



FIRST QUARTERLY REPORT

Quarterly report on consolidated results for the first quarter ended 31 March 2021. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31/03/2021 RM'000	Preceding Year Corresponding Quarter 31/03/2020 RM'000	Current Year- To-Date 31/03/2021 RM'000	Preceding Year Corresponding Period 31/03/2020 RM'000
Revenue	2,253,067	4,109,218	2,253,067	4,109,218
Cost of sales	(1,909,495)	(3,063,803)	(1,909,495)	(3,063,803)
Gross profit	343,572	1,045,415	343,572	1,045,415
Other income	85,805	255,590	85,805	255,590
Impairment losses	(43,535)	(482,459)	(43,535)	(482,459)
Other expenses	(618,968)	(646,268)	(618,968)	(646,268)
Other gains/(losses)	6,078	(21,115)	6,078	(21,115)
Finance cost	(233,972)	(261,361)	(233,972)	(261,361)
Share of results in joint ventures and associates	(25,900)	(108,007)	(25,900)	(108,007)
Loss before taxation	(486,920)	(218,205)	(486,920)	(218,205)
Taxation	(47,477)	(124,738)	(47,477)	(124,738)
Loss for the period	(534,397)	(342,943)	(534,397)	(342,943)
Loss attributable to:				
Equity holders of the Company	(331,759)	(132,318)	(331,759)	(132,318)
Non-controlling interests	(202,638)	(210,625)	(202,638)	(210,625)
	(534,397)	(342,943)	(534,397)	(342,943)
Loss per share (sen) for loss attributable to equity holders of the Company:				
- Basic	(8.62)	(3.44)	(8.62)	(3.44)
- Diluted	(8.62)	(3.44)	(8.62)	(3.44)

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020)

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31/03/2021 RM'000	Preceding Year Corresponding Quarter 31/03/2020 RM'000	Current Year- To-Date 31/03/2021 RM'000	Preceding Year Corresponding Period 31/03/2020 RM'000
Loss for the period	(534,397)	(342,943)	(534,397)	(342,943)
Other comprehensive income/(loss)				
Item that will not be reclassified subsequently to profit or loss:				
Changes in the fair value of equity investments at fair value through other comprehensive income	<u>111,301</u>	<u>(266,966)</u>	<u>111,301</u>	<u>(266,966)</u>
	111,301	(266,966)	111,301	(266,966)
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedges				
- Fair value (loss)/gain	(15,449)	125,637	(15,449)	125,637
- Reclassifications	1,500	10,970	1,500	10,970
Share of other comprehensive income of joint ventures and associates	13,903	39,169	13,903	39,169
Net foreign currency exchange differences	<u>945,802</u>	<u>176,716</u>	<u>945,802</u>	<u>176,716</u>
	945,756	352,492	945,756	352,492
Other comprehensive income for the period, net of tax	<u>1,057,057</u>	<u>85,526</u>	<u>1,057,057</u>	<u>85,526</u>
Total comprehensive income/(loss) for the period	<u>522,660</u>	<u>(257,417)</u>	<u>522,660</u>	<u>(257,417)</u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	431,261	50,022	431,261	50,022
Non-controlling interests	91,399	(307,439)	91,399	(307,439)
	<u>522,660</u>	<u>(257,417)</u>	<u>522,660</u>	<u>(257,417)</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	As At 31 Mar 2021 RM'000	Audited As At 31 Dec 2020 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	47,245,695	45,084,298
Land held for property development	487,180	363,807
Investment properties	1,601,455	1,528,798
Intangible assets	5,262,330	5,188,602
Rights of use of oil and gas assets	3,337,179	3,250,924
Rights of use of lease assets	6,703,023	4,134,007
Joint ventures	1,560,467	1,496,313
Associates	2,026,201	1,869,038
Financial assets at fair value through other comprehensive income	1,018,926	963,474
Financial assets at fair value through profit or loss	288,567	293,710
Other non-current assets	3,976,297	3,884,675
Deferred tax assets	136,402	118,377
	73,643,722	68,176,023
CURRENT ASSETS		
Property development costs	22,946	21,054
Inventories	617,684	572,239
Produce growing on bearer plants	10,455	8,289
Trade and other receivables	2,425,629	2,200,364
Amounts due from joint ventures and associates	112,210	98,154
Financial assets at fair value through other comprehensive income	277,786	434,206
Financial assets at fair value through profit or loss	900,110	1,062,846
Derivative financial instruments	31,819	41,135
Restricted cash	758,209	645,643
Cash and cash equivalents	21,848,874	25,974,317
	27,005,722	31,058,247
Assets classified as held for sale	446,624	406,750
	27,452,346	31,464,997
TOTAL ASSETS	101,096,068	99,641,020
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	3,056,175	3,056,175
Treasury shares	(221,206)	(221,206)
Reserves	30,237,071	30,130,383
	33,072,040	32,965,352
Non-controlling interests	21,366,810	21,561,079
TOTAL EQUITY	54,438,850	54,526,431
NON-CURRENT LIABILITIES		
Long term borrowings	34,510,348	34,351,911
Lease liabilities	782,520	791,228
Deferred tax liabilities	1,955,256	1,992,120
Derivative financial instruments	5,669	7,520
Other non-current liabilities	862,248	897,929
	38,116,041	38,040,708
CURRENT LIABILITIES		
Trade and other payables	5,012,762	4,952,017
Amounts due to joint ventures and associates	55,763	44,920
Short term borrowings	2,540,677	1,454,020
Lease liabilities	200,986	170,232
Derivative financial instruments	52,948	38,206
Taxation	350,321	413,309
Dividend payable	327,299	-
	8,540,756	7,072,704
Liabilities classified as held for sale	421	1,177
	8,541,177	7,073,881
TOTAL LIABILITIES	46,657,218	45,114,589
TOTAL EQUITY AND LIABILITIES	101,096,068	99,641,020
NET ASSETS PER SHARE (RM)	8.59	8.56

