held as treasury shares. The maximum number of Warrants to be issued assuming that all Shares which are held as treasury shares are resold/redistributed is 151,769,400. Accordingly, the maximum number of new Shares to be issued upon full exercise of the Warrants is 151,769,400. The actual number of Warrants to be issued will depend on the outstanding number of Shares in issue (excluding Shares held as treasury shares) on the Entitlement Date and the number of Warrants subscribed for by the Entitled Shareholders. Based on the outstanding number of Shares in issue (excluding Shares held as treasury shares) as at the LPD, assuming all Entitled Shareholders subscribe in full for their respective entitlements under the Restricted Issue of Warrants, the gross proceeds to be raised will amount to approximately RM250.4 million.

Any fractional entitlements in respect of the Restricted Issue of Warrants (i.e. entitlements of less than 1 Warrant) shall be disregarded and the number of Warrants offered to the Entitled Shareholders shall be rounded down to the nearest integer. As such, no shareholder will be allotted or issued a fraction of a Warrant and any shareholder who is entitled to less than 1 Warrant will not be able to participate in the Restricted Issue of Warrants in respect of such fractional entitlement. Further, Entitled Shareholders who elect to subscribe for less than 100 Warrants or not in multiples of 100 Warrants will receive such Warrants in odd lots.

For the avoidance of doubt, the Restricted Issue of Warrants is being undertaken on a non-renounceable basis. Accordingly, there will not be any trading of the rights to the Warrants, and any Warrants which are not taken up by the Entitled Shareholders for any reason will not be made available for excess application by the other Entitled Shareholders. Any unsubscribed Warrants shall not be allotted and shall be rendered void.

As an Entitled Shareholder, you will find enclosed together with this Prospectus, (i) the NPA setting out the number of Warrants which you are entitled to subscribe for under the terms of the Restricted Issue of Warrants, based on your shareholdings in GENP as at the Entitlement Date, and (ii) the RSF, which you must complete in full in order to accept part or all of your Provisional Allotments. Each Entitled Shareholder has the following options in respect of the Restricted Issue of Warrants:

- (i) If you DO NOT wish to accept any of your Provisional Allotments, you do not need to do anything, and the Net Dividend due to you will be paid to you in full in cash on the Dividend Payment Date; or
- (ii) If you wish to ACCEPT part or all of your Provisional Allotments by reinvesting part or all (as the case may be) of the Net Dividend due to you, then you must complete the RSF in full in accordance with the terms and conditions set out therein, and submit the same to the Special Registrar, such that it is received by the Special Registrar by the Closing Time and Date. Any Net Dividend that is not reinvested by you to subscribe for the Warrants will be paid to you in cash on the Dividend Payment Date.

Further details on the procedures for acceptance are set out in Section 10 of this Prospectus.

Any dealing in GENP's securities will be subject to, *inter alia*, the provisions of the SICDA, the Securities Industry (Central Depositories) (Amendment) Act, 1998, the Rules of Bursa Depository and any other relevant legislation. Accordingly, upon subscription, the Warrants will be allotted and credited directly into the respective CDS Accounts of the Entitled Shareholders. No physical warrant certificate will be issued to Entitled Shareholders for the Warrants.

Within 8 Market Days from the Closing Time and Date or such other date as may be prescribed by Bursa Securities, GENP will:

- (i) allot and issue the Warrants;
- (ii) despatch notices of allotment to the allottees; and
- (iii) make an application for quotation for the Warrants on the Main Market of Bursa Securities.

The Warrants will then be listed and quoted on the Main Market of Bursa Securities 2 Market Days after the application for quotation is made to Bursa Securities.

In respect of any exercise of Warrants, within 8 Market Days after the date of receipt of a duly completed Exercise Form together with the requisite payment or such other date as may be prescribed by Bursa Securities, GENP will:

- (i) allot and issue the Exercised Shares;
- (ii) despatch notices of allotment of the Exercised Shares to the relevant Warrant Holder(s); and
- (iii) make an application for quotation for such Exercised Shares on the Main Market of Bursa Securities.

The Exercised Shares will then be listed and quoted on the Main Market of Bursa Securities 2 Market Days after the application for quotation is made to Bursa Securities.

As the Exercised Shares are prescribed securities, no physical share certificates will be issued to those Warrant Holder(s) exercising their respective rights for the Exercised Shares.

2.2 Basis of determining the Issue Price and Exercise Price

The Issue Price of RM1.65 per Warrant was determined by the Board after taking into consideration the entitlement basis of the Restricted Issue of Warrants and the Net Dividend amount.

The Exercise Price represents the difference between the Issue Price and the closing price of the Shares of RM9.40 on 26 August 2013, being the latest practicable date prior to seeking the Board's approval for the Restricted Issue of Warrants. In addition, the Exercise Price may be subject to adjustments in accordance with the provisions of the Deed Poll.

2.3 Ranking of the Exercised Shares

In the event that the Warrants are exercised into Shares, the Exercised Shares shall, upon allotment and issue, rank *pari passu* in all respects with the existing Shares, save and except that the Exercised Shares shall not be entitled to any dividends, rights, allotments and/or other distributions in respect of which the entitlement date is before the allotment date of the Exercised Shares.

2.4 Principal terms of the Warrants

Issuer	:	GENP
Number of Warrants	:	Up to 151,769,400 new Warrants in GENP. The number of Warrants held by a Warrant Holder may from time to time be adjusted in accordance with the provisions of the Deed Poll.
Form	:	The Warrants will be issued in registered form and constituted by the Deed Poll.
Tenure	:	5 ¹ / ₂ years from and inclusive of the Issue Date.
Exercise rights in respect of the Warrants (" Exercise Rights ")	:	Each Warrant entitles the Warrant Holder to subscribe for 1 new Share at the Exercise Price, satisfied in cash.
Exercise Price	:	RM7.75, being the price at which 1 Warrant is exercisable into 1 new Share, subject to applicable adjustments in accordance with the Deed Poll, including but not limited to, consolidation or subdivision of Shares, rights issues of Shares and capitalisation of reserves.
Exercise Period	:	The Warrants shall be exercisable into new Shares on any Market Day within a period commencing on and including the Issue Date to the close of business at 5.00 p.m. on the Market Day falling 5 ¹ / ₂ years from the Issue Date. Any Exercise Rights not exercised by the expiry of the Exercise Period will lapse thereafter and cease to be valid for all purposes.
Adjustments to the Exercise Price and/or number of Warrants	:	The Exercise Price and/or the number of Warrants in issue may be subject to adjustments under certain circumstances and such adjustments shall be made in accordance with the provisions of the Deed Poll.
Rights of the Warrant Holders	:	The Warrant Holders shall not be entitled to any voting rights or participation in any form of distribution and/or offer of further securities in the Company until and unless such Warrant Holders exercise their Warrants for the Exercised Shares in accordance with the procedure set out in the Deed Poll and such Exercised Shares have been allotted and issued to him prior to such entitlements.

Ranking in event of winding-up, compromise and/or arrangements

: Whilst the Warrants remain valid and exercisable, where a resolution has been passed for a members' voluntary winding-up of the Company, or there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with 1 or more companies, then:

(a) in respect of a compromise or arrangement in which the Warrant Holders or a person designated by the Warrant Holders for such purpose by a special resolution passed at a meeting of such Warrant Holders are to be a party, the terms of such compromise or arrangement shall be binding on all the Warrant Holders; and

(b) in any other case and subject to the Warrant Holders complying with the procedures set out in clause (c) below, every Warrant Holder shall be entitled to elect to be treated as if the Warrant Holder had immediately prior to the commencement of the winding up, compromise or arrangement exercised the Exercise Rights represented by such Warrants to the extent specified in the Exercise Form and such Warrant Holder shall be entitled to receive out of the assets of the Company which would be available in liquidation as if he had on such date been the holder of the Exercised Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly.

(c) Election by Warrant Holder

A Warrant Holder may exercise the election referred to in clause (b) above:

(i) upon and subject to the Deed Poll and the terms and conditions under set out in Deed Poll ("**Conditions**");

(ii) at any time within 6 weeks after the passing of such resolution for a members' voluntary winding-up of the Company or within 6 weeks after the granting of the court order approving the members' voluntary winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation), but not thereafter; and

(iii) by submitting to the Share Registrar (by way of irrevocable surrender of his Warrants to the Company):

(1) the duly completed Exercise Form authorising the debiting of his Warrants in his securities account;

(2) the relevant payment of the Exercise Price for the credit of the Company as prescribed in the Conditions;

(3) the payment of all stamp, issue, registration or other similar taxes or duties arising from the exercise of the relevant Warrants as the Share Registrar may require to be paid; and

- (4) the payment of any fees and charges for the crediting of the Exercised Shares into the securities account of the Warrant Holder.

Subject to the provisions of the Deed Poll, if the Company is wound up by way of members' voluntary winding-up or a court order has been granted for a compromise or arrangement, all Exercise Rights which are not exercised within 6 weeks of the passing of the resolution for winding-up or of the granting of the court order approving the members' voluntary winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation), will lapse and the relevant Warrants will cease to be valid for all purposes.

If the Company is being wound-up other than by way of a members' voluntary winding-up, all Exercise Rights which are not exercised prior to the granting of such court order approving the said winding-up shall lapse and cease to be valid for all purposes.

Modification to terms and conditions of the Warrants : The Company may without the prior approval of the Warrant Holders make any modification(s) to the Deed Poll if the Company is of the opinion that such modification(s) are:

- (a) not materially prejudicial to the interests of the Warrant Holders, which shall include without limitation, any modification(s) to correct typographical errors or in relation to purely administrative matters;
- (b) to correct a manifest error; or
- (c) to comply with mandatory provisions of the laws of Malaysia or any regulations issued by any relevant authority.

Save as expressly provided for in the Deed Poll, any modification, amendment or addition to the Deed Poll which results in more favourable terms to the Warrant Holders or is materially prejudicial to the interests of the shareholders shall be subject to the prior approval of the shareholders.

Status of Exercised Shares : The Exercised Shares shall, upon allotment and issue, rank *pari passu* in all respects with the existing Shares, save and except that the Exercised Shares shall not be entitled to any dividends, rights, allotments and/or other distributions in respect of which the entitlement date is before the allotment date of the Exercised Shares.

Further issue of warrants : The Company shall be entitled, without the consent of the Warrant Holders, at any time and from time to time (subject always to the provisions of the Deed Poll) to create and issue additional warrants that are identical and/or not identical in all respects with the Warrants upon such terms and conditions as the Company may think fit. All warrants issued pursuant to the Deed Poll, including further issue of warrants, shall be deemed to form part of the same series and shall rank *pari passu* as between the Warrant Holders.

Listing : Approval has been obtained from Bursa Securities on 11 October 2013 for the listing of and quotation for the Warrants and the Exercised Shares on the Main Market of Bursa Securities.

Board lot	:	The Warrants shall be tradable upon listing in board lots of 100 Warrants, or such other amount as may be determined by Bursa Securities or by the relevant authorities from time to time.
Constitution	:	The Warrants are constituted by the Deed Poll.
Governing law	:	Laws and regulations of Malaysia.

3. DETAILS OF THE UNDERTAKINGS

As the Restricted Issue of Warrants is intended to provide the Entitled Shareholders with an option to reinvest some or all of the Net Dividend back into the Company, the Restricted Issue of Warrants is not undertaken on a minimum subscription level basis, and no underwriting arrangements have been sought for any unsubscribed Warrants.

Nevertheless, GENP has obtained the Undertakings from GENT and GEHK to subscribe for their respective entitlements amounting to an aggregate of 82,828,800 Warrants in full under the Restricted Issue of Warrants. As at the LPD, GENT and GEHK collectively hold 414,144,000 GENP Shares, representing 54.58% of the voting shares in GENP. Assuming that all shareholders of GENP subscribe for the Warrants in full, GENT and GEHK will collectively hold 54.58% of the Warrants.

4. RATIONALE FOR THE RESTRICTED ISSUE OF WARRANTS

The Restricted Issue of Warrants will provide an opportunity for the Entitled Shareholders to acquire Shares via the exercise of the Warrants at a pre-determined exercise price during the tenure of the Warrants as well as benefit from any potential capital appreciation of the Warrants following their listing on Bursa Securities. The Restricted Issue of Warrants will also enable the Entitled Shareholders to reinvest their Net Dividend back into GENP, should they elect to do so.

Further, as the price of a Warrant is lower than the Company's share price, the Restricted Issue of Warrants enables Entitled Shareholders to reinvest the Net Dividend to subscribe for a larger number of Warrants compared to the number of Shares which the Entitled Shareholders would have been able to subscribe for under a dividend reinvestment scheme involving shares.

For GENP, the Warrants will not result in any immediate dilution to its EPS. Further, GENP will have an additional source of funds as and when the Warrants are exercised in the future.

5. UTILISATION OF PROCEEDS

The gross proceeds to be raised from the issuance of the Warrants will depend on the number of Warrants subscribed for by the Entitled Shareholders. Based on the outstanding number of Shares in issue (excluding Shares held as treasury shares) as at the LPD, assuming all Entitled Shareholders subscribe in full for their respective entitlements under the Restricted Issue of Warrants, the gross proceeds to be raised will amount to approximately RM250.4 million. Such proceeds will be utilised to defray the expenses for the Corporate Exercise estimated at RM1.0 million, as well as immediately replenish the cash reserves of GENP which will be reduced pursuant to the Special Interim Cash Dividend.

The gross proceeds to be raised from the exercise of the Warrants will depend on the number of Warrants exercised during the tenure of the Warrants and the timing of such exercise. Based on the outstanding number of Shares in issue (excluding Shares held as treasury shares) as at the LPD, assuming that all Warrants are subscribed for and fully exercised at the Exercise Price, the gross proceeds to be raised will amount to approximately RM1,176.1 million. It is expected that such proceeds, as and when they are received, will be utilised by GENP and/or its subsidiaries for operating expenditure, capital expenditure, investment, refinancing, working capital, general funding and/or other general corporate purposes.

As at the LPD, GENP has not identified any investment which requires the utilisation of the proceeds to be raised from the exercise of the Warrants.

6. RISK FACTORS

In addition to other information contained in this Prospectus, you should carefully consider the following risk factors before subscribing for the Warrants. There may be additional risk factors which are not disclosed below, which are not presently known to GENP or which GENP currently deems to be less significant, which may materially and adversely affect GENP Group's business, financial condition, operating results and prospects in the future.

6.1 Risks relating to GENP Group

(i) Political, economic, social and regulatory considerations

The business, prospects, financial condition and results of operations of GENP Group may be adversely affected by political, economic, social and regulatory conditions in Malaysia, Indonesia and other jurisdictions in which GENP Group operates. Political, economic, social and regulatory uncertainties include but are not limited to the risks of war, terrorism, riots, expropriation, nationalism, renegotiation or nullification of existing contracts, introduction of new regulations, changes in inflation, interest rates and methods of taxation.

GENP Group has ensured and will continue to ensure material compliance with rules and regulations of the legal and regulatory framework in the jurisdictions in which it operates and has also taken and will continue to take measures necessary to address and mitigate risks resulting from changes in political, economic, social or regulatory conditions. However, there can be no assurance that such measures will be sufficient or effective.

(ii) Foreign currency exchange ("Forex")

The ordinary course of the plantation and palm oil processing business may involve the purchase of imported raw materials and the export of products, the costs and revenue of which are denominated in USD or other foreign currencies. Accordingly, GENP Group will be exposed to foreign currency exchange risk when its business entities enter into transactions that are not denominated in their respective functional currencies. Further, a significant amount of GENP Group's borrowings is denominated in USD. As such, any changes in Forex rates could result in foreign currency translation gains or losses that would affect GENP Group's financial performance.

GENP Group seeks to manage its Forex risks for committed transactions by entering into forward foreign currency exchange contracts within the constraints of market and government regulations. However, there can be no assurance that GENP Group will not be adversely affected by Forex rate movements.

(iii) Changes in trade, import and export policies and tariffs

Malaysia and Indonesia impose duties on exports of palm products, for which the rates and base prices for calculations are set by the government on a monthly basis. Any material changes in the export duty structure on palm products, as well as changes in the import policies on fertiliser, plant and equipment, or similar or related actions by the relevant governments may cause disruptions to operations and may affect GENP Group's profitability.

As the palm oil industry is highly export-oriented, any protectionist trade policies imposed by the governments of palm oil importing nations, including import bans, increases in import taxes, abolition of applicable tax treaties or trade agreements, or other similar action, could reduce the competitiveness of palm products against other substitute products. There can be no assurance that GENP Group would not be adversely affected by any material changes in import duties imposed by major export markets, including India, where custom duties applicable to imported palm oil and its fractions are subject to change at any time, without prior notice.

(iv) Dependence on key personnel

GENP Group's continued success is significantly dependent on the contributions, experience and knowledge of key directors, senior management and technical personnel who drive business direction and implement business strategies. There is no assurance that GENP Group will be able to successfully retain all its key personnel or secure suitable replacements in the event of loss of such personnel. Such loss of personnel could adversely affect GENP Group's ability to operate and compete effectively, in turn affecting its financial performance and prospects.

As part of GENP Group's efforts to attract and retain personnel with the right skills and expertise, initiatives such as competitive remuneration packages and continuous training and development programmes for key functions are in place. Notwithstanding this, to minimise the impact from the loss of existing key personnel, GENP Group has taken and will continue to take adequate steps to develop succession plans as well as to attract skilled executives.

(v) Insurance coverage

GENP Group has taken necessary measures to ensure all assets are adequately covered by insurance in accordance with standard industry practice. However, there can be no assurance that the coverage taken would be adequate to cover replacement costs incurred or any consequential losses arising thereof.

In addition, in accordance with common practice in the plantation industry, GENP Group does not insure its plantation crops against losses arising from natural disasters, floods, fires, adverse weather conditions and crop pests and diseases. Hence, any significant losses to GENP Group's planted crops not otherwise covered by insurance may negatively impact the operational performance, financial results and business prospects of GENP Group.

6.2 Risks relating to the Plantations Division

(i) Competition

As palm oil is a homogeneous product, prices are primarily driven by world-wide demand and supply of palm oil. The prevailing business and operating environment vary between the major palm oil producing countries, each with distinct inherent advantages and disadvantages that include quality of planting materials, supply of labour and access to R&D. To ensure the cost competitiveness among palm oil suppliers, cost control and operating efficiency including estate management experiences and practices are key.

On a broader scale, the palm oil industry as a whole faces competition from other substitute edible oils, such as soybean oil, canola oil and sunflower oil. Some of these edible oil industries, particularly in the U.S. and Europe, receive extensive subsidies through various government programmes and as such, they have an advantage that may affect palm oil's ability to compete fairly and effectively.

With regard to the competitive landscape among business entities in the palm oil and edible oils industry, GENP Group's competes with companies of various sizes, some of which may have greater financial resources and operational experience than GENP Group. Some of GENP Group's existing customers may also have established relationships with some of GENP Group's competitors, exacerbating the difficulty for GENP Group to increase selling prices or sales volume. Due to the size of the industry, the production volumes have been, and will continue to be, small in comparison to overall world production. In the event GENP Group's market share is reduced or the profit margin is lowered as a result of competition, there is no assurance that such events will not adversely affect the business, financial condition and prospects of GENP Group.

(ii) CPO and PK price fluctuations

As globally traded commodities, the prices of CPO and PK are based on or affected by global prices, which tend to be cyclical and are subject to fluctuations. Aside from this and the global demand and supply of other substitute oils and fats, a number of other factors may also affect the movement and direction of palm product prices. These factors 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 Group's profitability is linked to the selling prices achieved for palm products 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.

While hedging against palm products price fluctuations can be achieved through, amongst others, commodity sales contracts and derivative instruments, which include physical forwards and non-deliverable forwards, futures and options, there is no assurance that GENP Group's financial results would not be adversely affected by fluctuations in the prices of the underlying commodity products after it enters into such contracts or trades in such instruments.

In particular, GENP Group has for the past 2 years been selling most of its crop on spot basis instead of on forward basis. Whilst this practice may enable GENP Group to benefit from the CPO price up-cycle, there is no assurance that such benefits can be continuously sustained or that GENP Group's selling practice will not adversely impact its financial results in the future.

(iii) Substitution products and changing customer preferences

Global demand for edible oil products is subject to changes in consumer preferences, which can, in turn, be shaped by considerations beyond pricing and taste alone. Factors that can influence consumer perception, behaviour and preferences in the choice of oils and fats include global economic conditions, relative pricing among the various oils and fats, dietary habits, health and nutritional preferences, cultural preferences, and ethical standards, some of which may be influenced by campaign messages promulgated by environmental and social non-government organizations and lobby groups.

GENP Group's success in the edible oils industry is contingent upon its ability to be proactive and responsive in managing changes in consumer preferences and market forces surrounding the industry as explained in the preceding paragraph. There is no assurance that GENP Group will be able to effectively respond to future shifts in customer preferences to stay efficient and competitive.

(iv) Adverse weather conditions

The oil palm crop, as with any agriculture produce, is profoundly influenced by weather and climate conditions. Severe and extreme weather events such as excessive rainfall, heavy flooding or droughts can curtail oil palm yields, in turn affecting the production of FFB and CPO as well as production efficiencies. Excessive rainfall generally leads to poor pollination of palms and decreases the effectiveness of fertilisers, while drought results in oil palm trees forming fewer fruit bunches and could also cause fire outbreaks in the plantations.

As GENP Group's plantation landbank is concentrated primarily in the states of Sabah and Johor in Malaysia, and the regions of Kalimantan Barat and Kalimantan Tengah in Indonesia, severe weather conditions in these locales may have a disproportionate effect on GENP Group compared with other more geographically diversified plantation companies. Any adverse weather conditions, especially for a prolonged period, could adversely affect GENP Group's business, financial condition, operating results and prospects.

(v) Labour intensive

The palm oil industry is a highly labour-intensive industry as oil palm plantation operations require extensive manpower in the nurturing of seedlings, tree planting, fertilising, harvesting as well as performing other routine maintenance works to ensure optimal yield. In general, challenges faced by the palm oil industry pertaining to labour management include the following:

(a) High dependency of foreign workers in Malaysia

The dependence on foreign workers has grown over time to the extent that a majority of the industry's workforce is currently being met by foreign sources of labour. GENP Group manages its workforce to ensure labour adequacy at its plantations by providing workers with various incentives, benefits and welfare schemes and facilities, such as clinics, living quarters, schools and sports amenities for them and their families.

While ongoing efforts are made by GENP Group to reduce reliance on labour through the implementation of mechanization and semi-automated practices, there can be no assurance that any of these measures will be sufficient or effective. Further, no assurance can be given that any change in immigration and labour policies on foreign workers by the government of the relevant jurisdictions will not affect the operations of GENP or that GENP can continue to attract sufficient workers required for its plantation operations.

(b) Lack of skilled labour in Indonesia

Compared with Malaysia, Indonesia has a shorter history of oil palm cultivation on a commercial scale. Accordingly, the knowledge and experience of its workforce in the area of plantation operations and management may be relatively less developed and less advanced. Training in fundamental work skills often needs to be administered to raise the competency and productivity of workers to satisfactory levels. Further, in more remote and less populous regions of Indonesia, indigenous supply of sufficient labour may be limited, thus necessitating the transmigration of workers from more densely populated areas to meet the requirements for oil palm plantation development and operations. Moreover, the proliferation of commercial oil palm plantation activities in Indonesia along with the growth of other labour-intensive industries in recent years have led to increased demand for workers and created an environment of high labour mobility that may affect worker loyalty and retention.

(vi) Environmental considerations/regulations

GENP Group is subject to various environmental laws and regulations, including, but not limited to, standards governing emissions and discharge of materials into the ground, water or air in the jurisdictions where it operates. While GENP Group is, to the best of its knowledge, in compliance in all material respects with the relevant environmental laws and regulations, some risk of environmental costs and liabilities is inherent in its operations and there can be no assurance that material costs and liabilities will not be incurred in the future in this regard.

Further, no assurance can be given that the standards imposed by such environmental laws and regulations will not change and compliance with more stringent environmental laws and regulations may increase the costs of developing and operating oil palm plantations and palm oil processing facilities. There can also be no assurance that GENP Group would not be adversely affected by the imposition of legislation or regulations restricting the expansion or operations of oil palm plantations and related palm oil activities.

(vii) Risks relating to operations in Indonesia

GENP Group faces execution risk with regards to its ongoing development of oil palm estates outside of Malaysia. The challenges of developing greenfield oil palm estates, such as the ones on which GENP Group is embarking in Kalimantan, Indonesia, include sourcing adequate seeds, preparation of the land, hiring and managing foreign labour, seeking and obtaining the requisite regulatory approvals, timely planting schedules and establishing efficient production logistics.

The future performances of these greenfield oil palm estates are subject to the risks relating to operating in Indonesia, which include, but are not limited to, the following:

(a) Political and social instability

Political and related social developments in Indonesia have been unpredictable in the past. There can be no assurance that social and civil disturbances will not occur in the future and on a wider scale, or that any such disturbances will not, directly or indirectly, materially and adversely affect GENP Group's business, financial conditions, and prospects.

(b) Local laws and regulations

As an emerging market, Indonesia's legal and regulatory systems may not yet be comprehensively developed. Thus, any ambiguities or uncertainties in the laws and regulations may give rise to different interpretations and applications of such laws and regulations, particularly between regions in Indonesia. Uncertainties in respect of the validity of land rights, land utilisation certifications and permits, plantation licences, business and operating licences and other licences, as well as changes in the regulations or imposition of new land ownership or land acquisition regulations by the relevant central and regional Indonesian governments may adversely and materially affect GENP Group's business, financial performance and prospects.

There can be no assurance that all existing and/or new licenses, approvals, certificates and permits required by GENP Group to operate in Indonesia would be granted by the relevant governments, authorities and/or agencies or granted in a timely manner or that such licences, approvals, certificates and permits previously granted would not be revoked.

(c) Risks relating to ownership and acquisition of land

Changes in the regulations or any new regulations imposed by the Indonesian Government in relation to the ownership and acquisition of land may affect the ability of GENP Group to maintain and renew all necessary licences in relation to the existing land owned and/or controlled by GENP Group and in the certification process for obtaining *Hak Guna Usaha* ("HGU"), which may in turn adversely and materially affect GENP Group's business and financial performance.

As at 30 September 2013 (being the latest available quarter), about 48% of GENP Group's total oil palm planted area of 115,198 hectares (or 55,641 hectares) are located in Indonesia. Such 55,641 hectares held by GENP Group in Indonesia comprises:

- (aa) 12,584 hectares of land rights in the form of HGU with expiry dates between 2037 and 2044; and
- (bb) 43,057 hectares of other rights for which GENP Group is at various stages of the application process in converting such rights to HGU as set out below:

Uncertified land

Uncertified land includes land under *Ijin Lokasi*, in the Forest Relinquishment process, in the Kadasderal Map process, in the Panitia B Minutes process, and under the issuance of *Surat Keputusan Pemberian HGU*, pending payment for the land registration compensation to the state account.

Prior to allocating uncertified land for plantation use, Regional Governments will consult other related government agencies. However, in view of inherent difficulties in obtaining and producing accurate and definitive maps, there is no assurance that the government agencies will not assign overlapping or competing rights for different uses for the same area of land. In addition, the allocations of undeveloped land for use may not always take into account the existence of protected areas such as forest areas. Therefore, there is a risk that the land being assigned to GENP Group may contain protected areas subject to restrictions or on which there are already competing and conflicting 3rd party land rights.

The *Ijin Lokasi* of certain land not extended

The *Ijin Lokasi* allows a company to acquire a title with respect to the land covered by the *Ijin Lokasi* in accordance with the prevailing laws and regulations. Upon the completion of the compensation arrangements for such land, the company would be able to apply for HGU certification over such land. GENP Group holds land for which, while the process of HGU application is ongoing, the *Ijin Lokasi* has expired and may not be extended.

HGU certification

Some of the land in the application for HGU certification which have expired *Ijin Lokasi* are at various stages of forest relinquishment and/or forest exchange.

If for any reason the company fails to fulfill the registration procedures as required under the Basic Agrarian Law of 1960, there is no assurance that the relevant land agency will proceed to issue HGU certification for land which has begun planting. In the event that HGU certification is not obtained for whatever reason, GENP Group is required to clear such land which has started planting, and this may have a material and adverse effect on GENP Group's operations and prospects.

- (d) **Indonesia is located in an earthquake zone and is subject to significant geological and meteorological risks that could lead to social and economic unrest**

The Indonesian archipelago is 1 of the most volcanically active regions in the world. As it is located in the convergence zone of 3 major lithospheric plates, it is subject to destructive tsunamis (or tidal waves) and earthquakes. A significant earthquake or other geological disturbance in any of Indonesia's more populated cities and financial centres could severely disrupt the Indonesian economy and thereby may materially and adversely affect GENP Group's business and operations.

6.3 Risks relating to the Property Division

- (i) **Competition within the industry**

There is intense competition among property developers in Malaysia in respect of availability of strategically located and reasonably-priced land for development, employing skilled labour and purchasing of raw materials. The success of a property development project is based on a number of factors, which include but are not limited to, location, pricing, accessibility, infrastructure and amenities, quality of development and the reliability and reputation of the property developer.

GENP Group has taken pro-active measures to mitigate competitive risks by constantly reviewing marketing strategies and monitoring market conditions. In addition, GENP group is in an advantageous position compared with competitors given its sizeable landbank with development potential in Kedah, Melaka and Johor that are strategically located within the vicinity of townships.

- (ii) **Property overhang**

The property business is exposed to inherent risk of inventory built-up (i.e. property overhang) which is caused by over-supply and low sale of property due to various external factors such as rising interest rates, negative consumer sentiment, unattractive location of properties or over-supply in the market. The property overhang may have a direct impact on the performance and cash flow of the property business.

Nevertheless, there have been various initiatives introduced by the Government to spur the growth of the housing and property sector. These include the allocation of RM500 million for the Housing Facilitation Fund by Perumahan Rakyat 1Malaysia (PR1MA) for the provision of affordable houses in collaboration with private developers to assist the middle income group, the increase in the income limit for individuals to RM5,000 or joint income of husband and wife of up to RM10,000 per month under the My First Home Scheme along with easier of requirements for loan approvals, and the extension of stamp duty exemption to 31 December 2014 with a higher price limit on residential properties of RM400,000.

In addition, GENP Group will continue to implement various measures to strengthen its capacity to withstand property overhang risks. These measures include delivering quality services, ensuring timely project completion, close monitoring of project cost, and conducting market studies to determine market demand.

(iii) Non-renewal and/or failure to obtain licenses and permits

A property developer requires various licenses and permits from various governmental authorities, some of which are subject to periodical renewals. Non-renewal or revocation of licenses and approvals may adversely affect the operations and reputation of the developer.

Notwithstanding the above, GENP Group has not experienced any revocation and/or non-renewal of requisite approvals, licenses and permits.

(iv) Changes in government policies, legislations and regulations

The property development industry in Malaysia is governed by regulations, acts and requirements that were established to control and protect individual consumers and set minimum standards for property development. Changes in policies, legislations and regulations may have an adverse effect on the business of GENP Group.

For example, tighter loan policies imposed by Bank Negara Malaysia may discourage demand for residential properties. The setting of a maximum loan-to-value ratio of 70% in November 2010 for borrowers' 3rd housing facility onwards and the reduction in maximum loan tenure from 45 years to 35 years in June 2013 may potentially reduce demand for new launches. Also, more stringent loan approval guidelines effective 1 January 2012 which require financial institutions to assess borrower's debt service capabilities on a more prudent basis could potentially also reduce the demand for properties.

Also, in Malaysia's recent Budget announcement, the real property gains tax ("RPGT") rates have been revised. Chargeable assets disposed of within periods of 3, 4 and 5 years from acquisition will be subjected to RPGT at rates of 30%, 20% and 15% respectively for companies and individuals. Disposal of chargeable assets held for more than 5 years are exempted from RPGT in respect of individuals who are Malaysian citizens and permanent residents, whereas companies are taxed at 5%. Non-citizens will be subjected to RPGT at a flat rate of 30% for disposals within 5 years and 5% for disposals in subsequent years. Further, developers are prohibited from implementing projects with Developer Interest Bearing Scheme ("DIBS") features where developers pay the interest payments for the buyers' loans during the construction period.

Although the tighter loan policies may not affect genuine property buyers and the new loan approval guidelines, new RPGT rates and prohibition of DIBS features are collectively intended to curb speculative activities that could lead to a property bubble, there is no assurance that such changes in policies would not adversely affect the business of GENP Group. Notwithstanding the above, non-citizen property buyers do not form the majority of GENP Group's customer portfolio and GENP Group has not implemented projects with DIBS features.

(v) Dependence on 3rd party contractors

The property business is substantially dependent on the support of 3rd party contractors to ensure continuous supply of services and construction materials. Any non-satisfactory performance of appointed contractors and inability to supply sufficient labour and quality building materials will inevitably disrupt the progress and/or quality of operations.

To mitigate such risk, GENP Group ensures that quality contractors are appointed and their performance closely monitored.

(vi) Availability and cost of materials

The materials used in GENP Group's development projects are global commodities and their availability and prices depend on local and global market conditions. Higher cost of construction materials will affect property business' profit margin if it is not able to fully pass the costs on to its customers. If there is a shortage of these materials, particularly cement, steel and diesel, GENP Group may find it difficult to obtain the amount of materials it requires at prices it believes are commercially acceptable in a timely fashion. If GENP Group is not able to obtain a sufficient amount of such materials at acceptable prices, the property business, financial condition, results of operations and prospects could be affected.

6.4 Risks relating to the Biotechnology Division

(i) Risk relating to R&D activities

Given the uncertainty inherent in biotechnology research, there is no assurance that ACGT Sdn Bhd's ("ACGT") R&D activities will lead to commercially viable products which can be economically produced or that their intellectual property rights can be effectively protected. ACGT's activities are also subject to high investment costs and a long gestation period. In the event ACGT fails or is unable to successfully bring its products/solutions to the market in a timely manner, GENP Group's investment in ACGT may be impaired.

(ii) Loss of tax incentive

ACGT and Genting Green Tech Sdn Bhd ("GGT") were granted BioNexus status in 2006 and in 2008 by Malaysian Biotechnology Corporation Sdn Bhd ("BiotechCorp"), a government agency under the Ministry of Science, Technology and Innovation. BioNexus status companies enjoy certain financial incentives and amongst others, these 2 companies are entitled to 100% income tax exemption on profit generated from its qualifying activities for a 10 year period commencing from the 1st year it derives profit. These 2 companies are subject to annual review by BiotechCorp to ensure their compliance with the terms and conditions stated in the letter of award of the BioNexus status. As such, the management will conscientiously ensure continued compliance with such terms and conditions. However, there can be no assurance that BiotechCorp will continue to sanction ACGT's and GGT's BioNexus status, the revocation of which would have an adverse impact on ACGT's and GGT's financials.

(iii) Loss of proprietary data or data access interruptions

Proprietary data is critical to the performance of ACGT. Any loss of data due software or equipment failures, computer viruses, hacking attacks or security breaches, or by any interruption in data access arising from damage to data centres due to earthquakes, floods, fires or loss of power, may adversely affect ACGT's operations. While necessary precautions are taken, including having back-up data storage off-site and the implementation of control measures to prevent unauthorized access, there can be no assurance that ACGT would not be vulnerable to loss of data caused by natural disasters, technical malfunctions or acts of malfeasance.

6.5 Risks relating to the Restricted Issue of Warrants

(i) Investment risk

The market price of the Warrants, like all listed securities traded on Bursa Securities, is subject to fluctuations and will be influenced by, amongst others, the market price of the Shares, remaining exercise period of the Warrants, the volatility of the Shares and potential payments of dividends.

The market price of the Shares will be influenced by, amongst others, market sentiments, volatility of the stock market, operating results and revenue levels of GENP Group and the prospects of the industries GENP Group operates in. There can be no assurance that the Warrants will be "in-the-money" during the whole exercise period of the Warrants.

(ii) No prior market for Warrants

There is no established trading market for the Warrants as GENP is issuing Warrants for the first time. There is no assurance that an active market for the Warrants will develop upon the listing of the Warrants on Bursa Securities, or if developed, that such market will be sustained.

(iii) Capital market risk

The performance of the local stock market is dependent on external factors such as, amongst others, the performance of the world bourses, flow of foreign funds and prices of commodities. Sentiments are also largely driven by internal factors such as the Malaysian economic and political conditions, foreign exchange policies as well as the growth potential. These factors invariably contribute to the volatility of the liquidity on Bursa Securities, thus adding risk to the market price of the Warrants.

6.6 Forward looking statements / Future prospects

Certain statements in this Prospectus are based on historical information, which may not be reflective of the future results, and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements are based on forecasts and assumptions made by GENP Group and although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, *inter alia*, the risk factors as set out in this section. In light of these and other uncertainties, the inclusion of forward-looking statements in this Prospectus should not be regarded as a representation or warranty by GENP that the plans and objectives of GENP Group will be achieved.

7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS

The principal businesses of GENP Group include plantation, property development, property investment and genomics R&D with operations located in Malaysia and Indonesia. This section sets out the overview and future prospects of the countries and industries relevant to the business segments that contribute materially to GENP Group's financial performance.

7.1 Overview and economic prospects

7.1.1 Malaysia

The Malaysian economy performed better than expected in 2012, recording a strong growth of 5.6%. The overall growth performance was driven by higher growth in domestic demand, which outweighed the negative impact from the weak external environment. Domestic demand recorded the highest rate of expansion over the recent decade, underpinned by higher consumption and investment spending. Investment activity was a key driver of the domestic economy during the year, with increased capital spending by both the private and public sectors. Private investment was particularly robust, recording a double-digit growth of 22%. The share of private investment rose to 15.5% of GDP (gross domestic product) in 2012, the highest since 1998.

On the supply side, all economic sectors continued to expand in 2012. The construction sector benefited from the strong expansion in investment activity, registering its highest pace of growth since 1995. While the growth of export-oriented activities was dampened by the slowdown in external demand, the growth of domestic related activities, particularly in the services and manufacturing sectors, was supported by the strong performance of domestic demand.

