GENTING
HONG KONG

INTERIM REPORT 2018

Genting Hong Kong Limited
(Continued into Bermuda with limited liability)
Stock Code: 678

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HONG KONG

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(Continued into Bermuda with limited liability)

Interim Report for the six months ended 30 June 2018

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Forward-looking statements

This interim report contains forward-looking statements that involve risks and uncertainties. These forward-looking statements are not historical facts, but rather are based on the current beliefs, assumptions, expectations, estimates and projections of the Company about the industry and markets in which the Company and its subsidiaries (the "Group") is operating or will operate in the future. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Group, are difficult to predict and could cause actual results to differ materially from those expected or forecasted in the forward-looking statements. Factors that could cause actual results to differ materially from those reflected in the forward-looking statements include general economic, political and business conditions, changes in cruise industry competition, weather, force majeure events and/or other factors. Reliance should not be placed on these forward-looking statements, which merely reflect the view of the Company as of the date of this report only. The Company is under no obligation to revise or update publicly these forward-looking statements or any part thereof to reflect events or circumstances resulting from any new information, future events or otherwise on which any such statement was based.

CORPORATE INFORMATION

Board of Directors

Executive Directors

Tan Sri Lim Kok Thay
(Chairman and Chief Executive Officer)
Mr. Lim Keong Hui
(Executive Director – Chairman's Office and Chief Information Officer)

Independent Non-executive Directors

Mr. Alan Howard Smith *(Deputy Chairman)*
Mr. Lam Wai Hon, Ambrose
Mr. Justin Tan Wah Joo

Group President

Mr. Colin Au Fook Yew

Secretary

Ms. Louisa Tam Suet Lin

Assistant Secretary

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Fax: (441) 2956759

Hong Kong Branch Registrar

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Tel: (852) 28628555
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Auditor

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The Board of Directors (the "Directors") of Genting Hong Kong Limited (the "Company") presents the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2018, as follows:

Condensed Consolidated Statement of Comprehensive Income

	Note	Six months ended 30 June 2018 *US$'000 unaudited*	Six months ended 30 June 2017 *US$'000 unaudited*
Revenue	5	777,627	532,508
Operating expenses			
Operating expenses excluding depreciation and amortisation		(647,384)	(477,523)
Depreciation and amortisation		(102,136)	(79,460)
		(749,520)	(556,983)
Selling, general and administrative expenses			
Selling, general and administrative expenses excluding depreciation and amortisation		(135,272)	(146,729)
Depreciation and amortisation		(10,614)	(6,673)
		(145,886)	(153,402)
		(895,406)	(710,385)
		(117,779)	(177,877)
Share of profit of joint ventures		869	340
Share of profit of associates		14,323	2,189
Other (expenses)/income, net	6	(663)	3,074
Other gains/(losses), net	7	5,473	(15,034)
Finance income		5,151	2,332
Finance costs	8	(38,818)	(17,100)
		(13,665)	(24,199)
Loss before taxation	9	(131,444)	(202,076)
Taxation	10	(9,826)	(1,101)
Loss for the period		(141,270)	(203,177)

Condensed Consolidated Statement of Comprehensive Income *(Continued)*

	Note	Six months ended 30 June 2018 *US$'000 unaudited*	2017 *US$'000 unaudited*
Loss for the period		(141,270)	(203,177)
Other comprehensive (loss)/income:			
Items that have been or may be reclassified to consolidated statement of comprehensive income:			
Foreign currency translation differences		(91,458)	30,501
Fair value (loss)/gain on derivative financial instruments		(13,091)	33,342
Fair value gain on available-for-sale investments		–	305,735
Share of other comprehensive income of an associate		194	1
Release of reserves upon disposal of available-for-sale investments		–	(1,264)
		(104,355)	368,315
Items that will not be reclassified subsequently to consolidated statement of comprehensive income:			
Fair value loss on financial assets at fair value through other comprehensive income		(209)	–
Other comprehensive (loss)/income for the period		(104,564)	368,315
Total comprehensive (loss)/income for the period		(245,834)	165,138
Loss attributable to:			
Equity owners of the Company		(140,106)	(202,175)
Non-controlling interests		(1,164)	(1,002)
		(141,270)	(203,177)
Total comprehensive (loss)/income attributable to:			
Equity owners of the Company		(244,670)	166,140
Non-controlling interests		(1,164)	(1,002)
		(245,834)	165,138
Loss per share attributable to equity owners of the Company	11		
– Basic (US cents)		(1.65)	(2.38)
– Diluted (US cents)		(1.65)	(2.38)

Condensed Consolidated Statement of Financial Position

	Note	As at 30 June 2018 US$'000 unaudited	As at 31 December 2017 US$'000 audited
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		4,487,284	4,256,589
Land use rights		3,697	3,813
Intangible assets		82,212	84,062
Interests in joint ventures	12	3,468	3,555
Interests in associates	13	499,440	535,410
Deferred tax assets		5,966	4,025
Available-for-sale investments	14	–	9,610
Financial assets at fair value through other comprehensive income ("FVOCI")	15	9,401	–
Other assets and receivables	18	4,919	21,058
		5,096,387	4,918,122
CURRENT ASSETS			
Completed properties for sale		42,697	47,211
Inventories		41,091	37,389
Trade receivables	17	33,983	66,937
Prepaid expenses and other receivables	18	136,709	113,145
Contract costs	3(b)	14,353	–
Available-for-sale investments	14	–	686,835
Financial assets at fair value through profit or loss ("FVPL")	16	148,758	–
Amounts due from related companies		1,766	852
Restricted cash		103,407	126,851
Cash and cash equivalents		1,208,030	1,147,702
		1,730,794	2,226,922
TOTAL ASSETS		6,827,181	7,145,044

Condensed Consolidated Statement of Financial Position *(Continued)*

	Note	As at 30 June 2018 US$'000 unaudited	As at 31 December 2017 US$'000 audited
EQUITY			
Capital and reserves attributable to the equity owners of the Company			
Share capital	19	848,249	848,249
Reserves:			
Share premium		41,634	41,634
Contributed surplus		936,823	936,823
Additional paid-in capital		109,528	110,987
Foreign currency translation adjustments		(111,515)	(20,057)
Available-for-sale investments reserve		–	138,285
Financial assets at FVOCI reserve		(194)	–
Cash flow hedge reserve		(13,091)	–
Retained earnings		2,411,760	2,487,403
		4,223,194	4,543,324
Non-controlling interests		34,803	35,967
TOTAL EQUITY		4,257,997	4,579,291
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans and borrowings	20	1,580,997	1,590,805
Deferred tax liabilities		29,907	21,751
Provisions, accruals and other liabilities		661	818
Retirement benefit obligations		8,772	9,109
Contract liabilities	3(b)	16,777	–
Derivative financial instruments	21	9,049	–
Advance ticket sales		–	17,903
		1,646,163	1,640,386
CURRENT LIABILITIES			
Trade payables	22	80,220	101,012
Current income tax liabilities		7,623	13,017
Provisions, accruals and other liabilities		320,862	320,303
Contract liabilities	3(b)	306,223	–
Current portion of loans and borrowings	20	204,001	297,354
Derivative financial instruments	21	4,042	–
Amounts due to related companies		50	522
Advance ticket sales		–	193,159
		923,021	925,367
TOTAL LIABILITIES		2,569,184	2,565,753
TOTAL EQUITY AND LIABILITIES		6,827,181	7,145,044
NET CURRENT ASSETS		807,773	1,301,555
TOTAL ASSETS LESS CURRENT LIABILITIES		5,904,160	6,219,677

Condensed Consolidated Statement of Cash Flows

	Six months ended 30 June 2018	2017
	US$'000 unaudited	*US$'000 unaudited*
OPERATING ACTIVITIES		
Cash generated from/(used in) operations	22,513	(1,034)
Interest paid	(36,637)	(19,908)
Payment of loan arrangement fees	–	(4,695)
Interest received	5,253	2,332
Income tax paid	(6,370)	(2,844)
Net cash outflow from operating activities	(15,241)	(26,149)
INVESTING ACTIVITIES		
Acquisition of subsidiaries and business, net of cash acquired	–	993
Purchase of property, plant and equipment	(343,265)	(279,904)
Proceeds from sale of property, plant and equipment	16	–
Acquisition of additional equity interest in an associate	–	(54)
Proceeds from disposal of available-for-sale investments	–	3,924
Proceeds from disposal of a financial asset at FVPL	543,550	–
Net cash inflow/(outflow) from investing activities	200,301	(275,041)
FINANCING ACTIVITIES		
Proceeds from loans and borrowings	101,405	205,755
Repayments of loans and borrowings	(210,287)	(68,918)
Net cash (outflow)/inflow from financing activities	(108,882)	136,837
Effect of exchange rate changes on cash and cash equivalents	(15,850)	19,418
Net increase/(decrease) in cash and cash equivalents	60,328	(144,935)
Cash and cash equivalents at 1 January	1,147,702	1,040,274
Cash and cash equivalents at 30 June	1,208,030	895,339

Condensed Consolidated Statement of Changes in Equity

Six months ended 30 June 2018	Share capital	Share premium	Contributed surplus	Additional paid-in capital	Foreign currency translation adjustments	Available-for-sale investments reserve	Financial asset at FVOCI reserve	Cash flow hedge reserve	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to equity owners of the Company											
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
unaudited												
At 1 January 2018	848,249	41,634	936,823	110,987	(20,057)	138,285	–	–	2,487,403	4,543,324	35,967	4,579,291
Adjustment on adoption of HKFRS 9 (Note 3(a))	–	–	–	–	–	(138,285)	15	–	137,067	(1,203)	–	(1,203)
Adjustment on adoption of HKFRS 15 (Note 3(b))	–	–	–	–	–	–	–	–	10,568	10,568	–	10,568
At 1 January 2018 (restated)	848,249	41,634	936,823	110,987	(20,057)	–	15	–	2,635,038	4,552,689	35,967	4,588,656
Comprehensive loss:												
Loss for the period	–	–	–	–	–	–	–	–	(140,106)	(140,106)	(1,164)	(141,270)
Other comprehensive income/(loss):												
Foreign currency translation differences	–	–	–	–	(91,458)	–	–	–	–	(91,458)	–	(91,458)
Share of other comprehensive income of an associate	–	–	–	194	–	–	–	–	–	194	–	194
Fair value losses on derivative financial instruments	–	–	–	–	–	–	–	(13,091)	–	(13,091)	–	(13,091)
Fair value losses on financial assets at FVOCI	–	–	–	–	–	–	(209)	–	–	(209)	–	(209)
Total comprehensive income/(loss)	–	–	–	194	(91,458)	–	(209)	(13,091)	(140,106)	(244,670)	(1,164)	(245,834)
Transactions with equity owners:												
Lapse of share options	–	–	–	(1,653)	–	–	–	–	1,653	–	–	–
Dividends related to 2017	–	–	–	–	–	–	–	–	(84,825)	(84,825)	–	(84,825)
At 30 June 2018	848,249	41,634	936,823	109,528	(111,515)	–	(194)	(13,091)	2,411,760	4,223,194	34,803	4,257,997

Condensed Consolidated Statement of Changes in Equity *(Continued)*

Six months ended 30 June 2017	Share capital	Share premium	Contributed surplus	Additional paid-in capital	Foreign currency translation adjustments	Available-for-sale investments reserve	Cash flow hedge reserve	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to equity owners of the Company										
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
unaudited											
At 1 January 2017	848,249	41,634	936,823	111,780	(137,601)	104,037	(17,280)	2,897,616	4,785,258	37,958	4,823,216
Comprehensive income/(loss):											
Loss for the period	–	–	–	–	–	–	–	(202,175)	(202,175)	(1,002)	(203,177)
Other comprehensive income/(loss):											
Foreign currency translation differences	–	–	–	–	30,501	–	–	–	30,501	–	30,501
Fair value gain on derivative financial instruments	–	–	–	–	–	–	33,342	–	33,342	–	33,342
Share of other comprehensive income of an associate	–	–	–	1	–	–	–	–	1	–	1
Fair value gain on available-for-sale investments	–	–	–	–	–	305,735	–	–	305,735	–	305,735
Release of reserves upon disposal of available-for-sale investments	–	–	–	–	1,123	(2,387)	–	–	(1,264)	–	(1,264)
Total comprehensive income/(loss)	–	–	–	1	31,624	303,348	33,342	(202,175)	166,140	(1,002)	165,138
Transaction with equity owners:											
Dividends related to 2016	–	–	–	–	–	–	–	(84,825)	(84,825)	–	(84,825)
At 30 June 2017	848,249	41,634	936,823	111,781	(105,977)	407,385	16,062	2,610,616	4,866,573	36,956	4,903,529

Notes to the Unaudited Condensed Consolidated Interim Financial Information

1. GENERAL INFORMATION

Genting Hong Kong Limited (the "Company") is an exempted company continued into Bermuda with limited liability and the shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office of the Company is situated at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda, whereas the principal place of business of the Company is situated at Suite 1501, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong.