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	← Attributable to equity holders of the Company →							Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Fair Value Reserve RM'000	Cash Flow Hedge Reserve RM'000	Foreign Exchange & Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total RM'000		
At 1 January 2021	3,056,175	(307,720)	17,242	(1,841,817)	32,262,678	(221,206)	32,965,352	21,561,079	54,526,431
Loss for the period	-	-	-	-	(331,759)	-	(331,759)	(202,638)	(534,397)
Other comprehensive income/(loss)	-	111,301	(15,719)	664,869	2,569	-	763,020	294,037	1,057,057
Total comprehensive income/(loss) for the period	-	111,301	(15,719)	664,869	(329,190)	-	431,261	91,399	522,660
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	(77,789)	-	-	77,789	-	-	-	-
Effects arising from changes in composition of the Group	-	-	-	-	1,373	-	1,373	(21,669)	(20,296)
Performance-based Employee Share Scheme by subsidiaries	-	-	-	-	1,353	-	1,353	(1,353)	-
Effects of share-based payment	-	-	-	-	-	-	-	24,091	24,091
Dividends to non-controlling interests	-	-	-	-	-	-	-	(286,737)	(286,737)
Appropriation:									
Special single-tier dividend for financial year ended 31 December 2020	-	-	-	-	(327,299)	-	(327,299)	-	(327,299)
Balance at 31 March 2021	3,056,175	(274,208)	1,523	(1,176,948)	31,686,704	(221,206)	33,072,040	21,366,810	54,438,850

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

	← Attributable to equity holders of the Company →								
	Share Capital RM'000	Fair Value Reserve RM'000	Cash Flow Hedge Reserve RM'000	Foreign Exchange & Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
At 1 January 2020	3,056,175	(216,666)	(6,230)	(1,410,029)	34,130,158	(221,206)	35,332,202	23,941,797	59,273,999
Loss for the period	-	-	-	-	(132,318)	-	(132,318)	(210,625)	(342,943)
Other comprehensive (loss)/income	-	(266,966)	118,724	330,817	(235)	-	182,340	(96,814)	85,526
Total comprehensive (loss)/income for the period	-	(266,966)	118,724	330,817	(132,553)	-	50,022	(307,439)	(257,417)
Effects arising from changes in composition of the Group	-	-	-	-	(1,263)	-	(1,263)	(100,563)	(101,826)
Performance-based Employee Share Scheme by subsidiaries	-	-	-	-	8,137	-	8,137	(8,137)	-
Effects of share-based payment	-	-	-	-	-	-	-	32,561	32,561
Dividends to non-controlling interests	-	-	-	-	-	-	-	(256,487)	(256,487)
Appropriation: Special single-tier dividend for financial year ended 31 December 2019	-	-	-	-	(365,805)	-	(365,805)	-	(365,805)
Balance at 31 March 2020	3,056,175	(483,632)	112,494	(1,079,212)	33,638,674	(221,206)	35,023,293	23,301,732	58,325,025

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	Current Year-To-Date RM'000	Preceding Year Corresponding Period RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(486,920)	(218,205)
Adjustments for:		
Depreciation and amortisation	577,986	675,023
Finance cost	233,972	261,361
Impairment losses	43,535	482,459
Share of results in joint ventures and associates	25,900	108,007
Net fair value loss on financial assets at fair value through profit or loss	4,301	14,641
Assets written off	2,018	4,068
Interest income	(33,328)	(145,471)
Net (reversal) of impairment/impairment of receivables	(30,171)	47,312
Investment income	(13,177)	(13,767)
Net exchange (gain)/loss – unrealised	(8,991)	5,672
Net gain on change in shareholding of associates	-	(52,740)
Other non-cash items	5,646	28,730
	<u>807,691</u>	<u>1,415,295</u>
Operating profit before changes in working capital	320,771	1,197,090
Net change in current assets	(126,174)	134,370
Net change in current liabilities	(363,298)	(882,007)
	<u>(489,472)</u>	<u>(747,637)</u>
Cash (used in)/generated from operations	(168,701)	449,453
Tax paid (net of tax refund)	(206,158)	(139,927)
Retirement gratuities paid	(1,166)	(5,782)
Other operating activities	(2,014)	11,512
	<u>(209,338)</u>	<u>(134,197)</u>
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	(378,039)	315,256
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and rights of use of lease assets	(4,383,785)	(1,422,329)
Increase in investments, intangible assets and other long term financial assets	(267,895)	(137,246)
Proceeds from disposal of investments	429,618	21,260
Interest received	35,894	169,612
Proceeds from disposal of property, plant and equipment	15,455	3,783
Other investing activities	(40,750)	24,177
NET CASH USED IN INVESTING ACTIVITIES	(4,211,463)	(1,340,743)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021 (Cont'd)