All major economic sectors are expected to record continued expansion in 2013. The services and manufacturing sectors are expected to be the key contributors to overall growth, driven by the continued resilience of domestic demand and supported by higher international trade activity. Growth of agriculture is expected to improve due to the higher output of crude palm oil and food commodities while the mining sector is expected to strengthen following the higher production of natural gas, crude oil and condensates.

(Source: Bank Negara Malaysia Annual Report 2012)

In the second quarter of 2013, the Malaysian economy expanded by 4.3% (first quarter of 2013: 4.1%). Domestic demand remained firm, growing by 7.3% (first quarter of 2013: 8.2%), while exports registered a larger decline, amid weakness across most export products. On the supply side, the major economic sectors expanded further in the second quarter, supported by the continued strength in domestic demand.

Private consumption expanded by 7.2%, supported by stable employment conditions and sustained wage growth in the domestic oriented sectors. Public consumption growth improved to 11.1% (first quarter of 2013: 0.1%), reflecting mainly higher Government spending on supplies and services, and sustained spending on emoluments.

The services and manufacturing sectors continued to expand, driven largely by sub-sectors catering to the domestic market. Growth of the mining sector rebounded following higher production of both natural gas and crude oil. However, the agriculture sector moderated, weighed down by a sharp reduction in natural rubber output and slower growth in crude palm oil production. In the construction sector, growth remained firm, led by the civil engineering and residential sub-sectors.

The prolonged weakness in the external environment has affected the overall growth performance of the economy going forward. While domestic demand is expected to remain firm, supported by sustained private consumption, capital spending in the domestic-oriented industries and the ongoing implementation of infrastructure projects, the weak external sector in the first half of this year will affect our overall growth performance for the year. The overall growth of the economy for this year has now been revised to 4.5 - 5.0%. Going forward, domestic demand is expected to remain on its steady growth trajectory and will continue to be supported by an accommodative monetary policy.

(Source: Bank Negara Malaysia, Economic and Financial Developments in Malaysia in the Second Quarter of 2013)

7.1.2 Indonesia

During the first half of 2013, Indonesia's gross domestic product (GDP) grew at 5.9% (first half of 2012: 6.3%). Growth in several economies in Asia remained moderate in the second quarter. Growth in Indonesia and Thailand also moderated to 5.8% and 2.8% respectively (first quarter of 2013: 6.0% and 5.4% respectively), attributable mainly to lower private consumption and investment activities. Bank Indonesia raised its benchmark policy rate by a cumulative 75 bps in June and July to 6.50% in an effort to anchor inflation expectations amid the hike in subsidised fuel prices.

(Source: Bank Negara Malaysia, International Economic Environment in the Second Quarter of 2013)

7.2 Overview and prospects of the plantation industry

7.2.1 Malaysia

The agriculture sector recorded a more moderate growth of 0.8% in 2012. CPO output was affected by deteriorating weather conditions in the first half of the year, leading to a sharp decline in yields. This, however, was offset by strong growth in key food commodities, such as livestock, vegetables and paddy, amid strong domestic demand.

Growth in the agriculture sector is expected to improve in 2013. The agriculture sector is expected to expand by 4% in 2013, supported by higher output of CPO and food commodities, especially livestock and vegetables. CPO production is expected to rise as yields improve with better weather conditions, supported by supply from newly maturing trees.

(Source: Bank Negara Malaysia Annual Report 2012)

In the second quarter of 2013, the agriculture sector recorded a moderate growth of 0.4% (first quarter of 2013: 6.0%). The agriculture sector moderated, weighed down by a sharp reduction in natural rubber output and slower growth in CPO production.

(Source: Bank Negara Malaysia, Economic and Financial Developments in Malaysia in the Second Quarter of 2013)

7.2.2 Indonesia

The agriculture sector grew in 2012 mainly due to growth in rice and palm oil production generally supported by favourable weather conditions.

The agriculture sector's growth in the second quarter 2013 has slowed down from the first quarter mainly due to the diminished food crop production following the end of the harvest season.

7.3 Overview and prospects of the property industry in Malaysia

The Malaysian property market moderated in 2012 after attaining two consecutive years of growth. The market activity contracted by 0.7% in volume but increased marginally by 3.6% in value. The market moved by -3.1% (Q1); 7.3% (Q2); -0.6% (Q3) and -11.5% (Q4) against gross domestic product growth of 4.9% (Q1), 5.4% (Q2), 5.3% (Q3) and 6.4% (Q4). The said year registered 427,520 transactions worth RM142.84 billion against 2011 which reported 430,403 and RM137.83 billion in volume and worth respectively. Except for residential and development land sub-sectors that indicated modest growth of 1.1% and 6.1% respectively, other sub-sectors moderated. Commercial, agricultural and industrial sub-sectors subdued by -5.9%, -4.8% and -4.7% respectively.

As in the past, the residential sub-sector continued to spearhead the property market activities, taking up 63.8% share. 2012 recorded increased residential property transactions from 269,789 in 2011 to 272,669 transactions. Prevailing low interest rate environment with the base lending rate of commercial banks decreased to 6.53% and weighted average lending rate to 5.52% continued to support the domestic property market. The Bank Negara Malaysia's pre-emptive strategies to preserve household sector resilience through application of 70% loan-to-value ratio on third housing loans onwards as well as guidelines on responsible funding, had not deterred genuine home purchasers from participating in the market activities. Loans by the commercial banks for purchase of residential properties increased from RM267.7 billion in 2011 to RM270.4 billion in 2012.

Moving forward, the overall property market performance for 2013 will be subject to the local and global economic environment. Nevertheless, the construction activity is expected to be vigorous particularly by the residential sub-sector. Similarly for the shop and industrial sub-sector, higher starts and building plans approvals in 2012 indicate buoyancy in the construction activity. In the retail and office sub-sector, the occupancy performances are expected to remain strong, backed by moderate increase in new supply and coupled with fewer starts and new planned supply. The implementation of ETP projects is expected to continue to be the supporting factor to the positive impact on the property market at large. The development of Klang Valley Mass Rapid Transit as well as the LRT extensions from Kelana Jaya to Putra Heights (Putra Line) and Sri Petaling to Putra Heights (Star Line) is expected to appreciate market value of surrounding properties. Brighter prospects for hotel and industrial sub-sectors are expected in response to incentives and programmes set forth by the government.

(Source: Property Market Report 2012: Valuation and Property Services Department, Ministry of Finance Malaysia)

7.4 Overview and prospects of the biotechnology industry in Malaysia

In a speech by the Minister of Science, Technology and Innovation at the Bioeconomy Investor Forum on 25 June 2013, he indicated that biotechnology has been identified as an integral part of Malaysia's plan to accelerate the nation's transformation into an innovation driven, knowledge-based economy. In line with the initiatives to spur the strategy for the development of bio based industry, the government had implemented the Bioeconomy Transformation Programme ("BTP") in its efforts to enhance and complement the National Biotechnology Policy.

Through the BTP, the Malaysian government and leading industry players will work in tandem to set national goals for the application of biotechnology in agriculture production, industrial manufacturing and human health, put in place the structural conditions required and develop necessary mechanisms to ensure that policy can flexibly adapt to new opportunities.

Through the implementation of 20 trigger projects, the BTP is set to maximize the undiscovered potential of the country's economy and at the same enhancing the multiplier effect of the economy, thus placing Malaysia within the global biotechnology market that is projected to be worth around USD321 billion by 2015.

(Source: Ministry of Science, Technology and Innovation: Special Address by YBhg Datuk Dr. Ewon Ebin, Minister of Science, Technology and Innovation at the Bioeconomy Investor Forum on 25 June 2013)

7.5 Prospects of the Group

7.5.1 Plantation division

GENP Group's performance in the remaining period of the year 2013 will be significantly influenced by the direction of palm oil prices, FFB production trends, demand for its properties and the input cost factors.

Fundamental demand and supply dynamics for global oilseeds and edible oils, weather patterns in crop growing regions, the underlying regulatory environment in major producing and consuming countries and global economic developments are expected to be among the leading drivers of palm oil price direction.

On the production front, GENP Group is optimistic that output remains on course to surpass the previous year's level given the ongoing growth in Indonesia, with additional areas being brought into harvesting and existing mature areas moving into higher yielding brackets. Building on the improvements achieved by the Indonesia plantation division thus far, GENP Group will continue with efforts to ensure sustained production growth across all regions of operations.

7.5.2 Property division

The Property division will remain focused on developments in Johor, especially in the strategically located Genting Indahpura project, by tapping on the growing interest in the Iskandar Malaysia region and offering a wide array of properties to meet market requirements.

7.5.3 Biotechnology division

The Biotechnology division will continue to enhance its R&D capabilities, both internally and through collaborations with renowned partners, to meet its objectives of developing novel solutions for sustainable agriculture.

8. FINANCIAL EFFECTS OF THE RESTRICTED ISSUE OF WARRANTS

The following section sets out the financial effects of the Restricted Issue of Warrants on the assumption that 100,000 Shares which are held as treasury shares are not sold/redistributed as at the Entitlement Date. The effects of the Restricted Issue of Warrants are illustrated below based on the following scenarios:

Minimum scenario : GENT and GEHK subscribe in full for their respective entitlements of 82,828,800 Warrants pursuant to the Undertakings and exercise their Warrants in full, and none of the other Entitled Shareholders elect to subscribe for the Warrants.

Maximum scenario : All the Entitled Shareholders elect to subscribe in full for their respective entitlements of 151,749,400 Warrants under the Restricted Issue of Warrants and exercise their Warrants in full.

The illustration has not taken into consideration the profile of GENP's shareholders and their respective shareholdings in GENP, and therefore assumes that there are no fractional entitlements of Warrants.

8.1 Issued and paid-up share capital

The proforma effects of the Restricted Issue of Warrants on the issued and paid-up share capital of GENP based on the Minimum and Maximum Scenarios as at the LPD are as follows:

	Minimum Scenario		Maximum Scenario	
	No. of Shares	Amount	No. of Shares	Amount
	mil	RM mil	mil	RM mil
Issued and paid-up share capital as at the LPD	758.7 ⁽¹⁾	379.4	758.7 ⁽¹⁾	379.4
To be issued pursuant to the full exercise of the Warrants	82.8 ⁽¹⁾	41.4	151.7 ⁽¹⁾	75.8
Enlarged issued and paid-up share capital	841.5	420.8	910.4	455.2

Note:

⁽¹⁾ Computed after excluding 100,000 Shares which are held as treasury shares.

8.2 NA per share and gearing

Based on GENP's latest audited consolidated statement of financial position as at 31 December 2012 and on the assumption that the Corporate Exercise is completed and all the Warrants are fully subscribed for and exercised as at 31 December 2012, the proforma effects of the Corporate Exercise on the consolidated NA per share and consolidated gearing of GENP are as follows:

	Audited as at 31 December 2012	Minimum Scenario		Maximum Scenario		
		ii		ii		
		i	After the Special Interim Cash Dividend and Restricted Issue of Warrants	i	After the Special Interim Cash Dividend and Restricted Issue of Warrants	After i and assuming the full exercise of Warrants
	RM mil	RM mil	RM mil	RM mil	RM mil	RM mil
Share capital	379.4	379.4	420.8	379.4	455.3	455.3
Share premium	43.4	43.4	779.3	43.4	1,392.5	1,392.5
Warrant reserve	-	135.6 ⁽¹⁾	-	249.4 ⁽¹⁾	-	-
Other reserves ⁽²⁾	20.6	20.6	20.6	20.6	20.6	20.6
Retained earnings	2,980.3	2,729.9	2,729.9	2,729.9	2,729.9	2,729.9
Equity attributable to equity holders of GENP / NA	3,423.7	3,308.9	3,950.6	3,422.7	4,598.3	4,598.3
Non-controlling interests	229.4	229.4	229.4	229.4	229.4	229.4
Total equity	3,653.1	3,538.3	4,180.0	3,652.1	4,827.7	4,827.7
Number of outstanding GENP Shares (excluding 80,000 GENP Shares held as treasury shares) (mil)	758.8	758.8	841.6	758.8	910.5	910.5
Total debt	703.4	703.4	703.4	703.4	703.4	703.4
NA per share ⁽³⁾ (RM)	4.51	4.36	4.69	4.51	5.05	5.05
Gross gearing ⁽⁴⁾ (%)	16.1	16.6	14.4	16.1	12.7	12.7

Notes:

⁽¹⁾ After deducting estimated expenses of RM1.0 million in relation to the Corporate Exercise.

⁽²⁾ Comprises revaluation reserve, fair value reserve, treasury shares, cash flow hedge reserve and exchange differences reserve.

⁽³⁾ Calculated based on equity attributable to equity holders of GENP divided by the total outstanding number of Shares (excluding 80,000 Shares which are held as treasury shares).

⁽⁴⁾ Calculated based on total debt divided by total capital. Total capital is calculated as the sum of total equity and total debt.

8.3 Earnings and EPS

The Restricted Issue of Warrants will have no immediate EPS dilution as a result of the issuance of the Warrants.

However, moving forward, the EPS of GENP Group may be diluted as a result of the increase in the outstanding number of Shares in issue, as and when the Warrants are exercised into new Shares during the tenure of the Warrants. Although the quantum of such impact cannot be reliably ascertained at this juncture, the amounts received from the exercise of the Warrants will be utilised to fund the continuing growth and expansion of GENP Group and is expected to contribute positively to the future earnings of GENP Group.

8.4 Convertible securities

As at the LPD, GENP has not issued any convertible securities which remain outstanding.

9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

The cut-off date for borrowings, contingent liabilities and material commitments is based on 30 September 2013, being the latest available quarter. Information on borrowings, contingent liabilities and material commitments as at the LPD are not readily available as the scale and breadth of GENP's business operations extend into foreign jurisdictions, and the preparation and compilation of such information are only performed on a quarterly basis in compliance with the reporting requirements of Bursa Securities.

9.1 Working capital

The Board is of the opinion that after taking into consideration the funds generated from GENP Group's operations and the banking facilities available, GENP Group will have sufficient working capital to meet its current business requirements due within a period of 12 months from the date of issuance of this Prospectus.

9.2 Borrowings

As at the 30 September 2013, GENP Group had total outstanding borrowings of approximately RM805.7 million, all of which are interest-bearing, details of which are as follows:

	<u>Currency</u>	<u>Amount in foreign currency</u>	<u>Amount in RM equivalent</u>
		000	000
Long term borrowings			
Term loans	USD	253,600	802,518
Short term borrowings			
Term loans	USD	1,000	3,164
Total borrowings			<u><u>805,682</u></u>

There has not been any default on payments of either interest and/or principal sums by GENP Group in respect of any borrowings throughout the past 1 financial year and for the subsequent financial period up to the LPD.

9.3 Contingent liabilities

As at 30 September 2013, the Board is not aware of any contingent liabilities, which may, upon becoming enforceable, have a material effect on GENP Group's financial position.

9.4 Material commitments

Save as disclosed below, the Board is not aware of any material commitments for capital expenditure of GENP Group:

As at 30 September 2013, the authorised capital expenditure not provided for in the interim financial statements are as follows:

	Contracted	Not contracted	Total
	RM 000	RM 000	RM 000
(i) Group			
Property, plant and equipment	87,895	537,240	625,135
Leasehold land use rights	-	36,726	36,726
Investment properties	9,634	-	9,634
Plantation development	85,323	326,059	411,382
Investment in a joint venture	5,753	-	5,753
Intellectual property development	-	700	700
Sub-total	<u>188,605</u>	<u>900,725</u>	<u>1,089,330</u>
(ii) Share of capital commitment in joint ventures			
Property, plant and equipment	-	500	500
Investment properties	10,121	5,411	15,532
Sub-total	<u>10,121</u>	<u>5,911</u>	<u>16,032</u>
Total	<u>198,726</u>	<u>906,636</u>	<u>1,105,362</u>

The above-mentioned material commitments in respect of GENP Group are expected to be funded through internally generated funds and/or borrowings.

10. INSTRUCTIONS FOR ACCEPTANCE

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF THE PROVISIONAL ALLOTMENTS AND THE PROCEDURES TO BE FOLLOWED ARE SET OUT IN THIS PROSPECTUS AND THE ACCOMPANYING RSF.

YOU ARE ADVISED TO READ THIS PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN CAREFULLY.

YOU DO NOT NEED TO TAKE ANY ACTION IF YOU DO NOT WISH TO ACCEPT YOUR PROVISIONAL ALLOTMENTS AND WISH TO RECEIVE YOUR NET DIVIDEND IN FULL BY WAY OF CASH.

10.1 General

If you are an Entitled Shareholder, you will find enclosed with this Prospectus, the NPA notifying you of your Provisional Allotments together with the RSF to enable you to subscribe for such Warrants provisionally allotted to you, either in full or in part.

To accept the Provisional Allotments, you are required to have valid and subsisting CDS Accounts. For the avoidance of doubt, if you do not have an existing CDS Account and you wish to subscribe for your entitlements under the Restricted Issue of Warrants, you are required to open a CDS Account with an authorised stockbroker before you can accept your Provisional Allotments.

As the Restricted Issue of Warrants is undertaken on a non-renounceable basis, the Provisional Allotments are non-transferable and there will not be any trading of the Provisional Allotments. Hence, the Provisional Allotments will not be credited into your CDS Account prior to acceptance. Accordingly, any Warrants which are not taken up by the Entitled Shareholders for any reason will not be made available for excess application by the other Entitled Shareholders. Any unsubscribed Warrants shall not be allotted and shall be rendered void. Warrants relating to the Provisional Allotments accepted (either in full or in part) will be allotted by way of crediting the Warrants into the CDS Accounts of the Entitled Shareholders. No physical warrant certificates will be issued.

Should you have any enquiries on the procedures for acceptance for the Restricted Issue of Warrants, you may contact the Special Registrar as follows:

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

Tel. no.: +603 2264 3883
Fax no.: +603 2282 1886

10.2 Closing Time and Date

The last time and date for acceptance of the Provisional Allotments (either in full or in part) is at **5.00 p.m. on 9 December 2013**, or such later time and date as the Directors may, at their absolute discretion, decide and announce, not less than 2 Market Days before the stipulated time and date.

10.3 Procedures for acceptance

ACCEPTANCE OF THE PROVISIONAL ALLOTMENTS BY YOU AS AN ENTITLED SHAREHOLDER MUST BE MADE ON THE RSF ENCLOSED WITH THIS PROSPECTUS AND MUST BE COMPLETED IN ACCORDANCE WITH THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.

ACCEPTANCES WHICH DO NOT CONFORM TO THE TERMS AND CONDITIONS OF THIS PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN, WHICH ARE ILLEGIBLE OR WITH INSUFFICIENT INFORMATION, MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF THE BOARD. IN SUCH AN EVENT, YOU WILL BE DEEMED TO HAVE DECLINED YOUR PROVISIONAL ALLOTMENTS AND THE FULL AMOUNT OF YOUR NET DIVIDEND WILL BE PAID TO YOU IN CASH ON THE DIVIDEND PAYMENT DATE.

If you wish to accept the Provisional Allotments, either in full or in part, please complete Parts I and II of the RSF in accordance with the notes and instructions provided therein, and despatch each completed RSF using the envelope provided **BY ORDINARY POST, COURIER or DELIVERED BY HAND** (at your own risk) to the Special Registrar at the following address:

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

so as to arrive **not later than 5.00 p.m. on 9 December 2013**, being the Closing Time and Date as stipulated in Section 10.2 above.

If acceptance of the Provisional Allotments (either in full or in part) is not received by the Special Registrar by the Closing Time and Date or such later time and date as the Directors may, at their absolute discretion, decide and announce not less than 2 Market Days before the stipulated time and date, you will be deemed to have declined the Provisional Allotments made to you and such Provisional Allotments will be cancelled.

If you do not expressly in writing accept your Provisional Allotments according to the terms and conditions of the Restricted Issue of Warrants, you will receive your Net Dividend in cash.

YOU ARE NOT REQUIRED TO REMIT ANY PAYMENT FOR THE ACCEPTANCE OF YOUR PROVISIONAL ALLOTMENTS (EITHER IN FULL OR IN PART) AS YOUR ENTITLEMENT TO THE NET DIVIDEND MUST BE UTILISED FOR THE SUBSCRIPTION OF THE WARRANTS.

You should take note that a trading board lot for the Warrants will comprise 100 Warrants. If you elect to subscribe for less than 100 Warrants or not in multiples of 100 Warrants, you will receive such Warrants in odd lots.

If you lose, misplace or for any other reason require another copy of the Prospectus and/or the RSF, you may obtain additional copies from your stockbrokers, Bursa Securities' website at <http://www.bursamalaysia.com>, the Special Registrar at the address stated herein or GENP's Registered Office.

One RSF can only be used for acceptance of your Provisional Allotments relating to one CDS Account. Hence, separate RSFs must be used for separate CDS Accounts and the Warrants subscribed by you in accordance with the procedures set out in the RSF will be credited into the corresponding CDS Accounts.

A reply envelope is enclosed with this Prospectus. In order to facilitate the processing of the RSF by the Special Registrar, you are advised to use one reply envelope for each completed RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF WILL BE MADE BY THE COMPANY OR THE SPECIAL REGISTRAR. YOU SHOULD NOTE THAT THE RSF LODGED WITH THE SPECIAL REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

Proof of time of postage shall not constitute proof of time of receipt by the Special Registrar. The Board reserves the right to reject any acceptance which does not conform to the terms of this Prospectus, the RSF and the notes and instructions therein, which are illegible or with insufficient information, without providing any reason.

If you have validly accepted your Provisional Allotments, you will be allotted your Warrants, and sent a notice of allotment by ordinary post, at your own risk, to the address shown in the ROD provided by Bursa Depository within 8 Market Days from the Closing Time and Date or such other period as may be prescribed by Bursa Securities.

If you did not accept or only partially accepted the Provisional Allotments, the Net Dividend or the balance of the Net Dividend (as the case may be) not reinvested to subscribe for the Warrants will be paid to you in cash on the Dividend Payment Date, by way of:

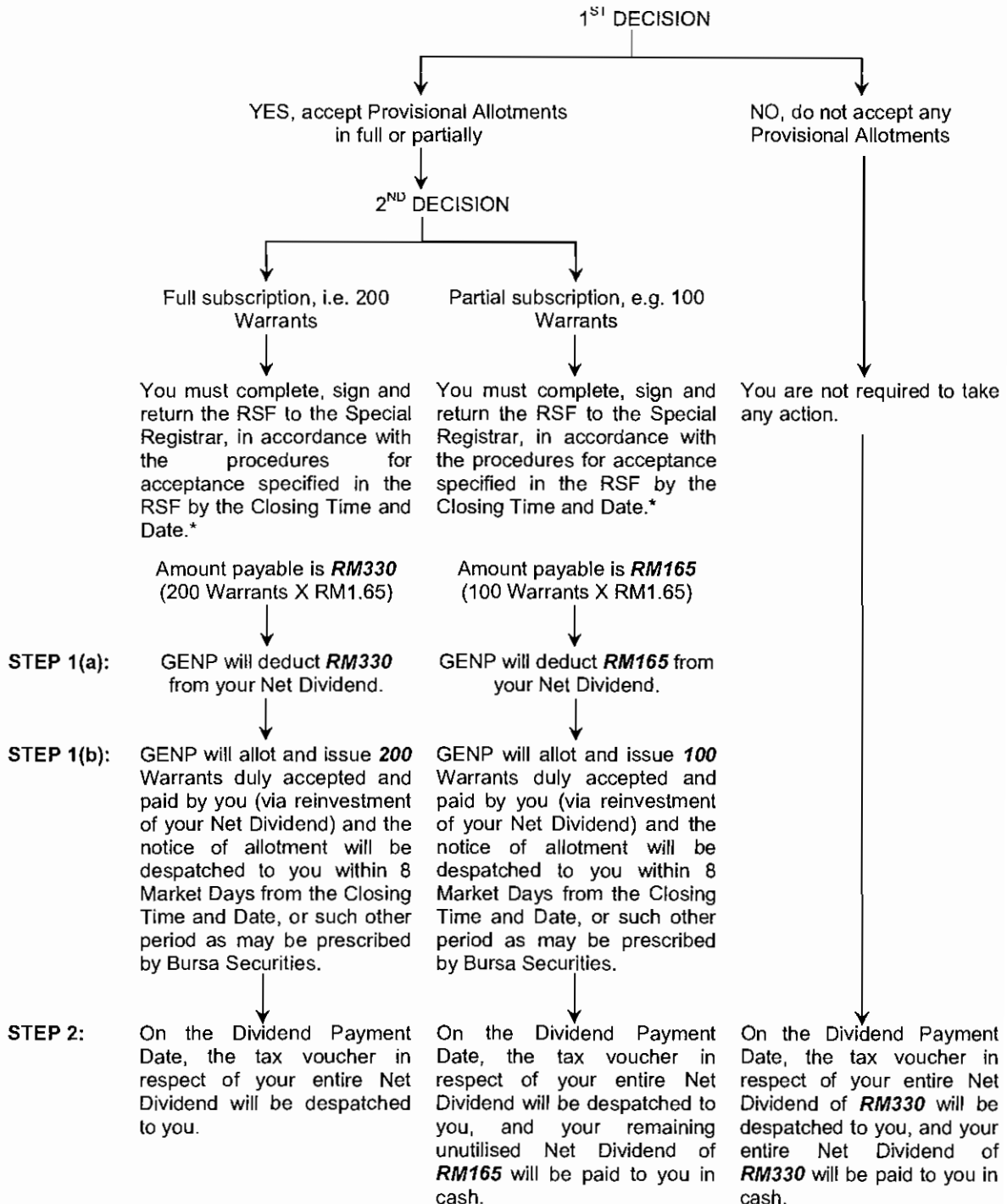
- (i) direct credit into your bank account – if you have registered to receive your dividends via eDividend; or
- (ii) banker's cheque – if you have not registered to receive your dividends via eDividend.

Purely for illustrative purposes only, a brief process flow chart illustrating the decisions and actions to be taken by an Entitled Shareholder who holds 1,000 Shares as at the Entitlement Date is set out below:

STEP 1: On receipt of this Prospectus together with the NPA and RSF, the Entitled Shareholder shall decide on whether to utilise his Net Dividend to accept his Provisional Allotments:

Provisional Allotments = 1,000 Shares X 1/5
= 200 Warrants

Net Dividend to be received = 1,000 Shares X RM0.33
= RM330.00



Note:

* *By completing, signing and returning the RSF to the Special Registrar, you will have irrevocably authorised the Company to deduct such amounts from your Net Dividend to subscribe for the Warrants.*

10.4 Form of issuance

Bursa Securities has already prescribed the Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Bursa Securities has also approved the admission and listing of the Warrants on the Main Market of Bursa Securities. Accordingly, the Warrants are prescribed securities and as such, the SICDA, Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository shall apply in respect of the dealings in the said securities.

Failure to comply with the specific instructions for acceptances or inaccuracy in the CDS Account number may result in the acceptances being rejected.

No physical warrant certificate shall be issued to you under the Restricted Issue of Warrants. Instead, the Warrants will be credited directly into your CDS Accounts.

10.5 Laws of foreign jurisdictions

The Documents have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any jurisdiction other than Malaysia. The Restricted Issue of Warrants to which the Documents relate will only be offered for subscription in Malaysia and will not be offered for subscription in any country other than Malaysia.

The Documents are not intended to be (and will not be) issued, circulated or distributed in any country or jurisdiction other than Malaysia and no action has been or will be taken to ensure that the Restricted Issue of Warrants complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Accordingly, the Documents will not be sent to Foreign Shareholders. However, such Foreign Shareholders may collect the Documents from the Special Registrar, in which event the Special Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid documents.

Foreign Shareholders may accept all or any part of their entitlements and exercise any other rights in respect of the Restricted Issue of Warrants only to the extent that it would be lawful to do so.

Foreign Shareholders shall solely be responsible to seek advice as to the laws of any jurisdiction to which they are or may be subject, and to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Restricted Issue of Warrants as may be applicable to them. The Company, its Directors and employees, CIMB and the other advisers (collectively, the "**Parties**") shall not accept any responsibility or liability in the event that any acceptance made by any Foreign Shareholder (if applicable) is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction. Participation by Foreign Shareholders in the Restricted Issue of Warrants will be on the basis that he/it may lawfully so participate without the Parties being in breach of the laws of any jurisdiction.

Foreign Shareholders will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and GENP shall be fully indemnified and held harmless by such Foreign Shareholders for any issue, transfer or other taxes or duties as such person may be required to pay. Foreign Shareholders shall have no claims whatsoever against the Parties in respect of their rights and entitlements under the Restricted Issue of Warrants. Such Foreign Shareholders should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Restricted Issue of Warrants.

By signing any of the forms in the Documents, the Foreign Shareholders are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) the Parties severally that:

- (i) the Parties would not, by acting on the acceptance in connection with the Restricted Issue of Warrants, be in breach of the laws of any jurisdiction to which those Foreign Shareholders are or may be subject;
- (ii) Foreign Shareholders have complied with the laws to which they are or may be subject in connection with the acceptance;
- (iii) Foreign Shareholders are not a nominee or agent of a person in respect of whom GENP would, by acting on the acceptance, be in breach of the laws of any jurisdiction to which that person is or may be subject;
- (iv) Foreign Shareholders have read this Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the Parties and receive answers thereto as they deem necessary in connection with their decision to subscribe for Warrants under the Restricted Issue of Warrants; and
- (v) Foreign Shareholders have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing for Warrants or accepting Provisional Allotments (either in full or in part) under the Restricted Issue of Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Warrants.

Persons receiving the Documents (including without limitation custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations.

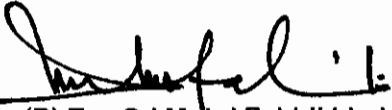
No person in any territory outside of Malaysia receiving the Documents (or any of them) may treat the same as an offer, invitation or solicitation to subscribe for or acquire any Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

GENP reserves the right, in its absolute discretion, to treat any acceptance as invalid, if it believes that such acceptance may violate applicable legal or regulatory requirements.

11. FURTHER INFORMATION

You are requested to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of the Board of
GENTING PLANTATIONS BERHAD



Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin
Chairman/Independent Non-Executive Director

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CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTION PERTAINING TO THE RESTRICTED ISSUE OF WARRANTS PASSED AT GENP'S EGM HELD ON 1 NOVEMBER 2013



CERTIFIED EXTRACT OF THE MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF GENTING PLANTATIONS BERHAD ("GENP" OR "THE COMPANY") HELD ON 1 NOVEMBER 2013

ORDINARY RESOLUTION

PROPOSED NON-RENOUNCEABLE RESTRICTED ISSUE OF UP TO 151,769,400 NEW WARRANTS IN THE COMPANY AT AN ISSUE PRICE OF RM1.65 PER WARRANT ON THE BASIS OF 1 WARRANT FOR EVERY 5 EXISTING ORDINARY SHARES OF RM0.50 EACH IN GENP ("GENP SHARES") HELD BY THE ENTITLED SHAREHOLDERS WHOSE NAMES APPEAR IN THE COMPANY'S RECORD OF DEPOSITORS ON AN ENTITLEMENT DATE TO BE DETERMINED BY THE BOARD OF DIRECTORS OF THE COMPANY

IT WAS RESOLVED:

"THAT subject to all requisite consents/approvals being obtained from the relevant governmental and/or regulatory authorities, approval be and is hereby given to the Company to allot and issue up to 151,769,400 new Warrants ("**Warrants**") at the issue price of RM1.65 per Warrant on the basis of 1 Warrant for every 5 existing GENP Shares held by the entitled shareholders whose names appear in the Company's Record of Depositors ("**Entitled Shareholders**") ("**Proposed Restricted Issue of Warrants**") on the entitlement date to be determined by the Board of Directors of the Company ("**Entitlement Date**").

THAT the Board of Directors of the Company be and is hereby empowered and authorised to:

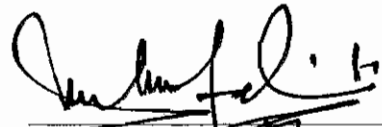
- (a) disregard any fractional entitlements to the Warrants that may arise from the Proposed Restricted Issue of Warrants;
- (b) create and issue the Warrants based on the terms and conditions of the deed poll to be executed by the Company ("**Deed Poll**"), and to adjust from time to time the exercise price and/or the number of the Warrants to which the holder(s) of the Warrants are entitled to be issued with as a consequence of the adjustments under the provisions of the Deed Poll; and
- (c) allot and issue such number of new GENP Shares, credited as fully paid-up, to the holders of the Warrants arising from the exercise of the Warrants by the holders of the Warrants of their rights, from time to time, in accordance with the provisions of the Deed Poll.

THAT the new GENP Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank *pari passu* in all respects with the existing GENP Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions in respect of which the entitlement date is before the allotment date of the new GENP Shares.

CERTIFIED EXTRACT OF THE MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF GENTING PLANTATIONS BERHAD ("GENP" OR "THE COMPANY") HELD ON 1 NOVEMBER 2013

THAT the Directors of the Company be and are hereby authorised to execute or enter into agreements, deeds or arrangements as the Directors of the Company may deem necessary or expedient, including but not limited to the Deed Poll, to give full effect to the Proposed Restricted Issue of Warrants, with full power to assent to any conditions, modifications, variations, arrangements and/or amendments as may be required, and/or imposed by any relevant authorities, and the Directors of the Company are further authorised to take all steps as they may deem necessary or expedient in order to implement, finalise, complete and do such acts so as to give full effect to the Proposed Restricted Issue of Warrants."

Certified Correct



Gen. (B) Tan Sri Mohd Zahidi bin
Hj Zainuddin
Chairman



Loh Bee Hong
Secretary

Date : 7 November 2013

INFORMATION ON GENP

1. HISTORY OF THE BUSINESS AND PRINCIPAL ACTIVITIES

GENP was incorporated on 29 September 1977 in Malaysia under the Act as a private limited company under the original name of Asiatic Development Sdn Bhd. The Company changed its name to Asiatic Development Berhad upon its conversion into a public company on 6 May 1982. It assumed its present name of GENP on 18 June 2009. The shares of GENP were listed on the Main Board of Bursa Securities (now known as the Main Market of Bursa Securities) on 30 August 1982.

The principal activities of GENP are plantation, investment holding and provision of management services to its subsidiaries. The principal activities of GENP's subsidiaries, associated companies and jointly-controlled entities are set out in Section 5 herein.

Since the commencement of operations, GENP Group has successfully transformed itself from a modest, predominantly rubber-based enterprise into 1 of the region's leading oil palm plantations groups. Starting with a mere 13,700 hectares in West Malaysia in 1980, GENP Group's landbank has increased substantially to about 228,000 hectares currently, spanning Peninsular Malaysia and Sabah in Malaysia and West Kalimantan and Central Kalimantan in Indonesia.

GENP Group's landbank has increased rapidly in Malaysia primarily during 2 major waves of greenfield and brownfield acquisitions in Sabah, namely between 1988 and 1991, when GENP Group acquired 21,863 hectares, and between 2001 and 2004, when it obtained a further 25,706 hectares.

With the availability of arable land becoming scarce domestically, GENP Group moved to tap the attractive opportunities overseas by venturing into Indonesia. In June 2005, GENP Group embarked on its maiden foray in Indonesia by establishing a joint venture with PT Sepanjang Group to cultivate oil palms in West Kalimantan, Indonesia. In demonstrating its confidence in the long-term prospects of the oil palm plantation business, GENP Group has continued to strengthen its foothold in Indonesia by entering into other joint ventures. To date, GENP Group has secured over 162,000 hectares in Indonesia, specifically in Kalimantan, and continues to explore opportunities to increase its landbank further.

As part of its upstream plantation operations, GENP Group has also invested in oil mills in strategic locations over the years. Currently, GENP Group has 8 oil mills, comprising 1 in Peninsular Malaysia, 5 in Sabah, and 1 each in West Kalimantan and Central Kalimantan, with a combined capacity of 385 metric tonne per hour.

While the oil palm plantation business remains the core activity of GENP Group, it has diversified into property development to unlock the value of its strategically-located landbank through its wholly-owned subsidiary Genting Property Sdn Bhd ("**Genting Property**"). Starting with its maiden project, Genting Cheng Perdana in Cheng, Melaka, in 1993, Genting Property has since gone on to establish a reputation as a developer of quality residential and commercial properties, having launched 3 more projects, namely Genting Permaipura in Bedong, Kedah in 1995, Genting Indahpura in Kulaijaya, Johor in 1996, and Genting Pura Kencana in Batu Pahat, Johor in 2006. Genting Indahpura, the Group's flagship development, is also home to Johor Premium Outlets, the only upscale outlets shopping centre of its kind in Southeast Asia.

GENP Group is committed to scientific innovation, having pioneered the development of genomic solutions to improve crop productivity and sustainability since 2006 through its subsidiaries, ACGT Sdn Bhd and Genting Green Tech Sdn Bhd.

GENP Group strives to balance ethical, social, environmental and economic considerations in its business conduct to create sustainable long-term value for all stakeholders. GENE Group fully supports the growth and use of sustainable palm oil, having joined the Roundtable on Sustainable Palm Oil as 1 of its earliest members in 2004. GENE Group is also notably the 1st plantation company to collaborate with the World Wide Fund for Nature in the Partners for Wetlands initiative in 1999 and remains actively involved in the project.

2. SHARE CAPITAL

2.1 Authorised, issued and paid-up share capital

The authorised and issued and paid-up share capital of GENE as at the LPD is as follows:

	<u>No. of Shares</u>	<u>Par value</u>	<u>Total</u>
Authorised		RM	RM
Shares	1,000,000,000	0.50	500,000,000.00
 Issued and fully paid-up			
Shares	758,847,000	0.50	379,423,500

As at the LPD, GENE has 100,000 Shares which are held as treasury shares.

2.2 Changes in authorised, issued and paid-up share capital

As at the LPD, the authorised share capital of GENE is RM500,000,000 divided into 1,000,000,000 ordinary shares of RM0.50 each. There have been no changes in the authorised share capital of GENE for the past 3 years preceding the LPD.