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in the business of cruise and cruise-related operations, shipyard operations, and leisure, entertainment and hospitality activities.

This unaudited condensed consolidated interim financial information has been approved for issue by the Board of Directors on 27 August 2018.

2. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information of the Group has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The preparation of the unaudited condensed consolidated interim financial information requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The unaudited condensed consolidated interim financial information is prepared under the historical cost convention, as modified by the financial assets at fair value through other comprehensive income ("FVOCI"), financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss ("FVPL"), and retirement benefit assets which are carried at fair value. In preparing this unaudited condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements of the Group for the year ended 31 December 2017.

The Group's operations are seasonal and results for interim periods are not necessarily indicative of the results for the entire financial year. This unaudited condensed consolidated interim financial information should be read where relevant, in conjunction with the annual financial statements of the Group for the year ended 31 December 2017 which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

The accounting policies and methods of computation used in the preparation of this unaudited condensed consolidated interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2017, except that the Group has adopted the following new standards and interpretations that are first effective for the current accounting period of the Group:

(i) HK (IFRIC) 22, "Foreign Currency Transactions and Advance Consideration" (effective from 1 January 2018). The Interpretations Committee clarified the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The interpretation does not have a material impact on the Group's condensed consolidated interim financial information.

2. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION *(Continued)*

(ii) HKFRS 9, "Financial Instruments" (effective from 1 January 2018). HKFRS 9 addresses the recognition, classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The effects of the adoption of HKFRS 9 are set out in note 3(a).

(iii) HKFRS 15, "Revenue from Contracts with Customers" (effective from 1 January 2018). The HKICPA has issued a new standard for the recognition of revenue. This replaces HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts and the related literature.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The effects of the adoption of HKFRS 15 are set out in note 3(b).

Apart from the impact mentioned above and certain presentational changes, the adoption of these new HKFRSs and interpretations has no significant impact on the Group's financial information. Where necessary, comparative information has been reclassified and expanded from previously reported consolidated interim financial information to take into account any presentational changes made in the annual financial statements or in this unaudited condensed consolidated interim financial information.

3. CHANGES IN ACCOUNTING POLICIES

As explained in note 2 above, the Group has adopted HKFRS 9 and HKFRS 15 that are effective for the financial year beginning on 1 January 2018, which resulted in changes in accounting policies and adjustments to the amounts recognised in the condensed consolidated interim financial information.

(a) HKFRS 9

In accordance with the transitional provisions in HKFRS 9, comparative figures have not been restated. As a consequence, any adjustments to carrying amounts of financial assets or liabilities are recognised at the beginning of the current reporting period, with the difference recognised in opening retained earnings. Provisions for impairment have not been restated in the comparative period, as well.

The accounting policies were changed to comply with HKFRS 9. HKFRS 9 replaces the provisions of HKAS 39 "Financial Instruments" ("HKAS 39") that relate to the recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. HKFRS 9 also significantly amends other standards dealing with financial instruments such as HKFRS 7 "Financial Instruments – Disclosures".

The total impact on the Group's retained earnings due to adoption of HKFRS 9 as at 1 January 2018 is as follows:

	Note	*US$'000*
Closing retained earnings at 31 December 2017 - HKAS 39		2,487,403
Adjustment to retained earnings from adoption of HKFRS 9:		
Reclassify listed equity securities investments from available-for-sale investments to financial assets at FVPL	3(a)(i)	138,270
Increase in provision for trade and other receivables (excluding prepayments)	3(a)(ii)	(1,203)
Opening retained earnings at 1 January 2018 – HKFRS 9		2,624,470

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

(a) HKFRS 9 *(Continued)*

(i) Classification and measurement of financial instruments

Management has assessed the business models and the contractual terms of the cash flows that apply to the financial assets held by the Group at the date of initial application of HKFRS 9 (1 January 2018) and has classified its financial instruments into the appropriate HKFRS 9 categories, which are those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and those to be measured at amortised cost. The main effects resulting from this reclassification on the Group's financial position are as follows:

	Available-for-sale investments	Financial assets at FVOCI	Financial assets at FVPL
	US$'000	*US$'000*	*US$'000*
Closing balance at 31 December 2017 – HKAS 39	696,445	–	–
Reclassify unlisted equity securities investments from available-for-sale investments to financial assets at FVOCI	(9,610)	9,610	–
Reclassify listed equity securities investments from available-for-sale investments to financial assets at FVPL	(686,835)	–	686,835
Opening balance at 1 January 2018 – HKFRS 9	–	9,610	686,835

The main effects resulting from this reclassification on the Group's equity are as follows:

	Available-for-sale investments reserve	Financial assets at FVOCI reserve	Retained earnings*
	US$'000	*US$'000*	*US$'000*
Opening balance – HKAS 39	138,285	–	–
Reclassify unlisted equity securities investments from available-for-sale investments to financial assets at FVOCI	(15)	15	–
Reclassify listed equity securities investments from available-for-sale investments to financial assets at FVPL	(138,270)	–	138,270
Opening balance – HKFRS 9	–	15	138,270

* Before adjustment for impairment, see note 3(a)(ii) below.

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

(a) HKFRS 9 *(Continued)*

(i) Classification and measurement of financial instruments *(Continued)*

Equity interest in unlisted equity securities with a fair value of US$9,610,000 was reclassified from available-for-sale investments to financial assets at FVOCI; the accumulated fair value gains of US$15,000 were reclassified from the available-for-sale investments reserve to the financial assets at FVOCI reserve on 1 January 2018; whereas the equity interest in a listed equity security with a fair value of US$686,835,000 was reclassified to financial assets at FVPL and the accumulated fair value gains of US$138,270,000 were reclassified from the available-for-sale investments reserve to retained earnings on 1 January 2018.

There is no impact on the Group's accounting for financial liabilities.

(ii) Impairment of financial assets

The Group has the following type of financial assets at amortised cost subject to HKFRS 9's new expected credit loss model:

- trade and other receivables (excluding prepayments)

The Group revised its impairment methodology under HKFRS 9 by applying the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which requires the use of the lifetime expected loss provision for all trade and other receivables (excluding prepayments). US$1,203,000 was recognised in retained earnings as at 1 January 2018 for those trade and other receivables (excluding prepayments) whose credit risk has been assessed as other than low.

The loss provision for trade receivables as at 31 December 2017 reconciled to the opening loss allowances on 1 January 2018 is as follows:

	Allowances on trade receivables
	US$'000
Closing balance at 31 December 2017 – HKAS 39	195,456
Amounts restated through opening retained earnings	1,203
Opening balance at 1 January 2018 – HKFRS 9	196,659

(b) HKFRS 15

The Group has adopted HKFRS 15 from 1 January 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the condensed consolidated interim financial information. In accordance with the transitional provisions in HKFRS 15, the Group has adopted the modified retrospective approach and comparative figures have not been restated.

The accounting policies were changed to comply with HKFRS 15. HKFRS 15 replaces the provision of HKAS 18 "Revenue" ("HKAS 18") and HKAS 11 "Construction Contracts" ("HKAS 11") that relate to the recognition, classification and measurement of revenue and costs.

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

(b) HKFRS 15 *(Continued)*

The effects of the adoption of HKFRS 15 are as follows:

(i) Presentation of contract assets and liabilities

Reclassifications were made as at 1 January 2018 to be consistent with the terminology used under HKFRS 15:

- Contract liabilities recognised for deposits received from customers for future voyages until such passenger ticket revenue is earned previously presented as "Advance ticket sales" and the accruals for obligations under customer loyalty programmes included in "Provisions, accruals and other liabilities".

- The excess of cumulative progress billing to customers for construction contracts over cumulative contract costs incurred plus recognised profits less recognised losses is recognised as contract liabilities. It was previously presented as "Provisions, accruals and other liabilities – amounts due to customers on construction contracts".

- The excess of cumulative contract costs incurred plus recognised profits less recognised losses for construction contracts over cumulative progress billing to customers is recognised as contract assets. It was previously presented as "Other assets, prepaid expenses and other receivables – amounts due from customers on construction contracts".

(ii) Accounting for costs incurred to obtain a contract

Following the adoption of HKFRS 15, sales commissions and other costs directly attributable to obtaining a contract, if recoverable, are capitalised as contract costs.

(iii) The impact on the Group's financial position by the application of HKFRS 15 as compared to HKAS 18 and HKAS 11 that were previously in effect before the adoption of HKFRS 15 is as follows:

	As at 1 January 2018			
	As previously stated	Reclassification under HKFRS 15	Adjustments under HKFRS 15	Restated
	US$'000	*US$'000*	*US$'000*	*US$'000*
Consolidated statement of financial position (extract)				
Contract costs	–	–	10,568	10,568
Advance ticket sales	211,062	(211,062)	–	–
Provisions, accruals and other liabilities				
– Accruals for obligations under customer loyalty programmes	24,305	(16,405)	–	7,900
– Deposits received from customers	17,679	(17,679)	–	–
– Amounts due to customers on construction contracts	76,861	(76,861)	–	–
– Others	31,466	6,950	–	38,416
Contract liabilities	–	315,057	–	315,057
Retained earnings	2,487,403	–	10,568	2,497,971

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

(b) HKFRS 15 *(Continued)*

(iv) The amount by each financial statements line items affected in the current period and period to date by the application of HKFRS 15 as compared to HKAS 18 and HKAS 11 that were previously in effect before the adoption of HKFRS 15 is as follows:

	As at 30 June 2018		
	Results without the adoption of HKFRS 15	Effects of the adoption of HKFRS 15	Results as reported
	US$'000	*US$'000*	*US$'000*
Consolidated statement of financial position (extract)			
Contract costs	–	14,353	14,353
Advance ticket sales	266,056	(266,056)	–
Provisions, accruals and other liabilities			
– Accruals for obligations under customer loyalty programmes	23,637	(17,216)	6,421
– Deposits received from customers	3,809	(3,809)	–
– Amounts due to customers on construction contracts	35,919	(35,919)	–
Contract liabilities	–	323,000	323,000
Retained earnings	2,397,407	14,353	2,411,760

	Six months ended 30 June 2018		
	Results without the adoption of HKFRS 15	Effects of the adoption of HKFRS 15	Results as reported
	US$'000	*US$'000*	*US$'000*
Consolidated statement of comprehensive income (extract)			
Operating expenses			
– Commission, incentives, transportation and other related costs	85,024	(3,785)	81,239

(v) Details of contract costs are as follows:

	As at	
	30 June 2018	1 January 2018
	US$'000 unaudited	*US$'000 unaudited*
Costs for obtaining contracts related to future cruise voyages	14,353	10,568

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

(b) HKFRS 15 *(Continued)*

(vi) Details of contract liabilities are as follows:

	As at 30 June 2018	As at 1 January 2018
	US$'000 unaudited	*US$'000 unaudited*
Amounts received in advance for future cruise voyages	266,056	211,062
Amounts received in advance for sales of properties and related services	2,715	4,499
Amounts received in advance for other non-cruise activities	1,094	6,230
Amounts related to construction contracts of shipyard operations	35,919	76,861
Arising from customer loyalty programmes	17,216	16,405
	323,000	315,057
Less: Non-current portion	(16,777)	(17,903)
Current portion	306,223	297,154

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency exchange rate risk, price risk, interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2017.