	Current Year-To-Date RM'000	Preceding Year Corresponding Period RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings and payment of transaction costs	(2,691,319)	(598,203)
Finance cost paid	(451,422)	(495,563)
Dividends paid to non-controlling interests	(44,024)	-
Repayment of lease liabilities	(30,629)	(45,958)
Buy-back of shares by a subsidiary	(21,256)	(30,145)
Restricted cash	(29,310)	22,746
Proceeds from bank borrowings and issuance of notes by subsidiaries	3,249,107	6,586,914
Other financing activities	940	-
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	(17,913)	5,439,791
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(4,607,415)	4,414,304
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	25,974,317	30,282,176
EFFECTS OF CURRENCY TRANSLATION	481,972	267,850
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	21,848,874	34,964,330
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	20,460,631	30,882,056
Money market instruments	1,388,243	4,082,274
	21,848,874	34,964,330

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020)

GENTING BERHAD

NOTES TO THE INTERIM FINANCIAL REPORT – FIRST QUARTER ENDED 31 MARCH 2021

(I) Compliance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting

(a) **Accounting Policies, Presentation and Methods of Computation**

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 “Interim Financial Reporting” and paragraph 9.22 of Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020. The accounting policies, presentation and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2020 except for the adoption of amendments to published standards for the Group for the financial year beginning 1 January 2021:

- Amendments to MFRS 16 “COVID-19-Related Rent Concessions”
- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 “Interest Rate Benchmark Reform-Phase 2”

The adoption of these amendments to published standards did not have any material impact on the interim financial report of the Group.

(b) **Seasonal or Cyclical Factors**

On an overall basis, the business operations of the Group’s Leisure & Hospitality Division and Plantation Division are subject to seasonal fluctuations. The results of the Leisure & Hospitality Division are affected by major festive seasons and holidays. Fresh fruit bunches (“FFB”) production is seasonal in nature. Production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions. More detailed commentary is set out in Notes 1 and 2 in Part II of this interim financial report.

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

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter ended 31 March 2021.

(d) **Material Changes in Estimates**

There have been no significant changes made in estimates of amounts reported in prior financial years.

(e) **Changes in Debt and Equity Securities**

In February 2021, Genting New York LLC and GENNY Capital Inc., indirect wholly owned subsidiaries of Genting Malaysia Berhad (“GENM”), which is 49.5% owned by the Company, issued USD525,000,000 aggregate principal amount of Senior Notes due in 2026 (“Senior Notes 2026”). The Senior Notes 2026 bear interest at a rate of 3.3% per annum, payable semi-annually.

Other than the above, there were no other material issuance, cancellation, share buy-back, resale and repayment of debt securities or equity securities for the current quarter ended 31 March 2021.

(f) **Dividends Paid**

No dividends have been paid during the current quarter ended 31 March 2021.

(g) **Segment Information**

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker whereby the Group’s business is considered from both geographic and industry perspective. The performance of the operating segments is based on a measure of adjusted earnings/(losses) before interest, tax, depreciation and amortisation (“EBITDA/(LBITDA)”). Items not forming part of the adjusted EBITDA/(LBITDA) include net fair value gain or loss on financial assets, gain or loss on disposal of assets, assets written off, gain or loss on derecognition and change in shareholding of associates and joint ventures, project costs written off, impairment losses, reversal of previously recognised impairment losses, pre-opening and development expenses and share-based payment expenses.

(g) **Segment Information (Cont'd)**

Segment analysis for the current quarter ended 31 March 2021 is set out below:

RM'million	Leisure & Hospitality				Plantation			Power	Property	Oil & Gas	Investments & Others	Total	
	Malaysia	Singapore	United Kingdom and Egypt	United States of America and Bahamas	Total	Oil Palm Plantation	Downstream Manufacturing						Total
Revenue													
Total revenue	316.5	846.5	40.2	256.3	1,459.5	362.2	249.8	612.0	155.4	41.8	82.0	40.1	2,390.8
Inter/intra segment	(19.3)	-	-	-	(19.3)	(99.0)	-	(99.0)	-	(1.5)	-	(17.9)	(137.7)
External	<u>297.2</u>	<u>846.5</u>	<u>40.2</u>	<u>256.3</u>	<u>1,440.2</u>	<u>263.2</u>	<u>249.8</u>	<u>513.0</u>	<u>155.4</u>	<u>40.3</u>	<u>82.0</u>	<u>22.2</u>	<u>2,253.1</u>
Adjusted (LBITDA)/EBITDA	<u>(88.4)</u>	<u>406.9</u>	<u>(52.5)</u>	<u>66.5</u>	<u>332.5</u>	<u>154.8</u>	<u>(6.0)</u>	<u>148.8</u>	<u>31.6</u>	<u>(22.3)</u>	<u>66.0</u>	<u>(16.3)</u>	<u>540.3</u>
Main foreign currency Exchange ratio of 1 unit/ 100 units^ of foreign currency to RM	RM	SGD	GBP	USD		RM/^IDR	RM		^IDR	USD	^RMB		
		3.0523	5.6035	4.0658		0.0287			0.0287	4.0658	62.7283		

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

Adjusted EBITDA	540.3
Net fair value loss on financial assets at fair value through profit or loss ("FVTPL")	(4.3)
Impairment losses	(43.5)
Depreciation and amortisation	(578.0)
Interest income	33.3
Finance cost	(234.0)
Share of results in joint ventures and associates	(25.9)
Others *	(174.8)
Loss before taxation	(486.9)

* Others include pre-opening and development expenses, assets written off, gain or loss on disposal of assets and share-based payment expenses.

(g) Segment Information (Cont'd)

RM'million	Leisure & Hospitality				Plantation			Power	Property	Oil & Gas	Investments & Others	Total	
	Malaysia	Singapore	United Kingdom and Egypt	United States of America and Bahamas	Total	Oil Palm Plantation	Downstream Manufacturing						Total
Segment Assets	11,685.4	16,761.4	4,401.3	22,062.9	54,911.0	6,078.1	448.7	6,526.8	4,598.9	2,469.3	3,824.2	4,431.1	76,761.3
Segment Liabilities	2,014.1	883.9	1,137.2	1,416.7	5,451.9	311.1	63.9	375.0	357.1	267.9	380.3	467.9	7,300.1
Main foreign currency Exchange ratio of 1 unit/ 100 units^ of foreign currency to RM	RM	SGD	GBP	USD		RM/^IDR	RM		^IDR	USD	^RMB/^IDR		
		3.0766	5.6698	4.1435		0.0287			0.0287	4.1435	63.3984/0.0287		

RM'million

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

Segment assets	76,761.3
Interest bearing instruments	19,959.9
Joint ventures	1,560.5
Associates	2,026.2
Unallocated corporate assets	341.6
Assets classified as held for sale	446.6
Total assets	101,096.1

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

Segment liabilities	7,300.1
Interest bearing instruments	37,051.0
Unallocated corporate liabilities	2,305.7
Liabilities classified as held for sale	0.4
Total liabilities	46,657.2

(g) **Segment Information (Cont'd)**

Notes

1. Total revenue from the Leisure & Hospitality Division of RM1,440.2 million for the current quarter ended 31 March 2021 comprised gaming revenue and non-gaming revenue of RM1,152.2 million and RM288.0 million respectively. In respect of the Leisure & Hospitality non-gaming revenue:
 - i) Hotel room revenue is recognised when services are rendered to the customers over their stay at the hotel.
 - ii) Revenue from sales of food and beverage is recognised when the services are rendered to the customers.
 - iii) Attractions revenue is recognised when tickets are used. Revenue from annual passes is amortised over the period of their validity.
2. Plantation revenue from sales of palm produce and its derivatives is recognised upon the delivery of goods at the point when control of the goods has been passed to the customers.
3. Revenue from sale of oil is recognised at a point in time upon delivery to customer at the delivery point and there is no unfulfilled obligation that could affect the customer's acceptance of the oils. Revenue from sale of electricity is recognised over time upon delivery to customer.
4. Revenue from property development projects is recognised upon the finalisation of sale and purchase agreements and is measured as the projects' activities progress over time by reference to the property development costs incurred to date as a percentage of the total estimated development costs of the respective projects. Revenue from sales of completed properties is recognised upon delivery of properties at the point when control of the properties has been passed to the buyers.

(h) **Property, Plant and Equipment**

During the current quarter ended 31 March 2021, acquisitions and disposals of property, plant and equipment by the Group were RM1,987.0 million and RM9.5 million respectively.

(i) **Material Events Subsequent to the End of the Financial Period**

- i) On 7 April 2021, the Company announced the issuance of USD350,000,000 aggregate principal amount of 4.625% Senior Notes due 2031 ("Senior Notes") by its indirect wholly owned subsidiaries, Resorts World Las Vegas LLC ("RWLV") and RWLV Capital Inc., on 6 April 2021 and which were listed on Singapore Exchange Securities Trading Limited on 7 April 2021. The Senior Notes were priced on 30 March 2021. The net proceeds from the issue of the Senior Notes will be used by RWLV to repay borrowings outstanding under the USD1.6 billion senior credit facilities maturing in 2024 and to pay related transaction fees and expenses.