As at the LPD, GENE has an issued and paid-up capital of RM379,423,500 divided into 758,847,000 ordinary shares of RM0.50 each.

There has been no change in GENE's issued and paid-up share capital for the past 3 years preceding the LPD.

3. SUBSTANTIAL SHAREHOLDERS

Based on GENP's Register of Substantial Shareholders, the substantial shareholders of GENP and their respective shareholdings in GENP as at the LPD are as follows:

Substantial shareholders	Direct		Deemed	
	No. of Shares		No. of Shares	
	mil	%	mil	%
GENT	407.0	53.6	7.1 ⁽¹⁾	0.9
Employees Provident Fund Board	121.2	16.0	-	-
Kumpulan Wang Persaraan (Diperbadankan)	44.2	5.8	-	-
Parkview Management Sdn Bhd	-	-	407.0 ⁽²⁾	53.6
Kien Huat Realty Sdn Berhad	-	-	407.0 ⁽²⁾	53.6
Kien Huat International Limited	-	-	407.0 ⁽²⁾	53.6
Voting Shares⁽³⁾	758.7			

Notes:

⁽¹⁾ Deemed interest through GEHK, a direct subsidiary of GENT, under Section 6A of the Act.

⁽²⁾ Deemed interest through GENT under Section 6A of the Act.

⁽³⁾ Excluding 100,000 Shares which are held as treasury shares.

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There will be no changes to the substantial shareholders' shareholdings in GENP upon completion of the Restricted Issue of Warrants.

The proforma effects of the full subscription and exercise of the Warrants on the shareholdings of the substantial shareholders in GENP as at the LPD, based on the Minimum and Maximum Scenarios (as set out in Section 8 of this Prospectus) are as follows:

	As at the LPD				Minimum Scenario				Maximum Scenario			
	Direct		Deemed		After full exercise of Warrants		Deemed		Direct		Deemed	
	No. of GENP Shares	%	No. of GENP Shares	%	No. of GENP Shares	%	No. of GENP Shares	%	No. of GENP Shares	%	No. of GENP Shares	%
GENT	407.0	53.6	7.1 ⁽¹⁾	0.9	488.4	58.0	8.6 ⁽¹⁾	1.0	488.4	53.6	8.6 ⁽¹⁾	0.9
Employees Provident Fund Board	121.2	16.0	-	-	121.2	14.4	-	-	145.4	16.0	-	-
Kumpulan Wang Persaraan (Diperbadankan)	44.2	5.8	-	-	44.2	5.3	-	-	53.0	5.8	-	-
Kien Huat Realty Sdn Berhad	-	-	407.0 ⁽²⁾	53.6	-	-	488.4 ⁽²⁾	58.0	-	-	488.4 ⁽²⁾	53.6
Parkview Management Sdn Bhd	-	-	407.0 ⁽²⁾	53.6	-	-	488.4 ⁽²⁾	58.0	-	-	488.4 ⁽²⁾	53.6
Kien Huat International Limited	-	-	407.0 ⁽²⁾	53.6	-	-	488.4 ⁽²⁾	58.0	-	-	488.4 ⁽²⁾	53.6
Voting Shares⁽³⁾	758.7				841.5				910.4			

Notes:

⁽¹⁾ Deemed interest through GEHK, a direct subsidiary of GENT, under Section 6A of the Act.

⁽²⁾ Deemed interest through GENT under Section 6A of the Act.

⁽³⁾ Excluding 100,000 Shares which are held as treasury shares.

4. DIRECTORS AND THEIR SHAREHOLDINGS

4.1 Particulars of Directors

Based on GENP's Register of Directors' Shareholdings as at the LPD, the Directors, all of whom are Malaysians, and their respective shareholdings in GENP are as follows:

Name	Address	Occupation	Age	Direct		Deemed	
				No. of Shares mil	% ⁽¹⁾	No. of Shares mil	% ⁽¹⁾
Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin (Chairman/ Independent Non-Executive Director)	Villa Perkasa No. 17 Jalan P10D Presint 10 62550 Putrajaya	Company Director	65	-	-	-	-
Tan Sri Lim Kok Thay (Chief Executive)	28 Jalan Tengku Ampuan, Taman Duta 50480 Kuala Lumpur	Company Director	62	0.4	0.05	-	-
Encik Mohd Din Jusoh (Independent Non-Executive Director)	No.1, Jalan USJ 2/4D 47600 Subang Jaya Selangor Darul Ehsan	Company Director	69	-	-	-	-
Lt. Gen. (B) Dato' Abdul Ghani bin Abdullah (Independent Non-Executive Director)	No. 61, Lorong Pakis 2 Taman Ferngrove CUEPACS Bt. 8 Jalan Cheras 43200 Cheras Kuala Lumpur	Company Director	72	-	-	-	-
Mr Quah Chek Tin (Independent Non-Executive Director)	7, Jalan USJ 17/7B 47630 Subang Jaya Selangor Darul Ehsan	Company Director	62	-	-	-	-
Mr Ching Yew Chye (Independent Non-Executive Director)	No.5, Jalan Setiamurni 9 Bukit Damansara 50490 Kuala Lumpur	Company Director	60	-	-	-	-
Mr Lim Keong Hui (Non-Independent Non-Executive Director)	Suite 4608 Convention Plaza Apartment 1 Harbour Road Wan Chai Hong Kong	Company Director	29	-	-	-	-

Note:

⁽¹⁾ Percentage (%) calculated based on the issued and paid-up share capital of GENP (excluding treasury shares).

4.2 Directors' shareholdings

Based on GENP's Register of Directors as at the LPD, the effects of the Restricted Issue of Warrants on the shareholdings of the Directors are as follows:

	As at the LPD			Minimum Scenario			Maximum Scenario		
	Direct	Deemed		Direct	Deemed		Direct	Deemed	
	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares
Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin	-	-	-	-	-	-	-	-	-
Tan Sri Lim Kok Thay	0.4	0.05	-	0.4	0.05	-	0.5	0.05	-
Encik Mohd Din Jusoh	-	-	-	-	-	-	-	-	-
Lt. Gen. (B) Dato' Abdul Ghani bin Abdullah	-	-	-	-	-	-	-	-	-
Mr. Quah Chek Tin	-	-	-	-	-	-	-	-	-
Mr. Ching Yew Chye	-	-	-	-	-	-	-	-	-
Mr. Lim Keong Hui	-	-	-	-	-	-	-	-	-
Voting Shares⁽¹⁾	758.7			841.5			910.4		

Note:

⁽¹⁾ Excluding 100,000 Shares which are held as treasury shares.

5. SUBSIDIARIES, JOINTLY-CONTROLLED ENTITIES AND ASSOCIATES

The subsidiaries, jointly-controlled entities and associates of GENP as at the LPD are as follows:

Name of Company	Date / Place of incorporation	Equity interest	Issued and paid-up capital RM (unless otherwise stated)	Principal activities
		%		
Direct Subsidiaries				
Asiaticom Sdn Bhd	10 April 1989 / Malaysia	100.0	50,010	Plantation
Genting Plantations (WM) Sdn Bhd	13 August 1960 / Malaysia	100.0	5,050,000	Plantation
Genting SDC Sdn Bhd	28 April 1962 / Malaysia	100.0	54,000,000	Plantation
Genting Tanjung Bahagia Sdn Bhd	14 July 1987 / Malaysia	100.0	100,316	Plantation
Landworthy Sdn Bhd	7 February 1981 / Malaysia	84.0	27,501,000	Plantation
Genting Oil Mill Sdn Bhd	28 September 1979 / Malaysia	100.0	5,000,000	FFB Processing
Genting Property Sdn Bhd	3 December 1991 / Malaysia	100.0	300,000	Property Development
Genting Land Sdn Bhd	12 December 1980 / Malaysia	100.0	4,188,560	Property Investment
Technimode Enterprises Sdn Bhd	8 September 1988 / Malaysia	100.0	2	Property Investment
Azzon Limited	13 October 1987 / Isle of Man	100.0	12,000,003	Investment Holding
Genting Bioscience Limited	27 April 2010 / Isle of Man	100.0	USD21,704,411	Investment Holding
Genting Biotech Sdn Bhd	17 December 2010 / Malaysia	100.0	2	Investment Holding
Mediglove Sdn Bhd	11 July 1988 / Malaysia	100.0	550,000	Investment Holding
Orbit Crescent Sdn Bhd	18 July 2006 / Malaysia	100.0	100,002	Investment Holding
PalmIndo Sdn Bhd	30 May 1956 / Malaysia	100.0	700,000	Investment Holding
Sunyield Success Sdn. Bhd	3 January 2012 / Malaysia	100.0	2	Investment Holding
GP Overseas Limited	28 September 1987 / Isle of Man	100.0	USD17,916,594	Investment Holding
ACGT Sdn Bhd	20 March 2006 / Malaysia	94.4	266,288,478	Genomics R&D
Genting Green Tech Sdn Bhd	18 October 1990 / Malaysia	100.0	15,000,000	R&D and production of superior oil palm planting materials
GProperty Construction Sdn Bhd	14 December 1994 / Malaysia	100.0	50,002	Provision of project management services
Cosmo-Jupiter Sdn Bhd	2 August 2007 / Malaysia	100.0	2	Dormant

Name of Company	Date / Place of incorporation	Equity interest	Issued and paid-up capital RM (unless otherwise stated)	Principal activities
		%		
Genting Commodities Trading Sdn Bhd	16 December 1983 / Malaysia	100.0	500,002	Dormant
Genting Vegetable Oils Refinery Sdn Bhd	30 April 1981 / Malaysia	100.0	50,250	Dormant
Larisan Prima Sdn Bhd	8 January 2009 / Malaysia	100.0	2	Dormant
Aura Empire Sdn Bhd	28 March 2012 / Malaysia	100.0	2	Dormant
Glugor Development Sdn. Berhad	17 September 1973 / Malaysia	100.0	4,800	Dormant
Kenyalang Borneo Sdn Bhd	28 September 1993 / Malaysia	100.0	1,000	Dormant
Kinavest Sdn Bhd	25 September 1989 / Malaysia	100.0	100,000	Dormant
Zillionpoint Project Sdn Bhd	28 March 2012 / Malaysia	100.0	2	Dormant
Benih Restu Berhad	18 December 2012 / Malaysia	100.0	2	Issuance of debt securities under Sukuk programme
Alfa Raya Development Sdn Bhd	18 December 2012 / Malaysia	100.0	2	Dormant
<u>Indirect Subsidiaries</u>				
Setiamas Sdn Bhd	9 November 1982 / Malaysia	100.0	42,300,002	Plantation and property development
PT Citra Sawit Cemerlang	30 July 2004 / Indonesia	70.0	IDR35,200,000,000	Plantation
PT Dwie Warna Karya	20 July 2005 / Indonesia	73.0	IDR30,500,000,000	Plantation
PT Globalindo Agung Lestari	1 July 2005 / Indonesia	60.0	IDR28,425,000,000	Plantation
PT Globalindo Mitra Abadi Lestari	20 April 2011 / Indonesia	60.0	IDR2,500,000,000	Plantation
PT Globalindo Investama Lestari	20 April 2011 / Indonesia	60.0	IDR2,500,000,000	Plantation
PT Kapuas Maju Jaya	14 January 2004 / Indonesia	73.0	IDR50,500,000,000	Plantation
PT Sawit Mitra Abadi	7 June 2000 / Indonesia	70.0	IDR93,400,000,000	Plantation
PT Sepanjang Intisurya Mulia	25 May 2000 / Indonesia	70.0	IDR190,708,000,000	Plantation
PT Surya Agro Palma	29 May 2006 / Indonesia	70.0	IDR34,000,000,000	Plantation
PT Susantri Permai	11 November 1993 / Indonesia	73.0	IDR23,000,000,000	Plantation
Sawit Sukau Usahasama Sdn Bhd	29 January 2000 / Malaysia	55.9	10,000	Plantation
Wawasan Land Progress Sdn Bhd	7 October 1994 / Malaysia	100.0	700	Plantation

Name of Company	Date / Place of incorporation	Equity interest	Issued and paid-up capital RM (unless otherwise stated)	Principal activities
		%		
Genting Awanpura Sdn Bhd	9 August 1993 / Malaysia	100.0	10	Provision of technical and management services
PT Genting Plantations Nusantara	16 April 2008 / Indonesia	100.0	IDR9,153,000,000	Provision of management services
Genting Indahpura Development Sdn Bhd	15 April 1994 / Malaysia	100.0	300,000	Property Development
Genting Permaipura Golf Course Berhad	9 January 1993 / Malaysia	100.0	5,055,000	Golf course operation
Global Bio-Diesel Sdn Bhd	26 January 2006 / Malaysia	100.0	183,940,866	Manufacturing and sale of multi-feedstock biodiesel and pharmaceutical glycerine
Asia Pacific Agri Investment Pte Ltd	5 December 2011 / Singapore	63.2	SGD1	Investment holding
Asian Palm Oil Pte Ltd	17 August 2007 / Singapore	77.0	USD735	Investment holding
AsianIndo Holdings Pte Ltd	17 April 2008 / Singapore	77.0	USD50,749,735	Investment holding
AsianIndo Palm Oil Pte Ltd	17 April 2008 / Singapore	77.0	USD735	Investment holding
Degan Limited	15 December 2005 / Isle of Man	94.4	USD4	Investment holding
GBD Holdings Ltd	8 December 2009 / Cayman Islands	100.0	USD317,344	Investment holding
Global Agripalm Investment Holdings Pte Ltd	5 December 2011 / Singapore	63.2	USD50,001,000	Investment holding
Global Agri Investment Pte Ltd	5 December 2011 / Singapore	63.2	SGD1	Investment holding
Kara Palm Oil Pte Ltd	12 May 2008 / Singapore	77.0	USD735	Investment holding
Ketapang Agri Holdings Pte Ltd	3 July 2008 / Singapore	100.0	SGD23,021,491	Investment holding
Sanggau Holdings Pte Ltd	26 November 2009 / Singapore	100.0	SGD20,440,125	Investment holding
South East Asia Agri Investment Pte Ltd	5 December 2011 / Singapore	63.2	SGD1	Investment holding
Sri Nangatayap Pte Ltd	2 June 2005 / Singapore	100.0	SGD26,470,149	Investment holding
Trushidup Plantations Sdn. Bhd	14 February 1984 / Malaysia	100.0	250,250	Investment Holding
ACGT Intellectual Limited	14 May 2007 / British Virgin Islands	94.4	USD100,000	Genomics R&D
Cengkeh Emas Sdn Bhd	25 March 1980 / Malaysia	100.0	860,000	Dormant
Dianti Plantations Sdn Bhd	14 July 1980 / Malaysia	100.00	7	Dormant

Name of Company	Date / Place of incorporation	Equity interest	Issued and paid-up capital RM (unless otherwise stated)	Principal activities
		%		
GBD Ventures Sdn Bhd	18 August 2006 / Malaysia	100.0	170,495,344	Dormant
Transworld Agri Investment Pte Ltd	15 February 2012 / Singapore	63.2	SGD1	Pre-operating
Universal Agri Investment Pte Ltd	27 March 2012 / Singapore	63.2	SGD1	Pre-operating
ACGT Global Pte Ltd	26 May 2011 / Singapore	100.0	SGD1	Pre-operating
ACGT Singapore Pte Ltd	30 December 2010 / Singapore	100.0	SGD1	Pre-operating
GGT Singapore Pte Ltd	30 December 2010 / Singapore	100.0	SGD1	Pre-operating
GP Equities Pte Ltd	2 June 2005 / Singapore	100.0	SGD2	Pre-operating
Ketapang Holdings Pte Ltd	2 June 2005 / Singapore	100.0	SGD2	Pre-operating
Sandai Maju Pte Ltd	3 June 2005 / Singapore	100.0	SGD3,353,911	Pre-operating
Sri Kenyalang Pte Ltd	2 June 2005 / Singapore	100.0	SGD2	Pre-operating
Full East Enterprise Limited	21 November 2007 / Hong Kong, SAR	100.0	HKD1	Pre-operating
Palm Agri Holdings Pte Ltd	12 June 2013 / Singapore	100.0	USD0.79	Pre-operating
Grosmont Limited	5 November 2008 / Isle of Man	100.0	USD1	Dormant
<u>Jointly-Controlled Entities</u>				
Genting Simon Sdn Bhd	21 March 2008 / Malaysia	50.0	38,424,712	Development, ownership and management of outlet shopping centres
Simon Genting Limited	12 August 2008 / Isle of Man	50.0	USD7,797,880	Investment holding
<u>Associates</u>				
Serian Palm Oil Mill Sdn. Bhd	7 November 1994 / Malaysia	40.0	5,000,000	FFB processing
Sri Gading Land Sdn Bhd	14 October 1992 / Malaysia	49.0	250,000	Property development
Setiacahaya Sdn Bhd	29 October 1982 / Malaysia	50.0	4	Property investment
GaiaAgri Services Ltd	26 September 2007 / Mauritius	30.0	USD10,000	Provision of management services
Asiatic Ceramics Sdn Bhd (in liquidation)	25 May 1995 / Malaysia	49.0	100,000	In Liquidation (Receiver appointed)

6. PROFIT AND DIVIDEND RECORD

The table below shows a summary of the profit and dividend record of GENP Group based on the audited consolidated financial statements of GENP Group for the past 3 FYE 31 December 2010 to 31 December 2012 and the unaudited consolidated financial statements of GENP Group for the 6-month FPE 30 June 2013.

	← Audited FYE 31 December →			Unaudited
	2010	2011	2012	6-month FPE 30 June 2013
	RM mil	RM mil	RM mil	RM mil
Continuing operations:				
Revenue	988.6	1,336.5	1,233.4	633.8
Cost of sales	(453.8)	(604.9)	(681.7)	(398.5)
Gross profit	534.8	731.6	551.7	235.3
Other income	32.9	40.9	55.1	21.9
Other expenses	(132.8)	(175.5)	(211.4)	(151.7)
Finance cost	(0.1)	(2.0)	(3.8)	(1.4)
Share of results in jointly controlled entities	(0.3)	1.1	5.4	5.5
Share of results in associates	5.2	5.2	6.8	2.1
Profit before tax	439.7	601.3	403.8	111.7
Tax	(115.5)	(158.6)	(81.9)	(27.9)
Profit for the year	324.2	442.7	321.9	83.8
Profit attributable to:				
- Equity holders of the Company	324.2	442.0	327.1	86.4
- Non-controlling interests	0.0	0.7	(5.2)	(2.6)
	324.2	442.7	321.9	83.8
Gross margin ⁽¹⁾	54%	55%	45%	37%
EBITDA ⁽²⁾	442.6	612.4	422.6	123.6
Dividend per share (sen)	12.50	16.25	12.50	3.75
Basic EPS (sen) ⁽³⁾	42.76	58.25	43.10	11.39

Notes:

⁽¹⁾ Calculated based on gross profit divided by revenue.

⁽²⁾ Excludes the effects of non-recurring items from the reportable segments such as fair value gain and losses, impairment losses, pre-opening and development expenses, property related termination costs and assets written off.

⁽³⁾ Calculated based on profit attributable to equity holders of the Company divided by weighted average number of Shares in issue.

Commentaries:**6-month FPE 30 June 2013**

For the half year ended 30 June 2013, GENP Group revenue improved y-o-y from RM566.7 million in the corresponding period in year 2012 to RM633.8 million on the back of a 22% increase in FFB production as well as robust property sales, which surged during the period to match the total achieved for the whole of 2012.

Palm oil selling prices remained soft amid concerns about high inventories and expectations of rising global oilseed supplies. Accordingly, GENP Group achieved lower y-o-y CPO selling price of RM2,309/metric tonne in the 1st half of 2013. PK selling price of RM1,188/metric tonne for 1st half 2013 was also below that registered in the corresponding period of the previous year.

FFB production in 1st half 2013 was higher y-o-y owing to a recovery in yields, especially in the Sabah region estates, and the absence of the weather-induced disruptions encountered in the same period of the previous year. Meanwhile, production in Indonesia continued to grow, with more planted areas progressively maturing and existing mature areas moving into higher yielding brackets.

	6 months ended 30 June		
	2013	2012	Change
Average selling price/metric tonne (RM)			%
CPO	2,309	3,193	-28
PK	1,188	1,915	-38
Production (metric tonne '000)			
FFB	676	551	+22

EBITDA for the Plantation-Malaysia division in 1st half 2013 was lower y-o-y, mainly as a result of softer palm product selling prices that more than offset the improved FFB production. In addition, EBITDA in 1st half 2013 was also impacted by contributions in support of GENP Group's social responsibility efforts made in 1st quarter 2013. Therefore, although input costs remained generally steady due to higher crop yields, a narrower EBITDA margin was registered for 1st half 2013 compared with the corresponding period a year ago.

The Plantation-Indonesia division posted a maiden EBITDA in 1st half 2013, owing to a higher contribution from the West Kalimantan region along with a lower loss from Central Kalimantan as FFB yields and oil extraction rates improved.

The EBITDA of the Property division's EBITDA in 1st half 2013 increased 4-fold y-o-y, boosted by the surge in sales on the back of better demand for properties in Genting Indahpura, particularly for the industrial and commercial properties.

The Biotechnology division continued to step up its R&D activities, thus incurring higher losses.

FYE 31 December 2012

The Group recorded a lower revenue in FYE 2012 compared with the previous year (2012: RM1,233.4 million – 2011: RM1,336.5 million) on account of weaker palm product selling prices, which more than offset the effects of an increase in FFB production and the better sales achieved by the Property division.

After a strong showing in 1st half 2012, prices of palm products came under pressure, especially during the last few months of the year, on concerns over subdued export demand amid high level of inventories and the uncertain global economic outlook which weighed on the commodity markets in general. The Group achieved average CPO price of RM2,784/metric tonne in FYE 2012, representing a decline of 14% from FYE 2011. Average PK price fell by a steeper 31% in FYE 2012 to RM1,543/metric tonne.

The improvement in GENP Group's FFB production in the 2nd half 2012 more than compensated for the 13% y-o-y shortfall experienced in 1st half 2012. With this, the Group managed to turn in a positive annual performance on the FFB production front, registering an overall growth of 1% in FYE 2012.

	FYE 31 December		
	2012	2011	Change
Average Selling Price/metric tonne (RM)			%
CPO	2,784	3,240	-14
PK	1,543	2,235	-31
Production (metric tonne'000)			
FFB	1,392	1,372	+1

Group EBITDA and pre-tax profit in FYE 2012 were lower, reflecting the weaker palm product selling prices and higher cost of inputs including labour and fertiliser. Although the Plantation-Indonesia division registered a lower loss during the last quarter due to the positive contribution from the West Kalimantan region following the commencement of its 1st palm oil mill, the division's loss increased 23% y-o-y in FYE 2012 as mature areas have yet to reach higher-yielding age brackets and amid less conducive local market conditions.

The Property division registered a commendable 50% y-o-y growth in EBITDA during the year on the back of better demand for its property offerings in Johor, particularly in Genting Indahpura, which is strategically-located within the Iskandar Malaysia region.

The Biotechnology division posted a higher loss in FYE 2012 as compared to FYE 2011, in line with the increased R&D activities.

FYE 31 December 2011

For the FYE 2011, both revenue and pre-tax profit surpassed those in FYE 2010, primarily on account of higher palm products prices and higher FFB production. The increase in palm products prices can be attributed to the continued growth in demand and generally favourable prices for global oilseeds and agricultural commodities whilst the improvement in FFB production was a result of upturn in yields in the Sabah estates after 2 years of low biological crop cycle.

	FYE 31 December		
	2011	2010	Change
Average Selling Price/tonne (RM)			%
CPO	3,240	2,738	+18
PK	2,235	1,754	+27
Production (metric tonne'000)			
FFB	1,372	1,198	+15

The Plantation-Indonesia division posted higher losses in FYE 2011 compared with the previous corresponding period as the ongoing plantation expansion activities are still in the early stages of development.

The Property division registered a notable y-o-y improvement in revenue and EBITDA in FYE 2011 due to better demand for its industrial and commercial properties.

The Biotechnology division posted a higher loss in FYE 2011 compared with FYE 2010 as a result of increased R&D works, including enlargement of its pool of scientists as well as rental of additional laboratory space to accommodate the expansion of its cutting edge Next Generation Sequencing facility.

FYE 31 December 2010

The Group registered higher revenue and pre-tax profit in FYE 2010, compared with FYE 2009. The increase was principally due to higher palm products prices.

	FYE 31 December		
	2010	2009	Change %
Average Selling Price/tonne (RM)			
CPO	2,738	2,236	+22
PK	1,754	1,063	+65
Production (metric tonne'000)			
FFB	1,198	1,158	+3

For the FYE 2010, the average CPO and PK selling prices achieved were RM2,738/metric tonne and RM1,754/metric tonne respectively, up from RM2,236/metric tonne and RM1,063/metric tonne in FYE 2009.

FFB production in FYE 2010 was 3% higher compared with the previous year. The Group's pre-tax profit in FYE 2010 was also boosted by a gain on dilution of shareholdings in a subsidiary.

The higher contribution from the Property division in FYE 2010 compared with FYE 2009 was mainly due to higher sales and completion of certain phases of ongoing projects.

The Biotechnology division recorded a higher loss in FYE 2010 compared with the previous year mainly due to higher operational expenses incurred and foreign exchange losses.

7. HISTORICAL SHARE PRICES

The monthly high and low prices of the Shares traded on the Main Market of Bursa Securities for the 12 months from November 2012 to October 2013 are as follows:

	High	Low
	RM	RM
2012		
November	9.10	8.18
December	9.00	8.13
2013		
January	9.40	8.12
February	8.53	8.12
March	9.03	8.37
April	9.10	8.51
May	9.18	8.46
June	9.88	8.70
July	10.18	9.15
August	10.00	8.93
September	10.14	9.28
October	11.00	9.45

Last closing market price of the Shares on 28 August 2013, being the last trading day prior to the date of announcement of amongst others, the Restricted Issue of Warrants

9.00

Last closing market price of the Shares as at the LPD

10.88

Last closing market price of the Shares on 18 November 2013, being the last trading day prior to the ex-date for the Restricted Issue of Warrants

11.70

(Source: Bloomberg (Malaysia) Sdn Bhd)

PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF GENP GROUP AS AT 31 DECEMBER 2012 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER



The Board of Directors
Genting Plantations Berhad
24th Floor, Wisma Genting
28, Jalan Sultan Ismail
50250 Kuala Lumpur

11 November 2013

PwC/JR/MC/CL/py/0108C

Dear Sirs,

Report on the Compilation of Pro Forma Consolidated Statements of Financial Position

1 We have completed our assurance engagement to report on the compilation of the Pro Forma Consolidated Statements of Financial Position as at 31 December 2012 of Genting Plantations Berhad ("the Company" or "GENP") and its subsidiaries ("GENP Group" or "the Group"). The Pro Forma Consolidated Statements of Financial Position which are set out in Appendix I (which we have stamped for the purpose of identification), have been compiled by the Directors of the Company for inclusion in the Prospectus to be dated 21 November 2013 in connection with:

- I. Declaration of a special interim cash dividend ("Special Interim Cash Dividend"); and
- II. Non-renounceable restricted issue of up to 151,769,400 new warrants in GENP ("Warrants") at an issue price of RM1.65 per Warrant ("Issue Price") on the basis of 1 Warrant for every 5 existing ordinary shares of RM0.50 each in GENP ("Shares") held by the Company's shareholders on 21 November 2013 ("Entitlement Date") ("Entitled Shareholders") ("Restricted Issue of Warrants")

(collectively referred to as the "Corporate Exercise").

2 The applicable criteria on the basis of which the Directors have compiled the Pro Forma Consolidated Statements of Financial Position are described in Note 3 of Appendix I and are specified in Appendix 4 of the *Prospectus Guidelines – Abridged Prospectus* issued by the Securities Commission.

3 The Pro Forma Consolidated Statements of Financial Position have been compiled by the Directors, for illustrative purposes only, to show the effects of the Corporate Exercise on the audited Consolidated Statement of Financial Position of the Group as at 31 December 2012 had the Corporate Exercise been effected at that date. As part of this process, information about the Group's consolidated financial position has been extracted by the Directors from the Group's audited Consolidated Statement of Financial Position as at 31 December 2012, on which an audit report has been published.

PricewaterhouseCoopers (AF 1146), Chartered Accountants,
Level 10, 1 Sentral, Jalan Travers, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my



The Board of Directors
Genting Plantations Berhad
PwC/JR/MC/CL/py/0108C
11 November 2013

The Directors' Responsibility for the Pro Forma Consolidated Statements of Financial Position

- 4 It is the sole responsibility of the Directors of the Company to prepare the Pro Forma Consolidated Statements of Financial Position on the basis set out in the notes thereon and in accordance with the requirements of the *Prospectus Guidelines – Abridged Prospectus*.

Our Responsibilities

- 5 It is our responsibility to express an opinion about whether the Pro Forma Consolidated Statements of Financial Position have been properly compiled by the Directors on the basis set out in Note 3 of Appendix I.
- 6 We conducted our engagement in accordance with International Standard on Assurance Engagements (“ISAE”) 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis set out in Note 3 of Appendix I.
- 7 For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.
- 8 The purpose of the Pro Forma Consolidated Statements of Financial Position included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at that date would have been as presented.
- 9 A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position have been compiled in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Consolidated Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:
- The related pro forma adjustments give appropriate effect to those criteria; and
 - The Pro Forma Consolidated Statements of Financial Position reflect the proper application of those adjustments to the unadjusted financial information.



The Board of Directors
Genting Plantations Berhad
PwC/JR/MC/CL/py/0108C
11 November 2013

Our Responsibilities (continued)

- 10 The procedures selected depend on our judgment, having regard to our understanding of the nature of the Company and its subsidiaries, the event or transaction in respect of which the Pro Forma Consolidated Statements of Financial Position have been compiled, and other relevant engagement circumstances. The engagement also involved evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.
- 11 We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

- 12 In our opinion:
- (a) the Pro Forma Consolidated Statements of Financial Position have been properly compiled on the basis set out in Note 3 of Appendix I, using the financial statements prepared in accordance with Financial Reporting Standards, and in a manner consistent with both the format of the financial statements and accounting policies adopted by the Company except for the adoption of the new accounting policy as set out in Note 3 of Appendix I; and
 - (b) the adjustments made to the information used in the preparation of the Pro Forma Consolidated Statements of Financial Position are appropriate for the purposes of preparing the Pro Forma Consolidated Statements of Financial Position.

Other Matter

- 13 This report is issued for the sole purpose of inclusion in the Prospectus in connection with the Corporate Exercise and should not be used or relied upon for any other purpose. We accept no duty of responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this report in connection with any transaction other than the Corporate Exercise.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', written over the printed name of the firm.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Jayarajan', written over the printed name of the individual.

JAYARAJAN A/L U. RATHINASAMY
(No. 2059/06/14 (J))
Chartered Accountant

GENTING PLANTATIONS BERHAD**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)****1. INTRODUCTION**

The Pro Forma Consolidated Statements of Financial Position of Genting Plantations Berhad (“GENP” or “the Company”) and its subsidiaries (“GENP Group” or “the Group”), for which the Directors of the Company are solely responsible, have been prepared for illustrative purposes only, in connection with the following transactions:

- 1.1 Payment of a Special Interim Cash Dividend of RM0.44 less 25% income tax for every ordinary share of RM0.50 each (“Share”) held by the Company’s shareholders on 21 November 2013 (“Entitlement Date”) (“Entitled Shareholders”) (“Net Dividend”). The total Net Dividend payable pursuant to the Special Interim Cash Dividend will depend on the number of Shares in issue (excluding treasury shares) on the Entitlement Date.

Based on the number of ordinary shares of GENP as at the latest practicable date of 31 October 2013 (“LPD”) of 758,747,000 Shares (excluding 100,000 treasury shares), the total Net Dividend would amount to approximately RM250.4 million; and

- 1.2 Non-renounceable restricted issue of up to 151,769,400 new warrants in GENP (“Warrants”) at an issue price of RM1.65 per Warrant on the basis of 1 Warrant for every 5 existing Shares in GENP held by the Entitled Shareholders on the Entitlement Date (“Restricted Issue of Warrants”).

The Warrants will be exercisable over a period of 5 ½ years from the date of the issue of the Warrants at an exercise price of RM7.75 per Warrant.

(collectively referred to as the “Corporate Exercise”)

The Pro Forma Consolidated Statements of Financial Position together with the notes thereon have been prepared for illustrative purposes only, to show the effects of the Corporate Exercise on the Audited Consolidated Statement of Financial Position of GENP as at 31 December 2012, had these transactions been effected on that date. Further, such information does not purport to predict the GENP Group’s future financial position.

GENTING PLANTATIONS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31
DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)

2. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(a) MINIMUM SCENARIO

The Pro Forma Consolidated Statements of Financial Position as at 31 December 2012 had been prepared for illustrative purposes only to show the effects on the audited Consolidated Statement of Financial Position as at 31 December 2012 based on the assumption that the Corporate Exercise as set out in Note 1 had been effected on 31 December 2012, and should be read in conjunction with the notes in this Section:

	<u>Note</u>	<u>Audited</u> As at 31 December 2012 RM'mil	<u>Pro forma</u> <u>I</u> RM'mil	<u>Pro forma</u> <u>II</u> RM'mil
ASSETS				
Non-current assets				
Property, plant and equipment		1,011.1	1,011.1	1,011.1
Land held for property development		206.2	206.2	206.2
Investment properties		13.0	13.0	13.0
Plantation development		1,425.8	1,425.8	1,425.8
Leasehold land use rights		235.5	235.5	235.5
Intangible assets		173.9	173.9	173.9
Jointly controlled entities		27.1	27.1	27.1
Associates		20.0	20.0	20.0
Available-for-sale financial assets		100.4	100.4	100.4
Other non-current assets		11.5	11.5	11.5
Deferred tax assets		31.8	31.8	31.8
		3,256.3	3,256.3	3,256.3
Current Assets				
Property development costs		35.2	35.2	35.2
Inventories		127.3	127.3	127.3
Tax recoverable		29.7	29.7	29.7
Trade and other receivables		161.0	161.0	161.0
Amounts due from a jointly controlled entity		3.8	3.8	3.8
Amounts due from associates		0.6	0.6	0.6
Available-for-sale financial assets		100.0	100.0	100.0
Cash and cash equivalents	5 (a)	951.3	836.5	1,478.2
		1,408.9	1,294.1	1,935.8
Assets held for sale		58.9	58.9	58.9
		1,467.8	1,353.0	1,994.7
Total assets		4,724.1	4,609.3	5,251.0

GENTING PLANTATIONS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)

2. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

(a) MINIMUM SCENARIO (CONTINUED)

	Note	<u>Audited</u> As at 31 December 2012 RM'mil	Pro forma I RM'mil	Pro forma II RM'mil
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital	6 (a)	379.4	379.4	420.8
Share premium	6 (a)	43.4	43.4	779.3
Revaluation reserve		41.8	41.8	41.8
Fair value reserve		40.7	40.7	40.7
Reserve on exchange differences		(57.6)	(57.6)	(57.6)
Cash flow hedge reserve		(3.7)	(3.7)	(3.7)
Treasury shares		(0.6)	(0.6)	(0.6)
Warrants reserve	6 (a)	-	135.6	-
Retained earnings	6 (a)	2,980.3	2,729.9	2,729.9
Total reserves		3,044.3	2,929.5	3,529.8
		3,423.7	3,308.9	3,950.6
Non-controlling interests		229.4	229.4	229.4
Total equity		3,653.1	3,538.3	4,180.0
Non-current liabilities				
Borrowings		702.7	702.7	702.7
Other payables		45.0	45.0	45.0
Provision for retirement gratuities		5.0	5.0	5.0
Derivative financial liabilities		2.8	2.8	2.8
Deferred tax liabilities		51.3	51.3	51.3
		806.8	806.8	806.8
Current liabilities				
Trade and other payables		258.1	258.1	258.1
Amount due to ultimate holding company		2.2	2.2	2.2
Amount due to other related companies		0.5	0.5	0.5
Borrowings		0.7	0.7	0.7
Derivative financial liabilities		2.0	2.0	2.0
Taxation		0.7	0.7	0.7
		264.2	264.2	264.2
Total liabilities		1,071.0	1,071.0	1,071.0
Total equity and liabilities		4,724.1	4,609.3	5,251.0
Net Assets per Share ⁽¹⁾ (RM)		4.51	4.36	4.69
Gross gearing ⁽²⁾ (%)		16.1	16.6	14.4

Notes:

⁽¹⁾ Calculated based on equity attributable to equity holders of GENP divided by the total outstanding number of Shares (excluding Shares which are held as treasury shares).

⁽²⁾ Calculated based on total debt divided by total capital. Total capital is calculated as the sum of total equity and total debt.