There have been no changes in any risk management policies since the previous year end.

(b) Fair value estimation

The table below analyses financial instruments carried at fair value by level of the inputs and valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT *(Continued)*

The Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

unaudited As at 30 June 2018	Level 1	Level 2	Level 3	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*
Financial assets				
Financial assets at FVPL	148,758	–	–	148,758
Financial assets at FVOCI	–	–	9,401	9,401
	148,758	–	9,401	158,159
Financial liabilities				
Derivative financial instruments	–	13,091	–	13,091

audited As at 31 December 2017	Level 1	Level 2	Level 3	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*
Financial assets				
Available-for-sale investments	686,835	–	–	686,835

The financial assets at FVOCI measured at level 3 of the fair value hierarchy are pertaining to investments in unquoted equity securities. Prior to the reclassification of the unquoted equity securities from available-for-sale investments to financial assets at FVOCI, the investments in the unquoted equity securities were measured at costs less impairment losses as there is no quoted price in an active market for an identical instrument and the fair value cannot be reliably measured.

The investee is currently under development stage and has not commenced operations. The net assets of the investee comprised mainly land use rights, construction work in progress and other financial assets and liabilities. Accordingly, the adjusted net asset method was adopted in deriving the fair value of the investee's equity instruments by reference to the fair value of the investee's net assets.

The adjusted net asset method measures the fair value of the individual assets and liabilities recognised in the investee's statement of financial position as well as the fair value of any unrecognised assets and liabilities at the measurement date.

The land use rights was adjusted to fair value determined based on the income approach. The key assumptions used in the income approach include annual rental rate, growth rate, capitalisation rate, discount rate and the estimated annual administrative expenses associated with the land use rights.

Management has also concluded that the fair value adjustments to the construction work-in-progress is immaterial as the construction is on-going. The fair values of other financial assets and liabilities approximate their carrying amounts due to short-term maturities of these instruments. There is no other unrecognised assets and liabilities at the measurement date that will cause significant adjustments to the net assets of the investee as of the measurement date.

Taking into consideration the above mentioned adjustments, the Group's share of the investee's adjusted net assets approximates the carrying amount of the investment.

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT *(Continued)*

The carrying amount and fair value of the loans and borrowings (including the current portion) are as follows:

	As at 30 June 2018	As at 31 December 2017
	US$'000 unaudited	*US$'000 audited*
Carrying amount	1,784,998	1,888,159
Fair value	1,922,021	2,056,487

The fair value of loans and borrowings is estimated based on rates currently available for the same or similar terms and remaining maturities.

5. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the operation of passenger cruise ships. Senior management reviews the performance and makes operating decisions and resources allocation based on the Group's internal reports. The Group's business is divided into cruise operation, shipyard operation and non-cruise operation. Accordingly, three reportable segments namely, cruise and cruise-related activities, shipyard operations and non-cruise activities are identified.

Revenue from our cruise and cruise-related activities are categorised as passenger ticket revenue and onboard revenue. Passenger ticket revenue primarily consists of revenue from the sale of passenger tickets and the sale of transportation to and from our cruise ships to the extent guests purchase these items from the Group. Onboard revenue primarily consists of revenue from food and beverage sales, shore excursion, entertainment and other onboard services.

Revenue from our shipyard operations primarily consists of revenue from shipbuilding, repairs and conversion activities.

Revenue from our non-cruise activities primarily consists of revenue from our onshore hotel, travel agent, aviation (including AirCruises and air-related services), entertainment, sales of residential property units and dividend income from investments, none of which are of a significant size to be reported separately.

Passenger ticket revenue and onboard revenue increased significantly for the six months ended 30 June 2018 was mainly due to an improvement in occupancies and the addition of World Dream and four Crystal River Cruises vessels. In addition, absence of start-up costs of new ships incurred in the six months ended 30 June 2017 and better cost control resulted in an improvement in our cruise and cruise-related activities segmental results. Reportable segment revenue from shipyard operations increased in the six months ended 30 June 2018 was mainly due to more shipbuilding activities in 2018 than in 2017. However, lower cost capitalisation into shipbuilding costs as a result of a lower than expected production level in the six months ended 30 June 2018 has resulted in larger segmental loss from our shipyard operations. Revenue from non-cruise activities mainly consisted of sales of residential property units in Mainland China and AirCruises operations. Notwithstanding a profit was recorded from sales of residential property units in Mainland China, our non-cruise activities recorded higher segmental loss compared to 2017 was mainly due to additional depreciation of an aircraft for AirCruises operations.

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

The segment information of the Group is as follows:

unaudited Six months ended 30 June 2018	Cruise and cruise-related activities*	Shipyard operations◊	Non-cruise activities	Intra/ Inter-segment elimination	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Passenger ticket revenue	448,093	–	4,651	(78,998)*	373,746
Onboard revenue	193,868	–	–	78,998*	272,866
Revenue from shipyard operations	–	460,769	–	(358,542)	102,227
Other revenue	–	–	32,139	(3,351)	28,788
Reportable segment revenue	641,961	460,769	36,790	(361,893)	777,627
Less: Inter-segment revenue	–	(358,542)	(3,351)	361,893	–
Total revenue from external customers#	641,961	102,227	33,439	–	777,627
Segment results	(22,463)	(57,169)	(31,953)	(6,194)	(117,779)
Share of profit of joint ventures					869
Share of profit of associates					14,323
Other expenses, net					(663)
Other gains, net					5,473
Finance income					5,151
Finance costs					(38,818)
Loss before taxation					(131,444)
Taxation					(9,826)
Loss for the period					(141,270)
Other segment information:					
Depreciation and amortisation	85,436	10,472	16,842		112,750

* Consistent with the internal reporting to the chief operating decision maker, included in the passenger ticket revenue of US$448.1 million (six months ended 30 June 2017: US$339.7 million) were revenue allocated from onboard activities of US$79.0 million (six months ended 30 June 2017: US$64.4 million) for cruise cabins provided to customers in support of the Group's onboard activities. The comparatives have been restated.

\# During the six months ended 30 June 2018, revenue of the Group amounted to US$777.6 million, of which revenue from contracts with customers totalled US$578.8 million.

◊ The shipyard operations of the Group has become a reportable segment during the year ended 31 December 2017. Accordingly, the comparatives have been restated.

Revenue from contracts with customers is recognised as follows:

unaudited Six months ended 30 June 2018	Cruise and cruise-related activities	Shipyard operations◊	Non-cruise activities	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*
Timing of revenue recognition for revenue from contracts with customers:				
At a point in time	37,339	4,002	26,588	67,929
Over time	408,101	95,923	6,851	510,875
	445,440	99,925	33,439	578,804

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

unaudited As at 30 June 2018	Cruise and cruise-related activities	Shipyard operations◊	Non-cruise activities	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*
Segment assets	4,460,795	519,532	1,840,888	6,821,215
Deferred tax assets				5,966
Total assets				6,827,181
Segment liabilities	603,959	109,469	33,228	746,656
Loans and borrowings (including current portion)	1,769,571	15,427	–	1,784,998
	2,373,530	124,896	33,228	2,531,654
Current income tax liabilities				7,623
Deferred tax liabilities				29,907
Total liabilities				2,569,184
Capital expenditure:				
Property, plant and equipment	287,152	61,836	19,090	368,078

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

unaudited Six months ended 30 June 2017	Cruise and cruise-related activities*	Shipyard operations◊	Non-cruise activities	Intra/ Inter-segment elimination	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Passenger ticket revenue	339,720	–	952	(64,410)*	276,262
Onboard revenue	131,493	–	–	64,410*	195,903
Revenue from shipyard operations	–	76,989	–	(57,054)	19,935
Other revenue	–	–	40,408	–	40,408
Reportable segment revenue	471,213	76,989	41,360	(57,054)	532,508
Less: Inter-segment revenue	–	(57,054)	–	57,054	–
Total revenue from external customers#	471,213	19,935	41,360	–	532,508
Segment results	(102,240)	(49,705)	(25,239)	(693)	(177,877)
Share of profit of joint ventures					340
Share of profit of associates					2,189
Other income, net					3,074
Other losses, net					(15,034)
Finance income					2,332
Finance costs					(17,100)
Loss before taxation					(202,076)
Taxation					(1,101)
Loss for the period					(203,177)
Other segment information:					
Depreciation and amortisation	67,547	9,950	8,636		86,133

During the six months ended 30 June 2017, revenue of the Group amounted to US$532.5 million, of which revenue from contracts with customers totalled US$402.5 million.

Revenue from contracts with customers is recognised as follows:

unaudited Six months ended 30 June 2017	Cruise and cruise-related activities	Shipyard operations◊	Non-cruise activities	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*
Timing of revenue recognition for revenue from contracts with customers:				
At a point in time	36,028	907	19,038	55,973
Over time	306,876	17,370	22,322	346,568
	342,904	18,277	41,360	402,541

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

audited As at 31 December 2017	Cruise and cruise-related activities	Shipyard operations◊	Non-cruise activities	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*
Segment assets	4,577,659	530,777	2,032,583	7,141,019
Deferred tax assets				4,025
Total assets				7,145,044
Segment liabilities	459,912	144,500	38,414	642,826
Loans and borrowings (including current portion)	1,865,027	15,991	7,141	1,888,159
	2,324,939	160,491	45,555	2,530,985
Current income tax liabilities				13,017
Deferred tax liabilities				21,751
Total liabilities				2,565,753
Capital expenditure:				
Property, plant and equipment	970,252	215,122	124,898	1,310,272
Property, plant and equipment arising from acquisitions of subsidiaries and business	–	–	16,092	16,092
	970,252	215,122	140,990	1,326,364

6. OTHER (EXPENSES)/INCOME, NET

	Six months ended 30 June 2018	2017
	US$'000 *unaudited*	*US$'000* *unaudited*
(Loss)/gain on foreign exchange	(1,088)	2,467
Other income, net	425	607
	(663)	3,074

7. OTHER GAINS/(LOSSES), NET

	Six months ended 30 June	
	2018	2017
	US$'000 *unaudited*	*US$'000* *unaudited*
Gain on disposal of financial assets at FVPL	24,363	–
Fair value loss on financial assets at FVPL	(18,890)	–
Gain on disposal of an available-for-sale investment	–	1,264
Impairment loss on goodwill (note (a))	–	(10,945)
Impairment loss on other receivables	–	(5,353)
	5,473	(15,034)

Note:

(a) On 11 April 2017, the Group acquired remaining 50% equity interest in a 50% owned joint venture, Wider S.R.L. The goodwill on acquisition of US$10.9 million had been fully impaired during the six months ended 30 June 2017 after assessment by the Group.