The Senior Notes have been offered and sold (1) in the United States only to qualified institutional buyers in reliance on the exemption from the registration requirements of the United States Securities Act of 1933, as amended ("Securities Act"), provided by Rule 144A under the Securities Act, and (2) only to certain non-U.S. persons in offshore transactions outside the United States in reliance on Regulation S under the Securities Act. The Senior Notes have not been registered under the Securities Act or any state or other jurisdiction's securities laws. Accordingly, the Senior Notes may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements under the Securities Act and any applicable state or other jurisdiction's securities laws.

The Senior Notes have the benefit of various funding agreements provided by Genting Overseas Holdings Limited, a direct wholly owned subsidiary of the Company. The Senior Notes also have the benefit of a keepwell deed provided by the Company.

(i) **Material Events Subsequent to the End of the Financial Period (Cont'd)**

- ii) On 13 April 2021, GENM announced that its direct wholly owned subsidiary, GENM Capital Labuan Limited, had on 12 April 2021 priced the offering of USD1.0 billion aggregate principal amount of 3.882% senior unsecured notes due 2031 ("Senior Notes 2031"). The Senior Notes 2031 are fully and unconditionally guaranteed by GENM. The Senior Notes 2031 have been issued and were listed on the Official List of the Singapore Exchange Securities Trading Limited, and listed but not quoted for trading on Bursa Securities (under the Exempt Regime) on 20 April 2021. The proceeds from the Senior Notes 2031 will be used by GENM and/or its subsidiaries to refinance existing borrowings and for capital (including investment) and working capital requirements.
- iii) On 11 May 2021, GENM announced that its direct wholly owned subsidiary, GENM Capital Berhad had early redeemed RM1.25 billion in nominal value of the RM2.60 billion in nominal value of Medium Term Notes ("MTN") issued on 31 March 2017 under the MTN programme.

Other than the above, there were no other material events subsequent to the end of the current quarter ended 31 March 2021 that have not been reflected in this interim financial report.

(j) **Changes in the Composition of the Group**

There were no material changes in the composition of the Group for the current quarter ended 31 March 2021.

(k) **Changes in Contingent Liabilities or Contingent Assets**

There were no material changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2020.

(l) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 31 March 2021 are as follows:

	RM'million
Contracted	14,733.5
Not contracted	4,556.2
	<u>19,289.7</u>
Analysed as follows:	
- Property, plant and equipment	19,098.5
- Rights of use of lease assets	75.1
- Investments	66.7
- Rights of use of oil and gas assets	44.3
- Intangible assets	5.1
	<u>19,289.7</u>

(m) **Significant Related Party Transactions**

Significant related party transactions which were entered into on agreed terms and prices for the current quarter ended 31 March 2021 are set out below. The relationship of the related parties are as disclosed in the annual audited financial statements for the financial year ended 31 December 2020 and the approved shareholders' mandates for recurrent related party transactions.

<u>Group</u>	Current Quarter RM'million
i) Licensing fee for the use of the name "Genting" charged by wholly owned subsidiaries of the Company to Genting Simon Sdn Bhd ("GSSB") and Genting Highlands Premium Outlets Sdn Bhd ("GHPO").	<u>0.2</u>
ii) Licensing fee charged by Resorts World Inc Pte Ltd ("RWI") Group to Genting Hong Kong Limited ("GENHK") Group, Empire Resorts, Inc. ("Empire") Group and Secret Garden (Zhangjiakou) Resorts Co. Ltd.	<u>2.1</u>
iii) Consultancy fees charged by Zouk IP Pte Ltd and Zouk Consulting Pte Ltd to RWLV.	<u>0.9</u>
iv) Provision of management services by RWI Group to International Resort Management Services Pte Ltd ("IRMS").	<u>0.1</u>
v) Provision of management services by Genting Awanpura Sdn Bhd, a wholly owned subsidiary of Genting Plantations Berhad ("GENP"), which is 55.4% owned by the Company, to GSSB and GHPO.	<u>0.2</u>
vi) Sale of refined palm oil products by Genting MusimMas Refinery Sdn Bhd to Inter-Continental Oils & Fats Pte Ltd.	<u>177.3</u>
vii) Licensing fee for the use of "Resorts World" and "Genting" intellectual property charged by RWI Group to GENM Group.	<u>14.9</u>
viii) Income from rental of premises by GENM Group to Warisan Timah Holdings Sdn Bhd.	<u>0.2</u>
ix) Provision of water supply services and electricity services by an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to GENM Group.	<u>2.8</u>
x) Income from rental of office space by GENM Group to GENHK Group.	<u>1.5</u>
xi) Provision of maintenance and construction services by an entity connected with shareholder of BBEL to GENM Group.	<u>2.5</u>