GENTING PLANTATIONS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)

2. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

(b) MAXIMUM SCENARIO

The Pro Forma Consolidated Statements of Financial Position as at 31 December 2012 had been prepared for illustrative purposes only to show the effects on the audited Consolidated Statement of Financial Position as at 31 December 2012 based on the assumption that the Corporate Exercise as set out in Note 1 had been effected on 31 December 2012, and should be read in conjunction with the notes in this Section:

	<u>Note</u>	<u>Audited</u> <u>As at 31</u> <u>December</u> <u>2012</u> <u>RM'mil</u>	<u>Pro forma</u> <u>I</u> <u>RM'mil</u>	<u>Pro forma</u> <u>II</u> <u>RM'mil</u>
ASSETS				
Non-current assets				
Property, plant and equipment		1,011.1	1,011.1	1,011.1
Land held for property development		206.2	206.2	206.2
Investment properties		13.0	13.0	13.0
Plantation development		1,425.8	1,425.8	1,425.8
Leasehold land use rights		235.5	235.5	235.5
Intangible assets		173.9	173.9	173.9
Jointly controlled entities		27.1	27.1	27.1
Associates		20.0	20.0	20.0
Available-for-sale financial assets		100.4	100.4	100.4
Other non-current assets		11.5	11.5	11.5
Deferred tax assets		31.8	31.8	31.8
		3,256.3	3,256.3	3,256.3
Current Assets				
Property development costs		35.2	35.2	35.2
Inventories		127.3	127.3	127.3
Tax recoverable		29.7	29.7	29.7
Trade and other receivables		161.0	161.0	161.0
Amounts due from a jointly controlled entity		3.8	3.8	3.8
Amounts due from associates		0.6	0.6	0.6
Available-for-sale financial assets		100.0	100.0	100.0
Cash and cash equivalents	5 (b)	951.3	950.3	2,125.9
		1,408.9	1,407.9	2,583.5
Assets held for sale		58.9	58.9	58.9
		1,467.8	1,466.8	2,642.4
Total assets		4,724.1	4,723.1	5,898.7

GENTING PLANTATIONS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)

2. PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

(b) MAXIMUM SCENARIO (CONTINUED)

	<u>Note</u>	<u>Audited</u> As at 31 <u>December</u> <u>2012</u> RM'mil	<u>Pro forma</u> <u>I</u> RM'mil	<u>Pro forma</u> <u>II</u> RM'mil
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital	6 (b)	379.4	379.4	455.3
Share premium	6 (b)	43.4	43.4	1,392.5
Revaluation reserve		41.8	41.8	41.8
Fair value reserve		40.7	40.7	40.7
Reserve on exchange differences		(57.6)	(57.6)	(57.6)
Cash flow hedge reserve		(3.7)	(3.7)	(3.7)
Treasury shares		(0.6)	(0.6)	(0.6)
Warrants reserve	6 (b)	-	249.4	-
Retained earnings	6 (b)	2,980.3	2,729.9	2,729.9
Reserves		3,044.3	3,043.3	4,143.0
		3,423.7	3,422.7	4,598.3
Non-controlling interests		229.4	229.4	229.4
Total equity		3,653.1	3,652.1	4,827.7
Non-current liabilities				
Borrowings		702.7	702.7	702.7
Other payables		45.0	45.0	45.0
Provision for retirement gratuities		5.0	5.0	5.0
Derivative financial liabilities		2.8	2.8	2.8
Deferred tax liabilities		51.3	51.3	51.3
		806.8	806.8	806.8
Current liabilities				
Trade and other payables		258.1	258.1	258.1
Amount due to ultimate holding company		2.2	2.2	2.2
Amount due to other related companies		0.5	0.5	0.5
Borrowings		0.7	0.7	0.7
Derivative financial liabilities		2.0	2.0	2.0
Taxation		0.7	0.7	0.7
		264.2	264.2	264.2
Total liabilities		1,071.0	1,071.0	1,071.0
Total equity and liabilities		4,724.1	4,723.1	5,898.7
Net Assets per Share ⁽¹⁾ (RM)		4.51	4.51	5.05
Gross gearing ⁽²⁾ (%)		16.1	16.1	12.7

Notes:

⁽¹⁾ Calculated based on equity attributable to equity holders of GENP divided by the total outstanding number of Shares (excluding Shares which are held as treasury shares).

⁽²⁾ Calculated based on total debt divided by total capital. Total capital is calculated as the sum of total equity and total debt.

GENTING PLANTATIONS BERHAD**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)****3. BASIS OF PREPARATION**

The Pro Forma Consolidated Statements of Financial Position have been prepared based on the Audited Consolidated Financial Statements of the Group as at 31 December 2012 in accordance with the Financial Reporting Standards and in a manner consistent with both the format of the financial statements and accounting policies adopted by the Group except for the adoption of the following new accounting policy:

Warrants Reserve

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

4. EFFECTS OF THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The illustration has not taken into consideration the profile of the Company's shareholders and their shareholdings in GENP, and therefore assumes that there are no fractional entitlements to the Warrants.

For illustration purposes, the effects of the Restricted Issue of Warrants have been illustrated based on the assumption that the 100,000 Shares which are held as treasury shares are not sold/redistributed as at the Entitlement Date and that there are no adjustments to the Exercise Price, based on the following scenarios:

(a) Minimum Scenario

The minimum scenario assumed that Genting Berhad ("GENT") and its direct subsidiary, Genting Equities (Hong Kong) Limited ("GEHK") subscribe in full for their respective entitlements amounting to an aggregate of 82,828,800 Warrants and exercise their Warrants in full, and none of the other Entitled Shareholders subscribe for the Warrants.

(b) Maximum Scenario

The maximum scenario assumed that all the Entitled Shareholders subscribe in full for their respective entitlements of 151,749,400 Warrants and exercise their Warrants in full.

Pro Forma I incorporates the effects of the Special Interim Cash Dividend and Restricted Issue of Warrants as set out in Note 1 above on the Audited Consolidated Statement of Financial Position of the Group as at 31 December 2012.

Pro Forma II incorporates the effects of Pro Forma I and assumes the exercise of all Warrants subscribed at the exercise price of RM7.75 per Warrant.

GENTING PLANTATIONS BERHAD**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT
31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)****4. EFFECTS OF THE PRO FORMA CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION (CONTINUED)****4.1 Minimum Scenario : Pro Forma I****Special Interim Cash Dividend and Restricted Issue of Warrants**

The adjustments reflect the following:

- a. the subscription of an aggregate of 82,828,800 Warrants by GENT and GEHK at the issue price of RM1.65 per Warrant for RM136.6 million;
- b. the recognition of warrants reserve amounting to RM136.6 million, arising from Note 4.1(a) above;
- c. the remaining Net Dividend entitlement of the other Entitled Shareholders of RM113.8 million is to be paid out in cash as special interim cash dividend; and
- d. the estimated expenses to be incurred for the Corporate Exercise of RM1.0 million will be deducted from the warrants reserve.

4.2 Minimum Scenario : Pro Forma II**Full exercise of the Warrants subscribed**

The adjustments reflect the following:

- a. the exercise of the 82,828,800 Warrants would result in cash proceeds of RM641.7 million;
- b. the recognition of RM41.4 million and RM600.3 million in the share capital and share premium account respectively, arising from Note 4.2(a) above; and
- c. the transfer of the warrants reserve balance of RM135.6 million to share premium account.

GENTING PLANTATIONS BERHAD

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT
31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)**

**4. EFFECTS OF THE PRO FORMA CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION (CONTINUED)**

4.3 Maximum Scenario: Pro Forma I

Special Interim Cash Dividend and Restricted Issue of Warrants

The adjustments reflect the following:

- a. the subscription of 151,749,400 Warrants by the Entitled Shareholders at the issue price of RM1.65 per Warrant for RM250.4 million;
- b. the recognition of warrants reserve amounting to RM250.4 million, arising from Note 4.3(a) above; and
- c. the estimated expenses to be incurred for the Corporate Exercise of RM1.0 million would be deducted from the warrants reserve.

4.4 Maximum Scenario: Pro Forma II

Full exercise of the Warrants subscribed

The adjustments reflect the following:

- a. the exercise of 151,749,400 Warrants would result in cash proceeds of RM1,175.6 million;
- b. the recognition of RM75.9 million and RM1,099.7 million in the share capital and share premium account respectively, arising from Note 4.4(a) above; and
- c. the transfer of the warrants reserve balance of RM249.4 million to share premium account.

GENTING PLANTATIONS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)

5. CASH AND CASH EQUIVALENTS

The movements in the Cash and Cash Equivalents are as follows:

(a) <u>Minimum scenario</u>	RM'mil
Per audited balance of the Group as at 31 December 2012	951.3
Adjustments for Pro Forma I:	
- Payment of Special Interim Cash Dividend to Entitled Shareholders	(250.4)
- Subscription of Warrants by GENT and GEHK based on their respective entitlements	136.6
- Net Dividend to be paid to the other Entitled Shareholders	(113.8)
- Expenses to be incurred in relation to the Corporate Exercise	(1.0)
As per Pro Forma I	836.5
Adjustment for Pro Forma II:	
- Proceeds received from the full exercise of Warrants subscribed	641.7
As per Pro Forma II	1,478.2
(b) <u>Maximum scenario</u>	
Per audited balance of the Group as at 31 December 2012	951.3
Adjustments for Pro Forma I:	
- Payment of Special Interim Cash Dividend to the Entitled Shareholders	(250.4)
- Full subscription of Warrants by all the Entitled Shareholders	250.4
- Net Dividend to be paid to the Entitled Shareholders	-
- Expenses incurred in relation to the Corporate Exercise	(1.0)
As per Pro Forma I	950.3
Adjustment for Pro Forma II:	
- Proceeds received from the full exercise of the Warrants subscribed	1,175.6
As per Pro Forma II	2,125.9

GENTING PLANTATIONS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)

6. SHARE CAPITAL, SHARE PREMIUM, WARRANTS RESERVE AND RETAINED EARNINGS

The movements in the share capital, share premium, warrants reserve and retained earnings are as follows:

(a)	<u>Minimum scenario</u>	Share Capital		Share Premium	Warrants Reserve	Retained Earnings
		Number of ordinary shares	RM'mil			
	Per audited balance as at 31 December 2012	758,847,000	379.4	43.4	-	2,980.3
	Adjustments for Pro Forma I:					
	- Payment of Special Interim Cash Dividend	-	-	-	-	(250.4)
	- Full subscription of Warrants by GENT and GEHK based on their respective entitlements	-	-	-	136.6	-
	- Expenses to be incurred on the Corporate Exercise	-	-	-	(1.0)	-
	As per Pro Forma I		379.4	43.4	135.6	2,729.9
	Adjustments for Pro Forma II:					
	- Full exercise of Warrants subscribed by GENT and GEHK	82,828,800	41.4	600.3	-	-
	- Transfer of warrants reserve to share premium account	-	-	135.6	(135.6)	-
	As per Pro Forma II		420.8	779.3	(135.6)	2,729.9

GENTING PLANTATIONS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)

6. SHARE CAPITAL, SHARE PREMIUM, WARRANTS RESERVE AND RETAINED EARNINGS (CONTINUED)

The movements in the share capital, share premium, warrants reserve and retained earnings are as follows:

(b) Maximum scenario

	← Share Capital	→ Share Premium	Warrants Reserve	Retained Earnings
	No. of ordinary shares	RM'mil	RM'mil	RM'mil
Per audited balance as at 31 December 2012	758,847,000	379.4	43.4	2,980.3
Adjustments for Pro Forma I:				
- Payment of Special Interim Cash Dividend	-	-	-	(250.4)
- Full subscription of Warrants by all the Entitled Shareholders	-	-	250.4	-
- Expenses to be incurred on the Corporate Exercise	-	-	(1.0)	-
As per Pro Forma I	758,847,000	379.4	43.4	2,729.9
Adjustments for Pro Forma II:				
- Full exercise of the Warrants by all the Entitled Shareholders	151,749,400	75.9	1,099.7	-
- Transfer of warrants reserve to share premium account	-	-	(249.4)	-
As per Pro Forma II	151,749,400	75.9	1,349.1	-
	910,596,400	455.3	1,392.5	2,729.9

GENTING PLANTATIONS BERHAD

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT
31 DECEMBER 2012 AND THE NOTES THEREON (CONTINUED)**

7. APPROVAL BY BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated 11 November 2013.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF GENP GROUP FOR THE FYE 31
DECEMBER 2012 TOGETHER WITH THE AUDITORS' REPORT**

GENTING PLANTATIONS BERHAD
(Company No. 34993-X)
(Incorporated and domiciled in Malaysia)
*(A Public Limited Liability Company listed on the
Main Market of Bursa Malaysia Securities Berhad)*

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012**
(In Ringgit Malaysia)

REGISTERED OFFICE
24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur

PRINCIPAL PLACE OF BUSINESS
10th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)
(*Incorporated in Malaysia*)

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012**

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GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

**DIRECTORS' REPORT AND STATEMENT
PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965**

The Directors of **GENTING PLANTATIONS BERHAD** have pleasure in submitting their report together with their statement pursuant to Section 169(15) of the Companies Act, 1965 therein and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2012.

PRINCIPAL ACTIVITIES

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

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

Details of the principal activities of the subsidiaries, jointly controlled entities and associates are set out in Note 43 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	403,838	296,734
Taxation	(81,965)	6,185
Profit for the financial year	<u>321,873</u>	<u>302,919</u>

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 12 June 2012.

During the financial year, the Company purchased 19,000 ordinary shares of 50 sen each of its issued share capital from the open market at an average price of RM9.36 per share. The share buy back transactions were financed by internally generated funds. As at 31 December 2012, the total number of shares purchased was 80,000 and held as treasury shares in accordance with the provisions of Section 67A of the Companies Act, 1965.

Details of the treasury shares are set out in Note 33 to the financial statements.

DIVIDENDS

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

- (i) a special dividend of 6.25 sen less 25% tax per ordinary share of 50 sen each amounting to RM35,567,648 in respect of the financial year ended 31 December 2011 and was paid on 27 March 2012;

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)

DIVIDENDS (*Continued*)

- (ii) a final dividend of 5.75 sen less 25% tax per ordinary share of 50 sen each amounting to RM32,722,234 in respect of the financial year ended 31 December 2011 and was paid on 17 July 2012; and
- (iii) an interim dividend of 4.25 sen less 25% tax per ordinary share of 50 sen each amounting to RM24,185,677 in respect of the financial year ended 31 December 2012 and was paid on 17 October 2012.

A special dividend of 2.75 sen less 25% tax per ordinary share of 50 sen each in respect of the current financial year has been declared for payment to shareholders registered in the Register of Members on 14 March 2013. The special dividend shall be paid on 28 March 2013. Based on the issued and paid-up capital less treasury shares of the Company as at the date of this report, the special dividend would amount to RM15,649,569.

The Directors now recommend the payment of a final dividend of 5.50 sen less 25% tax per ordinary share of 50 sen each in respect of the financial year ended 31 December 2012 which, subject to the approval of members at the forthcoming Annual General Meeting of the Company, will be paid to shareholders registered in the Register of Members on a date to be determined by the Directors. Based on the issued and paid-up capital less treasury shares of the Company as at the date of this report, the final dividend would amount to RM31,299,139.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

There was no issue of shares or debentures during the financial year.

SHARE OPTIONS

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

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

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**DIRECTORATE**

The Directors who served since the date of the last report are:

Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin *
 Tan Sri Lim Kok Thay *
 Lt. Gen. (B) Dato' Haji Abdul Jamil bin Haji Ahmad (retired on 12 June 2012)
 Encik Mohd Din Jusoh
 Lt. Gen. (B) Dato' Abdul Ghani bin Abdullah
 Mr Quah Chek Tin *
 Mr Ching Yew Chye
 Mr Lim Keong Hui

* Also members of the Remuneration Committee

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 of the Company; Genting Berhad, a company which owns 54.6% equity interest in the Company as at 31 December 2012; Genting Malaysia Berhad, a company which is 49.3% owned by Genting Berhad and Genting Singapore PLC, a subsidiary of Genting Berhad, as set out below:

Interest in the Company**Shareholdings in which a Director has direct interest**

	1.1.2012	Acquired/(Disposed)	31.12.2012
	<i>(Number of ordinary shares of 50 sen each)</i>		
Tan Sri Lim Kok Thay	369,000	-	369,000

Interest in Genting Berhad**Shareholdings in which the Directors have direct interests**

	1.1.2012	Acquired/(Disposed)	31.12.2012
	<i>(Number of ordinary shares of 10 sen each)</i>		
Tan Sri Lim Kok Thay	9,875,000	625,000	10,500,000
Mr Quah Chek Tin	5,000	1,240,000/(1,240,000)	5,000
Mr Ching Yew Chye	22,000	(22,000)	-

Interest of Spouse/Child of a Director

	1.1.2012	Acquired/(Disposed)	31.12.2012
	<i>(Number of ordinary shares of 10 sen each)</i>		
Mr Quah Chek Tin	210,000	1,240,000	1,450,000

Share Option in the names of Directors[@]

	1.1.2012	Offered/(Exercised)	31.12.2012
	<i>(Number of unissued ordinary shares of 10 sen each)</i>		
Tan Sri Lim Kok Thay	625,000	(625,000)	-
Mr Quah Chek Tin	1,240,000	(1,240,000)	-

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**Interest in Genting Malaysia Berhad****Shareholdings in which the Directors have direct interests**

	1.1.2012	Acquired/(Disposed)	31.12.2012
	<i>(Number of ordinary shares of 10 sen each)</i>		
Tan Sri Lim Kok Thay	1,610,000	930,000	2,540,000
Mr Quah Chek Tin	5,000	-	5,000
Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin	10,000	-	10,000

Share Option in the name of a Director @

	1.1.2012	Offered/(Exercised)	31.12.2012
	<i>(Number of unissued ordinary shares of 10 sen each)</i>		
Tan Sri Lim Kok Thay	930,000	(930,000)	-

Interest in Genting Singapore PLC**Shareholdings in which the Directors have direct interests**

	1.1.2012	Acquired/(Disposed)	31.12.2012
	<i>(Number of ordinary shares)</i>		
Tan Sri Lim Kok Thay	4,648,600	637,500	5,286,100
Mr Quah Chek Tin	300,000	223,000	523,000
Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin	246,000	-	246,000

Share Option in the names of Directors

	1.1.2012	Offered/(Exercised)	31.12.2012
	<i>(Number of unissued ordinary shares)</i>		
Tan Sri Lim Kok Thay	2,970,463	-	2,970,463
Mr Quah Chek Tin	890,438	(223,000)	667,438
Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin	742,292	-	742,292

Performance Shares in the name of a Director

	1.1.2012	Awarded	(Vested)	(Forfeited)	31.12.2012
	<i>(Number of unissued ordinary shares)</i>				
Tan Sri Lim Kok Thay	2,250,000**	750,000#	(637,500)	(112,500)	2,250,000#

Legend:

@ The Executive Share Option Scheme for Eligible Executives of Genting Berhad and its subsidiaries as well as Genting Malaysia Berhad and its subsidiaries expired on 11 August 2012.

Represents the right of the participant to receive ordinary shares, upon the participant satisfying the criteria set out in the Performance Share Scheme of Genting Singapore PLC and upon satisfying such conditions as may be imposed.

* Figure took into account 60,000 shares award which had been forfeited in 2011.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)

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 emoluments 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 is a member or with a company in which he has a substantial financial interest except for any benefit which may be deemed to have arisen by virtue of the following transactions:

- (i) A wholly-owned subsidiary of a company in which Tan Sri Lim Kok Thay is a Director and a substantial shareholder has appointed Genting Awanpura Sdn Bhd, a wholly-owned subsidiary of the Company to provide plantation advisory services.
- (ii) A corporation which is owned by the family of Tan Sri Lim Kok Thay has been appointed by Resorts World at Sentosa Pte. Ltd ("RWS"), an indirect wholly-owned subsidiary of Genting Singapore PLC, which in turn is an indirect 52.0% owned subsidiary of Genting Berhad, to provide professional design consultancy and master-planning services for the Resorts World Sentosa integrated resort in Singapore.
- (iii) Transactions made by the Company or its related corporations with certain corporations referred to in Note 42 in which the nature of relationships with Tan Sri Lim Kok Thay and Mr Lim Keong Hui are disclosed therein.

Tan Sri Lim Kok Thay and Mr Quah Chek Tin are due to retire by rotation at the forthcoming Annual General Meeting ("AGM") in accordance with Article 99 of the Articles of Association of the Company and they, being eligible, have offered themselves for re-election.

Lt. Gen. (B) Dato' Abdul Ghani bin Abdullah will retire pursuant to Section 129 of the Companies Act, 1965 at the forthcoming AGM and a resolution will be proposed for his re-appointment as a Director at the AGM under the provision of Section 129(6) of the said Act to hold office until the next AGM of the Company.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)

OTHER STATUTORY INFORMATION

Before the income statements, statements of comprehensive income and statements of financial position 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 which were unlikely to realise in the ordinary course of business their values as shown in the accounting records, 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 amount written off for bad debts or the amount 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.

In the opinion of the Directors:

- (i) the results of the operations of the Group and of the Company for the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature except for those disclosed in the financial statements; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)

STATEMENT BY DIRECTORS PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

In the opinion of the Directors, the financial statements set out on pages 8 to 91, are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2012 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with Financial Reporting Standards and comply with the provisions of the Companies Act, 1965.

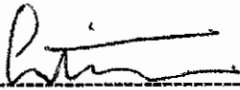
ULTIMATE HOLDING COMPANY

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

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

On behalf of the Board,



TAN SRI LIM KOK THAY
Chief Executive and Director



MOHD DIN JUSOH
Director

Kuala Lumpur
27 February 2013

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2012	2011	2012	2011
Revenue	5&6	1,233,417	1,336,481	374,398	389,085
Cost of sales	7	(681,732)	(604,921)	(49,346)	(37,720)
Gross profit		551,685	731,560	325,052	351,365
Other income		55,059	40,981	32,581	28,076
Selling and distribution costs		(70,758)	(61,329)	(8,591)	(8,106)
Administration expenses		(77,940)	(71,728)	(44,743)	(39,193)
Other expenses		(62,649)	(42,498)	(7,565)	(5,312)
Operating profit		395,397	596,986	296,734	326,830
Finance cost		(3,778)	(2,013)	-	-
Share of results of jointly controlled entities		5,411	1,125	-	-
Share of results of associates		6,808	5,244	-	-
Profit before taxation	5&8	403,838	601,342	296,734	326,830
Taxation	12	(81,965)	(158,664)	6,185	(30,227)
Profit for the financial year		321,873	442,678	302,919	296,603
Attributable to:					
Equity holders of the Company		327,063	442,031	302,919	296,603
Non-controlling interests		(5,190)	647	-	-
		321,873	442,678	302,919	296,603
Earnings per share for profit attributable to the equity holders of the Company:					
- basic (<i>sen</i>)	13	43.10	58.25		

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012**

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2012	2011	2012	2011
Profit for the financial year		321,873	442,678	302,919	296,603
Other comprehensive (loss)/income:					
Cash flow hedge		(674)	(3,767)	(594)	159
Foreign currency translation differences		(54,479)	(1,023)	-	-
Other comprehensive (loss)/income for the financial year, net of tax		(55,153)	(4,790)	(594)	159
Total comprehensive income for the financial year		266,720	437,888	302,325	296,762
Total comprehensive income/(loss) attributable to:					
Equity holders of the Company		283,827	438,279		
Non-controlling interests		(17,107)	(391)		
		266,720	437,888		

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2012	2011	2012	2011
ASSETS					
Non-current assets					
Property, plant and equipment	15	1,011,099	881,590	215,922	206,380
Land held for property development	16	206,216	278,786	-	-
Investment properties	17	12,993	12,997	-	-
Plantation development	18	1,425,792	1,007,644	284,314	284,299
Subsidiaries	21	-	-	1,969,081	1,887,199
Leasehold land use rights	19	235,489	158,015	-	-
Intangible assets	20	173,913	186,824	-	-
Jointly controlled entities	22	27,099	21,688	-	-
Associates	23	20,049	18,855	2,123	2,123
Available-for-sale financial assets	24	100,391	102,778	-	-
Other non-current assets	25	11,487	12,604	-	-
Deferred tax assets	26	31,767	17,216	2,071	-
		<u>3,256,295</u>	<u>2,698,997</u>	<u>2,473,511</u>	<u>2,380,001</u>
Current assets					
Property development costs	16	35,153	18,316	-	-
Inventories	28	127,329	128,748	4,349	2,813
Tax recoverable		29,651	811	16,208	-
Trade and other receivables	29	160,976	113,329	7,022	3,641
Amounts due from subsidiaries	21	-	-	267,394	30,244
Amounts due from other related companies	30	-	8	153	272
Amounts due from a jointly controlled entity	22	3,806	12,586	-	-
Amounts due from associates	23	609	581	609	2,581
Available-for-sale financial assets	24	100,005	100,005	100,005	100,005
Derivative financial assets	37	-	409	-	159
Cash and cash equivalents	31	951,330	1,016,917	757,550	923,453
		<u>1,408,859</u>	<u>1,391,710</u>	<u>1,153,290</u>	<u>1,063,168</u>
Assets held for sale	27	58,941	15,183	-	-
		<u>1,467,800</u>	<u>1,406,893</u>	<u>1,153,290</u>	<u>1,063,168</u>
Total assets		<u><u>4,724,095</u></u>	<u><u>4,105,890</u></u>	<u><u>3,626,801</u></u>	<u><u>3,443,169</u></u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012 (Continued)

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2012	2011	2012	2011
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	32	379,423	379,423	379,423	379,423
Reserves	33 & 34	3,044,294	2,854,806	3,164,186	2,954,515
		3,423,717	3,234,229	3,543,609	3,333,938
Non-controlling interests		229,355	117,635	-	-
Total equity		3,653,072	3,351,864	3,543,609	3,333,938
Non-current liabilities					
Borrowings	38	702,720	426,948	-	-
Other payables	35	44,938	39,456	-	-
Provision for retirement gratuities	36	5,023	3,381	4,092	2,497
Derivative financial liabilities	37	2,801	3,516	-	-
Deferred tax liabilities	26	51,296	49,745	-	4,141
		806,778	523,046	4,092	6,638
Current liabilities					
Trade and other payables	35	258,070	201,904	22,137	16,013
Amount due to ultimate holding company	30	2,244	2,049	2,244	2,049
Amounts due to subsidiaries	21	-	-	53,765	77,482
Amounts due to other related companies	30	525	914	519	914
Borrowings	38	657	188	-	-
Derivative financial liabilities	37	2,072	1,092	435	-
Taxation		677	24,833	-	6,135
		264,245	230,980	79,100	102,593
Total liabilities		1,071,023	754,026	83,192	109,231
Total equity and liabilities		4,724,095	4,105,890	3,626,801	3,443,169

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012**

Amounts in RM'000 unless otherwise stated

Group	Attributable to equity holders of the Company									Non-controlling Interests	Total Equity
	Share Capital	Share Premium	Re-valuation Reserve	Fair Value Reserve	Reserve on Exchange Differences	Cash Flow Hedge Reserve	Treasury Shares	Retained Earnings	Total		
Balance at 1 January 2012	379,423	43,382	41,804	40,679	(15,055)	(3,023)	(391)	2,747,410	3,234,229	117,635	3,351,864
Total comprehensive income/(loss) for the financial year	-	-	-	-	(42,544)	(692)	-	327,063	283,827	(17,107)	266,720
Accretion from changes in subsidiary's stake	-	-	-	-	-	-	-	(1,685)	(1,685)	1,685	-
Non-controlling interests arising on business combination	-	-	-	-	-	-	-	-	-	130,540	130,540
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(3,398)	(3,398)
Buy-back of shares (see Note 33)	-	-	-	-	-	-	(178)	-	(178)	-	(178)
Appropriation:											
- Special dividend paid for the financial year ended 31 December 2011 (6.25 sen less 25% tax) (see Note 14)	-	-	-	-	-	-	-	(35,568)	(35,568)	-	(35,568)
- Final dividend paid for the financial year ended 31 December 2011 (5.75 sen less 25% tax) (see Note 14)	-	-	-	-	-	-	-	(32,722)	(32,722)	-	(32,722)
- Interim dividend paid for the financial year ended 31 December 2012 (4.25 sen less 25% tax) (see Note 14)	-	-	-	-	-	-	-	(24,186)	(24,186)	-	(24,186)
	-	-	-	-	-	-	-	(92,476)	(92,476)	-	(92,476)
Balance at 31 December 2012	379,423	43,382	41,804	40,679	(57,599)	(3,715)	(569)	2,980,312	3,423,717	229,355	3,653,072

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (Continued)

Amounts in RM'000 unless otherwise stated

Group	Attributable to equity holders of the Company										
	Share Capital	Share Premium	Re-valuation Reserve	Fair Value Reserve	Reserve on Exchange Differences	Cash Flow Hedge Reserve	Treasury Shares	Retained Earnings	Total	Non-controlling Interests	Total Equity
Balance at 1 January 2011	379,423	43,382	41,804	40,679	(14,109)	(217)	(240)	2,377,938	2,868,660	110,936	2,979,596
Total comprehensive income/(loss) for the financial year	-	-	-	-	(946)	(2,806)	-	442,031	438,279	(391)	437,888
Non-controlling interests arising on business combination	-	-	-	-	-	-	-	-	-	12,088	12,088
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(4,998)	(4,998)
Buy-back of shares	-	-	-	-	-	-	(151)	-	(151)	-	(151)
Appropriation:											
- Special dividend paid for the financial year ended 31 December 2010 (3 sen less 25% tax)	-	-	-	-	-	-	-	(17,073)	(17,073)	-	(17,073)
- Final dividend paid for the financial year ended 31 December 2010 (5.5 sen less 25% tax)	-	-	-	-	-	-	-	(31,300)	(31,300)	-	(31,300)
- Interim dividend paid for the financial year ended 31 December 2011 (4.25 sen less 25% tax) (see Note 14)	-	-	-	-	-	-	-	(24,186)	(24,186)	-	(24,186)
	-	-	-	-	-	-	-	(72,559)	(72,559)	-	(72,559)
Balance at 31 December 2011	379,423	43,382	41,804	40,679	(15,055)	(3,023)	(391)	2,747,410	3,234,229	117,635	3,351,864

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (Continued)

Amounts in RM'000 unless otherwise stated

Company	Non-Distributable					Distributable		Total
	Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Cash Flow Hedge Reserve	Retained Earnings	Treasury Shares	
Balance at 1 January 2012	379,423	43,382	104	5	159	2,911,256	(391)	3,333,938
Total comprehensive income/(loss) for the financial year	-	-	-	-	(594)	302,919	-	302,325
Buy-back of shares (see Note 33)	-	-	-	-	-	-	(178)	(178)
Appropriation:								
- Special dividend paid for the financial year ended 31 December 2011 (6.25 sen less 25% tax) (see Note 14)	-	-	-	-	-	(35,568)	-	(35,568)
- Final dividend paid for the financial year ended 31 December 2011 (5.75 sen less 25% tax) (see Note 14)	-	-	-	-	-	(32,722)	-	(32,722)
- Interim dividend paid for the financial year ended 31 December 2012 (4.25 sen less 25% tax) (see Note 14)	-	-	-	-	-	(24,186)	-	(24,186)
	-	-	-	-	-	(92,476)	-	(92,476)
Balance at 31 December 2012	379,423	43,382	104	5	(435)	3,121,699	(569)	3,543,609

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (Continued)

Amounts in RM'000 unless otherwise stated

Company	Non-Distributable					Distributable		Total
	Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Cash Flow Hedge Reserve	Retained Earnings	Treasury Shares	
Balance at 1 January 2011	379,423	43,382	104	5	-	2,687,212	(240)	3,109,886
Total comprehensive income for the financial year	-	-	-	-	159	296,603	-	296,762
Buy-back of shares	-	-	-	-	-	-	(151)	(151)
Appropriation:								
- Special dividend paid for the financial year ended 31 December 2010 (3 sen less 25% tax)	-	-	-	-	-	(17,073)	-	(17,073)
- Final dividend paid for the financial year ended 31 December 2010 (5.5 sen less 25% tax)	-	-	-	-	-	(31,300)	-	(31,300)
- Interim dividend paid for the financial year ended 31 December 2011 (4.25 sen less 25% tax) (see Note 14)	-	-	-	-	-	(24,186)	-	(24,186)
	-	-	-	-	-	(72,559)	-	(72,559)
Balance at 31 December 2011	<u>379,423</u>	<u>43,382</u>	<u>104</u>	<u>5</u>	<u>159</u>	<u>2,911,256</u>	<u>(391)</u>	<u>3,333,938</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

Amounts in RM'000 unless otherwise stated

	Group		Company	
	2012	2011	2012	2011
Cash flows from operating activities				
Profit before taxation	403,838	601,342	296,734	326,830
Adjustments for:				
Depreciation of property, plant and equipment	43,409	36,661	6,687	5,970
Depreciation of investment properties	395	389	-	-
Amortisation of leasehold land use rights	425	218	-	-
Amortisation of plantation development	7	7	-	-
Amortisation of intangible assets	12,163	7,073	-	-
Property, plant and equipment written off	1,985	977	486	192
Investment properties written off	35	-	-	-
Plantation development written off	938	-	-	-
Bad debts written off	22	40	13	3
Provision for retirement gratuities	1,986	1,884	1,595	1,314
Net write back of impairment loss on receivables	(95)	(274)	-	-
(Gain)/Loss on disposal of property, plant and equipment	(10,367)	58	40	(45)
Excess of fair value of net assets of subsidiaries acquired over cost	-	(3,955)	-	-
Share of results in jointly controlled entities	(5,411)	(1,125)	-	-
Share of results in associates	(6,808)	(5,244)	-	-
Investment income	(3,121)	(2,476)	(3,121)	(2,476)
Interest income	(32,131)	(25,967)	(26,992)	(23,042)
Finance cost	3,778	2,013	-	-
Impairment losses on investment in subsidiaries	-	-	1,690	-
Net unrealised exchange loss	12,763	2,390	-	-
Net surplus arising from compensation in respect of land acquired by the Government	(493)	(408)	-	-
Dividend income	-	-	(228,813)	(210,334)
Other non-cash items	1,434	218	-	-
	20,914	12,479	(248,415)	(228,418)

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (Continued)

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2012	2011	2012	2011
Operating profit before changes in working capital		424,752	613,821	48,319	98,412
Property development costs		23,620	11,725	-	-
Inventories		2,065	29,454	(1,536)	(1,695)
Receivables		(40,150)	25,237	(3,394)	1,650
Amounts due from jointly controlled entities		9,897	(12,563)	-	-
Amounts due from associates		(28)	16	1,972	(1,984)
Payables		(78,921)	24,732	4,261	1,605
Amount due to ultimate holding company		195	1,689	195	1,689
Amounts due from/to other related companies		(381)	582	(276)	337
Amounts due from/to subsidiaries		-	-	(26,145)	(21,490)
		(83,703)	80,872	(24,923)	(19,888)
Cash generated from operations		341,049	694,693	23,396	78,524
Tax paid (net of tax refund)		(148,675)	(157,150)	(22,370)	(26,775)
Retirement gratuities paid		(344)	(2,164)	-	(564)
Net cash generated from operating activities		192,030	535,379	1,026	51,185
Cash flows from investing activities					
Proceeds received from Government in respect of acquisition of land		493	432	-	-
Interest received		32,131	25,967	26,992	23,042
Dividends received from:					
- subsidiaries		-	-	223,200	206,334
- associates		5,613	4,000	5,613	4,000
Investment income		3,121	2,476	3,121	2,476
Proceeds from disposal of property, plant and equipment		10,899	812	146	82
Land held for property development		(13,706)	(2,768)	-	-
Purchase of property, plant and equipment		(193,216)	(121,395)	(15,038)	(10,376)
Leasehold land use rights		(16,016)	(9,175)	-	-
Plantation development		(123,227)	(122,550)	(15)	(3)
Investment properties		(426)	(273)	-	-
Available-for-sale financial assets		(1,542)	(51,615)	-	(50,000)
Acquisition of subsidiaries	(A)	(67,038)	(52,220)	-	-
Investment in subsidiaries		-	-	(83,572)	-
Investment in jointly controlled entities		-	(13,425)	-	-
Amount due from jointly controlled entities		-	(12,604)	-	-
Advances to subsidiaries		-	-	(313,692)	(35,457)
Repayment from subsidiaries		-	-	78,970	150,729
Net cash (used in)/generated from investing activities		(362,914)	(352,338)	(74,275)	290,827

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (Continued)

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2012	2011	2012	2011
Cash flows from financing activities					
Proceeds from bank borrowings		293,877	163,811	-	-
Repayment of borrowings		(77,938)	(945)	-	-
Finance cost paid		(13,495)	(7,092)	-	-
Dividends paid		(92,476)	(72,559)	(92,476)	(72,559)
Dividends paid to non-controlling interests		(3,398)	(4,998)	-	-
Buy-back of shares		(178)	(151)	(178)	(151)
Net cash generated from/(used in) financing activities		106,392	78,066	(92,654)	(72,710)
Net (decrease)/increase in cash and cash equivalents		(64,492)	261,107	(165,903)	269,302
Cash and cash equivalents at beginning of the financial year		1,016,917	755,692	923,453	654,151
Effects of currency translation		(1,095)	118	-	-
Cash and cash equivalents at end of the financial year	31	951,330	1,016,917	757,550	923,453

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (Continued)

Amounts in RM'000 unless otherwise stated

Notes

(A) Analysis of the acquisition of subsidiaries

(i) 2012

Fair values of net assets acquired and net cash outflow on acquisition of subsidiaries are analysed as follows:

Property, plant and equipment (see Note 15)	(6,347)
Plantation development (See Note 18)	(289,180)
Leasehold land use rights (see Note 19)	(73,904)
Inventories	(646)
Other receivables	(7,519)
Cash and bank balances	(157,417)
Other payables	101,014
Borrowings	78,467
Deferred tax liabilities	537
Non-controlling interests	130,540
Total purchase consideration	(224,455)
Less : Deposits, cash and bank balances acquired	157,417
Net cash outflow on acquisition of subsidiaries	(67,038)

This relates to the acquisition of 63.2% equity interest in Global Agripalm Investment Holdings Pte Ltd as disclosed in Note 41(B)(i) to the financial statements. The purchase price allocation of the acquisition was provisional as at 31 December 2012 and the Group expects to complete the final purchase price allocation exercise within the twelve-month period from the acquisition date.