8. FINANCE COSTS

	Six months ended 30 June	
	2018	2017
	US$'000 *unaudited*	*US$'000* *unaudited*
Commitment fees and amortisation of bank loans arrangement fees	11,756	5,140
Interests on bank loans and others	36,868	20,541
Interest capitalised for qualifying assets	(9,806)	(8,581)
Finance costs expensed	38,818	17,100

9. LOSS BEFORE TAXATION

Loss before taxation is stated after charging the following:

	Six months ended 30 June	
	2018	2017
	US$'000 *unaudited*	*US$'000* *unaudited*
Commission, incentive, transportation and other related costs	81,239	66,591
Onboard costs	46,456	41,173
Payroll and related costs	189,546	138,511
Food and supplies	37,042	25,336
Fuel costs	61,534	38,157
Advertising expenses	40,928	53,127

10. TAXATION

	Six months ended 30 June 2018	2017
	US$'000 *unaudited*	*US$'000* *unaudited*
Overseas taxation		
– Current taxation	3,196	1,576
– Deferred taxation	6,044	(1,330)
	9,240	246
Under provision in respect of prior years		
– Current taxation	586	855
	9,826	1,101

The Group has incurred tax charges, as shown above, based on income derived from certain jurisdictions where it operates. The appropriate tax rates have been applied in order to determine the applicable tax charges in accordance with relevant tax regulations. Certain revenue of the Group derived from international waters or outside taxing jurisdictions is not subject to income tax and/or is eligible to tax exemption.

11. LOSS PER SHARE

Loss per share is computed as follows:

	Six months ended 30 June 2018	2017
	unaudited	*unaudited*
BASIC		
Loss attributable to equity owners of the Company for the period (US$'000)	(140,106)	(202,175)
Weighted average outstanding ordinary shares, in thousands	8,482,490	8,482,490
Basic loss per share for the period in US cents	(1.65)	(2.38)
DILUTED		
Loss attributable to equity owners of the Company for the period (US$'000)	(140,106)	(202,175)
Weighted average outstanding ordinary shares, in thousands	8,482,490	8,482,490
Effect of dilutive potential ordinary shares on exercise of share options, in thousands	–*	–*
Weighted average outstanding ordinary shares after assuming dilution, in thousands	8,482,490	8,482,490
Diluted loss per share for the period in US cents	(1.65)	(2.38)

* The calculation of diluted loss per share for the six months ended 30 June 2018 and 30 June 2017 did not take into account the share options of the Company as the assumed exercise had an anti-dilutive effect on the basic loss per share. Therefore, the diluted loss per share is the same as basic loss per share.

12. INTERESTS IN JOINT VENTURES

The Group's interests in joint ventures are as follows:

	As at 30 June 2018	As at 31 December 2017
	US$'000 unaudited	*US$'000 audited*
At 1 January	3,555	3,847
Capital contribution to a joint venture	–	1,585
Share of profit of joint ventures	869	1,048
Dividends	(948)	(2,961)
Currency translation differences	(8)	36
At 30 June 2018 / 31 December 2017	3,468	3,555

13. INTERESTS IN ASSOCIATES

The Group's interests in associates are as follows:

	As at 30 June 2018	As at 31 December 2017
	US$'000 unaudited	*US$'000 audited*
At 1 January	535,410	549,885
Acquisition of additional equity interest in an associate	–	781
Share of profit of associates	14,323	225
Share of other comprehensive income of an associate	194	385
Dividends	–	(5,638)
Currency translation differences	(50,487)	(10,228)
At 30 June 2018 / 31 December 2017	499,440	535,410

14. AVAILABLE-FOR-SALE INVESTMENTS

	As at 30 June 2018	As at 31 December 2017
	US$'000 unaudited	*US$'000 audited*
At 1 January (Note 3(a)(i))	–	1,266,658
Currency translation differences	–	10
Disposals	–	(862,678)
Fair value gains recognised in equity	–	292,455
At 30 June 2018 / 31 December 2017	–	696,445
Less: Non-current portion	–	(9,610)
Current portion	–	686,835

14. AVAILABLE-FOR-SALE INVESTMENTS *(Continued)*

Available-for-sale investments include the following:

	As at 30 June 2018	As at 31 December 2017
	US$'000 *unaudited*	*US$'000* *audited*
Listed investments:		
Equity securities – listed outside Hong Kong	–	686,835
Unlisted investments:		
Equity securities	–	9,610
	–	696,445

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2018	As at 31 December 2017
Unlisted equity investments at fair value through other comprehensive income:	*US$'000* *unaudited*	*US$'000* *audited*
At 1 January (Note 3(a)(i))	9,610	–
Fair value loss recognised in other comprehensive income	(209)	–
At 30 June 2018 / 31 December 2017	9,401	–

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2018	As at 31 December 2017
Listed equity investments at fair value through profit or loss:	*US$'000* *unaudited*	*US$'000* *audited*
At 1 January (Note 3(a)(i))	686,835	–
Disposal	(519,187)	–
Fair value loss recognised in the consolidated statement of comprehensive income	(18,890)	–
At 30 June 2018 / 31 December 2017	148,758	–

17. TRADE RECEIVABLES

	As at 30 June 2018	As at 31 December 2017
	US$'000	*US$'000*
	unaudited	*audited*
Trade receivables	107,122	262,393
Less: Provisions	(73,139)	(195,456)
	33,983	66,937

The ageing analysis of the trade receivables after provisions by invoice date is as follows:

	As at 30 June 2018	As at 31 December 2017
	US$'000	*US$'000*
	unaudited	*audited*
Current to 30 days	21,951	58,000
31 days to 60 days	2,890	3,060
61 days to 120 days	5,917	5,272
121 days to 180 days	1,017	62
181 days to 360 days	1,379	70
Over 360 days	829	473
	33,983	66,937

Credit terms generally range from payment in advance to 45 days credit (31 December 2017: payment in advance to 45 days credit).

18. OTHER ASSETS, PREPAID EXPENSES AND OTHER RECEIVABLES

	As at 30 June 2018	As at 31 December 2017
	US$'000	*US$'000*
	unaudited	*audited*
Other debtors	21,884	13,186
Deposits	7,658	16,144
Prepayments	110,573	100,764
Amount due from a joint venture	–	1,859
Amount due from an associate	1,513	2,250
	141,628	134,203
Less: Non-current portion	(4,919)	(21,058)
Current portion	136,709	113,145

19. SHARE CAPITAL

	Authorised share capital			
	Preference shares of US$0.10 each		Ordinary shares of US$0.10 each	
	No. of shares	*US$'000*	*No. of shares*	*US$'000*
unaudited				
At 1 January 2018 and 30 June 2018	10,000	1	19,999,990,000	1,999,999
audited				
At 1 January 2017 and 31 December 2017	10,000	1	19,999,990,000	1,999,999

	Issued and fully paid ordinary shares of US$0.10 each	
	No. of shares	*US$'000*
unaudited		
At 1 January 2018 and 30 June 2018	8,482,490,202	848,249
audited		
At 1 January 2017 and 31 December 2017	8,482,490,202	848,249

20. LOANS AND BORROWINGS

Loans and borrowings consist of the followings:

	As at 30 June 2018	31 December 2017
	US$'000 unaudited	*US$'000 audited*
US$500 million secured term loan and revolving credit facility	221,386	245,514
US$300 million secured term loan	202,293	218,121
US$664 million secured term loan	546,296	570,702
US$689 million secured term loan	619,189	644,381
US$192 million secured term loan	180,407	87,398
US$200 million revolving credit facility	–	98,911
RMB25 million secured entrustment loans (note (i))	–	2,995
RMB13 million secured entrustment loans (note (i))	–	3,839
RMB9 million secured entrustment loan (note (i))	–	307
EUR4 million secured term loan	3,022	3,322
EUR17 million secured term loan	12,405	12,669
Total liabilities	1,784,998	1,888,159
Less: Current portion	(204,001)	(297,354)
Non-current portion	1,580,997	1,590,805

Note:

(i) As at 31 December 2017, the secured entrustment loans were secured by equivalent amount of restricted cash.

Movements in loans and borrowings are analysed as follows:

	Six months ended 30 June 2018	2017
	US$'000 unaudited	*US$'000 unaudited*
Balance as at 1 January 2018 / 1 January 2017	1,888,159	1,172,179
Proceeds from loans and borrowings	101,405	205,755
Repayments of loans and borrowings	(210,287)	(68,918)
Loan arrangement fees incurred for the period	(3,654)	(891)
Amortisation of loan arrangement fees	9,640	4,901
Currency translation differences	(265)	759
Balance as at 30 June 2018 / 30 June 2017	1,784,998	1,313,785

21. DERIVATIVE FINANCIAL INSTRUMENTS

The fair values of financial instruments including derivatives are determined based on a variety of factors and assumptions. Accordingly, the fair values may not represent actual values of the financial instruments that could have been realised as at the date of consolidated statement of financial position or that will be realised in the future and do not include expenses that could be incurred in an actual sale or settlement. They are presented as current assets or liabilities if they are expected to be settled within twelve months after the end of the reporting period. The following are the estimated fair values of the Group's financial instruments and the methods used to estimate such fair value.

During the six months ended 30 June 2018, the Group entered into forward contracts to buy Euro dollar at a fixed exchange rate. As at 30 June 2018, the notional amount of these contracts was US$398.9 million and the estimated fair value loss of these forward contracts was approximately US$13.1 million. These forward contracts have been designated and qualified as cash flow hedges. The changes in the fair value of these forward contracts were included as a separate component of reserves, and upon maturity will be included in the initial measurement of the cost of the underlying hedged items which are non-financial assets. The Group did not hold any such derivative financial instruments as at 31 December 2017.

The fair values of the above instruments have been estimated using quotes from reputable financial institutions. The Group has no significant concentrations of credit risk as at 30 June 2018.

22. TRADE PAYABLES

The ageing analysis of trade payables based on invoice date is as follows:

	As at	
	30 June 2018	31 December 2017
	US$'000 *unaudited*	*US$'000* *audited*
Current to 60 days	57,434	70,090
61 days to 120 days	3,148	8,141
121 days to 180 days	537	12,157
Over 180 days	19,101	10,624
	80,220	101,012

Credit terms granted to the Group generally vary from no credit to 45 days credit (31 December 2017: no credit to 45 days credit).

23. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

Related parties of the Group during the six months ended 30 June 2018 are set out below:

Each of Tan Sri Lim Kok Thay ("Tan Sri Lim") and Mr. Lim Keong Hui ("Mr. Lim") is an Executive Director and a related party of the Company. Each of Tan Sri Lim and Mr. Lim is a beneficiary of a discretionary trust, whose trustee in its capacity as trustee of such discretionary trust indirectly holds more than 30% of the equity interests in Genting Berhad ("GENT"). Genting Management and Consultancy Services Sdn Bhd ("GMC") is a wholly-owned subsidiary of GENT. Genting Malaysia Berhad ("GENM") and Genting Singapore Limited (formerly known as Genting Singapore PLC prior to its re-domiciliation from the Isle of Man to Singapore in June 2018) ("GENS") are also subsidiaries of GENT. Accordingly, each of GENT, GENM, GENS and GMC is a related party of the Company. Each of GENT and GENM is a company listed on the Main Market of Bursa Malaysia Securities Berhad while GENS is a company listed on the Main Board of the Singapore Exchange Securities Trading Limited.

Rich Hope Limited ("Rich Hope") is a company in which each of Tan Sri Lim and his wife has an attributable interest as to 50%.

23. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

Resorts World at Sentosa Pte. Ltd. (“RWS”) is a company incorporated in Singapore and an indirect wholly-owned subsidiary of GENS.

International Resort Management Services Pte. Ltd. (“IRMS”) is a company incorporated in Singapore and owned as to 80% by Tan Sri Lim and 20% by his wife.

Travellers International Hotel Group, Inc. (“Travellers”) is an associate of the Company.

Resorts World Inc Pte. Ltd. (“RWI”) is a company incorporated in Singapore and currently is a 50:50 joint venture company of Genting Intellectual Property Pte. Ltd. (a company incorporated in Singapore and a wholly-owned subsidiary of GENT) and KHRV Limited (a company incorporated in the Isle of Man and wholly-owned by Tan Sri Lim). Each of FreeStyle Gaming Limited (“FSGL”) and FreeStyle Gaming Pte Ltd (“FSGPL”) is a wholly-owned subsidiary of RWI.