(m) **Significant Related Party Transactions (Cont'd)**

	Current Quarter RM'million
<u>Group</u>	
xii) Licensing fee for the use of gaming software and system charged by RWI Group to GENM Group.	<u>1.3</u>
xiii) Provision of utilities, maintenance and security services by GENM Group to GHPO.	<u>0.4</u>
xiv) Provision of crewing, technical support and administrative support services by GENHK Group to GENM Group.	<u>3.1</u>
xv) Provision of support and management services by GENM Group to Empire.	<u>2.7</u>
xvi) Subscription of Series L Preferred Stock of Empire by GENM Group.	<u>151.5</u>
xvii) Sale of goods and services by Genting Singapore Limited ("GENS") Group, an indirect 52.7% subsidiary of the Company, to GENHK Group.	<u>0.6</u>
xviii) Sale of goods and services by GENS Group to DCP (Sentosa) Pte Ltd.	<u>0.7</u>
xix) Purchase of goods and services by GENS Group from DCP (Sentosa) Pte Ltd.	<u>10.5</u>
xx) Sale of goods and services by GENS Group to IRMS.	<u>0.2</u>

(n) **Fair Value of Financial Instruments**

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

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

As at 31 March 2021, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

RM'million	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through other comprehensive income	364.9	-	931.8	1,296.7
Financial assets at FVTPL	-	900.1	288.6	1,188.7
Derivative financial instruments	-	31.8	-	31.8
	<u>364.9</u>	<u>931.9</u>	<u>1,220.4</u>	<u>2,517.2</u>
Financial liability				
Derivative financial instruments	-	58.6	-	58.6

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2020.

The following table presents the changes in financial instruments classified within Level 3:

	RM'million
As at 1 January 2021	1,191.1
Foreign exchange differences	32.1
Additions	7.0
Fair value changes – recognised in other comprehensive income	0.5
Fair value changes – recognised in income statement	2.2
Disposal	(14.2)
Dividend and interest income	1.7
As at 31 March 2021	<u>1,220.4</u>

There have been no transfers between the levels of the fair value hierarchy during the current quarter ended 31 March 2021.

GENTING BERHAD
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – FIRST QUARTER ENDED 31 MARCH 2021

(II) Compliance with Appendix 9B of Bursa Securities Listing Requirements

1. Performance Analysis

Financial review for the current quarter compared with the corresponding period last year.

	Individual Period (1 st quarter)		Changes +/- RM'million	+/- %
	Current Quarter 31/03/2021 RM'million	Preceding Year Corresponding Quarter 31/03/2020 RM'million		
Revenue				
Leisure & Hospitality				
- Malaysia	297.2	1,223.3	-926.1	-76
- Singapore	846.5	1,226.6	-380.1	-31
- UK and Egypt	40.2	371.2	-331.0	-89
- US and Bahamas	256.3	320.3	-64.0	-20
	1,440.2	3,141.4	-1,701.2	-54
Plantation				
- Oil Palm Plantation	362.2	344.5	17.7	+5
- Downstream Manufacturing	249.8	344.9	-95.1	-28
	612.0	689.4	-77.4	-11
- Intra segment	(99.0)	(141.4)	42.4	+30
	513.0	548.0	-35.0	-6
Power	155.4	258.4	-103.0	-40
Property	40.3	47.0	-6.7	-14
Oil & Gas	82.0	87.2	-5.2	-6
Investments & Others	22.2	27.2	-5.0	-18
	2,253.1	4,109.2	-1,856.1	-45
Loss before taxation				
Leisure & Hospitality				
- Malaysia	(88.4)	436.2	-524.6	>-100
- Singapore	406.9	476.8	-69.9	-15
- UK and Egypt	(52.5)	22.8	-75.3	>-100
- US and Bahamas	66.5	14.7	51.8	>100
	332.5	950.5	-618.0	-65
Plantation				
- Oil Palm Plantation	154.8	119.4	35.4	+30
- Downstream Manufacturing	(6.0)	14.2	-20.2	>-100
	148.8	133.6	15.2	+11
Power	31.6	102.8	-71.2	-69
Property	(22.3)	15.5	-37.8	>-100
Oil & Gas	66.0	70.5	-4.5	-6
Investments & Others	(16.3)	(64.2)	47.9	+75
Adjusted EBITDA	540.3	1,208.7	-668.4	-55
Net fair value loss on financial assets at FVTPL	(4.3)	(14.6)	10.3	+71
Net gain on change in shareholding of associates	-	52.7	-52.7	-100
Impairment losses	(43.5)	(482.5)	439.0	+91
Depreciation and amortisation	(578.0)	(675.0)	97.0	+14
Interest income	33.3	145.5	-112.2	-77
Finance cost	(234.0)	(261.4)	27.4	+10
Share of results in joint ventures and associates	(25.9)	(108.0)	82.1	+76
Others	(174.8)	(83.6)	-91.2	>-100
	(486.9)	(218.2)	-268.7	>-100

Quarter ended 31 March 2021 compared with quarter ended 31 March 2020

The Group's total revenue of RM2,253.1 million in the current quarter represented a decline of 45% compared with RM4,109.2 million recorded in the previous year's corresponding quarter. All divisions recorded decline with the Leisure & Hospitality Division being the main contributor to the lower revenue.