The revenue and the net profit of the above acquired subsidiaries included in the consolidated income statement of the Group for the period from date of acquisition to 31 December 2012 amounted to Nil and RM0.4 million respectively. Had the acquisition taken effect on 1 January 2012, the revenue and net loss of the above acquired subsidiaries included in the consolidated income statement of the Group would be Nil and RM3.2 million respectively. These amounts have been determined using the Group's accounting policies.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (Continued)

Amounts in RM'000 unless otherwise stated

Notes

(A) Analysis of the acquisition of subsidiaries (Continued)

(ii) 2011

Fair values of net assets acquired and net cash outflow on acquisition of subsidiaries are analysed as follows:

	Acquisition of		TOTAL
	GBD Holdings Ltd ("GBDH")	PT Citra Sawit Cemerlang ("PTCSC")	
	Note (a)	Note (b)	
Property, plant and equipment (see Note 15)	(45,065)	(4)	(45,069)
Leasehold land use rights (see Note 19)	-	(24,272)	(24,272)
Inventories	(4,308)	-	(4,308)
Trade and other receivables	(283)	(1,791)	(2,074)
Deposits, cash and bank balances	(79)	(274)	(353)
Other payables	-	8	8
Non-controlling interests	-	12,088	12,088
Identifiable net assets acquired	(49,735)	(14,245)	(63,980)
Less : Excess of fair value of net assets acquired over cost	3,955	-	3,955
Total purchase consideration	(45,780)	(14,245)	(60,025)
Less : Deferred consideration or other direct costs payable	452	7,000	7,452
	(45,328)	(7,245)	(52,573)
Less : Deposits, cash and bank balances acquired	79	274	353
Net cash outflow on acquisition of subsidiaries	(45,249)	(6,971)	(52,220)

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)
(*Incorporated in Malaysia*)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 (*Continued*)

Amounts in RM'000 unless otherwise stated

Notes

(A) Analysis of the acquisition of subsidiaries (*Continued*)

(ii) 2011 (*Continued*)

- a) This relates to the acquisition of the entire equity interest of GBD Holdings Ltd on 18 May 2011. The Group has completed the purchase price allocation exercise on the above acquisition during the current financial year.
- b) This relates to the completion of acquisition of the 70% equity interest in PTCSC. No goodwill arising from this acquisition. The Group has completed the purchase price allocation exercise on the above acquisition during the current financial year and has accounted the fair value adjustments accordingly.

The revenue and the net loss of the above acquired subsidiaries included in the consolidated income statement of the Group for the period from dates of acquisitions to 31 December 2011 amounted to Nil and RM4.5 million respectively. Had the acquisitions taken effect on 1 January 2011, the revenue and net loss of the above acquired subsidiaries included in the consolidated income statement of the Group would be Nil and RM8.0 million respectively. These amounts have been determined using the Group's accounting policies.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)
(*Incorporated in Malaysia*)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2012

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, investment holding and provision of management services to its subsidiaries.

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

Details of the principal activities of the subsidiaries, associates and jointly controlled entities are set out in Note 43 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 27 February 2013.

2. BASIS OF PREPARATION

The financial statements of the Group and the Company have been prepared in accordance with and comply with Financial Reporting Standards (“FRS”) and the provisions of the Companies Act, 1965.

The Group, which includes transitioning entities that are within the scope of MFRS 141 “Agriculture” and IC Interpretation 15 “Agreements for Construction of Real Estate”, has elected to continue to apply FRS for the current financial year and the next financial year. The Group will be adopting the new IFRS-compliant framework, Malaysian Financial Reporting Standards (“MFRS”) from financial year beginning on 1 January 2014. In adopting the new framework, the Group will be applying MFRS 1 “First-time adoption of MFRS”.

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

The preparation of financial statements in conformity with FRS and the provisions of the Companies Act, 1965 requires the Directors to make judgments, estimations and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires Directors to exercise their judgment in the process of applying the Group’s accounting policies. Although these judgments and estimates are based on the Directors’ best knowledge of current events and actions, actual results could differ from those judgments and estimations.

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)***2. BASIS OF PREPARATION** *(Continued)***(a) Judgments and estimations**

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

i) Intangible assets

The Group recognises costs incurred on development projects as intangible assets to the extent that the capitalisation criteria in FRS138 - Intangible Assets are met. The Group uses its judgment in determining whether the milestones payments for research and development expertise and capacity in genomics meet the capitalisation criteria so as to enable the amount to be capitalised. The future commercial viability of these intangible assets is assessed by using discounted cash flow valuation technique, which requires the Group to use estimates and assumptions concerning the future.

ii) 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 period in which such determination is made.

iii) 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 judgment regarding the future financial performance of the particular entity in which the deferred tax asset has been recognised.

iv) Property development activities

The Group recognises property development revenue based on percentage of completion method. The stage of completion is measured by reference to the contract costs incurred to date to the estimated total costs for the contract. Significant judgment is required in determining the stage of completion, the extent of the costs incurred and the estimated total contract revenue (for contracts other than fixed contracts) and costs, as well as the recoverability of the contracts. Total contract revenue also includes an estimation of the variation works that are recoverable from the customers. In making the judgment, 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.

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)***2. BASIS OF PREPARATION** *(Continued)***(b) Adoption of new Financial Reporting Standards****Standards, amendments to published standards and interpretations that are effective:**

The new accounting standards, amendments, and improvements to published standards and interpretations that are effective for the Group's and the Company's financial year beginning on or after 1 January 2012 are as follows:

- FRS 124 "Related Party Disclosures"
- Amendments to FRS 1 "Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters"
- Amendment to FRS 7 "Disclosure – Transfers of Financial Assets"
- Amendment to FRS 112 "Deferred Tax : Recovery of Underlying Assets"
- IC Interpretation 19 "Extinguishing Financial Liabilities with Equity Instruments"
- Amendment to IC 14 "Prepayment of a Minimum Funding Requirement"

The adoption of these new FRSs, amendments and interpretations do not have any material effect on the financial performance or financial position of the Group and the Company.

(c) Standards, amendments to published standards and interpretations issued but not yet effective and not early adopted by the Group**(i) Financial year beginning on/after 1 January 2013**

In the next financial year, the Group will continue to apply the Financial Reporting Standards framework. The Group will apply the following new standards, amendments to standards and interpretations:

- FRS 10 "Consolidated financial statements" (effective from 1 January 2013) changes the definition of control. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. It establishes control as the basis for determining which entities are consolidated in the consolidated financial statements and sets out the accounting requirements for the preparation of consolidated financial statements. It replaces all the guidance on control and consolidation in FRS 127 "Consolidated and separate financial statements" and IC Interpretation 112 "Consolidation – special purpose entities". Based on the preliminary analyses performed, FRS 10 is not expected to have any impact on the currently held investments of the Group.

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)***2. BASIS OF PREPARATION** *(Continued)***(c) Standards, amendments to published standards and interpretations issued but not yet effective and not early adopted by the Group** *(Continued)***(i) Financial year beginning on/after 1 January 2013** *(Continued)*

- FRS 11 “Joint arrangements” (effective from 1 January 2013) requires a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations arising from the arrangement, rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. The application of FRS 11 will result in classification of the jointly controlled entities currently held by the Group as joint ventures but not expected to affect their measurement.
- FRS 12 “Disclosures of interests in other entities” (effective from 1 January 2013) sets out the required disclosures for entities reporting under the two new standards, FRS 10 and FRS 11, and replaces the disclosure requirements currently found in FRS 128 “Investments in associates”. It requires entities to disclose information that helps financial statement readers to evaluate the nature, risks and financial effects associated with the entity’s interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. The adoption of this standard would have no financial impact on the results of the Group and the Company as these changes only affect disclosure.
- FRS 13 “Fair value measurement” (effective from 1 January 2013) aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across FRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards. The enhanced disclosure requirements are similar to those in FRS 7 “Financial Instruments : Disclosures”, but apply to all assets and liabilities measured at fair value, not just financial assets and liabilities. The Group is currently assessing the impact that this standard will have on the financial position and performance, but based on the preliminary analyses, no material impact is expected.

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)***2. BASIS OF PREPARATION** *(Continued)***(c) Standards, amendments to published standards and interpretations issued but not yet effective and not early adopted by the Group** *(Continued)***(i) Financial year beginning on/after 1 January 2013** *(Continued)*

- The revised FRS 127 “Separate financial statements” (effective from 1 January 2013) includes the provisions on separate financial statements that are left after the control provisions of FRS 127 have been included in the new FRS 10. It is not expected to have a material impact on the Company’s financial statements.
- The revised FRS 128 “Investments in associates and joint ventures” (effective from 1 January 2013) includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of FRS 11. It is not expected to have a material impact on the Group’s financial statements.
- Amendment to FRS 7 “Financial instruments: Disclosures” (effective from 1 January 2013) requires more extensive disclosures focusing on quantitative information about recognised financial instruments that are offset in the statement of financial position and those that are subject to master netting or similar arrangements irrespective of whether they are offset. There is no financial impact on the results of the Group and the Company as these changes only affect disclosures.
- Amendment to FRS 101 “Presentation of items of other comprehensive income” (effective from 1 July 2012) requires entities to separate items presented in ‘other comprehensive income’ (“OCI”) in the statement of comprehensive income into two groups, based on whether or not they may be recycled to income statement in the future. The amendments do not address which items are presented in OCI. There is no financial impact on the results of the Group and Company as these changes only affect presentation.
- Amendment to FRS 119 “Employee benefits” (effective from 1 January 2013) makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits, and to the disclosures for all employee benefits. Actuarial gains and losses will no longer be deferred using the corridor approach. FRS 119 shall be withdrawn on application of this amendment. It is not expected to have a material impact on the Group’s and the Company’s financial statements.

(ii) Financial year beginning on/after 1 January 2014

- Amendment to MFRS 132 “Financial Instruments : Presentation” (effective from 1 January 2014) does not change the current offsetting model in MFRS 132. It clarifies the meaning of ‘currently has a legally enforceable right of set-off’ that the right of set-off must be available today (not contingent on a future event) and legally enforceable for all counterparties in the normal course of business. It clarifies that some gross settlement mechanisms with features that are effectively equivalent to net settlement will satisfy the MFRS 132 offsetting criteria. It is not expected to have a material impact on the Group’s and the Company’s financial statements.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)

2. BASIS OF PREPARATION (*Continued*)

(c) Standards, amendments to published standards and interpretations issued but not yet effective and not early adopted by the Group (*Continued*)

(iii) Financial year beginning on/after 1 January 2015

- MFRS 9 “Financial instruments - classification and measurement of financial assets and financial liabilities” (effective from 1 January 2015) replaces the multiple classification and measurement models in MFRS 139 with a single model that has only two classification categories: amortised cost and fair value. The basis of classification depends on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The accounting and presentation for financial liabilities and for de-recognising financial instruments has been relocated from MFRS 139, without change, except for financial liabilities that are designated at fair value through profit or loss (“FVTPL”). Entities with financial liabilities designated at FVTPL recognise changes in the fair value due to changes in the liability’s credit risk directly in other comprehensive income (“OCI”). There is no subsequent recycling of the amounts in OCI to income statement, but accumulated gains or losses may be transferred within equity.

The guidance in MFRS 139 on impairment of financial assets and hedge accounting continues to apply.

MFRS 7 requires disclosures on transition from MFRS 139 to MFRS 9. The Group and the Company are in the process of making an assessment of the potential impact of this standard on the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding giving rise to more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. 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. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets.

Acquisition-related costs are expensed as incurred.

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)***3. SIGNIFICANT ACCOUNTING POLICIES** *(Continued)***Basis of Consolidation** *(Continued)***a) Subsidiaries** *(Continued)*

If the business combination is achieved in stages, previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in the income statement.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with FRS 139 either in income statement or as change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in income statement.

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.

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

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded as 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 income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to income statement.

d) Jointly controlled entities

Jointly controlled entities are corporations, partnerships or other entities over which there is contractually agreed sharing of control by the Group with one or more parties.

The Group's interests in jointly controlled entities 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 jointly controlled entities in the income statement and its share of post acquisition movements within reserves in reserves. 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.

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)***3. SIGNIFICANT ACCOUNTING POLICIES** *(Continued)***Basis of Consolidation** *(Continued)***d) Jointly controlled entities** *(Continued)*

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 jointly controlled entities (including any other unsecured receivables) reaches zero, unless the Group has incurred obligation or made payment on behalf of the jointly controlled entity.

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

e) Associates

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

Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. Equity accounting involves recognising in the income statement the Group's share of the associates' results and its share of post-acquisition movements in associates' other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. Equity accounting is discontinued when the carrying amount of the investment in an associate (including any other unsecured receivables) reaches zero, unless the Group has incurred obligations or made payments on behalf of the associate.

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

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the assets transferred.

Dilution gains and losses in associates are recognised in the income statement.

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

Investments in Subsidiaries, Jointly Controlled Entities and Associates

In the Company's separate financial statements, investments in subsidiaries, jointly controlled entities and associates are shown at cost less accumulated impairment. On disposal of investments in subsidiaries, jointly controlled entities and associates, the difference between disposal proceeds and the carrying amounts of the investments are recognized in the income statement. 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.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**3. SIGNIFICANT ACCOUNTING POLICIES** (Continued)**Property, Plant and Equipment**

Property, plant and equipment are tangible items that:

- i) are held for use in the production or supply of goods or services, or for administrative purposes; and
- ii) are expected to be used during more than one period.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for certain properties which were revalued before 1998. In accordance with the transitional provision allowed by MASB upon the first adoption of IAS 16 "Property, Plant and Equipment", the valuation of these assets have not been updated, and they continue to be stated at their existing carrying amounts less accumulated depreciation, amortisation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the period that they are incurred.

Freehold land is stated at cost and is not depreciated. Property, plant and equipment which are under construction are not depreciated. Leasehold lands are amortised equally over their respective periods of lease. Depreciation on assets under construction commences when the assets are ready for their intended use.

The depreciable amount of an item of property, plant and equipment is determined as the difference between the cost less its residual value. The residual value is the estimated amount that the Group expects to obtain from disposal of the asset, after deducting the estimated cost to disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

The Group depreciates other assets based on their consumption pattern and is applied separately to each significant component.

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

	Years
Leasehold lands	51 - 897
Land improvements	25
Buildings and improvements	10 - 50
Plant and machinery	4 - 10
Motor vehicles	5 - 8
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 and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the income statement. On disposal of revalued assets, amounts in the revaluation reserve relating to those assets are transferred to retained earnings.

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)***3. SIGNIFICANT ACCOUNTING POLICIES** *(Continued)***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

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

Gains and losses on disposal are determined by comparing net disposal proceeds with carrying amount and are included in the income statement.

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 as leasehold land use rights (referred to as prepaid lease payments in FRS 117 "Leases") and is amortised over the lease term in accordance with the pattern of benefits provided.

Plantation Development

Plantation development comprises cost of planting and development on oil palm and other plantation crops.

Costs of new planting and development of plantation crops are capitalised from the stage of land clearing up to the stage of maturity. The cost of new planting capitalised is not amortised. However, where the cost of new planting is incurred on leasehold land which has unexpired period shorter than the crop's economic life, the cost is amortised over the remaining period of the lease on a straight line basis.

Replanting expenditure is charged to the income statement in the financial year in which the expenditure is incurred.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)**3. SIGNIFICANT ACCOUNTING POLICIES** (*Continued*)**Property Development Activities****a) Land held for property development**

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at cost less accumulated impairment losses, if any.

Cost comprises cost of land and all related costs incurred on activities necessary to prepare the land for its intended use. Where the Group had previously recorded the land at revalued amounts, it continues to retain these amounts as its surrogate cost as allowed by FRS 201²⁰⁰⁴ "Property Development Activities". Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of non-financial assets.

Land held for property development is transferred to property development costs and included under current assets when development activities have commenced and where the development activities can be completed within normal operating cycle of 2 to 3 years.

b) Property development costs and revenue recognition

Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or costs that can be allocated on a reasonable basis to these activities.

When the outcome of the development activity can be estimated reliably, property development revenue and expenses are recognised by using the percentage of completion method in respect of sales where agreements have been finalised. Under this method, profits are recognised as the property development activity progresses. The stage of completion is determined based on proportion of property development costs incurred for work performed up to the reporting date over the estimated total property development cost to completion.

When the outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable of recovery and property development costs on the development units sold are recognised as an expense when incurred. Foreseeable losses, if any, arising when it is probable that total property development costs (including expected defect liability expenditure) will exceed total property development revenue, are recognised immediately in the income statement.

Property development costs not recognised as an expense is recognised as an asset and is stated at the lower of cost and net realisable value. Upon completion of development, the unsold completed development properties are transferred to inventories.

Where revenue recognised in the income statement exceeds billings to purchasers, the balance is shown as accrued billings under trade and other receivables (within current assets). Where billings to purchasers exceed revenue recognised in the income statement, the balance is shown as progress billings under trade and other payables (within current liabilities).

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**3. SIGNIFICANT ACCOUNTING POLICIES** (Continued)**Financial Assets****(a) Classification**

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the nature of the asset and the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

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

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.

(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", "cash and cash equivalent" and intercompany balances in the statement of financial position.

(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 other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months after the reporting date.

(b) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)***3. SIGNIFICANT ACCOUNTING POLICIES** *(Continued)***Financial Assets** *(Continued)***(b) Recognition and measurement** *(Continued)*

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other income/expense' in the year in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement 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 income statement and translation differences on non-monetary securities are recognised in other comprehensive income. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'gains and losses from available-for-sale financial assets'.

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

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

(c) Impairment of financial assets

The Group assesses at the end of 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 income statement - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through income statement.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**3. SIGNIFICANT ACCOUNTING POLICIES** (Continued)**Intangible Assets****a) Goodwill**

Goodwill represents the excess of the consideration transferred and fair value of previously held equity interests over the Group's share of the fair values of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interests in the acquiree at the date of acquisition. Goodwill is stated at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of annual impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

b) Research and Development Expenditure

Research expenditure is recognised as an expense when incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (b) management intends to complete the intangible asset and use or sell it;
- (c) there is an ability to use or sell the intangible asset;
- (d) it can be demonstrated that the intangible asset will generate probable future economic benefits;
- (e) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (f) the expenditure attributable to the intangible asset during its development can be reliably measured.

Collaborations and alliances are maintained with third parties for provision of research and development expertise and capacity in genomics for the achievement of performance milestones. Milestones payments are capitalised to the extent that the capitalisation criteria in FRS 138 "Intangible Assets" are met. Judgment is involved in determining whether the amount paid meets the performance milestones so as to enable the amount to be capitalised as intangible assets.

Other development expenditure that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use or sale, on a straight-line basis over its useful life not exceeding twenty years.

c) Intellectual Property Rights

Acquired intellectual property ("IP") rights are stated at cost less accumulated amortisation and accumulated impairment losses. The IP rights are amortised from the point at which the asset is available for use or sale, on a straight-line basis over its useful life not exceeding twenty years.

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

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)**3. SIGNIFICANT ACCOUNTING POLICIES** (*Continued*)**Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost includes, where relevant, appropriate proportions of overheads and is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the costs to completion and selling expenses. The cost of unsold properties comprises cost associated with the acquisition of land, direct costs and an appropriate proportion of allocated costs attributable to property development activities.

Non-Current Assets Held for Sale

Non-current assets are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than 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 provision for impairment loss. An impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cashflows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the income statement. An impairment loss is reversed only to the extent of previously recognised impairment loss for the same asset. The reversal is recognised in the income statement.

Advances for plasma plantation projects represent the accumulated plantation development cost, including borrowing costs and indirect overheads, which are either recoverable from plasma farmers or recoverable through the assignment to plasma farmers of the loans proceeds obtained for the projects. These advances are recoverable when the plasma plantation is completed and ready to be transferred to the plasma farmers. Provision for losses on recovery is made when the estimated amount to recover is less than the outstanding advances.

Cash and Cash Equivalents

Cash and cash equivalents include cash and bank balances, 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.

Payables

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

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)

3. SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Finance Leases

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases. The Group adopts the following accounting policy in respect of accounting by a lessee.

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

Property, plant and equipment acquired under finance leases is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Share Capital

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

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

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when new shares are issued.

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 initial recognition and subsequently. On presentation in the statement of financial position, the carrying amount of the treasury shares is offset against equity. Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the share premium account or the distributable reserves, or both. Where treasury shares are reissued by re-sale in the open market, the difference between the sales consideration and the carrying amount of the treasury shares is shown as the movement in equity. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**3. SIGNIFICANT ACCOUNTING POLICIES** (Continued)**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 the income statement over the period of the borrowings.

Costs incurred on borrowings to finance qualifying assets are capitalised until the assets are ready for their intended use after which such expenses are charged to the income statement. All other borrowing costs are charged to the income statement.

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.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due. Financial guarantee contracts are recognised initially at fair value plus transactions costs and thereafter, at the higher of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period and the amount initially recognised less, where appropriate, cumulative amortisation recognised.

Impairment of Non-Financial Assets

The carrying amounts of assets, with the exception of inventories, assets arising from construction contracts, deferred tax assets and financial assets (excluding investments in subsidiaries, jointly controlled entities and associates) are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, an impairment review is performed to assess whether the carrying amount of the asset is fully recoverable.

Irrespective of whether there is any indication of impairment, the Group also:

- a) tests intangible assets with indefinite useful lives for impairment annually by comparing its carrying amount with its recoverable amount.
- b) tests goodwill acquired in a business combination for impairment annually.

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

An impairment loss is charged to the income statement, unless the asset is carried at revalued amount, in which case the impairment loss is used to reduce the revaluation surplus.

Assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

An impairment loss is reversed only to the extent of previously recognised impairment losses for the same asset unless the asset is carried at revalued amount, in which case the reversal is treated as an increase to revaluation reserve. An impairment loss recognised for goodwill shall not be reversed in a subsequent period.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)

3. SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Contingent Liabilities and Contingent Assets

The Group does not recognise a contingent liability but discloses its existence in the financial statements, except in a business combination. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. When a change in the probability of an outflow of economic resources occurs and the outflow is probable, it will then be recognised as a provision.

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 FRS 137 "Provisions, Contingent Liabilities and Contingent Assets" and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with FRS 118 "Revenue".

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.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)**3. SIGNIFICANT ACCOUNTING POLICIES** (*Continued*)**Income Taxes****a) Current taxation**

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

b) Deferred taxation

Deferred tax liabilities and/or assets are recognised, using liability method, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their related tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit or loss. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deferred tax assets can be utilised. Deferred tax liability in respect of asset revaluations is also recognised. Deferred tax liabilities and assets are measured at the tax rates that have been enacted or substantially 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, jointly controlled entities 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.

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

Long-term employee benefits include retirement gratuities payable to Executive Directors and a retirement gratuity scheme which was established in 2010 by the Board of Directors 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 past services rendered and it does not take into account the employee's service to be rendered in later years up to retirement. The gratuity, which is calculated based either on length of service and basic salary as at the reporting date or on the emoluments earned in the immediate past three years, is a vested benefit when the employee reaches retirement age.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)

3. SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Employee Benefits (*Continued*)

c) Long-term employee benefits (Continued)

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. The differences arising from the application of such discounting as well as any past service costs and the effects of any curtailments or settlements, if any, are recognised immediately in the income statement.

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.

Income Recognition

a) Revenue

Sales are recognised upon delivery of products or performance of services, net of sales tax and discounts, and after eliminating sales within the Group.

Sales relating to property development projects are recognised progressively as the project activity progresses and are in respect of sales where agreements have been finalised. The recognition of sales is based on the percentage of completion method and is consistent with the method adopted for profit recognition.

Management fees and golf club membership fees are recognised on an accrual basis. Dividend income is recognised when the right to receive payment is established.

b) Other income

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

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.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**3. SIGNIFICANT ACCOUNTING POLICIES** (Continued)**Foreign Currency Translation**

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

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

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

(c) Group companies

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

- (i) assets and liabilities are translated at the closing rate at the reporting date;
- (ii) income and expenses for each income statement 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 equity.

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 other comprehensive income. When a foreign operation is partially disposed of or sold, such exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

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

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)***3. SIGNIFICANT ACCOUNTING POLICIES** *(Continued)***Derivative Financial Instruments And Hedging Activities**

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

The fair value changes on the effective portion of interest rate capped Libor-in-arrears swaps that are designated and qualify as cash flow hedges are recognised in the cash flow hedge reserve and reclassified to income statement when the interest expense on the borrowings is recognised in the income statement 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 income statement.

The fair value changes on interest rate swaps that are not designated or do not qualify for hedge accounting are recognised in the income statement within fair value gains/losses on derivative financial instruments.

When a hedging instrument expires or is sold, or when the cash flow hedge is discontinued or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is only transferred to the income statement when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in cash flow hedge reserve is immediately transferred to the income statement within fair value gains/losses on derivative financial instruments.

The carrying amount of the derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than twelve months, and as a current asset or liability if the remaining expected life of the hedged item is less than twelve months.

Segmental Reporting

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

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**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 operations in Indonesia. 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 (2011 : USD).

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 RM'000	Others RM'000	Total RM'000
At 31 December 2012			
Financial assets			
Trade and other receivables	1,070	23	1,093
Cash and cash equivalents	22,512	143	22,655
	<u>23,582</u>	<u>166</u>	<u>23,748</u>
Financial liabilities			
Trade and other payables	(14,116)	(70)	(14,186)
Borrowings	(240,134)	-	(240,134)
	<u>(254,250)</u>	<u>(70)</u>	<u>(254,320)</u>
Net currency exposure	<u>(230,668)</u>	<u>96</u>	<u>(230,572)</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)4. **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** (Continued)(a) **Financial risk factors** (Continued)

(i) Foreign currency exchange risk (Continued)

	USD RM'000	Others RM'000	Total RM'000
At 31 December 2011			
Financial assets			
Trade and other receivables	5,273	27	5,300
Cash and cash equivalents	5,225	309	5,534
	<u>10,498</u>	<u>336</u>	<u>10,834</u>
Financial liabilities			
Trade and other payable	(12,591)	(270)	(12,861)
Borrowings	(155,034)	-	(155,034)
	<u>(167,625)</u>	<u>(270)</u>	<u>(167,895)</u>
Net currency exposure	<u>(157,127)</u>	<u>66</u>	<u>(157,061)</u>

The following table demonstrates the sensitivity of the Group's profit after tax and equity to 10% (2011 : 10%) strengthening of USD against the RM, with all other variables held constant.

Group	2012		2011	
	<---Increase/(Decrease)-->		<---Increase/(Decrease)--->	
	Profit after tax RM'000	Equity RM'000	Profit after tax RM'000	Equity RM'000
USD against RM	<u>(23,067)</u>	<u>-</u>	<u>(15,713)</u>	<u>-</u>

A 10% (2011 : 10%) weakening of the above currencies against the RM would have the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

The Company is not exposed to any material foreign exchange risk.

(ii) Interest rate risk

Interest rate risks arise mainly from the Group's borrowings. 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 Interest Rate Capped Libor-In-Arrears Swap ("IRCLIA") contracts to limit its exposure to fluctuation in interest rate movements if the interest rate moves beyond the capped rate at LIBOR of 2.35% per annum. The notional amount for each interest period will be USD25 million over 4 years beginning April 2011, USD25 million over 4 years beginning November 2011 and USD10 million over 4 years beginning November 2012 respectively.

The Group's outstanding borrowings as at year end at variable rates on which hedges have not been entered into are denominated in USD. At the reporting date, if the USD annual interest rates had been 1% (2011 : 1%) higher/lower respectively, with all other variables in particular foreign exchange rates and tax rate being held constant, the impact to profit after tax would be immaterial as most of the interest expense were capitalised during the financial year.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)**4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** (*Continued*)**(a) Financial risk factors** (*Continued*)**(iii) Credit risk**

Exposure to credit risk arises mainly from sales made on deferred credit terms, cash and cash equivalents, deposits with financial institutions and money market instruments. Risks arising therefrom are minimised through effective monitoring of receivables and suspension of sales to customers whose accounts exceed the stipulated credit terms. Credit limits are set and credit history is reviewed to minimise potential losses. The Group has no significant concentration of credit risk with any single customer.

In respect of trade receivables arising from the sale of development properties, the Group mitigates its credit risk by maintaining its name as the registered owner of the development properties until full settlement by the purchaser of the self-finances portion of the purchase consideration and upon obtaining the undertaking from the purchaser's end-financier.

The Group's cash and cash equivalents and short term deposits are placed with creditworthy financial institutions and the risks arising thereof are minimised in view of the financial strength of these financial institutions. The risks arising therefrom are further minimised by the setting of exposure limits for each financial institution and the tenure of the placements which are normally less than one year. The approved exposure limit for each financial institution is subjected to regular reviews. To minimise the Group's counterparty risk, the Group enters into derivative transactions only with creditworthy financial institutions.

The Group also seeks to invest cash assets safely and profitably and buys insurance to protect itself against insurable risks. In this regard, counterparties are assessed for credit risk and limits are set to minimise any potential losses. The Group's cash and cash equivalents and short term deposits are placed with creditworthy financial institutions and the risks arising therefrom are minimised in view of the financial strength of these financial institutions.

At the Company level, credit risk arises from amounts due from subsidiaries, cash and cash equivalents, income fund and deposits with banks and financial institutions. The Company's exposure to bad debts is not significant since the subsidiaries do not have historical default risk. The Company also manages its credit risk by performing regular reviews of the ageing profile of amounts due from subsidiaries. The credit risk on income fund is limited because the fund is ultimately deposited with a creditworthy financial institution.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 29. 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.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** (Continued)**(a) Financial risk factors** (Continued)**(iv) Price risk**

The Group is exposed to volatility in market prices of palm products and prices of the key raw materials used in the property development operations. The Group manages its risk through established guidelines and policies.

If the prices of the palm products increase by 5% (2011 : 5%) respectively with all other variables including tax rate being held constant, the impact to the Group's profit after tax and equity for the current and previous financial year will be as follows:

<u>Group</u>	2012		2011	
	<--Increase/(Decrease)--> Profit after tax RM'000	Equity RM'000	<---Increase/(Decrease)---> Profit after tax RM'000	Equity RM'000
Effect of change in palm products prices – increase by 5%	<u>32,010</u>	-	<u>36,452</u>	-

A 5% (2011: 5%) decrease in the prices of the palm products would have the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

(v) Liquidity risk

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

The Group manages its liquidity risk with the view to maintaining a healthy level of cash and cash equivalents appropriate to the operating environment and expected cash flows of the Group. Liquidity requirements are further enhanced with its undrawn committed borrowing facilities (Note 38) and are sufficient and available to the Group to meet its obligations.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** (Continued)(a) **Financial risk factors** (Continued)(v) **Liquidity risk** (Continued)

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

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

	Less than 1 year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000	Over 5 years RM'000
At 31 December 2012				
<u>Group</u>				
Trade and other payables	258,070	45,898	-	1,584
Term loans (principal and interests)	19,300	23,647	343,206	422,635
Finance leases (principal and interests)	676	117	-	-
Derivative financial liabilities	2,074	1,452	1,373	-
	<u>280,120</u>	<u>71,114</u>	<u>344,579</u>	<u>424,219</u>
<u>Company</u>				
Trade and other payables	22,137	-	-	-
Amounts due to subsidiaries	53,765	-	-	-
	<u>75,902</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2011				
<u>Group</u>				
Trade and other payables	201,904	40,260	-	1,612
Term loans (principal and interests)	8,752	7,509	182,687	286,011
Finance leases (principal and interests)	211	35	-	-
Derivative financial liabilities	1,092	1,149	2,367	-
	<u>211,959</u>	<u>48,953</u>	<u>185,054</u>	<u>287,623</u>
<u>Company</u>				
Trade and other payables	16,013	-	-	-
Amounts due to subsidiaries	77,482	-	-	-
	<u>93,495</u>	<u>-</u>	<u>-</u>	<u>-</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** (Continued)**(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, 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.

The gearing ratio as at 31 December 2012 and 2011 are as follows:

<u>Group</u>	2012	2011
	RM'000	RM'000
Total debts	703,377	427,136
Total equity	<u>3,653,072</u>	<u>3,351,864</u>
Total capital	<u>4,356,449</u>	<u>3,779,000</u>
Gearing ratio	16.1%	11.3%

There were no changes in the Group's approach to capital management during the year.

(c) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined 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).

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** (Continued)**(c) Fair value hierarchy** (Continued)

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 instruments 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 following table presents the Group's assets and liabilities that are measured at fair value:

Group	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
2012				
Financial assets				
Available-for-sale financial assets				
- Equity securities	-	-	100,391	100,391
- Income funds	-	100,005	-	100,005
	-	100,005	100,391	200,396
Financial liabilities				
Derivative financial instruments				
- Interest Rate Capped Libor-In-Arrears Swap	-	4,200	-	4,200
- Forward foreign currency exchange contracts	-	673	-	673
	-	4,873	-	4,873
Group				
2011				
Financial assets				
Available-for-sale financial assets				
- Equity securities	-	102,778	-	102,778
- Income funds	-	100,005	-	100,005
Derivative financial instruments				
- Forward foreign currency exchange contracts	-	409	-	409
	-	203,192	-	203,192
Financial liabilities				
Derivative financial instruments				
- Interest Rate Capped Libor-In-Arrears Swap	-	4,608	-	4,608

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)*

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.

The chief operating decision-makers consider the business from both geographic and industry perspective and has the following reportable operating segments:

- (i) Plantation - comprises mainly activities relating to oil palm plantations. This segment is further analysed into two geographical areas, namely Malaysia and Indonesia.
- (ii) Property - comprises mainly activities relating to property development, property investment and the operation of a golf course.
- (iii) Biotechnology - comprises mainly activities relating to genomics research and development.
- (iv) Others - comprises other insignificant business and are not reported separately.

The performance of the operating segments is based on a measure of adjusted earning before interest, tax, depreciation and amortisation ("EBITDA"). This measurement basis excludes the effects of non-recurring items from the reportable segments such as fair value gain and losses, impairment losses, pre-opening and development expenses, property related termination costs and assets written off.

Segments assets consist primarily of property, plant and equipment, land held for property development, plantation development, leasehold land use rights, intangible assets, available-for-sale financial assets, inventories, trade and other receivables and cash and cash equivalents. Segment assets exclude interest bearing instruments, jointly controlled entities, associates, deferred tax assets and tax recoverable as these assets are managed on a group basis.

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

GENTING PLANTATIONS BERHAD (Company No. 34993-X)5. **SEGMENT ANALYSIS** (Continued)

2012	Plantation			Property	Biotechnology	Others	Total
	Malaysia	Indonesia	Total				
Revenue – external	1,056,432	25,028	1,081,460	151,957	-	-	1,233,417
Adjusted EBITDA	440,320	(19,584)	420,736	33,066	(21,288)	(9,892)	422,622
Assets written off and others	(2,281)	(583)	(2,864)	(74)	(9)	(10)	(2,957)
EBITDA	438,039	(20,167)	417,872	32,992	(21,297)	(9,902)	419,665
Depreciation and amortisation	(34,184)	(3,982)	(38,166)	(1,632)	(16,133)	(468)	(56,399)
Share of results in jointly controlled entities	-	-	-	5,411	-	-	5,411
Share of results in associates	3,841	50	3,891	2,927	-	(10)	6,808
	407,696	(24,099)	383,597	39,698	(37,430)	(10,380)	375,485
Interest income							32,131
Finance cost							(3,778)
Profit before taxation							403,838
Taxation							(81,965)
Profit for the financial year							321,873
Other information:							
Assets							
Segment assets	1,298,202	1,513,085	2,811,287	408,643	283,487	163,561	3,666,978
Jointly controlled entities	-	-	-	27,099	-	-	27,099
Associates	16,764	217	16,981	3,142	-	(74)	20,049
Assets held for sale	-	-	-	58,941	-	-	58,941
	1,314,966	1,513,302	2,828,268	497,825	283,487	163,487	3,773,067
Interest bearing instruments							889,610
Deferred tax assets							31,767
Tax recoverable							29,651
Total assets							4,724,095
Liabilities							
Segment liabilities	82,677	144,306	226,983	83,372	5,085	233	315,673
Interest bearing instruments							703,377
Deferred tax liabilities							51,296
Taxation							677
Total liabilities							1,071,023
Other disclosures							
Capital expenditure*	95,412	294,487	389,899	1,623	3,188	534	395,244

GENTING PLANTATIONS BERHAD (Company No. 34993-X)5. **SEGMENT ANALYSIS** (Continued)

2011	Plantation			Property	Biotechnology	Others	Total
	Malaysia	Indonesia	Total				
Revenue – external	1,192,432	7,582	1,200,014	136,467	-	-	1,336,481
Adjusted EBITDA	623,294	(15,891)	607,403	22,064	(16,205)	(815)	612,447
Excess of fair value of net assets of subsidiaries acquired over costs	-	-	-	-	-	3,955	3,955
Assets written off and others	(886)	(14)	(900)	(117)	(18)	-	(1,035)
EBITDA	622,408	(15,905)	606,503	21,947	(16,223)	3,140	615,367
Depreciation and amortisation	(30,981)	(314)	(31,295)	(1,413)	(9,958)	(1,682)	(44,348)
Share of results in jointly controlled entities	-	-	-	1,125	-	-	1,125
Share of results in associates	3,874	50	3,924	1,322	-	(2)	5,244
	595,301	(16,169)	579,132	22,981	(26,181)	1,456	577,388
Interest income							25,967
Finance cost							(2,013)
Profit before taxation							601,342
Taxation							(158,664)
Profit for the financial year							442,678
Other information:							
Assets							
Segment assets	1,245,350	880,952	2,126,302	466,697	296,090	162,345	3,051,434
Jointly controlled entities	-	-	-	21,688	-	-	21,688
Associates	14,923	167	15,090	3,829	-	(64)	18,855
Assets held for sale	-	-	-	15,183	-	-	15,183
	1,260,273	881,119	2,141,392	507,397	296,090	162,281	3,107,160
Interest bearing instruments							980,703
Deferred tax assets							17,216
Tax recoverable							811
Total assets							4,105,890
Liabilities							
Segment liabilities	76,936	92,869	169,805	78,637	3,414	456	252,312
Interest bearing instruments							427,136
Deferred tax liabilities							49,745
Taxation							24,833
Total liabilities							754,026
Other disclosures							
Capital expenditure*	90,772	186,699	277,471	1,061	12,773	-	291,305

* Includes capital expenditure in respect of property, plant and equipment, plantation development, leasehold land use rights and investment properties.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)5. **SEGMENT ANALYSIS** (Continued)Geographical information

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

	Revenue		Non-Current Assets		Capital Expenditure	
	2012	2011	2012	2011	2012	2011
Malaysia	1,208,389	1,328,899	1,666,878	1,703,020	100,757	104,606
Indonesia	25,028	7,582	1,398,624	822,836	294,487	186,699
	1,233,417	1,336,481	3,065,502	2,525,856	395,244	291,305

Non-current assets information presented above consists of non-current assets other than investment in jointly controlled entities and associates, financial instruments and deferred tax assets as presented in the consolidated statement of financial position.