Significant related party transactions entered into or subsisting between the Group and the above companies during the six months ended 30 June 2018 are set out below:

(a) On 30 December 2016, the Company entered into three services agreements with GMC, GENM and GENS separately to extend the term and to modify the scope of services (as the case may be) of the respective old services agreements, all of which expired on 31 December 2016, for a further fixed term of 3 years commencing from 1 January 2017 in relation to the provision of certain services to the Group. During the six months ended 30 June 2018, (i) the amount charged to the Group in respect of secretarial and share registration services rendered by GMC was approximately US$2,000 (30 June 2017: US$3,000); (ii) the amount charged to the Group in respect of sale of tour and transport related services (including travel services and air ticket purchasing services), leasing, and information technology and implementation, support and maintenance services rendered by the GENM group was approximately US$1,057,000 (30 June 2017: US$898,000); and (iii) the amount charged to the Group in respect of leasing and management, housekeeping and maintenance, information technology and implementation, support and maintenance, and marketing and promotion services rendered by the GENS group was approximately US$472,000 (30 June 2017: US$879,000).

(b) On 9 December 2015, Star Cruises (HK) Limited (“SCHK”, an indirect wholly-owned subsidiary of the Company) as tenant entered into a tenancy agreement with Rich Hope as landlord in respect of the lease of an apartment in Hong Kong for 2 years commencing from 1 January 2016. On 27 November 2017, a new tenancy agreement in respect of the same apartment was entered into between Rich Hope as landlord and another indirect wholly-owned subsidiary of the Company, Genting Corporate Services (HK) Limited (“GCSHKL”) as tenant in place of SCHK for 2 years commencing from 1 January 2018. During the six months ended 30 June 2018, the amount charged by Rich Hope to GCSHKL in respect of the rental amounted to HK$1,032,000 (equivalent to approximately US$132,000) (30 June 2017: HK$960,000 (equivalent to approximately US$124,000) in respect of the rental charged by Rich Hope to SCHK).

23. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(c) On 30 December 2016, the Company and GENM entered into a joint promotion and marketing agreement to renew and amend the old joint promotion and marketing agreement which expired on 31 December 2016 for a further fixed term of 3 years commencing from 1 January 2017 in relation to the implementation of joint promotion and marketing programmes for the purpose of promoting the respective businesses of the Group and the GENM group.

During the six months ended 30 June 2018, the following transactions took place:

	Group Six months ended 30 June 2018	 2017
	US$'000 *unaudited*	*US$'000* *unaudited*
Amounts charged by the GENM group to the Group	11	13
Amounts charged to the GENM group by the Group	174	210

(d) (i) On 14 December 2016, Genting Philippines Holdings Limited ("GPHL") – Philippine Branch (a branch of GPHL (an indirect wholly-owned subsidiary of the Company) registered in the Philippines) replaced Crystal Aim Limited (another indirect wholly-owned subsidiary of the Company) as the service provider and entered into a services agreement (the "RWS Services Agreement") with RWS to renew the old services agreement which expired on 31 December 2016 for a further period of 3 years commencing from 1 January 2017 in relation to the provision of the call centre services (the "Call Centre Services"). Pursuant to the RWS Services Agreement, GPHL – Philippine Branch provides the Call Centre Services in the scope of, including but not limited to (i) the handling of English speaking inbound and outbound operation administration calls and provision of any reservations and booking services of tour packages, hotel rooms and any tickets for local and overseas customers of RWS in connection with Resorts World Sentosa (the integrated destination resort located at Sentosa, Singapore, owned and operated by RWS) and Genting Hotel Jurong (a hotel developed, owned and operated by a wholly-owned subsidiary of RWS); and (ii) the handling of all amendment and cancellation related activities of any reservations and booking services of Resorts World Sentosa and Genting Hotel Jurong. For the six months ended 30 June 2018, the amount charged to RWS in respect of the Call Centre Services rendered by GPHL – Philippine Branch in connection with Resorts World Sentosa and Genting Hotel Jurong was approximately US$804,000 (30 June 2017: US$804,000).

(ii) On 1 July 2018, RWS served a termination notice to GPHL – Philippine Branch pursuant to the terms of the RWS Services Agreement to terminate the RWS Services Agreement with effect from 31 December 2018.

(e) Famous City Holdings Limited ("Famous City"), Star Cruise Pte Ltd and GPHL, all of which are wholly-owned subsidiaries of the Company entered into Contracts of Lease and amendment agreement (as applicable) with Travellers in respect of the lease of office area in the Philippines. During the six months ended 30 June 2018, the amount charged by Travellers to the Group in respect of the rental amounted to US$168,000 (30 June 2017: US$127,000).

(f) Famous City and Travellers entered into a service agreement for the provision of various services by Famous City to Travellers with effect from 1 January 2011. The parties may enter into and have entered into, pursuant to the service agreement, supplemental agreements for provision of other additional services as they may consider necessary. During the six months ended 30 June 2018, the amount charged by Famous City to Travellers in respect of the services amounted to US$197,000 (30 June 2017: US$225,000).

23. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(g) On 22 November 2016, the Group entered into a master services agreement with IRMS to renew the old master services agreement which expired on 31 December 2016 for a further term of 3 years commencing from 1 January 2017 in relation to the appointment of IRMS as consultant to provide ongoing design consultancy services to support the Group's operations. During the six months ended 30 June 2018, the amount charged by IRMS to the Group in respect of the consultancy services was US$462,000 (30 June 2017: US$254,000).

(h) On 8 November 2016, the Company as purchaser entered into a master agreement (the "FSG Master Agreement") with FSGL as vendor whereby FSGL provided the Group with the electronic equipment and devices for electronic games (the "Equipment") and services in relation to (i) installation and set-up of hardware and software for the Equipment; (ii) training personnel; (iii) after-sales-services; (iv) software enhancement and development; and (v) other services related to the Equipment, for a term commencing from 8 November 2016 until 31 December 2018, which shall be renewable at the option of the Company for such duration and upon such terms and conditions as shall be mutually approved by the Company and FSGL. On 23 March 2018, FSGL, FSGPL and the Company entered into a novation agreement whereby FSGL transferred all its rights and obligations under the FSG Master Agreement to FSGPL with effect from 9 February 2018. During the six months ended 30 June 2018, the aggregate amount paid/payable by the Group under the FSG Master Agreement (as novated) was approximately US$129,000 (30 June 2017: US$938,000).

(i) On 14 December 2017, Zouk Genting Sdn. Bhd. ("Zouk Genting", a wholly-owned subsidiary of the Company) entered into a management agreement (the "Zouk Management Agreement") with GENM in relation to the provision of certain management services by Zouk Genting for the operation of the Zouk Club in Resorts World Genting (an integrated leisure and entertainment resort at Genting Highlands, Malaysia (the "Territory") owned and operated by GENM) for an initial term of 3 years commencing from the date of the Zouk Management Agreement, with an option to renew and right of termination by either party.

On 14 December 2017, Zouk IP Pte. Ltd. ("Zouk IP", a wholly-owned subsidiary of the Company) entered into a licence agreement (the "Zouk Licence Agreement") with GENM in relation to the grant of an exclusive transferable licence to use certain trade marks owned by Zouk IP within the GENM group of companies in the Territory for the day to day operations of the Zouk Club for an initial term of 3 years commencing from the date of the Zouk Licence Agreement, with an option for GENM to renew and right of termination by either party.

During the six months ended 30 June 2018, (i) the amount charged by Zouk Genting to GENM in respect of the Zouk Management Agreement was RM503,000 (equivalent to approximately US$125,000) (30 June 2017: Nil); and (ii) the amount charged by Zouk IP to GENM in respect of the Zouk Licence Agreement was RM49,000 (equivalent to approximately US$12,000) (30 June 2017: Nil).

The related party transactions described above were carried out in the normal course of business of the Group under terms and conditions negotiated amongst the related parties.

24. CAPITAL COMMITMENTS AND CONTINGENCIES

(i) Capital expenditure

Capital expenditure contracted but not provided for at the statement of financial position date are as follows:

	As at 30 June 2018	As at 31 December 2017
	US$'000 *unaudited*	*US$'000* *audited*
Contracted but not provided for		
– Cruise ships and related costs	819,784	712,024
– Properties, plant and equipment	80,762	125,398
	900,546	837,422
Authorised but not contracted for	102,584	83,688

(ii) Material litigation

The Group is routinely involved in personal injury and personal property damage claims typical of the cruise ship business. After application of deductibles, these claims are covered by insurance and other indemnity arrangements. The Group is also involved in other contractual disputes. In the opinion of management, all the aforesaid claims, if decided adversely, individually or in the aggregate, would not have a material adverse effect on the results of operation, cash flows, and financial position of the Group.

(iii) Guarantees

The Group had provided guarantees to certain banks in respect of mortgage loan facilities granted by such banks to certain purchasers of residential property units developed by the Group. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group will be responsible to repay the outstanding mortgage principals together with any accrued interests and penalties owed by the default purchasers to the banks and the Group is entitled to retain the legal title and take over the possession of the related properties. The guarantees will be gradually discharged along with the settlement of the mortgage loans granted by the banks to the purchasers. Such guarantees will also be discharged upon the earlier of (i) the issuance of the real estate ownership certificates of the relevant residential property units to the purchasers; and (ii) the full repayment of the mortgage loans by the purchasers. As at 30 June 2018, these guarantees provided by the Group are approximately US$28.0 million (31 December 2017: US$26.3 million).

The Group considers that in case of default in payments, the net realisable value of the related residential property units can cover the repayment of the outstanding mortgage principals together with the accrued interests and penalties. Therefore, no provision has been made in the financial statements for the guarantees.

Interim Dividend

The Board of Directors of the Company has declared an interim dividend of US$0.01 per ordinary share (2017: US$0.01 per ordinary share), amounting to a total of approximately US$84.8 million, for the six months ended 30 June 2018 to be payable on or around 27 September 2018 in US$ to the shareholders of the Company whose names appeared on the Registers of Members of the Company (both the Principal Register in Bermuda and Hong Kong Branch Register) as at 13 September 2018.

This interim dividend has not been recognised as a liability in this unaudited condensed consolidated interim financial information. It will be reflected as an appropriation of retained earnings for the year ending 31 December 2018.

Management's Discussion and Analysis

The following discussion is based on, and should be read in conjunction with, the unaudited condensed consolidated interim financial information and the notes thereto included elsewhere in this interim report and the annual report of the Group for the year ended 31 December 2017.

Terminology

Unless otherwise indicated in this report, the following terms have the meanings set forth below:

Capacity Days: double occupancy per available cabin multiplied by the number of cruise days for the period

EBITDA/LBITDA: earnings/losses before interest, taxes, depreciation and amortisation. EBITDA/LBITDA excludes, if any, share of profit of joint ventures and associates, other income/gains or expenses/losses

Gross Cruise Cost: the sum of total operating expenses and selling, general and administrative expenses less expenses relating to shipyard operations and non-cruise activities

Gross Yield: total revenue from cruise and cruise-related activities per Capacity Day

Net Cruise Cost: Gross Cruise Cost less commission, incentives, transportation and other related costs and onboard costs

Net Cruise Cost Excluding Fuel: Net Cruise Cost less fuel costs

Net Revenue: total revenue from cruise and cruise-related activities less commission, incentives, transportation and other related costs and onboard costs

Net Yield: Net Revenue per Capacity Day

Occupancy Percentage: the ratio of Passenger Cruise Days to Capacity Days. A percentage in excess of 100% indicates that three or more passengers occupied some cabins

Passenger Cruise Days: the number of passengers carried for the period, multiplied by the number of days in their respective cruises

Six months ended 30 June 2018 ("1H2018") compared with six months ended 30 June 2017 ("1H2017")

The Group

The commentary below is prepared based on a comparison of the results of the Group for 1H2018 and 1H2017.