Revenue and adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") of Resorts World Sentosa ("RWS") decreased compared with that of the previous year's corresponding quarter as the impact of Coronavirus Disease 2019 ("COVID-19") pandemic which was first felt in February 2020 continued to weigh on its operational performance.

Revenue from Resorts World Genting ("RWG") declined mainly due to lower business volume from the gaming and non-gaming segments following the re-imposition of a Movement Control Order by the Malaysian government which has resulted in a temporary closure of RWG from 22 January 2021 until mid-February 2021. Additionally, stricter travel restrictions nationwide had resulted in lower visitation and overall business volume at RWG. Consequently, RWG suffered an adjusted loss before interest, tax, depreciation and amortisation ("LBITDA"), which was partially mitigated by lower operating expenses and a reduction in payroll and related costs as a result of lower headcount.

The leisure and hospitality business in United Kingdom ("UK") and Egypt recorded lower revenue mainly due to a nationwide lockdown in UK which took effect from early January this year, when all land-based casino and resort operations were temporarily closed. Casino operations in Cairo, Egypt which had resumed operations since October 2020 continued to operate with lower business volume in the current quarter. Arising from the lower revenue from UK and Egypt, an adjusted LBITDA was recorded which was partially mitigated by lower operating expenses.

Lower revenue from the leisure and hospitality business in United States of America ("US") and Bahamas was mainly due to Resorts World New York City ("RWNYC") operating at reduced capacity and limited operating hours following the recommencement of its business since September 2020. Despite the lower revenue, adjusted EBITDA improved mainly due to lower payroll costs and operating expenses for RWNYC operations.

GENM Group's leisure and hospitality business worldwide continued to report lower cost structure in the current quarter following the re-calibration of GENM Group's operating structure and right-sizing of its workforce in response to the unprecedented disruptions to its operations amid the COVID-19 pandemic.

Plantation Division registered lower revenue in the current quarter mainly due to lower sales volume from Downstream Manufacturing. However, revenue from Plantation segment increased on the back of stronger palm product prices. The higher adjusted EBITDA was mainly attributable to better margins from higher palm products selling prices.

The lower revenue and adjusted EBITDA from the Power Division was mainly due to the Banten Plant in Indonesia which was shut for about a month in the current quarter for a scheduled minor outage.

A loss before taxation of RM486.9 million was recorded in the current quarter compared with a loss of RM218.2 million in the previous year's corresponding quarter. The higher loss was mainly attributable to the Group's lower adjusted EBITDA, lower interest income and higher pre-opening expenses incurred by RWLV, partially offset by lower impairment losses and lower share of losses from joint ventures and associates. GENM Group's share of loss from its associate, Genting Empire Resorts LLC, the holding company of Empire Resorts, Inc ("Empire"), was lower in the current quarter at RM45.4 million compared with RM100.1 million in the previous year's corresponding quarter. There was an improvement in Empire's operating performance in the current quarter following the resumption of its business since September 2020. The share of loss in Empire in the previous year's corresponding quarter arose mainly from share of costs associated with the refinancing of Empire's loans.

The State of Nevada has deemed construction as an essential licensed business and hence construction of RWLV continues to progress despite COVID-19 challenges. RWLV continues to work with the state and federal Occupational Safety and Health Administration and government officials to ensure it meets the social distancing requirements. As of 7 May 2021, all tower exterior signs are installed. In the towers, construction, carpeting, and furniture installations are complete through floor 59 on the West tower and through floor 58 on the East tower. On the low-rise casino podium, the main casino floor carpeting is complete and slot bases are being installed. Many areas are completed including the poker room, 24-hour restaurant, Chinese restaurant, restrooms, sundries stores, and high limit area. The meeting rooms carpet has been installed and millwork is substantially complete. On the pool deck, construction is complete for all the pool zones and bar areas. Exterior work, interior framing, drywall and painting is substantially complete on the retail promenade. The Theater structural work continues, and wall framing has started. On the site, work is progressing on all three main roads and the main property marquee has been installed. Temporary certificate of occupancy was obtained for the executive offices, west tower levels 6-66, central plant, the fire pump building, the new North garage, and the basement levels of the casino. Total development and land costs incurred as of 31 March 2021 were approximately USD3.5 billion.

2. **Material Changes in (Loss)/Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

