



ASIA ENTERTAINMENT & RESOURCES LTD



SECTOR
LEISURE

REGION
ASIA-PACIFIC

Asia Entertainment & Resources Ltd (AERL) is an investment holding company operating through its subsidiaries and related promoter companies to provide gaming rooms for high-stake patrons, principally in Macau, the People's Republic of China.

AERL has three major luxury VIP gaming facilities in Macau. One facility is located at the Galaxy StarWorld Hotel and Casino in downtown Macau. The second is at the Venetian Macau Resort Hotel and Casino on Cotai Strip and is operated by Venetian Macau S.A. The third is at the Galaxy Macau Resort also on the Cotai Strip.

In addition, AERL is looking forward to future expansion in Macau as more casinos are developed there. The company is also considering expanding into the Republic of Korea in the future. Luxury VIP gaming is located on Jeju Island, Republic of Korea, offering Macau-style gaming for high-stake patrons.

AERL expects its non-GAAP income to be between USD 88 million and USD 95 million in 2012.

The company's gaming rooms are primarily focused on high stakes baccarat.

About the sector

Gaming is a highly regulated industry in Macau. The gaming and licensing authorities may exercise significant control over promoters' operations.



AERL's luxury hotels and casinos cater for discerning Asian high-profile gaming patrons: The Venetian Macau Resort Hotel (top), Galaxy StarWorld Hotel (right).

Macau itself has been one of the most rapidly growing Asian economies since the gaming industry was liberalised in 2002. It is also the only territory within China where casino operations have been legalised. Gaming represented 70% of Macau's gross domestic product in 2009; and more than 88% of Macau's public revenues in 2011.

UHY services

UHY LLP in the US allocates a team of five professionals to provide year-end audit services, quarterly reports and review internal control based on Sarbanes-Oxley (SOX) guidelines for AERL. UHY LLP is assisted by UHY's member firm in Hong Kong, UHY Grace HK CPA Limited, in certain aspects of its work. The Hong Kong firm also provides a Hong Kong statutory audit.

Why UHY?

UHY LLP has worked with AERL and its predecessor corporate structure for five years and was the company's audit partner for its initial public offering in 2008. AERL says it appointed UHY because "besides being the best, UHY member firms provide our organisation



with dedicated partner service and offer practical advice on important business matters", says AERL audit chairman James Preissler.

UHY has been the sole auditor for AERL and its predecessor structure.

Working with UHY

"UHY member firms also provide AERL with value-added services, especially advice on filing requirements and reviews of our accounting position," says James Preissler.

“UHY member firms provide our organisation with a dedicated partner service and offer practical advice on important business matters.”