Revenue

The Group recorded a 46.0% increase in revenue to US$777.6 million in 1H2018 as compared with US$532.5 million in 1H2017.

Revenue from cruise and cruise-related activities increased 36.2% to US$642.0 million in 1H2018 compared with US$471.2 million in 1H2017. Net Revenue in 1H2018 increased 41.4% to US$514.3 million from US$363.7 million in 1H2017. The improvement in Net Revenue was driven by increases in Capacity Days of 25.9% and Net Yield of 12.3%. The increase in Capacity Days was primarily due to the inclusion of World Dream and four Crystal River Cruises vessels in 1H2018. Improvement in Net Yield was driven by higher occupancies and increases in passenger ticket and onboard revenue.

Revenue from shipyard operations and non-cruise activities from external customers increased 121.3% to US$135.7 million in 1H2018 compared with US$61.3 million in 1H2017 primarily contributed by revenue from its shipyard activities and from the sales of residential property units in Mainland China.

Costs and Expenses

Total operating expenses, excluding depreciation and amortisation, increased 35.6% to US$647.4 million in 1H2018 compared with US$477.5 million in 1H2017 mainly due to the operation of World Dream and four Crystal River Cruises vessels in 1H2018. Selling, general and administrative expenses, excluding depreciation and amortisation, decreased 7.8% to US$135.3 million in 1H2018 from US$146.7 million in 1H2017 mainly due to absence of start-up costs for the launch of new ships in 1H2017.

Net Cruise Costs increased 18.2% to US$451.4 million in 1H2018 from US$382.0 million in 1H2017 when excluding start-up costs for new ships in 1H2017. However, Net Cruise Costs per Capacity Day reduced 6.2% from US$165.4 in 1H2017 to US$155.2 in 1H2018 due to efficiencies offset by higher fuel prices (1H2018: US$468 per metric ton; 1H2017: US$398 per metric ton).

Total depreciation and amortisation increased 30.9% to US$112.8 million in 1H2018 compared with US$86.1 million in 1H2017 primarily due to the additional depreciation of new Dream and Crystal vessels.

EBITDA

Adjusted EBITDA from cruise and cruise-related activities, excluding the start-up costs for new ships in 1H2017, improved to US$63.0 million in 1H2018 from LBITDA of US$18.3 million in 1H2017.

However, the improvement in the adjusted EBITDA from cruise and cruise-related activities was partially offset by a lower cost capitalisation into shipbuilding costs for the shipyards in 1H2018 as a result of a lower than expected production level in the shipyards. With the keel laying of the 20,000 gross ton Crystal Endeavor and the first 204,000 gross ton Global Class ships in August 2018 and September 2018 respectively, it is expected that utilisation of the shipyards will increase and accordingly, increase the costs capitalised into shipbuilding costs.

Share of Profit of Joint Ventures and Associates

Share of profit of joint ventures and associates totalled US$15.2 million in 1H2018 compared with US$2.5 million in 1H2017. The increase was mainly due to higher contribution from Travellers International Hotel Group, Inc. ("Travellers") which was mainly due to higher non-operating income recognised in 1H2018.

Other (Expenses)/Income, net

Net other expenses in 1H2018 amounted to US$0.7 million compared with net other income of US$3.1 million in 1H2017. In 1H2018, net other expenses mainly included a US$1.1 million foreign exchange loss (1H2017: foreign exchange gain of US$2.5 million) resulting primarily from the depreciation of US dollar against several currencies.

Other Gains/(Losses), net

Net other gains in 1H2018 amounted to US$5.5 million included US$24.4 million gain on disposal of a financial asset at FVPL, partially offset by the fair value loss on a financial asset at FVPL of US$18.9 million.

Net other losses in 1H2017 amounted to US$15.0 million included an impairment loss on goodwill from acquisition of Wider S.R.L. in 1H2017 of US$10.9 million and an impairment loss on other receivables of US$5.4 million, offset by gain on disposal of an available-for-sale investment of US$1.3 million.

Net Finance Costs

Net finance costs (i.e. finance costs, net of finance income) in 1H2018 was US$33.7 million compared with US$14.8 million in 1H2017 primarily due to higher interest expenses resulting from higher outstanding loan balances and borrowing rates.

Loss before Taxation

Loss before taxation in 1H2018 was US$131.4 million compared with US$202.1 million in 1H2017.

Loss Attributable to Equity Owners

Loss attributable to equity owners of the Company was US$140.1 million in 1H2018 compared with US$202.2 million in 1H2017.

Liquidity and Financial Resources

As at 30 June 2018, cash and cash equivalents amounted to US$1,208.0 million, an increase of US$60.3 million compared with US$1,147.7 million as at 31 December 2017. The increase in cash and cash equivalents was primarily due to cash inflow of (i) US$543.6 million proceeds from disposal of a financial asset at FVPL and (ii) US$101.4 million from the drawdown of bank loans and borrowings. Cash inflow was partially offset by cash outflow of (i) US$343.3 million for capital expenditure of property, plant and equipment (including US$18.2 million for Star and Dream Cruises' existing vessels, US$133.9 million for Dream Cruises' newbuild vessels, US$109.2 million for Crystal Cruises' newbuild vessels and US$59.9 million for shipyards' assets) and (ii) US$246.9 million for repayment of existing bank loans and borrowings and financing costs.

The majority of the Group's cash and cash equivalents are held in Euro, US dollar, Hong Kong dollar, Chinese Renminbi and Singapore dollar. The Group's liquidity as at 30 June 2018 was US$1,761.1 million (31 December 2017: US$1,784.2 million), comprising cash and cash equivalents and undrawn credit facilities.

As at 30 June 2018, total loans and borrowings amounted to US$1,785.0 million (31 December 2017: US$1,888.2 million) and were mainly denominated in US dollar. Approximately 45% (31 December 2017: 39%) of the Group's loans and borrowings was under fixed rate and 55% (31 December 2017: 61%) was under floating rate. Loans and borrowings of US$204.0 million (31 December 2017: US$297.4 million) are repayable within a year. The outstanding borrowings and unused credit facilities of the Group are secured by legal charges over assets including fixed and floating charges of US$3.0 billion (31 December 2017: US$2.9 billion).

The Group's net debt position was US$577.0 million as at 30 June 2018, as compared with US$740.5 million as at 31 December 2017. The total equity of the Group was approximately US$4,258.0 million (31 December 2017: US$4,579.3 million). The gearing ratio as at 30 June 2018 was 13.6% (31 December 2017: 16.2%). The ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including "current and non-current loans and borrowings" as shown in the condensed consolidated statement of financial position) less cash and cash equivalents.

The Group adopts a prudent treasury policy with all financing and treasury activities being managed and controlled at its corporate head office. The Group manages its foreign exchange exposure primarily through foreign currency forward contracts. It is also the Group's policy that hedging will not be performed in excess of actual requirement.

Travellers

The commentary below is based on Travellers' financial statements prepared in accordance with the Philippine Accounting Standards. Figures, originally reported by Travellers in Philippine Peso, have been translated into US dollar in conformity with the Group's reporting currency.

In 1H2018, Travellers reported P11,053.9 million (US$213.3 million) in revenues and P1,570.6 million (US$30.3 million) in EBITDA, compared with P11,223.1 million (US$223.9 million) in revenues and P2,187.6 million (US$43.6 million) in EBITDA in 1H2017.

Direct costs amounted to P4,741.5 million (US$91.5 million) in 1H2018, which decreased from P4,773.1 million (US$95.2 million) in 1H2017.

General and administrative expenses amounted to P5,744.8 million (US$110.9 million) in 1H2018, compared with P5,217.0 million (US$104.1 million) in 1H2017. The increase was mainly due to increase in general and marketing expenses, and depreciation expense and salaries, wages and employee benefits.

Finance costs amounted to P43.9 million (US$0.8 million) in 1H2018, which decreased from P565.5 million (US$11.3 million) in 1H2017, primarily due to higher capitalisation of borrowing costs in 1H2018 and the maturity of the US$300.0 million bond in November 2017.

Other non-operating income of P1,470.5 million (US$28.4 million) in 1H2018 mainly due to recognition of a one-time non-operating gain, compared with other non-operating loss of P158.8 million (US$3.2 million) in 1H2017.

Net profit increased from P373.0 million (US$7.4 million) in 1H2017 to P1,687.8 million (US$32.6 million) in 1H2018.

The cash and cash equivalents balance increased from P10,553.2 million (US$212.1 million) as at 31 December 2017 to P10,782.9 million (US$201.6 million) as at 30 June 2018, while the loans and borrowings balance increased from P31,443.1 million (US$632.0 million) as at 31 December 2017 to P35,840.9 million (US$670.2 million) as at 30 June 2018 for capital expenditure requirements.

Prospects

Dream Cruises' fleet of Genting Dream and World Dream continues their year-round homeports in Hong Kong/ Guangzhou and Singapore, delivering inspirational journeys at sea for our Asian guests. In 2018, Dream Cruises enhanced its popular 2-night weekend getaway itinerary on Genting Dream by giving cruisers the option to embark on shore excursions to Bintan Island, a tropical island getaway highlighted by pristine, white sand beaches, quaint seaside villages and a plethora of watersport activities. Both ships continue to improve with refined itineraries, more channels of distribution, increased market penetration and more efficiency in operations.

To further enhance the ship as a family-friendly vacation destination, Dream Cruises collaborated with Sony Pictures Animation to host thematic sailings of "Hotel Transylvania 3: A Monster Vacation" across the fleet this summer. Journeys at sea will be complemented by the company of their favourite legendary monsters through meet-and-greet, bedtime storytelling, and costume parties. For the cruising food connoisseur, Dream Cruises launched "Taste the Dream – Wine and Dine at Sea", a culinary extravaganza featuring the unprecedented collaboration between six Asia-based celebrity and Michelin star chefs and the Dream culinary team.

In 2018, Dream Cruises gained the recognition of Top 5 Large/Medium sized cruise ship category by China's Condé Nast Traveler's Gold List and "Best New Cruise Ship" at this year's TTG China Travel Awards.

After three years of design, the steel cutting ceremony for the first of two Global Class ships occurred on 8 March 2018 at the Group-owned MV Werften with delivery in late 2020/2021 and the keel laying is to be held on 11 September of this year. The first Global Class ship is planned to be positioned in Shanghai and Tianjin during the summer months of 2021 and replaces one of the Dream Class ships for her to cruise in Australia, and New Zealand during the winter months of 2021.

Prospects *(Continued)*

In 2020, Crystal Yacht Expedition Cruises will debut Crystal Endeavor, the largest and most spacious PC6 polar class ship featuring Crystal's legendary service and unmatched choices for adventure. The keel laying of the Crystal Endeavor took place in August 2018 at MV Werften in the presence of Dr. Angela Merkel, Chancellor of the Federal Republic of Germany, and Manuela Schwesig, Minister-President of Mecklenburg-Vorpommern. Special amenities of the Crystal Endeavor will include 18 zodiacs and kayaks, an underwater submersible, and two helicopters to explore the world's most remote destinations. With the drydock of Crystal Serenity later this year, both ocean ships will offer free seating for dining, a must for luxury ships.

Zouk will be holding its annual ZoukOut festival for the 18th year this December, expected to draw a crowd of 30,000 music fans. With the upcoming Zouk Genting at the Genting Highlands Resort, the brand will be introducing a multi-concept complex featuring a Zouk main room, a new boutique club space "Empire", a thematic restaurant, as well as the extension of RedTail Bar to include a karaoke lounge and outdoor area.