There is no revenue derived from transactions with a single external customer that amounted to 10% or more of the Group's revenue during the current financial year (2011 : Nil).

6. **REVENUE**

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

	Group		Company	
	2012	2011	2012	2011
<i>Sale of goods:</i>				
Sale of plantation produce	1,081,460	1,200,014	119,440	157,261
Sale of development properties	150,236	135,304	-	-
<i>Rendering of services:</i>				
Revenue from golf course operations	1,068	968	-	-
Fee from management services	653	195	26,145	21,490
<i>Dividend income</i>	-	-	228,813	210,334
	1,233,417	1,336,481	374,398	389,085

7. **COST OF SALES**

	Group		Company	
	2012	2011	2012	2011
Cost of inventories sold for plantation produce	574,896	503,217	49,346	37,720
Cost of properties sold	105,125	100,132	-	-
Cost of services recognised as an expense	1,711	1,572	-	-
	681,732	604,921	49,346	37,720

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**8. 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		Company	
	2012	2011	2012	2011
Charges:				
Depreciation of property, plant and equipment	43,409	36,661	6,687	5,970
Depreciation of investment properties	395	389	-	-
Amortisation of leasehold land use rights	425	218	-	-
Amortisation of plantation development	7	7	-	-
Amortisation of intangible assets	12,163	7,073	-	-
Replanting expenditure	9,221	10,842	2,545	2,749
Directors' remuneration excluding estimated money value of benefits-in-kind (see Note 10)	1,271	2,016	1,271	1,302
Charges payable to related companies:				
- Rental of premises and related services	2,195	1,971	1,833	1,657
- Shared services fee	1,183	1,443	844	910
- Hire of equipment	1,165	998	736	636
Property, plant and equipment written off	1,985	977	486	192
Plantation development written off	938	-	-	-
Investment properties written off	35	-	-	-
Write-down of inventories	-	77	-	2
Impairment loss on investment in subsidiaries	-	-	1,690	-
Shared services fee payable to ultimate holding company	1,626	1,519	911	856
Bad debts written off	22	40	13	3
Auditors' remuneration (see Note 11):				
- current year	1,291	921	102	93
Non-statutory audit fee payable to auditors (see Note 11)	567	424	519	352
Employee benefits expense (see Note 9)	205,346	171,977	51,407	47,253
Research and development expenditure	32,144	21,063	-	-
Repairs and maintenance:				
- property, plant and equipment	23,370	23,326	1,477	2,781
- investment properties	205	41	-	-
Transportation costs	71,712	62,267	9,603	9,112
Utilities	6,885	6,501	70	68
Raw materials and consumables	248,676	227,477	-	-
Oil palm cess and levy	5,667	12,341	270	930
Net unrealised exchange loss	12,763	2,390	-	-
Finance cost:				
- bank borrowings	3,753	1,995	-	-
- others	25	18	-	-
	<u>3,778</u>	<u>2,013</u>	<u>-</u>	<u>-</u>
Credits:				
Net surplus arising from compensation in respect of land acquired by the Government	493	408	-	-
Gain/(Loss) on disposal of property, plant and equipment	10,367	(58)	(40)	45
Interest income	32,131	25,967	26,992	23,042
Investment income	3,121	2,476	3,121	2,476
Dividend income from associates	-	-	5,613	4,000
Rental income	2,743	2,715	359	343
Rental income from related companies	60	66	14	14
Excess of fair value of net assets of subsidiaries acquired over cost	-	3,955	-	-
Net write back of impairment loss on receivables	95	274	-	-
Income from subsidiaries:				
- Single-tier dividend	-	-	223,200	206,334
- Management fee	-	-	26,145	21,490
	<u>-</u>	<u>-</u>	<u>223,200</u>	<u>206,334</u>
	<u>-</u>	<u>-</u>	<u>26,145</u>	<u>21,490</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**9. EMPLOYEE BENEFITS EXPENSE**

	Group		Company	
	2012	2011	2012	2011
Wages, salaries and bonuses	172,667	143,139	40,183	37,204
Defined contribution plans	8,849	7,897	3,542	3,090
Provision for retirement gratuities	1,986	1,884	1,595	1,314
Other short term employee benefits	21,844	19,057	6,087	5,645
	<u>205,346</u>	<u>171,977</u>	<u>51,407</u>	<u>47,253</u>

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

10. DIRECTORS' REMUNERATION

	Group		Company	
	2012	2011	2012	2011
Non-Executive Directors *				
Fees	604	574	604	574
Salaries and bonuses	-	569	-	-
Defined contribution plans	-	66	-	-
Provision for retirement gratuities	-	79	-	-
	<u>604</u>	<u>1,288</u>	<u>604</u>	<u>574</u>
Executive Director				
Fees	71	72	71	72
Salaries and bonuses	388	435	388	435
Defined contribution plans	69	60	69	60
Provision for retirement gratuities	139	161	139	161
	<u>667</u>	<u>728</u>	<u>667</u>	<u>728</u>
Directors' remuneration excluding estimated money value of benefits-in-kind (see Note 8)	1,271	2,016	1,271	1,302
Estimated money value of benefits-in-kind (not charged to the income statements):				
Non-Executive Directors	-	16	-	-
	<u>1,271</u>	<u>2,032</u>	<u>1,271</u>	<u>1,302</u>

* A Non-Executive Director of the Company received salary and related benefits from a subsidiary by virtue of him being an Executive Director of the said subsidiary in the previous financial year.

Remuneration of Directors of the Company, in respect of services rendered to the Company and its subsidiaries, is in the following bands:

Amounts in RM'000	2012	2011
	Number	
Non-Executive Directors		
<50	1	2
50 - 100	5	4
100 - 150	1	1
800 - 850	-	1
	<u>7</u>	<u>8</u>
Executive Director		
650 - 700	1	-
700 - 750	-	1
	<u>1</u>	<u>1</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**11. AUDITORS' REMUNERATION**

	Group		Company	
	2012	2011	2012	2011
Statutory audit fees payable to:				
PricewaterhouseCoopers Malaysia*	530	437	102	93
Other member firms of PricewaterhouseCoopers International Limited*	761	484	-	-
Total statutory audit fees (see Note 8)	<u>1,291</u>	<u>921</u>	<u>102</u>	<u>93</u>
Fees for other audit related services payable to:				
PricewaterhouseCoopers Malaysia*	188	272	140	200
Other member firms of PricewaterhouseCoopers International Limited*	379	152	379	152
Total non-statutory audit fees (see Note 8)	<u>567</u>	<u>424</u>	<u>519</u>	<u>352</u>
Total remuneration	<u>1,858</u>	<u>1,345</u>	<u>621</u>	<u>445</u>

* PricewaterhouseCoopers Malaysia and other member firms of PricewaterhouseCoopers International Limited are separate and independent legal entities.

12. TAXATION

	Group		Company	
	2012	2011	2012	2011
Current taxation charge:				
Malaysian income tax charge	94,108	160,702	-	29,012
Deferred tax (reversal)/charge (see Note 26)	(12,386)	(2,710)	(6,212)	1,043
	<u>81,722</u>	<u>157,992</u>	<u>(6,212)</u>	<u>30,055</u>
Prior years' taxation:				
Income tax under provided	1,571	911	27	172
Deferred tax over provided (see Note 26)	(1,328)	(239)	-	-
	<u>81,965</u>	<u>158,664</u>	<u>(6,185)</u>	<u>30,227</u>

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

	Group		Company	
	2012	2011	2012	2011
	%	%	%	%
Malaysian tax rate	25.0	25.0	25.0	25.0
Tax effects of:				
- expenses not deductible for tax purposes	2.4	1.0	0.6	0.4
- income not subject to tax	(1.0)	(0.1)	(19.2)	(16.3)
- tax incentives	(6.4)	(0.3)	(8.5)	-
- unrecognised tax losses	2.4	1.0	-	-
- under provision in prior years	0.1	0.1	-	0.1
- share of results in jointly controlled entities and associates	(0.8)	(0.3)	-	-
- others	(1.4)	-	-	-
Average effective tax rate	<u>20.3</u>	<u>26.4</u>	<u>(2.1)</u>	<u>9.2</u>

The income tax effect of each of the other comprehensive income/loss item is Nil (2011 : Nil) in the current financial year.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**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	
	2012	2011
Basic earnings per share		
Profit for the financial year attributable to equity holders of the Company (RM'000)	327,063	442,031
Weighted number of ordinary shares in issue ('000)	758,775	758,794
Basic earnings per share (sen)	43.10	58.25

14. DIVIDENDS

	Group and Company	
	2012	2011
Interim paid - 4.25 sen less 25% tax (2011 : 4.25 sen less 25% tax) per ordinary share of 50 sen each	24,186	24,186
Special dividend - 2.75 sen less 25% tax (2011 : 6.25 sen less 25% tax) per ordinary share of 50 sen each	15,650	35,568
Proposed final - 5.50 sen less 25% tax (2011 : 5.75 sen less 25% tax) per ordinary share of 50 sen each	31,299	32,722
	46,949	68,290
	71,135	92,476

A special dividend of 2.75 sen less 25% tax (2011 : 6.25 sen less 25% tax) per ordinary share of 50 sen each in respect of the current financial year has been declared for payment to shareholders registered in the Register of Members on 14 March 2013. The special dividend shall be paid on 28 March 2013. Based on the issued and paid-up capital of the Company as at the date of this report, the special dividend would amount to RM15.7 million (2011 : RM35.6 million). The special dividend has not been recognised in the Statement of Changes in Equity as it was declared subsequent to the financial year end.

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2012 of 5.50 sen less 25% tax (2011 : 5.75 sen less 25% tax) per ordinary share of 50 sen each amounting to RM31.3 million (2011 : RM32.7 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.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)

15. PROPERTY, PLANT AND EQUIPMENT

2012 Group	Freehold land and improve- ments	Leasehold land	Buildings and improve- ments	Plant and ma- chinery	Motor vehicles	Furniture, fittings and equip- ment	Construc- tion in progress	Total
Net book value:								
At 1 January	326,522	242,488	117,589	108,851	15,726	19,082	51,332	881,590
Additions	46,746	736	5,199	34,493	4,417	5,283	100,150	197,024
Disposals	(251)	-	(13)	(8)	(137)	-	-	(409)
Written off	-	-	(1,123)	(791)	(15)	(56)	-	(1,985)
Assets of subsidiaries acquired	-	-	1,596	3,223	1,146	255	127	6,347
Depreciation: - charged to income statement	(8,057)	(2,867)	(5,457)	(19,355)	(2,292)	(5,381)	-	(43,409)
- capitalised under plantation development (see Note 18)	(8,207)	-	(1,269)	(1,788)	(682)	(775)	-	(12,721)
Reclassifications	446	50	6,890	12,490	312	6,414	(26,602)	-
Reclassification to leasehold land use rights (see Note 19)	-	(34)	-	-	-	-	-	(34)
Currency fluctuations	(5,807)	-	(1,270)	(1,466)	(688)	(338)	(5,735)	(15,304)
At 31 December	<u>351,392</u>	<u>240,373</u>	<u>122,142</u>	<u>135,649</u>	<u>17,787</u>	<u>24,484</u>	<u>119,272</u>	<u>1,011,099</u>
At 31 December								
Cost	372,941	269,343	179,831	294,819	29,895	49,515	119,272	1,315,616
At 1981 valuation	46,613	-	-	-	-	-	-	46,613
Accumulated depreciation	(68,162)	(28,970)	(57,689)	(159,170)	(12,108)	(25,031)	-	(351,130)
Net book value	<u>351,392</u>	<u>240,373</u>	<u>122,142</u>	<u>135,649</u>	<u>17,787</u>	<u>24,484</u>	<u>119,272</u>	<u>1,011,099</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

2011 Group	Freehold land and improve- ments	Leasehold land	Buildings and improve- ments	Plant and ma- chinery	Motor vehicles	Furniture, fittings and equip- ment	Construc- tion in progress	Total
Net book value:								
At 1 January	321,959	224,856	91,987	85,355	12,612	12,774	22,015	771,558
Additions	21,632	40	4,962	19,932	6,399	4,986	62,883	120,834
Disposals	(11)	-	-	(50)	(815)	(5)	-	(881)
Written off	-	-	(490)	(344)	(79)	(57)	(7)	(977)
Assets of subsidiaries acquired	-	20,399	9,183	14,967	237	283	-	45,069
Depreciation: - charged to income statement	(5,406)	(2,777)	(4,508)	(18,025)	(1,885)	(4,060)	-	(36,661)
- capitalised under plantation development (see Note 18)	(11,417)	-	(1,152)	(1,549)	(709)	(828)	-	(15,655)
Reclassifications	1,437	27	17,552	8,620	(22)	6,018	(33,632)	-
Reclassification to leasehold land use rights (see Note 19)	-	(57)	-	-	-	-	-	(57)
Currency fluctuations	237	-	17	28	2	11	136	431
Others	(1,909)	-	38	(83)	(14)	(40)	(63)	(2,071)
At 31 December	<u>326,522</u>	<u>242,488</u>	<u>117,589</u>	<u>108,851</u>	<u>15,726</u>	<u>19,082</u>	<u>51,332</u>	<u>881,590</u>
At 31 December								
Cost	334,270	268,555	169,512	250,305	25,036	38,734	51,332	1,137,744
At 1981 valuation	46,613	-	-	-	-	-	-	46,613
Accumulated depreciation	(54,361)	(26,067)	(51,923)	(141,454)	(9,310)	(19,652)	-	(302,767)
Net book value	<u>326,522</u>	<u>242,488</u>	<u>117,589</u>	<u>108,851</u>	<u>15,726</u>	<u>19,082</u>	<u>51,332</u>	<u>881,590</u>

The valuation of the freehold land made by the Directors in 1981 was based upon valuations carried out by an independent firm of professional valuers using fair market value basis. The net book value of the revalued freehold land for the Group would have amounted to RM45.6 million (2011 : RM45.6 million) had it been stated in the financial statements at cost.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

2012 Company	Freehold land and improve- ments	Leasehold land	Buildings and improve- ments	Plant and ma- chinery	Motor vehicles	Furniture, fittings and equip- ment	Construe- tion in progress	Total
Net book value:								
At 1 January	21,090	158,197	11,550	4,952	2,602	5,726	2,263	206,380
Additions	4,445	57	283	2,048	295	517	9,256	16,901
Disposals	-	-	-	(82)	(104)	-	-	(186)
Written off	-	-	(469)	(7)	(4)	(6)	-	(486)
Depreciation	(1,015)	(1,393)	(629)	(1,229)	(429)	(1,992)	-	(6,687)
Reclassification	-	-	3,201	-	-	5,387	(8,588)	-
At 31 December	24,520	156,861	13,936	5,682	2,360	9,632	2,931	215,922
At 31 December								
Cost	28,314	163,837	16,226	10,024	4,138	19,959	2,931	245,429
Accumulated depreciation	(3,794)	(6,976)	(2,290)	(4,342)	(1,778)	(10,327)	-	(29,507)
Net book value	24,520	156,861	13,936	5,682	2,360	9,632	2,931	215,922
2011								
Company								
Net book value:								
At 1 January	19,054	159,590	10,333	4,239	2,825	4,803	845	201,689
Additions	2,784	-	326	1,740	393	1,002	4,702	10,947
Disposals	-	-	-	(8)	(84)	(2)	-	(94)
Written off	-	-	(99)	(3)	(63)	(27)	-	(192)
Depreciation	(839)	(1,393)	(568)	(1,016)	(469)	(1,685)	-	(5,970)
Reclassification	91	-	1,558	-	-	1,635	(3,284)	-
At 31 December	21,090	158,197	11,550	4,952	2,602	5,726	2,263	206,380
At 31 December								
Cost	23,869	163,780	13,416	8,222	4,276	14,092	2,263	229,918
Accumulated depreciation	(2,779)	(5,583)	(1,866)	(3,270)	(1,674)	(8,366)	-	(23,538)
Net book value	21,090	158,197	11,550	4,952	2,602	5,726	2,263	206,380

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**16. PROPERTY DEVELOPMENT ACTIVITIES**

	Group		
	2012		2011
(a) Land held for property development:			
Freehold land	83,798		99,923
Development costs	<u>122,418</u>		<u>178,863</u>
	<u>206,216</u>		<u>278,786</u>
At the beginning of the financial year			
- freehold land	99,923		106,994
- development costs	<u>178,863</u>	278,786	<u>206,297</u>
			313,291
Costs incurred during the financial year			
- development costs	11,644		6,116
- reclassification from investment properties (see Note 17)	-	11,644	456
	-----		-----
			6,572
Costs transferred to property development costs (see Note 16(b))			
- freehold land	(2,288)		(4,541)
- development costs	<u>(10,446)</u>	(12,734)	<u>(21,353)</u>
			(25,894)
Costs transferred to land held for sale			
- freehold land	(13,837)		(2,530)
- development costs	<u>(57,643)</u>	(71,480)	<u>(12,653)</u>
			(15,183)
At the end of the financial year			
		<u>206,216</u>	<u>278,786</u>
(b) Property development costs:			
Freehold land	3,490		3,237
Development costs	59,551		20,316
Accumulated costs charged to income statement	<u>(27,888)</u>		<u>(5,237)</u>
	<u>35,153</u>		<u>18,316</u>
At the beginning of the financial year			
- freehold land	3,237		3,056
- development costs	20,316		20,002
- accumulated costs charged to income statement	<u>(5,237)</u>	18,316	<u>(8,896)</u>
			14,162
Costs incurred during the financial year			
- development costs		39,976	20,241
Costs charged to income statement		(35,423)	(38,472)
Costs transferred from land held for property development (see Note 16(a))		12,734	25,894
Costs transferred to inventories			
- freehold land	(2,035)		(1,242)
- development costs	(11,187)		(23,569)
- accumulated costs charged to income statement	<u>12,772</u>	(450)	<u>21,302</u>
			(3,509)
At the end of the financial year			
		<u>35,153</u>	<u>18,316</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**17. INVESTMENT PROPERTIES**

	Group	
	2012	2011
Net book value:		
At 1 January	12,997	13,569
Additions	426	273
Reclassification to land held for property development (see Note 16)	-	(456)
Written off	(35)	-
Depreciation	(395)	(389)
At 31 December	<u>12,993</u>	<u>12,997</u>
At 31 December		
Cost	18,029	17,817
Accumulated depreciation	(5,036)	(4,820)
Net book value at end of the financial year	<u>12,993</u>	<u>12,997</u>
Fair value at end of the financial year	<u>23,785</u>	<u>20,975</u>

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 RM2,453,000 and RM977,000 (2011 : RM2,225,000 and RM715,000) respectively.

The fair values of the investment properties were based on valuation by independent professional qualified valuers. Valuations were based on sales of comparable properties in the vicinity.

18. PLANTATION DEVELOPMENT

	Group		Company	
	2012	2011	2012	2011
Net book value				
At 1 January	1,007,644	843,631	284,299	284,296
Additions	155,711	136,661	15	3
Interest capitalised	10,805	6,177	-	-
Depreciation of property, plant and equipment capitalised (see Note 15)	12,721	15,655	-	-
Amortisation of leasehold land use rights capitalised (see Note 19)	2,628	2,530	-	-
Assets of subsidiaries acquired	289,180	-	-	-
Disposals	(231)	(8)	-	-
Written off	(938)	-	-	-
Amortisation charged to income statement	(7)	(7)	-	-
Currency fluctuations	(51,721)	3,005	-	-
At 31 December	<u>1,425,792</u>	<u>1,007,644</u>	<u>284,314</u>	<u>284,299</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**19. LEASEHOLD LAND USE RIGHTS**

	Group		Company	
	2012	2011	2012	2011
Net book value				
At 1 January	158,015	126,645	-	-
Additions	15,929	9,175	-	-
Assets of subsidiaries acquired	73,904	24,272	-	-
Reclassification from property, plant and equipment (see Note 15)	34	57	-	-
Amortisation charged to income statement	(425)	(218)	-	-
Amortisation capitalised under plantation development (see Note 18)	(2,628)	(2,530)	-	-
Currency fluctuations	(9,340)	614	-	-
	<u>235,489</u>	<u>158,015</u>	<u>-</u>	<u>-</u>
At 31 December				
At 31 December				
Cost	246,535	166,656	-	-
Accumulated amortisation	(11,046)	(8,641)	-	-
	<u>235,489</u>	<u>158,015</u>	<u>-</u>	<u>-</u>
Net book value				

Leasehold land use rights with an aggregate carrying value of RM101.8 million (2011 : RM78.5 million) are pledged as securities for borrowings (see Note 38).

The Group holds land rights in Indonesia in the form of Hak Guna Usaha ("HGU"), which give the rights to cultivate land for agricultural purposes with expiry dates between 2037 and 2044. The Group also holds other rights relating to certain plots of land in Indonesia and the Group is at various stages of the application process in converting such rights to HGU.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**20. INTANGIBLE ASSETS**

2012 Group	Goodwill	Intellectual property rights and development costs	Total
Net book value:			
At 1 January 2012	19,576	167,248	186,824
Amortisation charged to income statement	-	(12,163)	(12,163)
Currency fluctuations	(748)	-	(748)
At 31 December 2012	<u>18,828</u>	<u>155,085</u>	<u>173,913</u>
As at 31 December 2012			
Cost	18,828	175,950	194,778
Accumulated amortisation	-	(20,865)	(20,865)
Net book value	<u>18,828</u>	<u>155,085</u>	<u>173,913</u>
2011 Group			
Net book value:			
At 1 January 2011	19,351	167,251	186,602
Additions	-	7,070	7,070
Amortisation charged to income statement	-	(7,073)	(7,073)
Currency fluctuations	225	-	225
At 31 December 2011	<u>19,576</u>	<u>167,248</u>	<u>186,824</u>
As at 31 December 2011			
Cost	19,576	175,950	195,526
Accumulated amortisation	-	(8,702)	(8,702)
Net book value	<u>19,576</u>	<u>167,248</u>	<u>186,824</u>

Goodwill arose in 2010 when the Group increased its equity interest from 60% to 77% in a subsidiary, AsianIndo Holdings Pte Ltd ("AIH"). This goodwill represents the excess of the purchase consideration over the incremental share of net assets, which was based on the then existing Group's carrying amounts, instead of fair values of the net assets in AIH when the additional equity interest was acquired. The Group's current accounting policy does not measure its plantation development at fair values which is a measurement principle required under IAS 41 "Agriculture".

Intellectual property development costs comprise expenditure incurred on intellectual property development relating to the use of genomics-based techniques and other methods or tools thereof to increase the yields and profit streams principally from oil palm and other crops where it can be reasonably anticipated that the costs will be recovered through commercialisation, sale and marketing of all the resulting products from the aforesaid development.

As at 31 December 2012, the expenditure incurred on these intellectual property development represents mainly payments made in respect of the oil palm and jatropha genome sequencing data received by the Group to date. The remaining amortisation period of the intellectual property development costs at 31 December 2012 is 12.75 years (2011 : 13.75 years).

Intellectual property rights represents fair value of genomic data arising from the Group's acquisition of the remaining 50% equity interest in ACGT Intellectual Limited in 2010.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**20. INTANGIBLE ASSETS** (Continued)

Goodwill and other intangible assets are allocated to the Group's cash-generating units identified according to the operating segments, as follows:

	Group	
	2012	2011
Net book value:		
Plantation - Indonesia	18,828	19,576
Biotechnology	155,085	167,248
	<u>173,913</u>	<u>186,824</u>

21. SUBSIDIARIES

	Company	
	2012	2011
Unquoted shares - at cost	1,974,406	1,890,834
Accumulated impairment losses	(5,325)	(3,635)
	<u>1,969,081</u>	<u>1,887,199</u>
 Amounts due from subsidiaries		
- Current	<u>267,394</u>	<u>30,244</u>
 Amounts due to subsidiaries		
- Current	<u>53,765</u>	<u>77,482</u>

The amounts due from and to subsidiaries 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 interest free, unsecured and are repayable on demand.

During the current financial year, the Company subscribed to 100,000 (2011 : 51,425,326) Redeemable Convertible Non-Cumulative Preference Shares of RM1 each issued by its wholly owned subsidiaries amounted to RM55.5 million (2011 : RM1,526.0 million), which were set off against the amount due from subsidiaries. In addition, the Company acquired the Global Agripalm Investment Holdings Group, via its wholly-owned subsidiary, Sunyield Success Sdn Bhd. The transaction is disclosed in Note 41(B)(i) and the financial effects of the acquisition are disclosed in Note A(i) to the Statement of Cash Flows.

The subsidiaries are listed in Note 43.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**22. JOINTLY CONTROLLED ENTITIES**

	Group	
	2012	2011
Unquoted – at cost:		
Shares in a Malaysian company	13,425	13,425
Shares in a foreign corporation	12,500	12,500
Group's share of post acquisition reserves	1,174	(4,237)
	27,099	21,688
Amounts due from a jointly controlled entity	15,293	25,190
Less : Balance included in current assets	(3,806)	(12,586)
Balance included in other non-current assets (see Note 25)	11,487	12,604
	38,586	34,292

The amounts due from a jointly controlled entity included in current assets is unsecured, interest free and receivable within the next twelve months.

The amounts due from a jointly controlled entity which are more than one year represent the balance of purchase price receivable arising from the sale of land to Genting Simon Sdn Bhd, a jointly controlled entity of the Group, by Genting Property Sdn Bhd, a wholly-owned subsidiary of the Company.

The Group's aggregate share of the income, expenses, assets and liabilities of the jointly controlled entities is as follows:

	Group	
	2012	2011
Income	15,738	2,556
Expenses	(10,327)	(1,431)
	5,411	1,125
Total assets	90,103	86,936
Total liabilities	(63,004)	(65,248)
Share of net assets	27,099	21,688

The jointly controlled entities are listed in Note 43.

The capital commitments relating to the Group's interest in the jointly controlled entities at the financial year end are disclosed in Note 40.

There are no contingent liabilities relating to the Group's interest in the jointly controlled entities at the financial year end (2011 : Nil).

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**23. ASSOCIATES**

	Group		Company	
	2012	2011	2012	2011
Unquoted shares - at cost	2,133	2,133	2,123	2,123
Group's share of post-acquisition reserves	17,916	16,722	-	-
Share of net assets	20,049	18,855	2,123	2,123
Amounts due from associates	609	581	609	2,581
Less : Balance included in current assets	(609)	(581)	(609)	(2,581)
	-	-	-	-
	20,049	18,855	2,123	2,123

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 are repayable on demand.

The Group's share of the results of its associates, all of which are unlisted, and its share of the assets and liabilities are as follows:

	Group	
	2012	2011
Revenue	76,921	76,498
Net profit	6,808	5,244
Total assets	37,327	35,013
Total liabilities	(17,278)	(16,158)
Share of net assets	20,049	18,855

The associates are listed in Note 43.

There are no contingent liabilities relating to the Group's interest in associates at the financial year end (2011 : Nil).

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**24. AVAILABLE-FOR-SALE FINANCIAL ASSETS**

	Group		Company	
	2012	2011	2012	2011
Non-current				
At 1 January	102,778	99,995	-	-
Additions	1,542	1,615	-	-
Currency fluctuations	(3,929)	1,168	-	-
At 31 December	<u>100,391</u>	<u>102,778</u>	-	-
Current				
At 1 January	100,005	50,005	100,005	50,005
Additions	-	50,000	-	50,000
At 31 December	<u>100,005</u>	<u>100,005</u>	<u>100,005</u>	<u>100,005</u>
Analysed as follows:				
Unquoted shares in foreign corporations	100,391	102,778	-	-
Income funds in a Malaysian corporation - unquoted	<u>100,005</u>	<u>100,005</u>	<u>100,005</u>	<u>100,005</u>
At 31 December	<u>200,396</u>	<u>202,783</u>	<u>100,005</u>	<u>100,005</u>

The investments in unquoted foreign corporations mainly comprise of the 5.2% equity interest 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 energy and environmental challenges.

The income funds in a Malaysian corporation are redeemable at the discretion of the Company.

25. OTHER NON-CURRENT ASSETS

	Group	
	2012	2011
Amounts due from a jointly control entity (see Note 22)	<u>11,487</u>	<u>12,604</u>

The maturity profile for the other non-current assets is as follows:

More than one year and less than two years	1,721	1,721
More than two years and less than five years	4,640	4,640
More than five years	5,126	6,243
	<u>11,487</u>	<u>12,604</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**26. 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 statement of financial position:

	Group		Company	
	2012	2011	2012	2011
Deferred tax assets	31,767	17,216	2,071	-
Deferred tax liabilities	(51,296)	(49,745)	-	(4,141)
	<u>(19,529)</u>	<u>(32,529)</u>	<u>2,071</u>	<u>(4,141)</u>
At 1 January	(32,529)	(35,452)	(4,141)	(3,098)
(Charged)/Credited to income statement (see Note 12):				
- Property, plant and equipment	(3,614)	(3,887)	827	(1,250)
- Provision for retirement gratuities	411	(87)	399	187
- Land held for property development	(551)	815	-	-
- Plantation development	(6,959)	(4,971)	-	-
- Property development costs	(1,781)	(249)	-	-
- Inventories	(1,154)	803	-	-
- Accruals	(180)	2,715	5	20
- Tax losses	26,559	7,409	4,981	-
- Tax incentives	(346)	346	-	-
- Other temporary differences	1,329	55	-	-
	13,714	2,949	6,212	(1,043)
Acquisition of subsidiary	(537)	-	-	-
Currency translation differences	(177)	(26)	-	-
	<u>(19,529)</u>	<u>(32,529)</u>	<u>2,071</u>	<u>(4,141)</u>
i) Deferred tax assets (before offsetting)				
- Property, plant and equipment	6,554	7,188	2,714	-
- Provision for retirement gratuities	1,220	809	1,023	624
- Land held for property development	4,919	5,476	-	-
- Inventories	1,591	2,847	-	-
- Accruals	7,965	8,145	114	109
- Tax losses	39,199	12,640	4,981	-
- Tax incentives	-	346	-	-
- Other temporary differences	1,510	358	-	-
	62,958	37,809	8,832	733
Offsetting	(31,191)	(20,593)	(6,761)	(733)
Deferred tax assets (after offsetting)	<u>31,767</u>	<u>17,216</u>	<u>2,071</u>	<u>-</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**26. DEFERRED TAXATION** (Continued)

	Group		Company	
	2012	2011	2012	2011
ii) Deferred tax liabilities (before offsetting)				
- Property, plant and equipment	(61,295)	(57,778)	(6,761)	(4,874)
- Land held for property development	(251)	(257)	-	-
- Plantation development	(18,630)	(11,671)	-	-
- Property development costs	(2,030)	(249)	-	-
- Inventories	(281)	(383)	-	-
	<u>(82,487)</u>	<u>(70,338)</u>	<u>(6,761)</u>	<u>(4,874)</u>
Offsetting	<u>31,191</u>	<u>20,593</u>	<u>6,761</u>	<u>733</u>
Deferred tax liabilities (after offsetting)	<u>(51,296)</u>	<u>(49,745)</u>	<u>-</u>	<u>(4,141)</u>

The amount of tax savings in respect of brought forward tax incentive for which credit has been recognised by the Group during the financial year amounted to RM0.5 million (2011 : RM1.7 million).

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 statement of financial position are as follows:

	Group	
	2012	2011
Unutilised tax losses		
- Expiring more than one year and not more than five years (see Note (a) below)	41,825	23,313
- No expiry period (see Note (b) below)	<u>251,014</u>	<u>218,240</u>
	<u>292,839</u>	<u>241,553</u>
Property, plant and equipment	<u>163,146</u>	<u>78,686</u>
	<u>455,985</u>	<u>320,239</u>

- (a) Deferred tax assets have not been recognised as the realisation of the tax benefits accruing to these tax losses is uncertain.
- (b) The remaining unutilised tax losses of RM251.0 million (2011 : RM218.2 million) have no expiry period. Included in this amount are unutilised tax losses and tax incentives of certain subsidiaries of the Group amounting to RM195.2 million (2011 : RM166.3 million) for which deferred tax assets have not been recognised as these subsidiaries are accredited with tax exempt pioneer status for 10 years.

27. ASSETS HELD FOR SALE

	Group	
	2012	2011
Land held for sale	<u>58,941</u>	<u>15,183</u>

Land held for sale as at the end of current financial year comprised two pieces of land measuring approximately 127.9 acres located in the Mukim of Kulai, Johor, which will be sold to third parties.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**28. INVENTORIES**

	Group		Company	
	2012	2011	2012	2011
At cost:				
Produce stocks	15,634	9,627	-	-
Stores and spares	52,016	32,023	4,349	2,813
Completed development properties	59,679	87,098	-	-
	127,329	128,748	4,349	2,813

29. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2012	2011	2012	2011
Current :				
Trade receivables	82,328	71,065	2,215	-
Less : Provision for impairment of trade receivables	(317)	(427)	-	-
	82,011	70,638	2,215	-
Accrued billings in respect of property development	6,422	1,893	-	-
Deposits	2,656	2,781	669	770
Prepayments	6,708	4,001	243	213
Other receivables*	63,179	34,016	3,895	2,658
	160,976	113,329	7,022	3,641

* Included in other receivables of the Group are plasma plantations debtors (see Note (a) below) of RM8.8 million (2011 : RM13.8 million) which are recoverable by its foreign subsidiaries.

(a) In accordance with the policy of the Government of the Republic of Indonesia, certain land rights used to develop plantations are usually granted if a nucleus company agrees to develop areas for local landholders (plasma plantations) in addition to developing its own plantations. The nucleus company will supervise and manage the plasma plantations and purchase the production from the plasma plantations at prices determined by the Government.

The advances made by the Group in the form of plasma plantation development costs are recoverable upon the completion of the plasma plantation projects. It will be recoverable from the plasma farmers or recoverable through the assignment to plasma farmers of the loan proceeds obtained for the projects. Provision for losses on recovery is made when the estimated amount to recover is less than outstanding advances.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**29. TRADE AND OTHER RECEIVABLES** (Continued)

Credit terms offered by the Group in respect of trade receivables range from 7 days to 14 days (2011 : 7 days to 14 days) from date of invoice.

Ageing of trade receivables which are past due but not impaired is as follows:

	Group		Company	
	2012	2011	2012	2011
Trade receivables past due:				
Past due up to 3 months	9,527	6,749	-	-
Past due 3 to 6 months	2,602	481	-	-
Past due over 6 months	1,566	1,265	-	-
	13,695	8,495	-	-

No impairment has been made on these amounts as the Group is closely monitoring these receivables and is confident of their eventual recovery.

Movements on the Group's provision for impairment of trade receivables are as follows:-

	Group	
	2012	2011
At 1 January	427	1,099
Provision for impairment of trade receivables	-	46
Write-back of provision	(95)	(320)
Receivables written off during the year as uncollectible	(15)	(398)
As 31 December	317	427

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

The carrying amounts of the Group's and the Company's trade and other receivables approximate their fair values.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**30. HOLDING COMPANY AND OTHER RELATED COMPANIES**

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

Current:	Group		Company	
	2012	2011	2012	2011
Amount due to ultimate holding company	(2,244)	(2,049)	(2,244)	(2,049)
Amounts due to other related companies	(525)	(914)	(519)	(914)
	(2,769)	(2,963)	(2,763)	(2,963)
Amounts due from other related companies	-	8	153	272
	<u>(2,769)</u>	<u>(2,955)</u>	<u>(2,610)</u>	<u>(2,691)</u>

The amounts due from and to holding company and other related companies are unsecured, interest free and are repayable on demand.

31. CASH AND CASH EQUIVALENTS

	Group		Company	
	2012	2011	2012	2011
Deposits with licensed banks	295,174	581,315	237,535	539,727
Cash and bank balances	61,720	36,214	4,927	4,258
	356,894	617,529	242,462	543,985
Add:				
Money market instruments	594,436	399,388	515,088	379,468
Cash and cash equivalents	951,330	1,016,917	757,550	923,453

The deposits of the Group and of the Company as at 31 December 2012 have maturity period of one month (2011 : one month). The money market instruments of the Group and the Company as at 31 December 2012 have maturity periods ranging between overnight and one month (2011 : between overnight and one month). Bank balances of the Group and of the Company are held at call.

Included in the above bank balances for the Group is an amount of RM12.5 million (2011 : RM13.1 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.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**32. SHARE CAPITAL**

	Group and Company	
	2012	2011
Authorised:		
1,000,000,000 ordinary shares of 50 sen each	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
Issued and fully paid:		
Ordinary shares of 50 sen each		
At beginning/end of the financial year		
- 758,847,000 (2011 : 758,847,000)	379,423	379,423
	<u>379,423</u>	<u>379,423</u>

33. TREASURY SHARES

At the Annual General Meeting of the Company held on 7 June 2012, the shareholders of the Company approved the renewal of the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital of the Company.

During the financial year, the Company had purchased a total of 19,000 (2011 : 20,000) ordinary shares of 50 sen each of its issued share capital from the open market at an average price of RM9.36 (2011 : RM7.57) per share. The total consideration paid for the purchase, including transaction costs, was RM177,824 (2011 : RM151,491) and was financed by internally generated funds. The purchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965. There is no cancellation, resale or reissuance of treasury shares during the financial year. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

As at 31 December 2012, of the total 758,847,000 (2011 : 758,847,000) issued and fully paid ordinary shares, 80,000 (2011 : 61,000) shares are held as treasury shares by the Company. At 31 December 2012, the number of outstanding ordinary shares in issue after netting off treasury shares against equity is 758,767,000 (2011 : 758,786,000) ordinary shares of 50 sen each.