Resorts World Manila (RWM), the Philippines' pioneer integrated entertainment and tourism destination, marked its ninth year in operation with significant milestones, continuous expansion, and many world-class entertainment offerings. In May, Courtyard by Marriott opened in Iloilo making it the first international hotel in Western Visayas. Phase 3 of RWM's expansion continues to be fast-tracked as international chain InterContinental Hotels Group (IHG) opened its first and only Holiday Inn Express location in the Philippines in the second quarter of this year. Completion of the Sheraton Manila Hotel and Hilton Manila is targeted for the second half, while Hotel Okura Manila will open in the first half of 2019, effectively making RWM a six-hotel integrated resort.

Operating Statistics

The following table sets forth selected statistical information:

	Six months ended 30 June	
	2018	2017
Passenger Cruise Days	2,453,747	1,748,147
Capacity Days	2,907,795	2,309,476
Occupancy Percentage	84.4%	75.7%

In relation to the Group's cruise and cruise-related activities, Net Revenue, Gross Yield and Net Yield were calculated as follows:

	Six months ended 30 June	
	2018	2017
	US$'000	*US$'000*
Passenger ticket revenue	448,093	339,720
Onboard revenue	193,868	131,493
Total cruise and cruise-related revenue	641,961	471,213
Less:		
Commission, incentives, transportation and other related costs	(81,170)	(66,413)
Onboard costs	(46,456)	(41,099)
Net Revenue	514,335	363,701
Gross Yield (US$)	220.8	204.0
Net Yield (US$)	176.9	157.5

Operating Statistics *(Continued)*

In relation to the Group's cruise and cruise-related activities, Gross Cruise Cost, Net Cruise Cost and Net Cruise Cost Excluding Fuel were calculated as follows:

	Six months ended 30 June 2018	2017
	US$'000	*US$'000*
Total operating expenses	749,520	556,983
Total selling, general and administrative expenses	145,886	153,402
	895,406	710,385
Less: Depreciation and amortisation	(112,750)	(86,133)
	782,656	624,252
Less: Expenses relating to shipyard operations and non-cruise activities	(203,668)	(118,346)
Gross Cruise Cost	578,988	505,906
Less:		
Commission, incentives, transportation and other related costs	(81,170)	(66,413)
Onboard costs	(46,456)	(41,099)
Net Cruise Cost	451,362	398,394
Less: Fuel costs	(60,080)	(38,139)
Net Cruise Cost Excluding Fuel	391,282	360,255
EBITDA/(LBITDA) for cruise and cruise-related activities (excluding start-up costs for new ships)	62,973	(18,316)
Gross Cruise Cost per Capacity Day (US$)	199.1	219.1
Net Cruise Cost per Capacity Day (US$)	155.2	172.5
Net Cruise Cost per Capacity Day (excluding start-up costs for new ships) (US$)	155.2	165.4
Net Cruise Cost Excluding Fuel per Capacity Day (US$)	134.6	156.0

Human Resources

As at 30 June 2018, the Group had 14,939 employees, consisting of 9,894 (or 66%) shipbased officers and crew as well as 5,045 (or 34%) staff employed in the various world-wide offices of the Group. The Group provides competitive salaries, benefits and incentives including provident fund schemes and medical insurance schemes for its staff.

For the six months ended 30 June 2018, there is no significant change in the remuneration policies, bonus, share option scheme and training schemes for the Group.

Interests of Directors

As at 30 June 2018, the interests and short positions of the Directors and the Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Hong Kong (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") and in accordance with information received by the Company were as follows:

(A) Interests in the shares of the Company

	Nature of interests/capacity in which such interests were held					
Name of Director	**Beneficial owner**	**Interests of spouse**	**Interests of controlled corporation**	**Founder/ Beneficiary of discretionary trusts**	**Total**	**Percentage of issued voting shares**
	Number of ordinary shares *(Notes)*					
Tan Sri Lim Kok Thay	368,643,353	36,298,108 *(1)*	36,298,108 *(2)*	6,003,571,032 *(3) and (4)*	6,408,512,493 *(5)*	75.55
Mr. Lim Keong Hui *(6)*	–	–	–	6,003,571,032 *(3) and (4)*	6,003,571,032	70.78
Mr. Justin Tan Wah Joo	968,697 *(7)*	968,697 *(7)*	–	–	968,697 *(5)*	0.01

Notes:

As at 30 June 2018:

(1) Tan Sri Lim Kok Thay ("Tan Sri Lim") had a family interest in the same block of 36,298,108 ordinary shares directly held by Goldsfine Investments Ltd. ("Goldsfine") in which his wife, Puan Sri Wong Hon Yee ("Puan Sri Wong") had a corporate interest.

(2) Tan Sri Lim was also deemed to have a corporate interest in the same block of 36,298,108 ordinary shares directly held by Goldsfine in which each of Tan Sri Lim and Puan Sri Wong held 50% equity interests.

(3) Tan Sri Lim as founder and a beneficiary of a discretionary trust (trustee of which is First Names Trust Company (Isle of Man) Limited) and Mr. Lim Keong Hui ("Mr. Lim") also as a beneficiary of the discretionary trust, had a deemed interest in the same block of 6,003,571,032 ordinary shares.

(4) Out of the same block of 6,003,571,032 ordinary shares held directly and indirectly by Golden Hope Limited as trustee of the Golden Hope Unit Trust, 5,035,000,000 ordinary shares were pledged ordinary shares.

(5) There was no duplication in arriving at the total interest.

(6) Mr. Lim is a son of Tan Sri Lim.

(7) These shares were jointly held by Mr. Justin Tan Wah Joo and his wife.

(8) The Company had one class of issued shares, namely the ordinary shares, each of which carried equal voting right.

(9) All the above interests represented long positions in the shares.

Interests of Directors *(Continued)*

(B) Interests in the shares of associated corporations of the Company

Name of associated corporation	Name of Director	Beneficial owner	Interests of spouse	Interests of controlled corporation	Founder/ Beneficiary of discretionary trusts	Total	Percentage of issued voting shares
		Nature of interests/capacity in which such interests were held					
				Number of ordinary/common shares *(Notes)*			
Starlet Investments Pte. Ltd. ("Starlet") *(1)*	Tan Sri Lim Kok Thay	–	250,000 *(2)*	250,000 *(3)*	250,000 *(4)*	500,000 *(15) and (16)*	100
SC Alliance VIP World Philippines, Inc. ("SC Alliance") *(5)*	Tan Sri Lim Kok Thay	–	2,000 *(6)*	2,000 *(7)*	2,000 *(8)*	2,000 *(15) and (16)*	40
Star Cruises Hong Kong Management Services Philippines, Inc. ("SCHKMS") *(9)*	Tan Sri Lim Kok Thay	–	5,000 *(10)*	5,000 *(11)*	5,000 *(12)*	5,000 *(15) and (16)*	100
Travellers International Hotel Group, Inc. ("Travellers") *(13)*	Mr. Lim Keong Hui	1,910,000	–	–	9,203,350,000 *(14)*	9,205,260,000 *(16)*	35.74

Notes:

As at 30 June 2018:

(1) Starlet had one class of issued shares, namely the ordinary shares, each of which carried equal voting right. Each of a subsidiary of the Company and International Resort Management Services Pte. Ltd. ("IRMS") had a 50% interest in Starlet. IRMS was owned as to 80% by Tan Sri Lim and 20% by his spouse, Puan Sri Wong.

(2) As the spouse of Puan Sri Wong, Tan Sri Lim had a family interest in 250,000 ordinary shares of Starlet directly held by IRMS in which Puan Sri Wong had a 20% interest.

(3) Tan Sri Lim was deemed to have a corporate interest in 250,000 ordinary shares of Starlet directly held by IRMS.

(4) As founder and a beneficiary of a discretionary trust, Tan Sri Lim had a deemed interest in 250,000 ordinary shares of Starlet.

(5) SC Alliance had two classes of issued shares, namely 2,000 common shares and 3,000 series A preferred shares, each of which carried equal voting right. All the issued common shares in SC Alliance were held by Starlet.

(6) As the spouse of Puan Sri Wong, Tan Sri Lim had a family interest in 2,000 common shares of SC Alliance directly held by Starlet in which IRMS had a 50% interest, IRMS was in turn owned as to 20% by Puan Sri Wong.

(7) Tan Sri Lim was deemed to have a corporate interest in 2,000 common shares of SC Alliance directly held by Starlet in which IRMS had a 50% interest.

(8) As founder and a beneficiary of a discretionary trust, Tan Sri Lim had a deemed interest in 2,000 common shares of SC Alliance.

(9) SCHKMS had one class of issued shares, namely the common shares, each of which carried equal voting right. SCHKMS was owned as to (i) 60% by SC Alliance; and (ii) 40% by Starlet.

(10) As the spouse of Puan Sri Wong, Tan Sri Lim had a family interest in 5,000 common shares of SCHKMS directly and indirectly held by Starlet in which IRMS had a 50% interest, IRMS was in turn owned as to 20% by Puan Sri Wong.

Interests of Directors *(Continued)*

(B) Interests in the shares of associated corporations of the Company *(Continued)*

Notes: (Continued)

(11) Tan Sri Lim was deemed to have a corporate interest in 5,000 common shares of SCHKMS comprising (i) 3,000 common shares directly held by SC Alliance; and (ii) 2,000 common shares directly held by Starlet.

(12) As founder and a beneficiary of a discretionary trust, Tan Sri Lim had a deemed interest in 5,000 common shares of SCHKMS.

(13) Travellers had two classes of issued shares, namely 15,755,874,850 common shares and 10,000,000,000 preferred B shares, each of which carried equal voting right. Following initial listing of the common shares of Travellers on the Main Board of The Philippine Stock Exchange, Inc. on 5 November 2013 and the exercise of the over-allotment option by the stabilizing agent on 4 December 2013 to purchase 23,645,600 common shares, the Company's effective interest in the common shares of Travellers had been diluted from 50% to 44.93%. The Company's effective interest in the preferred B shares of Travellers remained unchanged at 50% following the listing.

(14) As a beneficiary of a discretionary trust, Mr. Lim had a deemed interest in 9,203,350,000 common shares of Travellers.

(15) There was no duplication in arriving at the total interest.

(16) These interests represented long positions in the shares of the relevant associated corporations of the Company.

(17) Tan Sri Lim held qualifying shares in certain associated corporations of the Company on trust for a subsidiary of the Company.

Save as disclosed above and in the sections headed "Share Options" and "Interests of Substantial Shareholders" below:

(a) as at 30 June 2018, none of the Directors or the Chief Executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code; and

(b) at no time during the period was the Company and its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Share Options

Details of the share option scheme adopted by the Company on 23 August 2000 (as effected on 30 November 2000 and amended on 22 May 2002) (the "Post-listing Employee Share Option Scheme") are set out in the published annual report of the Company for the year ended 31 December 2017. The Post-listing Employee Share Option Scheme has expired on 29 November 2010 whereupon no further options can be granted under the scheme but the outstanding options remain exercisable subject to the terms and conditions of the respective grants and the provisions of the scheme. Details of the movement in the share options granted to the Directors of the Company and the employees of the Group under the Post-listing Employee Share Option Scheme during the period and outstanding as at 30 June 2018 were as follows:

Post-listing Employee Share Option Scheme

	Number of options outstanding at 01/01/2018	Number of ordinary shares acquired upon exercise of options during the period	Number of options lapsed during the period	Number of options cancelled during the period	Number of options outstanding at 30/06/2018	Date granted	Exercise price per ordinary share	Exercisable period
Tan Sri Lim Kok Thay (Director)	7,000,000	–	(7,000,000)	–	–	27/05/2008	HK$1.7800	28/05/2009 – 27/05/2018
	7,000,000	**–**	**(7,000,000)**	**–**	**–**			
All other employees	2,475,000	–	(2,475,000)	–	–	27/05/2008	HK$1.7800	28/05/2009 – 27/05/2018
	7,226,000	–	–	–	7,226,000	16/11/2010	HK$3.7800	16/11/2011 – 15/11/2020
	9,701,000	**–**	**(2,475,000)**	**–**	**7,226,000**			
Grand Total	**16,701,000**	**–**	**(9,475,000)**	**–**	**7,226,000**			

The share options under the Post-listing Employee Share Option Scheme granted on (i) 27 May 2008 vested in five tranches over a period of ten years from the date of offer and were exercisable annually in equal tranches of 20% of the amount granted commencing in each of the five years from 2009 to 2013 (all outstanding share options remained unexercised upon maturity lapsed on 28 May 2018); and (ii) 16 November 2010 vest in five tranches over a period of ten years from the date of offer and become exercisable annually in equal tranches of 20% of the amount granted commencing in each of the five years from 2011 to 2015. All the share options under the Post-listing Employee Share Option Scheme are subject to further terms and conditions set out in the relevant offer letters and provisions of the Post-listing Employee Share Option Scheme.

Interests of Substantial Shareholders

As at 30 June 2018, the following persons (other than the Directors or the Chief Executive of the Company) had interests or short positions in the shares and underlying shares of the Company, being 5% or more of the Company's issued shares, as recorded in the register required to be kept under section 336 of the SFO and in accordance with information received by the Company:

(A) Interests in the shares of the Company

	Nature of interests/capacity in which such interests were held						
Name of shareholder *(Notes)*	**Beneficial owner**	**Interests of spouse**	**Interests of controlled corporation**	**Trustee**	**Beneficiary of trust**	**Total**	**Percentage of issued voting shares**
			Number of ordinary shares *(Notes)*				
First Names Trust Company (Isle of Man) Limited (as trustee of a discretionary trust) *(1)*	–	–	6,003,571,032 *(5)*	6,003,571,032 *(7)*	6,003,571,032 *(9)*	6,003,571,032 *(13)*	70.78
Cove Investments Limited *(2)*	–	–	–	–	6,003,571,032 *(10)*	6,003,571,032	70.78
Golden Hope Limited (as trustee of the Golden Hope Unit Trust) *(3)*	–	–	546,628,908 *(6)*	6,003,571,032 *(8) and (12)*	–	6,003,571,032 *(13)*	70.78
Joondalup Limited *(4)*	546,628,908	–	–	–	–	546,628,908	6.44
Puan Sri Wong Hon Yee	–	6,408,512,493 *(11(a))*	36,298,108 *(11(b))*	–	–	6,408,512,493 *(13)*	75.55

Notes:

As at 30 June 2018:

(1) First Names Trust Company (Isle of Man) Limited ("First Names") was the trustee of a discretionary trust (the "Discretionary Trust"), the beneficiaries of which were Tan Sri Lim Kok Thay ("Tan Sri Lim"), Mr. Lim Keong Hui and certain other members of Tan Sri Lim's family. First Names as trustee of the Discretionary Trust held 99.99% of the units in the Golden Hope Unit Trust ("GHUT"), a private unit trust directly and 0.01% of the units in the GHUT indirectly through Cove (as defined below).

(2) Cove Investments Limited ("Cove") was wholly owned by First Names as trustee of the Discretionary Trust.

(3) Golden Hope Limited ("Golden Hope") was the trustee of the GHUT.

(4) Joondalup Limited ("Joondalup") was wholly owned by Golden Hope as trustee of the GHUT.

(5) First Names as trustee of the Discretionary Trust had a corporate interest in the same block of 6,003,571,032 ordinary shares held directly and indirectly by Golden Hope as trustee of the GHUT (comprising 5,456,942,124 ordinary shares held directly by Golden Hope as trustee of the GHUT and 546,628,908 ordinary shares held indirectly through Joondalup).

(6) Golden Hope as trustee of the GHUT had a corporate interest in the same block of 546,628,908 ordinary shares held directly by Joondalup.

(7) First Names in its capacity as trustee of the Discretionary Trust had a deemed interest in the same block of 6,003,571,032 ordinary shares held directly and indirectly by Golden Hope as trustee of the GHUT (comprising 5,456,942,124 ordinary shares held directly by Golden Hope as trustee of the GHUT and 546,628,908 ordinary shares held indirectly through Joondalup).

Interests of Substantial Shareholders *(Continued)*

(A) Interests in the shares of the Company *(Continued)*

Notes: (Continued)

(8) The interest in 6,003,571,032 ordinary shares was held directly and indirectly by Golden Hope in its capacity as trustee of the GHUT (comprising 5,456,942,124 ordinary shares held directly by Golden Hope as trustee of the GHUT and 546,628,908 ordinary shares held indirectly through Joondalup).

(9) First Names as trustee of the Discretionary Trust was deemed to have interest in the same block of 6,003,571,032 ordinary shares held directly and indirectly by Golden Hope as trustee of the GHUT in its capacity as beneficiary of the GHUT.

(10) Cove which held 0.01% of the units in the GHUT was deemed to have interest in the same block of 6,003,571,032 ordinary shares held directly and indirectly by Golden Hope as trustee of the GHUT in its capacity as beneficiary of the GHUT.

(11) (a) Puan Sri Wong Hon Yee ("Puan Sri Wong") as the spouse of Tan Sri Lim, had a family interest in the same block of 6,408,512,493 ordinary shares in which Tan Sri Lim had a deemed interest.

(b) Puan Sri Wong also had a corporate interest in 36,298,108 ordinary shares held directly by Goldsfine by holding 50% of its equity interest.

(12) Out of the same block of 6,003,571,032 ordinary shares held directly and indirectly by Golden Hope as trustee of the GHUT, 5,035,000,000 ordinary shares were pledged ordinary shares.

(13) There was no duplication in arriving at the total interest.

(14) The Company had one class of issued shares, namely the ordinary shares, each of which carried equal voting right.

(15) All the above interests represented long positions in the shares of the Company.

Save as disclosed above and in the section headed "Interests of Directors" above, as at 30 June 2018, there were no other persons who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

General Disclosure pursuant to the Listing Rules

Pursuant to Rules 13.18 and 13.21 of the Listing Rules, the Company discloses the following information:

Facility Agreements of the Group

In April 2014, the Group obtained a secured term loan facility in an aggregate amount of USD equivalent of up to EUR593,760,000 with a term of 144 months after the first utilisation of the facility by the Group under the facility agreement (the "First Vessel Loan Facility Agreement") for financing the construction and purchase of the vessel to be constructed pursuant to the shipbuilding contract dated 7 October 2013.

In May 2014, the Group obtained a secured term loan facility in an aggregate amount of USD equivalent of up to EUR606,842,214 with a term of 144 months after the first utilisation of the facility by the Group under the facility agreement (the "Second Vessel Loan Facility Agreement") for financing the construction and purchase of the vessel to be constructed pursuant to the shipbuilding contract dated 10 February 2014 and the Hermes Fee (as defined in the Second Vessel Loan Facility Agreement).

In April 2015, the Group obtained a secured term loan facility in an aggregate amount of up to the lower of US$300 million and 60% of the aggregate market value of two vessels, namely, Crystal Serenity and Crystal Symphony (the "Vessels"), with a term of 84 months after the utilisation of the facility by the Group under the facility agreement (the "Crystal Vessel Loan Facility Agreement") for part financing the acquisition of the entire equity interest in Crystal Cruises, LLC (the indirect owner of the Vessels) by the Borrower (as defined in the Crystal Vessel Loan Facility Agreement which is an indirect wholly-owned subsidiary of the Company) as purchaser pursuant to the purchase agreement dated 3 March 2015 and for general corporate purpose of the Borrower.

In July 2016, the Group obtained a secured term loan and revolving credit facility in an aggregate amount of up to US$500 million with a term of 72 months after the first utilisation of the facilities by the Company under the facility agreement (the "US$500 million Facility Agreement") for, amongst others, general corporate purposes of the Group.

In January 2017, the Group obtained a secured term loan facility in an aggregate amount of USD equivalent of up to (i) EUR160 million for financing part of the cost of construction and purchase of four river cruise ships to be constructed pursuant to the relevant shipbuilding contracts all dated 7 September 2016 (as amended from time to time); and (ii) 100% of each Hermes Fee (as defined therein) with a term of 102 months after the first utilisation of the facility by the Group under the facility agreement (the "River Cruise Ship Facility Agreement").

Pursuant to (i) the First Vessel Loan Facility Agreement; (ii) the Second Vessel Loan Facility Agreement; (iii) the Crystal Vessel Loan Facility Agreement; (iv) the US$500 million Facility Agreement; and (v) the River Cruise Ship Facility Agreement, the Lim Family (as defined therein, including Tan Sri Lim Kok Thay (the Chairman and Chief Executive Officer of the Company), his spouse, his direct lineal descendants, the personal estate of any of the above persons; and any trust created for the benefit of one or more of the aforesaid persons and their respective estates) is required, together or individually, directly or indirectly, to hold the largest percentage of the issued share capital of, and equity interest in, the Company. The Lim Family's holding shall include any interest which the Lim Family, together or individually, is deemed to hold in accordance with Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (Disclosure of Interests) and in addition, where applicable, any interest in the Company held by GENT, GENM and their respective Affiliates (as defined in each of the respective facility agreements).

As at 30 June 2018, the aggregate principal amount under the above facility agreements was US$2,345 million and the aggregate outstanding loan balance thereunder was approximately US$1,856 million.

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2018.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules in force during the six months ended 30 June 2018 as its code of conduct regarding securities transactions by its Directors. All Directors have confirmed, following specific enquiry by the Company, that during the period from 1 January 2018 to 30 June 2018 (both dates inclusive), they have complied with the required standard set out in the Model Code as contained in Appendix 10 of the Listing Rules in force during the said period.

Corporate Governance

In the opinion of the Directors, during the six months ended 30 June 2018, the Company has complied with the code provisions set out in the Corporate Governance Code as contained in Appendix 14 of the Listing Rules (the "Code Provisions"), save for certain deviations from the relevant Code Provisions A.2.1 and F.1.3 as listed below:

(a) Code Provision A.2.1 states that the roles of Chairman and Chief Executive should be separate and should not be performed by the same individual.

(b) Code Provision F.1.3 states that the Company Secretary should report to the Board Chairman and/or the Chief Executive.

Considered reasons for the aforesaid deviations as well as further information of the Company's corporate governance practices were set out in the Corporate Governance Report of the Company's annual report for the year ended 31 December 2017 issued in April 2018.

Disclosure of Information on Directors pursuant to Rule 13.51B(1) of the Listing Rules

Pursuant to Rule 13.51B(1) of the Listing Rules, the Company discloses the following change in information on Tan Sri Lim Kok Thay ("Tan Sri Lim"), the Chairman and Chief Executive Officer of the Company:

(a) Tan Sri Lim is the Executive Chairman of Genting Singapore Limited (formerly known as Genting Singapore PLC), a public company listed on the Main Board of the Singapore Exchange Securities Trading Limited. During the period under review, Genting Singapore PLC was re-domiciled from the Isle of Man to Singapore on 1 June 2018 and changed its company name to "Genting Singapore Limited" on the same day.

Review by Audit Committee

This interim report has been reviewed by the Audit Committee established in compliance with Rule 3.21 of the Listing Rules and the relevant provisions of the Corporate Governance Code. The Audit Committee comprises the three Independent Non-executive Directors of the Company, namely Mr. Justin Tan Wah Joo, Mr. Alan Howard Smith and Mr. Lam Wai Hon, Ambrose.

On behalf of the Board

Tan Sri Lim Kok Thay
Chairman and Chief Executive Officer

Hong Kong, 27 August 2018

GENTING
HONG KONG

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