	Total shares purchased in units '000	Total consideration paid RM'000	Highest price RM	Lowest price RM	Average price* RM
2012					
At 1 January 2012	61	391	7.87	3.98	5.85
Shares purchased during the financial year					
- February	9	84	9.25	9.25	9.32
- August	10	94	9.34	9.32	9.40
	19	178			9.36
	<u>80</u>	<u>569</u>			<u>7.11</u>
At 31 December 2012					

* Average price includes stamp duty, brokerage and clearing fees.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)**34. RESERVES**

	Group		Company	
	2012	2011	2012	2011
Share premium	43,382	43,382	43,382	43,382
Revaluation reserve	41,804	41,804	104	104
Fair value reserve	40,679	40,679	5	5
Treasury shares (<i>see Note 33</i>)	(569)	(391)	(569)	(391)
Cash flow hedge reserve	(3,715)	(3,023)	(435)	159
Exchange differences	(57,599)	(15,055)	-	-
	63,982	107,396	42,487	43,259
Retained earnings	2,980,312	2,747,410	3,121,699	2,911,256
	3,044,294	2,854,806	3,164,186	2,954,515

The movements in reserves have been disclosed in the Statements of Changes in Equity.

Under the single-tier tax system which came into effect from the year of assessment 2008, companies are not required to have tax credits under Section 108 of the Income Tax Act 1967 for dividend payment purposes. The single-tier dividend is not taxable in the hands of shareholders.

Companies with Section 108 credits as at 31 December 2007 may continue to pay franked dividends until the Section 108 credits are exhausted or 31 December 2013 whichever is earlier, unless they opt to disregard the Section 108 credits to pay single-tier dividends under the special transitional provisions of the Finance Act 2007. As at 31 December 2012, the Company has sufficient Section 108 tax credits and tax exempt income to pay up to RM447.9 million (2011 : RM540.3 million) of the retained earnings of the Company as franked and exempt dividends.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**35. TRADE AND OTHER PAYABLES**

	Group		Company	
	2012	2011	2012	2011
Current:				
Trade payables	85,108	70,324	8,678	5,622
Accruals for property development expenditure	37,415	40,206	-	-
Deposits	13,805	8,061	396	288
Accrued expenses	110,108	74,299	12,077	9,419
Retention monies	11,634	9,014	986	684
	258,070	201,904	22,137	16,013
Non-current:				
Refundable performance bond for golf course membership	380	360	-	-
Accruals for plantation development expenditure	44,558	39,096	-	-
	44,938	39,456	-	-
	303,008	241,360	22,137	16,013

The maturity profile for non-current payables is as follows:

	Group	
	2012	2011
More than one year and less than two years	44,558	39,096
More than five years	380	360
	44,938	39,456

The carrying amounts of the Group's and the Company's current trade and other payables approximate their fair values.

36. PROVISION FOR RETIREMENT GRATUITIES

	Group		Company	
	2012	2011	2012	2011
Non-current:				
At 1 January	3,381	3,661	2,497	1,747
Charged to income statement:				
- current year	1,986	1,884	1,595	1,314
Payment	(344)	(2,164)	-	(564)
At 31 December	5,023	3,381	4,092	2,497

GENTING PLANTATIONS BERHAD (Company No. 34993-X)

37. DERIVATIVE FINANCIAL INSTRUMENTS

	Group			
	2012		2011	
	Assets	Liabilities	Assets	Liabilities
Non-current:				
Interest Rate Capped Libor-In-Arrears Swap – cash flow hedge	-	(2,801)	-	(3,516)
Current:				
Interest Rate Capped Libor-In-Arrears Swap – cash flow hedge	-	(1,399)	-	(1,092)
Forward foreign currency exchange contracts – cash flow hedge	-	(673)	409	-
	-	(2,072)	409	(1,092)

	Company			
	2012		2011	
	Assets	Liabilities	Assets	Liabilities
Current:				
Forward foreign currency exchange contracts – cash flow hedge	-	(435)	159	-

(a) Interest Rate Capped Libor-In-Arrears Swap (“IRCLIA”)

As at 31 December 2012, the summary and maturity analysis of the outstanding Interest Rate Capped Libor-In-Arrears Swap (“IRCLIA”) contracts of the Group are as follows:

Notional Amount	USD15 million	USD25 million	USD10 million	USD10 million
Trade Date	March 2010	November 2010	March 2011	August 2011
Effective date	April 2011	November 2011	April 2011	November 2012
Maturity date	April 2015	November 2015	April 2015	November 2016

As at 31 December 2012	Contract/Notional Value (RM'000)	Fair Value Liability (RM'000)
USD	183,600	
- Less than 1 year		(1,399)
- 1 year to 3 years		(2,527)
- More than 3 years		(274)

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**37. DERIVATIVE FINANCIAL INSTRUMENTS** (Continued)

(b) Forward Foreign Currency Exchange Contracts

The Group entered into forward foreign currency exchange contracts to manage the Group's exposure to foreign exchange risks in relation to its operations in Indonesia.

As at 31 December 2012, the value and maturity analysis of the outstanding forward foreign currency exchange contracts of the Group and the Company are as follows:

As at 31 December 2012	Contract/Notional Value (RM'000)	Fair Value Liability (RM'000)
Group		
USD	32,895	
- Less than 1 year		(673)
Company		
USD	17,595	
- Less than 1 year		(435)

These IRCLIA and forward foreign currency exchange contracts are accounted using the hedge accounting method. The changes of fair value of these contracts included in hedging reserves in equity and are recognized in income statement when the underlying hedged items are recognized.

The fair values of the above instruments have been estimated using the published market prices or quotes from reputable financial institutions. The Group had no significant concentrations of credit risk as at 31 December 2012.

38. BORROWINGS

	Group	
	2012	2011
Current		
Secured :		
Finance lease liabilities denominated in:		
Indonesia Rupiah (IDR2,074,722,615 / 2011 : IDR536,982,389)	657	188
Non-current		
Secured :		
Finance lease liabilities denominated in:		
Indonesia Rupiah (IDR257,778,285 / 2011 : IDR98,325,911)	82	34
Term loan dominated in :		
US Dollar (USD229,620,459 / 2011 : USD134,186,306)	702,638	426,914
	<u>702,720</u>	<u>426,948</u>
Total	<u><u>703,377</u></u>	<u><u>427,136</u></u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)38. **BORROWINGS** (Continued)

a) Contractual terms of borrowings

	Contractual interest rate (per annum)	Total carrying amount	Maturity Profile		
			← < 1 year	1 – 2 years	2 – 5 years → >5 years
Group					
At 31 December 2012					
Secured					
Finance lease					
liabilities	4.22% - 16.5%	739	657	82	-
Term loan	1.61% - 3.31%	702,638	-	15,250	325,677
		<u>703,377</u>	<u>657</u>	<u>15,332</u>	<u>325,677</u>
					<u>361,711</u>
Group					
At 31 December 2011					
Secured					
Finance lease					
liabilities	16.5%	222	188	34	-
Term loan	2.23% - 3.14%	426,914	-	-	176,869
		<u>427,136</u>	<u>188</u>	<u>34</u>	<u>176,869</u>
					<u>250,045</u>

Finance lease liabilities are secured by assets of certain subsidiaries and the term loans are secured over the plantation lands of subsidiaries in Indonesia.

The carrying amounts of the Group's borrowings approximate their fair values.

The minimum lease payments of the finance lease liabilities at the reporting date are as follows:-

	Group	
	2012	2011
Not more than one year	676	211
More than one year and not more than two years	117	35
	<u>793</u>	<u>246</u>
Future finance charges	(54)	(24)
Present value	<u>739</u>	<u>222</u>

b) Undrawn committed borrowing facilities

	Group	
	2012	2011
Floating rate:		
- expiring more than two years and not more than five years	<u>222,009</u>	<u>244,765</u>

The facilities have been arranged to finance the expansion of the Group's plantation activities in Indonesia.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)**39. ON GOING LITIGATION**

The Company and Genting Tanjung Bahagia Sdn Bhd (“GTBSB”) were named as the Second and Third Defendants respectively (“the Defendants”) in a legal suit filed in the High Court of Sabah and Sarawak at Kota Kinabalu (“High Court”) under Suit No. K22-245-2002 (“the Suit”) dated 11 October 2002. The Suit was instituted by certain natives (“the Plaintiffs”) claiming Native Customary Rights over the agricultural land or part thereof held under title number CL095330724 measuring approximately 8,830 hectares situated at Sungai Tongod, District of Kinabatangan, Sandakan, Sabah which was acquired by GTBSB from Hap Seng Consolidated Berhad.

On 11 February 2003, the Defendants filed an application to strike out the Plaintiffs’ Suit (“Application to Strike Out”) and on 13 June 2003 the Application to Strike Out was dismissed with cost. The Defendants appealed against the said decision (“Appeal for Application to Strike Out”).

During the High Court’s hearing of the Suit for an interlocutory injunction on 5 July 2004, the Defendants had raised a preliminary objection that the High Court has no original jurisdiction to hear the Suit and that this Suit will lead to multiplicity of actions as the Plaintiffs had already made an application to the Assistant Collector of Land Revenue for similar claims. On 20 June 2008, the High Court upheld the preliminary objection with cost awarded to the Defendants (“PO Decision”) and struck out the Plaintiffs’ suit.

On 7 July 2008, the Plaintiffs filed a Notice of Appeal to the Court of Appeal against PO Decision. On 9 June 2011, the Court of Appeal upheld the PO Decision of the High Court and dismissed the Plaintiffs’ appeal against the PO Decision (“Court of Appeal’s Ruling”).

The Plaintiffs had filed a motion for leave to appeal before the Federal Court against the Court of Appeal’s Ruling (“Federal Court Appeal”) and the Federal Court granted the Plaintiff leave for appeal on 25 July 2011. The Federal Court had on 24 November 2011 heard and allowed the Federal Court Appeal. The Federal Court further ordered that the matter be remitted to the High Court to hear the Appeal for Application to Strike Out which was heard on 30 January 2012. The High Court had on 13 March 2012 dismissed the Appeal for Application to Strike Out with cost (“High Court Decision”) and ordered the parties to proceed with trial.

On an application by the Plaintiffs, the High Court allowed the Plaintiffs’ application to amend the Statement of Claim and for joinder of two additional parties as the Sixth and Seventh Defendants, namely the Assistant Collector of Land Revenue, Tongod and the Registrar of Titles.

The Company and GTBSB being the Second and Third Defendants respectively had on 17 April 2012 filed a Notice of Appeal to the Court of Appeal against the High Court Decision. The Court of Appeal has fixed 13 May 2013 for the hearing of the appeal.

The High Court had vacated the trial dates on 18 September 2012 – 21 September 2012 and 29 October 2012 - 31 October 2012 and the trial was carried out on 26 November 2012 - 29 November 2012 and 14 January 2013 - 18 January 2013. The High Court had fixed 18 February 2013 - 22 February 2013 and 11 March 2013 – 15 March 2013 for the continuation of the trial.

The solicitors engaged by the Group maintained their opinion that the Plaintiffs’ action is misconceived and unsustainable as the High Court has no original jurisdiction to hear this suit.

There have been no changes to the status of the aforesaid litigation as at the date of this report.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**40. CAPITAL COMMITMENTS**

	Group		Company	
	2012	2011	2012	2011
Authorised capital expenditure not provided for in the financial statements:				
- contracted	184,689	178,829	4,909	2,004
- not contracted	1,612,484	1,117,219	21,164	16,002
	1,797,173	1,296,048	26,073	18,006
Analysed as follows:				
(a) Group and Company				
- Property, plant and equipment	692,496	651,216	25,905	18,006
- Intellectual property development	700	-	-	-
- Investment properties	14,258	13,828	-	-
- Plantation development	977,408	559,431	112	-
- Leasehold land use rights	77,593	59,733	56	-
- Available-for-sale financial assets	769	2,400	-	-
- Investment in a jointly controlled entity	5,753	5,753	-	-
	1,768,977	1,292,361	26,073	18,006
(b) Share of capital commitment in jointly controlled entities				
- Property, plant and equipment	500	74	-	-
- Investment properties	27,696	3,613	-	-
	28,196	3,687	-	-
	1,797,173	1,296,048	26,073	18,006

41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

A) Proposed JV between Ketapang Holdings Pte Ltd (“KHoldings”), an indirect wholly-owned subsidiary of the Company, Palma Citra Investama Pte Ltd (“Palma”) and PT Sawit Mandira (“PTMandira”) to develop 17,360 hectares (based on Izin Lokasi or Location Permit) into oil palm plantation (“Proposed JV”)

With reference to the Company’s announcement dated 5 June 2009, 20 December 2010 and 22 December 2011 in respect of the Proposed Joint Ventures (“Proposed JV”) for oil palm cultivation in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia, the Company had on 21 December 2012 further announced that KHoldings, Palma and PTMandira had on 21 December 2012 mutually agreed to extend the period for fulfillment of the obligations to obtain all requisite licences, permits or approvals referred to in the Joint Venture Agreement dated 5 June 2009 for the Proposed JV (“JV Agreement”) for a further period of 1 year commencing from 1 January 2013 and ending on 31 December 2013. Save as set out above, all other terms and conditions of the JV agreement remain unchanged. The JV Agreement is still conditional as at the date of this report.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)**41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR** (*Continued*)**B) Acquisition and incorporation of subsidiaries during the financial year**

- (i) Proposed Joint Venture for the development and cultivation of oil palm plantation of approximately 74,000 hectares located at Kabupaten Kapuas and Barito Selatan, Kalimantan Tengah, Republic of Indonesia

On 13 April 2012, the Company announced that Sunyield Success Sdn Bhd (“Purchaser”), a wholly-owned subsidiary of the Company, had on 13 April 2012 entered into a Sale and Purchase and Subscription Agreement (“SPS Agreement”) with Global Agrindo Investment Company Limited (“Vendor”) and Global Agripalm Investment Holdings Pte Ltd (“JV Co”) for the purpose of establishing a joint venture for the development and cultivation of approximately 74,000 hectares of oil palm plantation in Kabupaten Kapuas and Barito Selatan, Kalimantan Tengah, Republic of Indonesia (“Proposed Acquisition and Subscription”). On 3 October 2012, the Company further announced that as at 1 October 2012, all conditions precedent have been fulfilled except for the completion of conditional sale and purchase agreement (“Conditional SPS”) entered between Universal Agri Investment Pte Ltd (“UAI”), a subsidiary of the JV Co and affiliates of the Vendor on 30 March 2012 for UAI to acquire 95% equity interest of PT Globalindo Sawit Lestari. The completion of the Conditional SPS has been extended to not later than 28 March 2013. Accordingly, the Proposed Acquisition and Subscription through the Purchaser became unconditional.

The JV Co had on 8 October 2012 became a 63.2% subsidiary of the Company following the completion of the transfer and issuance of shares to the Purchaser.

Hence, the 5 Singapore incorporated subsidiaries under the JV Co, namely Global Agri Investment Pte Ltd (“GAI”), Asia Pacific Agri Investment Pte Ltd (“APAI”), South East Asia Agri Investment Pte Ltd (“SEAAI”), Transworld Agri Investment Pte Ltd and UAI as well as the three Indonesia incorporated subsidiaries, namely PT Globalindo Agung Lestari held under GAI, PT Globalindo Mitra Abadi Lestari held under APAI and PT Globalindo Investama Lestari held under SEAAI have become indirect subsidiaries of the Company.

The financial effects of the acquisition are disclosed in Note A(i) to the Statements of Cash Flows.

GENTING PLANTATIONS BERHAD (*Company No. 34993-X*)**41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR** (*Continued*)**B) Acquisition and incorporation of subsidiaries during the financial year** (*Continued*)

(ii) Acquisition of subsidiaries

During the financial year, the Company acquired the following subsidiaries:

		Date of Acquisition	Country of Incorporation	Consideration paid RM	Percentage of Equity Interest Acquired
(i)	<i>Sunyield Success Sdn Bhd</i>	21 March 2012	Malaysia	2	100
(ii)	<i>Aura Empire Sdn Bhd</i>	21 May 2012	Malaysia	2	100
(iii)	<i>Zillionpoint Project Sdn Bhd</i>	21 May 2012	Malaysia	2	100

(iii) Subscription of new shares in existing subsidiaries

During the financial year, the Company had subscribed for right issue of 59.8 million (2011 : Nil) ordinary shares of RM1 each in ACGT Sdn Bhd and 11.5 million ordinary shares of RM1 each in Genting Green Tech Sdn Bhd ("GGT"). The subscriptions had increase the equity interests of the Company in ACGT Sdn Bhd from 92% to 94%. The effect of the accretion of equity interests in ACGT Sdn Bhd is shown in the Statement of Changes in Equity of the current financial year. There is no change in percentage of ownership in GGT after the additional subscription of shares.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**42. 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	
	2012	2011	2012	2011
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.	<u>1,626</u>	<u>1,519</u>	<u>911</u>	<u>856</u>
b) Transactions with subsidiaries				
i) Fees receivable from subsidiaries for the provision of management services.	<u>-</u>	<u>-</u>	<u>26,145</u>	<u>21,490</u>
ii) Dividend income from subsidiaries.	<u>-</u>	<u>-</u>	<u>223,200</u>	<u>206,334</u>
iii) Sales of fresh fruits bunches to a subsidiary.	<u>-</u>	<u>-</u>	<u>113,028</u>	<u>157,261</u>
c) Transaction with associate and jointly controlled entity				
i) Provision of management services to AsianIndo Holdings Pte Ltd, a 77% owned subsidiary of the Company, by GaiaAgri Services Limited, an associate of the Company.	<u>2,074</u>	<u>2,123</u>	<u>-</u>	<u>-</u>
ii) Sale of land to Genting Simon Sdn Bhd, a jointly controlled entity of the Group, by Genting Property Sdn Bhd, a wholly-owned subsidiary of the Company.	<u>-</u>	<u>38,356</u>	<u>-</u>	<u>-</u>
iii) Provision of management services to Genting Simon Sdn Bhd, a jointly controlled entity of the Group, by Genting Awanpura Sdn Bhd, a wholly-owned subsidiary of the Company.	<u>319</u>	<u>230</u>	<u>-</u>	<u>-</u>
d) Transaction with other related parties				
i) Provision of information technology and system implementation services and rental of equipment by eGenting Sdn Bhd and Genting Information Knowledge Enterprise Sdn Bhd, all of which are indirect subsidiaries of Genting Berhad, the Company's immediate and ultimate holding company.	<u>3,016</u>	<u>2,739</u>	<u>1,580</u>	<u>1,546</u>

GENTING PLANTATIONS BERHAD (Company No. 34993-X)42. **SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES** (Continued)

	Group		Company	
	2012	2011	2012	2011
d) Transaction with other related parties (Continued)				
ii) Letting of office space and provision of related services by Oakwood Sdn Bhd, a wholly-owned subsidiary of Genting Malaysia Berhad, a company which is 49.3% owned by Genting Berhad, the Company's immediate and ultimate holding company.	<u>2,195</u>	<u>1,971</u>	<u>1,833</u>	<u>1,657</u>
iii) Purchase of air-tickets, hotel accommodation and other related services from Genting Malaysia Berhad, a company which is 49.3% owned by Genting Berhad, the Company's immediate and ultimate holding company.	<u>237</u>	<u>666</u>	<u>237</u>	<u>666</u>
iv) Subscription of Series A Preferred stock in Agradis, Inc., a related company to Synthetic Genomics Inc. ("SGI"), where Tan Sri Lim Kok Thay and Mr Lim Keong Hui are beneficiaries of a trust which has 11.7% equity interest in SGI.	<u>1,542</u>	<u>1,615</u>	<u>-</u>	<u>-</u>
e) Directors and key management personnel				
The remuneration of Directors and other key management personnel is as follows:				
Fees, salaries and bonuses	5,209	6,036	3,720	3,723
Defined contribution plans	665	698	468	411
Provision for retirement gratuities	740	669	635	555
Other short term employee benefits	9	18	6	5
Estimated money value of benefits-in-kind (not charged to the income statements)	<u>92</u>	<u>137</u>	<u>53</u>	<u>58</u>
	<u>6,715</u>	<u>7,558</u>	<u>4,882</u>	<u>4,752</u>
f) The significant outstanding balances with subsidiaries, a jointly controlled entity, associates and other related parties are shown in Note 21, Note 22, Note 23 and Note 30 respectively.				

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**43. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES**

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2012	2011		
Direct Subsidiaries				
Asiaticom Sdn Bhd	100	100	Malaysia	Plantation
Genting Plantations (WM) Sdn Bhd	100	100	Malaysia	Plantation
Genting SDC Sdn Bhd	100	100	Malaysia	Plantation
Genting Tanjung Bahagia Sdn Bhd	100	100	Malaysia	Plantation
Landworthy Sdn Bhd	84	84	Malaysia	Plantation
Genting Oil Mill Sdn Bhd	100	100	Malaysia	Fresh fruit bunches processing
Genting Property Sdn Bhd	100	100	Malaysia	Property development
Genting Land Sdn Bhd	100	100	Malaysia	Property investment
Technimode Enterprises Sdn Bhd	100	100	Malaysia	Property investment
Azzon Limited	100	100	Isle of Man	Investment holding
Genting Bioscience Limited	100	100	Isle of Man	Investment holding
Genting Biotech Sdn Bhd	100	100	Malaysia	Investment holding
Mediglove Sdn Bhd	100	100	Malaysia	Investment holding
Orbit Crescent Sdn Bhd	100	100	Malaysia	Investment holding
Palmindo Sdn Bhd	100	100	Malaysia	Investment holding
* Sunyield Success Sdn Bhd	100	-	Malaysia	Investment holding
GP Overseas Limited	100	100	Isle of Man	Investment holding
ACGT Sdn Bhd	94	92	Malaysia	Genomics research and development
Genting Green Tech Sdn Bhd	100	100	Malaysia	Research and development and production of superior oil palm planting materials
GProperty Construction Sdn Bhd	100	100	Malaysia	Provision of project management services
Cosmo-Jupiter Berhad	100	100	Malaysia	Dormant
Genting Commodities Trading Sdn Bhd	100	100	Malaysia	Dormant
Genting Vegetable Oils Refinery Sdn Bhd	100	100	Malaysia	Dormant
Larisan Prima Sdn Bhd	100	100	Malaysia	Dormant

GENTING PLANTATIONS BERHAD (Company No. 34993-X)43. **SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES** (Continued)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2012	2011		
Direct Subsidiaries (Continued)				
Amalgamated Rubber (Penang) Sdn Bhd	-	100	Malaysia	Liquidated
AR Property Development Sdn Bhd	-	100	Malaysia	Liquidated
GP (Sarawak) Palm Oil Mill Management Sdn Bhd	-	100	Malaysia	Liquidated
* Aura Empire Sdn Bhd	100	-	Malaysia	Dormant
Glugor Development Sdn Bhd	100	100	Malaysia	Dormant
Kenyalang Borneo Sdn Bhd	100	100	Malaysia	Dormant
Kinavest Sdn Bhd	100	100	Malaysia	Dormant
* Zillionpoint Project Sdn Bhd	100	-	Malaysia	Dormant
Indirect Subsidiaries				
Setiomas Sdn Bhd	100	100	Malaysia	Plantation and property development
PT Citra Sawit Cemerlang	70	70	Indonesia	Plantation
∞ PT Dwie Warna Karya	73	73	Indonesia	Plantation
∞* PT Globalindo Agung Lestari	60	-	Indonesia	Plantation
∞* PT Globalindo Mitra Abadi Lestari	60	-	Indonesia	Plantation
∞* PT Globalindo Investama Lestari	60	-	Indonesia	Plantation
∞ PT Kapuas Maju Jaya	73	73	Indonesia	Plantation
∞ PT Sawit Mitra Abadi	70	70	Indonesia	Plantation
∞ PT Sepanjang Intisurya Mulia	70	70	Indonesia	Plantation
∞ PT Surya Agro Palma	70	70	Indonesia	Plantation
∞ PT Susantri Permai	73	73	Indonesia	Plantation
Sawit Sukau Usahasama Sdn Bhd	56	56	Malaysia	Plantation
Wawasan Land Progress Sdn Bhd	100	100	Malaysia	Plantation
Genting Awanpura Sdn Bhd	100	100	Malaysia	Provision of technical and management services
∞ PT Genting Plantations Nusantara	100	100	Indonesia	Provision of management services
Genting Indahpura Development Sdn Bhd	100	100	Malaysia	Property development
Genting Permaipura Golf Course Berhad	100	100	Malaysia	Golf course operation

GENTING PLANTATIONS BERHAD (Company No. 34993-X)

43. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (Continued)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2012	2011		
Indirect Subsidiaries (Continued)				
Global Bio-Diesel Sdn Bhd	100	100	Malaysia	Manufacturing and sale of multi-feedstock biodiesel and pharmaceutical glycerine
∞* Asia Pacific Agri Investment Pte Ltd	63	-	Singapore	Investment holding
∞ Asian Palm Oil Pte Ltd	77	77	Singapore	Investment holding
∞ AsianIndo Holdings Pte Ltd	77	77	Singapore	Investment holding
∞ AsianIndo Palm Oil Pte Ltd	77	77	Singapore	Investment holding
Degan Limited	94	92	Isle of Man	Investment holding
GBD Holdings Ltd	100	100	Cayman Islands	Investment holding
∞* Global Agripalm Investment Holdings Pte Ltd	63	-	Singapore	Investment holding
∞* Global Agri Investment Pte Ltd	63	-	Singapore	Investment holding
∞ Kara Palm Oil Pte Ltd	77	77	Singapore	Investment holding
∞ Ketapang Agri Holdings Pte Ltd	100	100	Singapore	Investment holding
∞ Sanggau Holdings Pte Ltd	100	100	Singapore	Investment holding
∞* South East Asia Agri Investment Pte Ltd	63	-	Singapore	Investment holding
∞ Sri Nangatayap Pte Ltd	100	100	Singapore	Investment holding
Trushidup Plantations Sdn Bhd	100	100	Malaysia	Investment holding
ACGT Intellectual Limited	94	92	British Virgin Islands	Genomics research and development
Cengkeh Emas Sdn Bhd	100	100	Malaysia	Dormant
Dianti Plantations Sdn Bhd	100	100	Malaysia	Dormant
GBD Ventures Sdn Bhd	100	100	Malaysia	Dormant
* Transworld Agri Investment Pte Ltd	63	-	Singapore	Pre-operating
* Universal Agri Investment Pte Ltd	63	-	Singapore	Pre-operating
Kituva Plantations Sdn Bhd	-	100	Malaysia	Liquidated
ACGT Global Pte Ltd	100	100	Singapore	Pre-operating
ACGT Singapore Pte Ltd	100	100	Singapore	Pre-operating
GGT Singapore Pte Ltd	100	100	Singapore	Pre-operating
GP Equities Pte Ltd	100	100	Singapore	Pre-operating
Ketapang Holdings Pte Ltd	100	100	Singapore	Pre-operating

GENTING PLANTATIONS BERHAD (Company No. 34993-X)

43. SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (Continued)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2012	2011		
Indirect Subsidiaries (Continued)				
	100	100	Singapore	Pre-operating
	100	100	Singapore	Pre-operating
∞ Full East Enterprise Limited	100	100	Hong Kong, SAR	Pre-operating
Jointly-controlled entities				
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				
Serian Palm Oil Mill Sdn Bhd	40	40	Malaysia	Fresh fruit bunches processing
@ Sri Gading Land Sdn Bhd	49	49	Malaysia	Property development
Setiakahaya Sdn Bhd	50	50	Malaysia	Property investment
∞ GaiaAgri Services Ltd	30	30	Mauritius	Provision of management services
Asiatic Ceramics Sdn Bhd (In Liquidation)	49	49	Malaysia	In Liquidation (Receiver Appointed)

* Subsidiaries acquired/incorporated during the financial year (see Note 41 (B)).

@ 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 Malaysia.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)**44. REALISED AND UNREALISED PROFITS/(LOSSES)**

The breakdown of the retained profits of the Group and of the Company as at 31 December 2012 and 2011, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

	Group		Company	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Total retained profits of Genting Plantations Berhad and its subsidiaries:				
- Realised	4,434,619	4,244,851	3,119,628	2,915,397
- Unrealised	(26,579)	(26,946)	2,071	(4,141)
	4,408,040	4,217,905	3,121,699	2,911,256
Total share of retained profits/ (accumulated losses) from associated companies:				
- Realised	18,784	17,687	-	-
- Unrealised	(868)	(965)	-	-
Total share of retained profits/ (accumulated losses) from jointly controlled entities:				
- Realised	6,259	848	-	-
- Unrealised	-	-	-	-
	4,432,215	4,235,475	3,121,699	2,911,256
Less: Consolidation adjustments	(1,451,903)	(1,488,065)	-	-
Total retained profits as reported	2,980,312	2,747,410	3,121,699	2,911,256

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

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

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Incorporated in Malaysia)

**STATEMENT ON DIRECTORS' RESPONSIBILITY
PURSUANT TO PARAGRAPH 15.26(a) OF THE LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD**

As required under the Companies Act, 1965 ("Act"), the Directors of Genting 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 state of affairs of the Group and of the Company as at 31 December 2012 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with Financial Reporting Standards and comply with the provisions of the Act.

In the process of preparing these financial statements, the Directors have reviewed the accounting policies and practices to ensure that they were consistently applied throughout the financial year. In cases where judgments and estimates were made, they were based on reasonableness and prudence.

Additionally, the Directors have relied on the systems of risk management and internal control to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.

This statement is made in accordance with a resolution of the Board dated 27 February 2013.

**STATUTORY DECLARATION
PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965**

I, **TAN WEE KOK**, 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 8 to 91, 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)
TAN WEE KOK, at KUALA LUMPUR on)
27 February 2013.)



Before me,


TAN SEOK KETT
Commissioner for Oaths
Kuala Lumpur

Lot 350, 3rd Floor, Wisma MPI,
Jalan Raja Chulan,
50200 Kuala Lumpur.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GENTING PLANTATIONS BERHAD

(Incorporated in Malaysia)
(Company No. 34993-X)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Genting Plantations Berhad on pages 8 to 90, which comprise the statements of financial position as at 31 December 2012 of the Group and of the Company, and the statements of income, comprehensive income, changes in equity and cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out in Notes 1 to 43.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with the Companies Act, 1965 and Financial Reporting Standards, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
GENTING PLANTATIONS BERHAD (CONTINUED)**

(Incorporated in Malaysia)
(Company No. 34993-X)

REPORT ON THE FINANCIAL STATEMENTS (CONTINUED)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the Companies Act, 1965 and Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2012 and of their financial performance and cash flows for the financial year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 43 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 44 on page 91 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysia Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
GENTING PLANTATIONS BERHAD (CONTINUED)**
(Incorporated in Malaysia)
(Company No. 34993-X)

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink that reads 'Purneth L Coopers'.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

A handwritten signature in black ink that reads 'Lee Tuck Heng'.

LEE TUCK HENG
(No. 2092/09/14 (J))
Chartered Accountant

Kuala Lumpur
27 February 2013

ANNOUNCED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF GENP GROUP FOR THE 6-MONTH FPE 30 JUNE 2013



SECOND QUARTERLY REPORT

Quarterly report on consolidated results for the second quarter ended 30 June 2013. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2013 RM'000	Preceding Year Corresponding Quarter 30/06/2012 RM'000	Current Year To-Date 30/06/2013 RM'000	Preceding year Corresponding Period 30/06/2012 RM'000
Revenue	290,734	294,043	633,773	566,706
Cost of sales	(190,055)	(173,151)	(398,511)	(318,740)
Gross profit	100,679	120,892	235,262	247,966
Other income	10,881	11,343	21,921	32,662
Other expenses	(60,122)	(48,669)	(151,692)	(94,394)
Profit from operations	51,438	83,566	105,491	186,234
Finance cost	(1,178)	(845)	(1,359)	(1,536)
Share of results in joint ventures and associates	3,034	5,151	7,547	7,182
Profit before taxation	53,294	87,872	111,679	191,880
Taxation	(12,755)	(20,479)	(27,843)	(47,199)
Profit for the financial period	40,539	67,393	83,836	144,681
Profit attributable to:				
Equity holders of the Company	42,364	69,835	86,389	148,629
Non-controlling interests	(1,825)	(2,442)	(2,553)	(3,948)
	40,539	67,393	83,836	144,681
Earnings per share (sen)				
- Basic	5.58	9.20	11.39	19.59

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012)

Genting Plantations Berhad (34993-X)

10th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia. T: 03-21782255/23332255 F: 03-21641032 <http://www.gentingplantations.com>



GENTING
PLANTATIONS

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2013 RM'000	Preceding Year Corresponding Quarter 30/06/2012 RM'000	Current Year To-Date 30/06/2013 RM'000	Preceding year Corresponding Period 30/06/2012 RM'000
Profit for the financial period	40,539	67,393	83,836	144,681
Other comprehensive income/(loss), net of tax:				
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedge	(1,091)	(1,662)	(202)	(1,330)
Foreign currency translation differences	(1,171)	(3,783)	4,636	(23,069)
	<u>(2,262)</u>	<u>(5,445)</u>	<u>4,434</u>	<u>(24,399)</u>
Total comprehensive income for the financial period	<u>38,277</u>	<u>61,948</u>	<u>88,270</u>	<u>120,282</u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	40,610	66,889	91,335	130,831
Non-controlling interests	<u>(2,333)</u>	<u>(4,941)</u>	<u>(3,065)</u>	<u>(10,549)</u>
	<u>38,277</u>	<u>61,948</u>	<u>88,270</u>	<u>120,282</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012)



GENTING
PLANTATIONS

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013**

	AS AT 30/06/2013 RM'000	AS AT 31/12/2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,069,252	1,011,099
Land held for property development	182,188	206,216
Investment properties	13,492	12,993
Plantation development	1,546,289	1,425,792
Leasehold land use rights	240,881	235,489
Intangible assets	168,702	173,913
Joint ventures	32,613	27,099
Associates	20,082	20,049
Available-for-sale financial assets	104,125	100,391
Derivative financial asset	725	-
Other non-current assets	11,487	11,487
Deferred tax assets	38,170	31,767
	<u>3,428,006</u>	<u>3,256,295</u>
Current assets		
Property development costs	44,163	35,153
Inventories	116,134	127,329
Tax recoverable	38,972	29,651
Trade and other receivables	207,697	160,976
Amounts due from joint ventures, associates and other related companies	3,529	4,415
Available-for-sale financial assets	100,005	100,005
Cash and cash equivalents	929,967	951,330
	1,440,467	1,408,859
Assets held for sale	26,275	58,941
	<u>1,466,742</u>	<u>1,467,800</u>
TOTAL ASSETS	<u><u>4,894,748</u></u>	<u><u>4,724,095</u></u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012)



GENTING
PLANTATIONS

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013 *(Continued)*

	AS AT 30/06/2013 RM'000	AS AT 31/12/2012 RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	379,423	379,423
Reserves	3,088,595	3,044,294
	<hr/>	<hr/>
	3,468,018	3,423,717
Non-controlling interests	225,010	229,355
	<hr/>	<hr/>
Total equity	3,693,028	3,653,072
Non-current liabilities		
Borrowings	795,575	702,720
Other payables	46,993	44,938
Provision for retirement gratuities	6,005	5,023
Derivative financial liability	2,247	2,801
Deferred tax liabilities	44,511	51,296
	<hr/>	<hr/>
	895,331	806,778
	<hr/>	<hr/>
Current liabilities		
Trade and other payables	259,724	258,070
Amounts due to ultimate holding and other related companies	1,234	2,769
Borrowings	-	657
Derivative financial liability	3,553	2,072
Taxation	10,579	677
Dividend	31,299	-
	<hr/>	<hr/>
	306,389	264,245
	<hr/>	<hr/>
Total liabilities	1,201,720	1,071,023
	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES	4,894,748	4,724,095
	<hr/> <hr/>	<hr/> <hr/>
NET ASSETS PER SHARE (RM)	4.57	4.51

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012)



GENTING PLANTATIONS

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013

←----- Attributable to equity holders of the Company ----->

	Share Capital RM'000	Share Premium RM'000	Re- valuation Reserve RM'000	Fair Value Reserve RM'000	Reserve on Exchange Differences RM'000	Cash Flow Hedge Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
Balance at 1 January 2013	379,423	43,382	41,804	40,679	(57,599)	(3,715)	(569)	2,980,312	3,423,717	229,355	3,653,072
Total comprehensive income/(loss) for the financial period	-	-	-	-	5,357	(411)	-	86,389	91,335	(3,065)	88,270
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(1,280)	(1,280)
Buy-back of shares (Note 1(e))	-	-	-	-	-	-	(85)	-	(85)	-	(85)
Appropriation:											
- Special dividend paid for the financial year ended 31 December 2012 (2.75 sen less 25% tax)	-	-	-	-	-	-	-	(15,650)	(15,650)	-	(15,650)
- Final dividend payable for the financial year ended 31 December 2012 (5.50 sen less 25% tax)	-	-	-	-	-	-	-	(31,299)	(31,299)	-	(31,299)
	-	-	-	-	-	-	-	(46,949)	(46,949)	-	(46,949)
Balance at 30 June 2013	379,423	43,382	41,804	40,679	(52,242)	(4,126)	(654)	3,019,752	3,468,018	225,010	3,693,028

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012)



GENTING PLANTATIONS

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013 (Continued)

	←----- Attributable to equity holders of the Company ----->										
	Share Capital RM'000	Share Premium RM'000	Re- valuation Reserve RM'000	Fair Value Reserve RM'000	Exchange Differences RM'000	Cash Flow Hedge Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
Balance at 1 January 2012	379,423	43,382	41,804	40,679	(15,055)	(3,023)	(391)	2,747,410	3,234,229	117,635	3,351,864
Total comprehensive income/(loss) for the financial period	-	-	-	-	(16,635)	(1,163)	-	148,629	130,831	(10,549)	120,282
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(1,600)	(1,600)
Buy-back of shares	-	-	-	-	-	-	(84)	-	(84)	-	(84)
Appropriation:											
- Special dividend paid for the financial year ended 31 December 2011 (6.25 sen less 25% tax)	-	-	-	-	-	-	-	(35,568)	(35,568)	-	(35,568)
- Final dividend paid for the financial year ended 31 December 2011 (5.75 sen less 25% tax)	-	-	-	-	-	-	-	(32,722)	(32,722)	-	(32,722)
	-	-	-	-	-	-	-	(68,290)	(68,290)	-	(68,290)
Balance at 30 June 2012	379,423	43,382	41,804	40,679	(31,690)	(4,186)	(475)	2,827,749	3,296,666	105,486	3,402,172

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012)



GENTING
PLANTATIONS

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

	2013 RM'000	2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	111,679	191,880
Adjustments for:		
Depreciation and amortisation	31,914	25,353
Finance cost	1,359	1,536
Interest income	(13,935)	(16,121)
Loss/(gain) on disposal of property, plant and equipment	17	(10,316)
Net unrealised exchange loss	5,289	7,129
Share of results in joint ventures and associates	(7,547)	(7,182)
Other adjustments	103	430
	17,200	829
Operating profit before changes in working capital	128,879	192,709
Changes in working capital:		
Net change in current assets	(9,624)	(39,284)
Net change in current liabilities	57,988	39,248
	48,364	(36)
Cash generated from operations	177,243	192,673
Tax paid (<i>net of tax refund</i>)	(39,783)	(83,296)
Retirement gratuities paid	-	(198)
Net cash generated from operating activities	137,460	109,179
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(87,095)	(74,141)
Plantation development	(113,250)	(61,000)
Leasehold land use rights	(4,118)	(7,179)
Capital repayment from/(purchase of) available-for-sale financial assets	883	(773)
Land held for property development	(4,132)	(11,744)
Proceed from disposal of property, plant and equipment	154	10,797
Interest received	13,935	16,121
Other investing activities	3,182	1,846
Net cash used in investing activities	(190,441)	(126,073)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	57,477	122,755
Repayment of borrowings	(735)	(79)
Finance cost paid	(8,737)	(5,717)
Dividend paid	(15,650)	(35,568)
Dividend paid to non-controlling interests	(1,280)	(1,600)
Buy-back of shares	(85)	(84)
Net cash generated from financing activities	30,990	79,707
Net (decrease)/increase in cash and cash equivalents	(21,991)	62,813
Cash and cash equivalents at beginning of financial period	951,330	1,016,917
Effect of currency translation	628	171
Cash and cash equivalents at end of financial period	929,967	1,079,901

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012)



**GENTING PLANTATIONS BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
- SECOND QUARTER ENDED 30 JUNE 2013**

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

a) Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134: "Interim Financial Reporting" and paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements. The financial information for the six months period ("financial period") ended 30 June 2013 have been reviewed by the Company's auditor in accordance with the International Standards on Review Engagements ("ISRE") 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2012. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2012 except for the adoption of new FRSSs, amendments and IC interpretations that are mandatory for the Group for the financial year beginning 1 January 2013.

The adoption of these new FRSSs, amendments and IC interpretations do not have a material impact on the interim financial information of the Group, some of which are as set out below:

(i) Amendment to FRS 101 "Presentation of items of other comprehensive income"

The amendment requires entities to separate items presented in "Other Comprehensive Income" in the Statement of Comprehensive Income on the basis of whether they are potentially reclassifiable to profit or loss subsequently. There is no financial impact on the results of the Group as these changes affect presentation only.

(ii) FRS 11 "Joint arrangement"

The standard requires a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations arising from the arrangement, rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest.

The adoption of FRS 11 has no financial impact on the Group other than the jointly controlled entities currently held by the Group being classified as joint ventures.

Malaysian Financial Reporting Standards (MFRS Framework)

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

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

a) Accounting Policies and Methods of Computation (Continued)**Malaysian Financial Reporting Standards (MFRS Framework) (Continued)**

Transitioning Entities were originally allowed to defer adoption of the new MFRS Framework for an additional year. On 30 June 2012, MASB decided to allow Transitioning Entities to further defer the adoption of the MFRS Framework for another year, thereby making the adoption of the MFRS Framework by Transitioning Entities mandatory for annual periods beginning on or after 1 January 2014. However, on 7 August 2013, MASB decided to extend the transitional period for another year, i.e. the adoption of the MFRS Framework by the Transitioning Entities will now be mandatory for annual periods beginning on or after 1 January 2015.

The Group falls within the scope definition of Transitioning Entities and accordingly, will adopt the MFRS Framework for the financial year ending 31 December 2015. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. Adjustments required on transition, if any, will be made retrospectively against opening retained earnings.

b) Seasonal or Cyclical Factors

Fresh fruit bunches ("FFB") production is seasonal in nature. Production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions.

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

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow for the financial period ended 30 June 2013.

d) Material Changes in Estimates

There were no significant changes made in estimates of amounts reported in previous financial year.

e) Changes in Debt and Equity Securities

During the financial period ended 30 June 2013, the Company had purchased 10,000 ordinary shares of 50 sen each of its issued share capital from the open market for a total consideration of RM85,262. The share buy-back transactions were financed by internally generated funds. The purchased shares are held as treasury shares in accordance with the requirements of Sections 67A of the Companies Act, 1965.

f) Dividend Paid

A special dividend of 2.75 sen less 25% tax per ordinary share of 50 sen each amounting to RM15.6 million, for the financial year ended 31 December 2012 was paid on 28 March 2013.

g) Segment Information

The segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision maker whereby the Group's business is considered from both geographical and industry perspective. The performance of the operating segments is based on a measure of adjusted earning before interest, tax, depreciation and amortisation (EBITDA). This measurement basis excludes the effects of non-recurring items from the reporting segments such as fair value gains and losses, impairment losses and assets written off. Interest income and finance costs are not included in the result for each operating segment.

Segment analysis for the financial period ended 30 June 2013 is set out below:

	Plantation		Property RM'000	Biotechnology RM'000	Others RM'000	Total RM'000
	Malaysia RM'000	Indonesia RM'000				
Revenue – external	423,093	40,873	169,807	-	-	633,773
Adjusted EBITDA	98,570	2,575	41,355	(12,126)	(6,768)	123,606
Assets written off and others	(100)	(3)	(30)	(3)	-	(136)
EBITDA	98,470	2,572	41,325	(12,129)	(6,768)	123,470
Depreciation and amortisation	(18,854)	(3,524)	(827)	(8,143)	(566)	(31,914)
Share of results in joint ventures & associates	2,009	22	5,513	-	3	7,547
	81,625	(930)	46,011	(20,272)	(7,331)	99,103
Interest income						13,935
Finance cost						(1,359)
Profit before taxation						111,679
Segment Assets	1,319,280	1,687,044	435,936	281,789	74,425	3,798,474
Joint ventures	-	-	32,613	-	-	32,613
Associates	16,772	240	3,141	-	(71)	20,082
Assets held for sale	-	-	26,275	-	-	26,275
	1,336,052	1,687,284	497,965	281,789	74,354	3,877,444
Interest bearing instruments						940,162
Deferred tax assets						38,170
Tax recoverable						38,972
Total assets						4,894,748

h) Property, Plant and Equipment

During the current financial period ended 30 June 2013, acquisitions and disposals of property, plant and equipment by the Group were RM87.3 million and RM0.2 million respectively.

i) Material Events Subsequent to the End of Financial Year

There were no material events subsequent to the end of the financial period ended 30 June 2013 that have not been reflected in this interim financial report.

j) Changes in the Composition of the Group

There were no material changes in the composition of the Group for the financial period ended 30 June 2013.

k) Changes in Contingent Liabilities or Contingent Assets

There were no significant changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2012.

l) Capital Commitments

Authorised capital commitments not provided for in the interim financial statements as at 30 June 2013 are as follows:

	Contracted RM'000	Not Contracted RM'000	Total RM'000
(a) Group			
Property, plant and equipment	98,790	631,560	730,350
Leasehold land use rights	-	39,132	39,132
Investment properties	10,723	-	10,723
Plantation development	91,265	407,778	499,043
Investment in a joint venture	5,753	-	5,753
Intellectual property development	-	700	700
	206,531	1,079,170	1,285,701
(b) Share of capital commitment in joint ventures			
Property, plant and equipment	-	500	500
Investment properties	17,409	5,411	22,820
	17,409	5,911	23,320
Total	223,940	1,085,081	1,309,021

m) Significant Related Party Transactions

Significant related party transactions which were entered into on agreed terms and prices for the financial period ended 30 June 2013 are set out below:

	Current Quarter 2Q 2013 RM'000	Current Financial Year-To-Date 2Q 2013 RM'000
i) Provision of shared services in relation to secretarial, tax, treasury and other services by Genting Berhad.	403	805
ii) Letting of office space and provision of related services by Oakwood Sdn Bhd.	551	1,099
iii) Purchase of air-tickets, hotel accommodation and other related services from Genting Malaysia Berhad.	50	76
iv) Provision of information technology and system implementation services and rental of equipment by eGenting Sdn Bhd and Genting Information Knowledge Enterprise Sdn Bhd.	748	1,795
v) Provision of management services to AsianIndo Holdings Pte Ltd by GaiaAgri Services Limited.	485	958
vi) Provision of management services to Genting Simon Sdn Bhd by Genting Awanpura Sdn Bhd.	66	139

(n) Fair Value of Financial Instruments

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

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

As at 30 June 2013, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

RM'000	Level 1	Level 2	Level 3	Total
Financial assets				
Available-for-sale financial assets	-	100,005	104,125	204,130
Derivative financial instruments	-	725	-	725
	<u>-</u>	<u>100,730</u>	<u>104,125</u>	<u>204,855</u>
Financial liabilities				
Derivative financial instruments	-	5,800	-	5,800

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the previous financial year ended 31 December 2012.

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

<u>Available-for-sale financial assets</u>	RM'000
As at 1 January 2013	100,391
Foreign exchange differences	4,617
Capital repayment	(883)
As at 30 June 2013	<u>104,125</u>

There have been no transfers between the levels of the fair value hierarchy during the current financial period ended 30 June 2013.



ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – SECOND QUARTER ENDED 30 JUNE 2013

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

1) Performance Analysis

The results of the Group are tabulated below:

RM' Million	CURRENT QUARTER		%	PRECEDING QUARTER		FINANCIAL YEAR-TO-DATE		%
	2013	2012		1Q 2013	+/-	1H 2013	1H 2012	
Revenue								
Plantation - Malaysia	208.5	260.9	-20	214.5	-3	423.1	504.6	-16
- Indonesia	26.4	5.6	>100	14.5	+82	40.9	10.3	>100
Property	55.8	27.5	>100	114.0	-51	169.8	51.8	>100
	<u>290.7</u>	<u>294.0</u>	-1	<u>343.0</u>	-15	<u>633.8</u>	<u>566.7</u>	+12
Profit before tax								
Plantation								
- Malaysia	53.1	99.6	-47	45.4	+17	98.5	213.4	-54
- Indonesia	2.6	(6.5)	-	-	-	2.6	(11.2)	-
Property	16.4	4.9	>100	25.0	-34	41.4	10.8	>100
Biotechnology	(6.3)	(5.1)	+24	(5.8)	+9	(12.1)	(9.9)	+22
Others	(4.9)	(4.9)	-	(1.9)	>100	(6.8)	(6.2)	+10
Adjusted EBITDA	<u>60.9</u>	<u>88.0</u>	-31	<u>62.7</u>	-3	<u>123.6</u>	<u>196.9</u>	-37
Assets written off and others	(0.1)	(0.5)	-80	-	-	(0.1)	(1.4)	-93
EBITDA	<u>60.8</u>	<u>87.5</u>	-31	<u>62.7</u>	-3	<u>123.5</u>	<u>195.5</u>	-37
Depreciation and amortisation	(16.4)	(12.2)	+34	(15.5)	+6	(31.9)	(25.4)	+26
Interest income	7.0	8.2	-15	6.9	+1	13.9	16.1	-14
Finance cost	(1.2)	(0.8)	+50	(0.2)	>100	(1.4)	(1.5)	-7
Share of results in joint ventures and associates	3.1	5.2	-40	4.5	-31	7.6	7.2	+6
Profit before tax	<u>53.3</u>	<u>87.9</u>	-39	<u>58.4</u>	-9	<u>111.7</u>	<u>191.9</u>	-42

Group revenue for 2Q 2013 was in line with the corresponding period of the previous year as higher FFB production coupled with stronger sales from the Property segment compensated for the softer palm product selling prices. For the half year ended 30th June 2013, Group revenue improved year-on-year ("y-o-y") on the back of a 22% increase in crop production as well as robust property sales, which surged during the period to match the total achieved for the whole of 2012.

Palm oil selling prices remained soft amid concerns about high inventories and expectations of rising global oilseed supplies. Accordingly, the Group achieved lower y-o-y CPO selling prices of RM2,325/mt and RM2,309/mt in 2Q 2013 and 1H 2013 respectively. PK selling prices achieved of RM1,216/mt and RM1,188/mt for 2Q 2013 and 1H 2013 respectively were also below those registered in the corresponding periods of the previous year.

FFB production in 2Q 2013 as well as 1H 2013 were higher y-o-y owing to a recovery in yields, especially in Sabah region estates, and the absence of the weather-induced disruptions encountered in the same period of the previous year. Meanwhile, production in Indonesia continued to grow, with more planted areas progressively maturing and existing mature areas moving into higher yielding brackets.

1) **Performance Analysis (Continued)**

	Current Quarter			Year-To-Date		
	2013	2012	Change %	2013	2012	Change %
Average Selling Price/tonne (RM)						
o Crude palm oil	2,325	3,206	-27	2,309	3,193	-28
o Palm kernel	1,216	1,890	-36	1,188	1,915	-38
Production (MT'000)						
o Fresh Fruit Bunches	312	276	+13	676	551	+22

EBITDA for the Plantation-Malaysia segment in 2Q 2013 and 1H 2013 were lower y-o-y, mainly as a result of softer palm product selling prices that more than offset the improved crop production. In addition, EBITDA in 1H 2013 was also impacted by contributions in support of the Group's social responsibility efforts made in 1Q 2013. Therefore, although input costs remained generally steady due to higher crop yields, a narrower EBITDA margin was registered for 1H 2013 compared with the same period a year ago.

The Plantation-Indonesia segment posted a maiden EBITDA in 2Q 2013 and 1H 2013, owing to a higher contribution from the West Kalimantan region along with a lower loss from Central Kalimantan as FFB yields and oil extraction rates improved.

The Property segment's EBITDA in 2Q 2013 and 1H 2013 increased three- and four-fold respectively year-on-year, boosted by the surge in sales on the back of better demand for properties in Genting Indahpura, particularly for the industrial and commercial properties.

The Biotechnology segment continued to step up its research and development activities, thus incurring higher losses.

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

Pre-tax profit for the current quarter was down marginally from the immediate preceding quarter mainly on account of lower Property segment sales.

3) **Prospects**

The Group's performance in the remaining period of the year will be significantly influenced by the direction of palm oil prices, crop production trends, demand for the Group's properties and the input cost factors.

Fundamental demand and supply dynamics for global oilseeds and edible oils, weather patterns in crop growing regions, the underlying regulatory environment in major producing and consuming countries and global economic developments are expected to be among the leading drivers of palm oil price direction.

On the production front, the Group is optimistic that output remains on course to surpass the previous year's level given the ongoing growth in Indonesia, with additional areas being brought into harvesting and existing mature areas moving into higher yielding brackets. Building on the improvements achieved by the Plantation-Indonesia segment thus far, the Group will continue with efforts to ensure sustained production growth across all regions of operations.

The Property segment will remain focused on developments in Johor, especially in the strategically-located Genting Indahpura project, by tapping on the growing interest in the Iskandar Malaysia region and offering a wide array of properties to meet market requirements.

The Biotechnology segment will continue to enhance its R&D capabilities, both internally and through collaborations with renowned partners, to meet its objectives of developing novel solutions for sustainable agriculture.

4) Variance of Actual Profit from Forecast Profit

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

5) Taxation

Tax charge for the current quarter and financial year-to-date are set out below:

	Current Quarter 2Q 2013 RM'000	Current Financial Year-To-Date RM'000
Current taxation:		
- Malaysian income tax charge	15,512	40,773
- Deferred tax reversal	(2,745)	(12,277)
	-----	-----
	12,767	28,496
Prior year's taxation:		
- Income tax under provided/(over provided)	252	(408)
- Deferred tax over provided	(264)	(245)
	-----	-----
	12,755	27,843
	=====	=====

The effective tax rate for the current quarter and financial year-to-date was marginally lower than the statutory tax rate mainly caused by share of results in joint ventures and associates.

6) Profit before taxation

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

	Current Quarter 2Q 2013 RM'000	Current Financial Year-To-Date RM'000
Charges:		
Finance cost	1,178	1,359
Depreciation and amortisation	16,400	31,914
Loss on disposal of property, plant and equipment	24	17
Write-off of receivables	29	29
Net exchange loss - unrealised	3,204	5,289
- realised	163	628
	-----	-----
Credits:		
Interest income	6,990	13,935
Investment income	779	1,546
	-----	-----

Other than the above, there were no provision for and write off of inventories, gain or loss on disposal of properties or quoted or unquoted investments, impairment of assets and gain or loss on derivatives for the financial period ended 30 June 2013.

7) Status of Corporate Proposals Announced

- (a) **Proposed Joint Venture between Ketapang Holdings Pte Ltd ("KHoldings"), an indirect wholly-owned subsidiary of the Company, Palma Citra Investama Pte Ltd ("Palma") and PT Sawit Mandira ("PTMandira") to develop 17,360 hectares (based on Izin Lokasi or Location Permit) into oil palm plantation ("Proposed JV")**

With reference to the Company's announcement dated 5 June 2009, 20 December 2010 and 22 December 2011 in respect of the Proposed JV for oil palm cultivation in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia, the Company had on 21 December 2012 further announced that KHoldings, Palma and PTMandira had on 21 December 2012 mutually agreed to extend the period for fulfillment of the obligations to obtain all requisite licences, permits or approvals referred to in the Joint Venture Agreement dated 5 June 2009 for the Proposed JV ("JV Agreement") for a further period of 1 year commencing from 1 January 2013 and ending on 31 December 2013. Save as set out above, all other terms and conditions of the JV agreement remain unchanged. The JV Agreement is still conditional as at 21 August 2013.

- (b) **Joint venture for the development and cultivation of oil palm plantation of approximately 69,000 hectares located at Kabupaten Kapuas and Barito Selatan, Kalimantan Tengah, Republic of Indonesia ("Joint Venture")**

With reference to the Company's announcement dated 13 April 2012, 5 July 2012, 3 October 2012 and 9 October 2012 in respect of the Joint Venture, the Company had on 29 March 2013 announced that both parties under the Joint Venture have mutually agreed to extend the undertaking by Global Agrindo Investment Company Limited ("Vendor") to deliver the Additional Planted Area of 2,982 ha and to procure all necessary permits to not later than 27 September 2013.

With respect to the Conditional Sale and Purchase Agreement ("CSPA") dated 30 March 2012 entered into between Universal Agri Investment Pte Ltd ("UAI") and the affiliates of the Vendor for the acquisition of 95% equity interest of PT Globalindo Sawit Lestari ("PT GSL"), the affiliates of the Vendor are unable to fulfill certain condition precedents of the CSPA and hence UAI and the affiliates of the Vendor have mutually agreed to terminate the said CSPA.

Nevertheless, the affiliates of the Vendor have offered to replace PT GSL with another company, PT United Agro Indonesia ("PT UAI") and accordingly, UAI had on 28 March 2013 entered into a Conditional Sale and Purchase Agreement with the affiliates of the Vendor ("PT UAI CSPA") to acquire 95% equity interest in PT UAI at a cash consideration of USD265,000.

The PT UAI CSPA is still conditional as at 21 August 2013.

8) Group Borrowings and Debt Securities

The details of the Group's borrowings as at 30 June 2013 are set out below:

	Secured RM'000	Unsecured RM'000	Total RM'000
Borrowings			
<u>Non-current</u>			
Term loans denominated in:			
United States Dollars (USD248,500,515)	795,575 =====	- =====	795,575 =====

The term loans are secured over the plantation lands of subsidiaries in Indonesia.

The Group does not have any debt securities as at 30 June 2013.

9) Outstanding Derivatives

As at 30 June 2013, the maturity analysis of the outstanding derivatives of the Group are summarised as follows:

Types of Derivative	Contract/Notional Value RM'000	Fair Value Assets/(Liabilities) RM'000
<u>Interest Rate Swaps</u>		
USD	32,015	
- 1 year to 3 years		(8)
- More than 3 years		733
<u>Interest Rate Capped Libor-In-Arrears Swap</u>		
USD	192,090	
- Less than 1 year		(1,450)
- 1 year to 3 years		(2,093)
- More than 3 years		(154)
<u>Forward Foreign Currency Exchange</u>		
USD	40,911	
- Less than 1 year		(2,103)

There is no significant change for the financial derivatives in respect of the following since the previous financial year ended 31 December 2012:

- (a) the credit risk, market risk and liquidity risk associated with those financial derivatives;
- (b) the cash requirements of the financial derivatives; and
- (c) the policy in place for mitigating or controlling the risks associated with those financial derivatives.

10) Fair Value Changes of Financial Liabilities

As at 30 June 2013, the Group does not have any financial liabilities measured at fair value through profit or loss.

11) Changes in Material Litigation

On the status of the legal suit No. K22-245 of 2002 with regards to the claim for Native Customary Rights over the agricultural land or part thereof held under title number CL095330724 measuring approximately 8,830 hectares situated at Sungai Tongod, District of Kinabatangan, Sandakan, Sabah, the Court of Appeal had on 9 June 2011, upheld the decision of the High Court and dismissed the Plaintiffs' appeal against the preliminary objection raised by the Defendants (the "Court of Appeal's Ruling").

The Plaintiffs had filed a motion for leave to appeal before the Federal Court against the Court of Appeal's Ruling ("the Appeal"). On 25 July 2011, the Federal Court granted leave for the Appeal, which was heard and allowed by the Federal Court on 24 November 2011. The Federal Court further ordered that the matter be remitted to the High Court to hear the Appeal for the Application to Strike Out. The High Court had on 21 March 2012 dismissed the Appeal for Application to Strike Out with cost ("High Court Decision") and ordered the parties to proceed with trial.

The Company and Genting Tanjung Bahagia Sdn Bhd being the Second and Third Defendants respectively had on 17 April 2012 filed a Notice of Appeal to the Court of Appeal against the High Court Decision. The Court of Appeal has fixed 8 May 2013 for the hearing of the appeal. On 9 May 2013, the Court of Appeal dismissed the appeal. The Company and Genting Tanjung Bahagia Sdn Bhd have filed a motion for leave to appeal to the Federal Court.

The High Court had proceeded with trial on 26 November 2012 – 29 November 2012, 14 January 2013 – 18 January 2013, 18 February 2013 – 22 February 2013, 11 March 2013 – 15 March 2013 and 8 July 2013 – 11 July 2013.

Other than above, there have been no changes to the status of the aforesaid litigation as at 21 August 2013.

12) Dividend Proposed or Declared

- a) i) An interim dividend of 3.75 sen less 25% tax per ordinary share of 50 sen each in respect of the financial year ending 31 December 2013 has been declared by the Directors.
 - ii) The interim dividend declared and paid for the previous year's corresponding period was 4.25 sen per ordinary share of 50 sen each, less 25% tax.
 - iii) The interim dividend shall be payable on 17 October 2013.
 - iv) Entitlement to the interim dividend :-
A Depositor shall qualify for entitlement to the interim dividend only in respect of:
 - o Shares transferred into the Depositor's Securities Account before 4.00 p.m on 30 September 2013 in respect of ordinary transfer; and
 - o Shares bought on the Bursa Securities on a cum entitlement basis according to the Main Market Listing Requirements of Bursa Securities.
- b) The total dividend payable for the financial year ending 31 December 2013 is 3.75 sen per ordinary share of 50 sen each, less 25% tax.

13) Earnings per Share

	Current Quarter 2Q 2013	Current Financial Year-To-Date
Basic earnings per share		
Profit for the financial period attributable to equity holders of the Company (RM'000)	42,364 =====	86,389 =====
Weighted average number of ordinary shares in issue ('000)	758,847 =====	758,760 =====
Basic earnings per share (sen)	5.58 =====	11.39 =====

14) Realised and Unrealised Profits/Losses

The breakdown of the retained profits of the Group as at 30 June 2013, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

	As at the end of current quarter RM'000	As at the end of last financial year RM'000
Total retained profits of Genting Plantations Berhad and its subsidiaries:		
- Realised	4,477,706	4,434,619
- Unrealised	(18,257)	(26,579)
	<u>4,459,449</u>	<u>4,408,040</u>
Total share of retained profits/(accumulated losses) from associates:		
- Realised	18,604	18,784
- Unrealised	(655)	(868)
Total share of retained profits/(accumulated losses) from joint ventures:		
- Realised	11,773	6,259
- Unrealised	-	-
	<u>4,489,171</u>	<u>4,432,215</u>
Less: Consolidation adjustments	<u>(1,469,419)</u>	<u>(1,451,903)</u>
Total group retained profits as per consolidated accounts	<u>3,019,752</u>	<u>2,980,312</u>

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

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

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

The audit report of the Group's annual financial statements for the financial year ended 31 December 2012 did not contain any qualification.

16) Authorisation of Interim Financial Statements

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 28 August 2013.

DIRECTORS' REPORT



Registered Office:

24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

Date: 11 NOV 2013

To: The Entitled Shareholders of Genting Plantations Berhad

Dear Sir/Madam,

On behalf of the Board of Directors of Genting Plantations Berhad ("GENP" or "the Company") ("Board"), I wish to report, after due enquiry, that during the period between 31 December 2012 (being the date to which the last audited financial statements of GENP and its subsidiaries ("GENP Group") have been made up) and the date of this letter (being a date not earlier than 14 days before the date of issuance of this Prospectus):

- (a) the business of the GENP Group has, in the opinion of the Board, been satisfactorily maintained;
- (b) in the opinion of the Board, no circumstances have arisen since the last audited financial statements of the GENP Group which have adversely affected the trading or the value of the assets of the GENP Group;
- (c) the current assets of the GENP Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by the GENP Group;
- (e) there have not been, since the last audited financial statements of the GENP Group, any default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in relation to any borrowings of the GENP Group; and
- (f) there have not been, since the last audited financial statements of the GENP Group, any material change in the published reserves or any unusual factors affecting the profits of the GENP Group.

Yours faithfully,
For and on behalf of the Board of
GENTING PLANTATIONS BERHAD

GEN. (B) TAN SRI MOHD ZAHIDI BIN HJ ZAINUDDIN
(CHAIRMAN / INDEPENDENT NON-EXECUTIVE DIRECTOR)

FURTHER INFORMATION

1. SHARE CAPITAL

- (i) Save for the Exercised Shares, no securities shall be allotted or issued on the basis of this Prospectus later than 12 months after the date of issue of this Prospectus.
- (ii) Save for the Restricted Issue of Warrants whereby the Entitled Shareholders will be provisionally allotted with the Warrants, no person has been, is or would be entitled to be granted an option to subscribe for any securities in the Company as at the LPD.

2. ARTICLES OF ASSOCIATION

The provisions in the Company's Articles of Association in relation to the remuneration of the Directors are as follows:

Article 89

The remuneration of the Directors (other than salaries payable to Executive Directors) shall be determined from time to time by the Company in general meeting and such remuneration shall not be increased except pursuant to an ordinary resolution and passed at a general meeting where notice of the proposed increase shall have been given in the notice convening the meeting. Such remuneration shall be divided among the Directors in such proportions and manner as they may agree and in default of agreement equally, except that in the latter event any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for the proportion of remuneration related to the period during which he has held office.

Article 90

- (1) The Directors shall be entitled to be repaid all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.
- (2) Any Director who is appointed to any executive office or serves on any committee or who otherwise performs or renders services, which in the opinion of the Directors are outside his ordinary duties as a Director, may be paid such extra remuneration as the Directors may determine, subject to the Company's Articles of Association.
- (3) The remuneration payable to Non-Executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover. Salaries payable to Executive Directors may not include a commission on or percentage of turnover.

Article 91

- (1) Subject to the provisions of Section 137 of the Act, the Directors may pay a pension or allowances (either revocable or irrevocable and either subject or not subject to any terms and conditions) to any Executive Director on or at any time after his retirement from his office or employment under the Company or under any associated company or on or after his death to his widow or other dependants.

- (2) The Directors shall have power and shall be deemed always to have had power to establish and maintain and to concur with associated companies in establishing and maintaining any schemes or funds for providing pensions, sickness or compassionate allowance, life assurances or other benefits for staff (including any Director for the time being holding any executive office or any office of profit in the Company) or employees of the Company or any such associated company and for the widows or other dependants of such persons and to make contributions out of the Company's moneys for any such schemes or funds.

Article 92

Other than the office of Auditor, a Director may hold any other office or place of profit under the Company and he or any firm of which he is a member may act in a professional capacity for the Company in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. No Director or intending Director shall be disqualified by his office from contracting or entering into any arrangement with the Company either as vendor, purchaser or otherwise nor shall such contract or arrangement or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but every Director shall observe the provision of Section 131 of the Act relating to the disclosure of the interest of the Directors in contracts or proposed contracts with the Company or of any office or property held by a Director which might create duties or interest in conflict with his duties or interests as a Director. No Director shall as a Director vote in respect of any contract, arrangement or transaction or proposed contract, arrangement or transaction in which he is so interested whether directly or indirectly as aforesaid and if he does so vote his vote shall be counted but this prohibition as to voting shall not apply to any contract by or on behalf of the Company to give to the Directors or any of them any security by way of any lawful indemnity or to any allotment of shares in or debentures of the Company to any Director, or to any contract, arrangement or transaction or proposed contract, arrangement or transaction where the Director is interested merely as a shareholder or a director of another company or both.

Article 93

- (1) A Director may be or become a director of or hold any office or place of profit (other than as Auditor) or otherwise be interested in any company in which the Company may or may not be interested as vendor, purchaser, shareholder or otherwise and unless otherwise agreed shall not be accountable for any fees, remuneration or other benefits received by him as a director, or office of or by virtue of his interest in such other company.
- (2) The Directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner and in all respects as the Directors think fit in the interests of the Company (including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors of such company or voting or providing for the payment of remuneration to the directors of such company) and any such Director of the Company may vote in favour of the exercise of such voting powers in manner aforesaid notwithstanding that he may be or be about to be appointed a director of such other company.

Article 96

The remuneration of a Managing Director shall from time to time be fixed by the Directors and may subject to the Company's Articles of Association, be by way of salary or commission or participation in profits or by any or all of these modes but he shall not under any circumstances be remunerated by a commission on or a percentage of turnover.

3. CONSENTS

The Adviser, Special Registrar and Solicitors for the Restricted Issue of Warrants, Principal Bankers and Share Registrar have given and have not subsequently withdrawn their written consents for the inclusion of their names and all references thereto in the form and context in which they appear in this Prospectus.

PricewaterhouseCoopers, GENP's Auditors and Reporting Accountants has given and has not subsequently withdrawn its written consent for the inclusion of its name, letter relating to GENP's proforma consolidated statement of financial position as at 31 December 2012 and report relating to GENP's audited consolidated financial statements for the FYE 31 December 2012 respectively, and all references thereto in the form and context in which they appear in this Prospectus.

Bloomberg (Malaysia) Sdn Bhd has given and has not subsequently withdrawn its written consent for the inclusion of its name and/or citation of the market data compiled by them, in the form and context in which they appear in this Prospectus.

4. MATERIAL CONTRACTS

Save as disclosed below, GENP or its subsidiaries have not entered into any material contracts (being contracts not entered into in the ordinary course of business) during the 2 years immediately preceding the LPD:

On 13 April 2012, our Company's wholly-owned subsidiary, Sunyield Success Sdn Bhd entered into a sale and purchase and subscription agreement ("**Agreement**") with Global Agrindo Investment Company Limited ("**Vendor**") and Global Agripalm Investment Holdings Pte. Ltd. ("**GAIH**") to:

- (i) purchase from the Vendor an aggregate of 495 ordinary shares in GAIH ("**GAIH Shares**") comprising 49.5% of the then issued share capital of GAIH ("**Sale Shares**") for a purchase price of USD66,000,000; and
- (ii) subscribe for 371 new GAIH Shares for a subscription price of USD50,000,000,

by way of cash on the terms and subject to the conditions of the **Agreement**. The **Agreement** was completed on 8 October 2012.

5. MATERIAL LITIGATION

As at the LPD, save as disclosed below, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board has no knowledge of any proceedings, pending or threatened against the Group or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group.

GENP and Genting Tanjung Bahagia Sdn Bhd ("**GTB**"), a wholly-owned subsidiary of GENP, were named as the Second and Third Defendants respectively in a legal suit filed in the High Court of Sabah and Sarawak at Kota Kinabalu ("**High Court**") under Suit No. K22-245-2002 ("**Suit**") dated 11 October 2002. Hap Seng Consolidated Berhad ("**Hap Seng**"), Director of Department of Lands & Surveys, Sabah and the Government of the State of Sabah were named First, Fourth and Fifth Defendants respectively.

The Suit was instituted by certain individuals ("**Plaintiffs**") claiming Native Customary Rights over the agricultural land or part thereof held under title number CL095330724 measuring approximately 8,830 hectares situated at Sungai Tongod, District of Kinabatangan, Sabah which was acquired by GTB from Hap Seng, the First Defendant.

On 11 February 2003, the First, Second and Third Defendants filed an application to strike out the Plaintiffs' Suit ("**Application to Strike Out**") and on 13 June 2003 the Application to Strike Out was dismissed with cost. The First, Second and Third Defendants appealed against the said decision ("**Appeal for Application to Strike Out**").

During the High Court's hearing of an interlocutory injunction on 5 July 2004, the First, Second and Third Defendants had raised a preliminary objection that the High Court has no original jurisdiction to hear the Suit and that the Suit will lead to multiplicity of actions as the Plaintiffs had already made an application to the Assistant Collector of Land Revenue for similar claims. On 20 June 2008, the High Court upheld the preliminary objection with cost awarded to the said Defendants ("**PO Decision**").

On 7 July 2008, the Plaintiffs filed a Notice of Appeal to the Court of Appeal against the PO Decision. On 9 June 2011, the Court of Appeal upheld the PO Decision of the High Court and dismissed the Plaintiffs' appeal against the PO Decision ("**Court of Appeal's Ruling**").

Subsequently, the Plaintiffs had filed a motion for leave to appeal before the Federal Court against the Court of Appeal's Ruling ("**Federal Court Appeal**") and the Federal Court granted the Plaintiffs leave for appeal on 25 July 2011.

The Federal Court had on 24 November 2011 heard and allowed the Federal Court Appeal. The Federal Court further ordered that the matter be remitted to the High Court to hear the Appeal for the Application to Strike Out.

The High Court had on 13 March 2012 dismissed the Appeal for Application to Strike Out with cost ("**High Court Decision**") and ordered the parties to proceed with trial. GENP and GTB had on 17 April 2012 filed a Notice of Appeal to the Court of Appeal against the High Court Decision. The Court of Appeal has fixed 8 May 2013 for the hearing of the appeal. On 9 May 2013, the Court of Appeal dismissed the appeal. GENP and GTB have filed a motion for leave to appeal to the Federal Court.

On an application by the Plaintiffs, the High Court has allowed the Plaintiffs' application to amend the Statement of Claim and for joinder of 3 additional parties as the Sixth, Seventh and Eighth Defendants, namely the Assistant Collector of Land Revenue, Tongod, the Registrar of Titles and Assistant Collector of Land Revenues, Kota Kinabatangan.

The High Court had proceeded with trial on 26 November 2012 to 29 November 2012, 14 January 2013 to 18 January 2013, 18 February 2013 to 22 February 2013, 11 March 2013 to 15 March 2013, 8 July 2013 to 11 July 2013 and 23 September 2013 to 24 September 2013. The trial is still ongoing as at the LPD.

GENP's solicitors are of the opinion that the Plaintiffs' claim is misconceived and unsustainable.

6. GENERAL

- (i) None of the Directors has any existing and/or proposed service contract with GENP or any of its subsidiaries, which is expiring or determinable by the employing company with payment of compensation within 1 year from the LPD.
- (ii) Save as disclosed in this Prospectus and to the best of their knowledge, the Board is not aware of the following:
 - (a) material information including special trade factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect GENP Group's profits;
 - (b) known trends, demands, commitments, events or uncertainties that will or are likely to materially increase or decrease GENP Group's liquidity;

- (c) material commitments for capital expenditure;
- (d) unusual, infrequent events or transactions or significant economic changes which materially affected the amount of reported income from GENP Group's operations; and
- (e) known trends or uncertainties which have had, or will have, a material favourable or unfavourable impact on the revenues or operating income of GENP Group.

7. DETAILS OF OTHER CORPORATE PROPOSALS

Save for the Corporate Exercise, there are no other corporate proposals which have been approved by the authorities and/or GENP's shareholders but have yet to be completed as at the LPD.

8. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at GENP's Registered Office at 24th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, during normal business hours from Monday to Friday (except public holidays) for a period of 12 months from the date of issuance of this Prospectus:

- (i) GENP's Memorandum and Articles of Association;
- (ii) The Deed Poll dated 8 November 2013;
- (iii) GENP's audited consolidated financial statements for the past 2 FYE 31 December 2011 and 31 December 2012;
- (iv) GENP's announced unaudited consolidated financial statements for the 6-month FPE 30 June 2013;
- (v) The proforma consolidated statement of financial position of GENP Group as at 31 December 2012 together with the Reporting Accountants' letter as set out in Appendix III of this Prospectus;
- (vi) The Directors' Report as set out in Appendix VI of this Prospectus;
- (vii) The letters in relation to the Undertakings from the GENT and GEHK as referred to in Section 3 of this Prospectus;
- (viii) The consent letters referred to in Section 3 of this Appendix VII;
- (ix) The material contracts referred to in Section 4 of this Appendix VII; and
- (x) The relevant cause papers for the material litigation referred to in Section 5 of this Appendix VII.

9. RESPONSIBILITY STATEMENT

The Directors have seen and approved all the documentation relating to this Restricted Issue of Warrants including the Documents. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted would make the statements in the Documents false or misleading.

CIMB, being the Adviser for this Restricted Issue of Warrants, acknowledges that, based on all available information, and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Restricted Issue of Warrants.

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