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

	Current Quarter 31/03/2021 RM'million	Immediate Preceding Quarter 31/12/2020 RM'million	Changes +/- RM'million	+/- %
Revenue				
Leisure & Hospitality				
- Malaysia	297.2	643.0	-345.8	-54
- Singapore	846.5	910.1	-63.6	-7
- UK and Egypt	40.2	116.1	-75.9	-65
- US and Bahamas	256.3	245.3	11.0	+4
	1,440.2	1,914.5	-474.3	-25
Plantation				
- Oil Palm Plantation	362.2	441.8	-79.6	-18
- Downstream Manufacturing	249.8	408.2	-158.4	-39
	612.0	850.0	-238.0	-28
- Intra segment	(99.0)	(155.4)	56.4	+36
	513.0	694.6	-181.6	-26
Power	155.4	221.8	-66.4	-30
Property	40.3	62.8	-22.5	-36
Oil & Gas	82.0	73.4	8.6	+12
Investments & Others	22.2	81.0	-58.8	-73
	2,253.1	3,048.1	-795.0	-26
(Loss)/profit before taxation				
Leisure & Hospitality				
- Malaysia	(88.4)	187.6	-276.0	>-100
- Singapore	406.9	672.1	-265.2	-39
- UK and Egypt	(52.5)	(44.6)	-7.9	-18
- US and Bahamas	66.5	61.0	5.5	+9
	332.5	876.1	-543.6	-62
Plantation				
- Oil Palm Plantation	154.8	185.2	-30.4	-16
- Downstream Manufacturing	(6.0)	5.6	-11.6	>-100
	148.8	190.8	-42.0	-22
Power	31.6	102.1	-70.5	-69
Property	(22.3)	1.1	-23.4	>-100
Oil & Gas	66.0	51.2	14.8	+29
Investments & Others	(16.3)	(45.6)	29.3	+64
Adjusted EBITDA	540.3	1,175.7	-635.4	-54
Net fair value (loss)/gain on financial assets at FVTPL	(4.3)	58.9	-63.2	>-100
Net gain on derecognition and change in shareholding of associates	-	20.4	-20.4	-100
Net impairment losses	(43.5)	(81.9)	38.4	+47
Depreciation and amortisation	(578.0)	(584.2)	6.2	+1
Interest income	33.3	49.1	-15.8	-32
Finance cost	(234.0)	(232.1)	-1.9	-1
Share of results in joint ventures and associates	(25.9)	(32.2)	6.3	+20
Others	(174.8)	(81.9)	-92.9	>-100
	(486.9)	291.8	-778.7	>-100

Material changes in (loss)/profit before taxation for the current quarter compared with the immediate preceding quarter

A loss before taxation of RM486.9 million was recorded in the current quarter compared with a profit before taxation of RM291.8 million in the preceding quarter. The decline of RM778.7 million was mainly due to the lower adjusted EBITDA in the current quarter and higher pre-opening expenses incurred by RWLV.

Adjusted EBITDA of RWS declined in the current quarter compared with the immediate preceding quarter as its performance continued to be impacted by the COVID-19 pandemic.

RWG recorded a LBITDA in the current quarter mainly due to the impact of the suspension of RWG's operations for approximately one month in the current quarter and the implementation of stricter travel restrictions nationwide.

Plantation Division's adjusted EBITDA declined in the current quarter due to weaker contribution from Plantation and Downstream segments on the back of lower FFB production and lower sales volume respectively. However, this was partially mitigated by higher palm product prices.

Lower adjusted EBITDA from the Power Division was mainly due to the scheduled minor outage of the Banten Plant in the current quarter which resulted in lower net generation from the plant.

* *The comments on performance in Notes 1 and 2 above are based on the results of the respective subsidiaries and associates of the Company. Some of the subsidiaries are separately listed on the Malaysian and Singapore stock exchanges. Please refer to the respective listed subsidiaries' announcements of their interim results/voluntary quarterly business overview for a detailed review of their respective performance.*

<u>Listed subsidiaries</u>	<u>Voluntary quarterly business overview / Announcement date</u>
Genting Singapore Limited	7 May 2021
Genting Plantations Berhad	24 May 2021
Genting Malaysia Berhad	25 May 2021

3. Prospects

Impact arising from COVID-19 on the Group's respective business operations have been set out in detail in the comments on performance for the quarter as well as the current quarter ended 31 March 2021 in Notes 1 and 2 above. Liquidity and working capital requirements continue to be closely monitored.

The performance of the Group for the remaining period of the current financial year may be impacted as follows:

The recovery momentum of the global economy is expected to continue, aided by the fiscal and monetary policy support in certain major economies as well as the ongoing roll-out of mass vaccination programmes. However, uncertainties surrounding the global outlook remain given the evolving COVID-19 situation. In Malaysia, the reinstatement of stricter containment measures in various locations due to a resurgence in COVID-19 cases will affect economic activities in the near-term.

The outlook for the tourism, leisure, and hospitality industries remain highly uncertain as recovery setbacks persist amid ongoing travel restrictions in response to the pandemic. Consequently, the regional gaming market will continue to face significant challenges in the short-term.

GENM Group maintains its cautious stance on the near-term prospects of the leisure and hospitality industry.

In Malaysia, the imposition of a third Movement Control Order (MCO 3.0) nationwide will continue to adversely impact GENM Group's business following the temporary closure of RWG's casino operations from 24 May 2021. GENM Group will continue to assess its operating structure to align its cost base to the challenging operating and business environment. The health and safety of the RWG community remain central to GENM Group's efforts. While GENM Group continues to work towards the completion of Genting SkyWorlds outdoor theme park in the third quarter of 2021, the opening date of the park is dependent on developments surrounding the COVID-19 situation and its impact to the leisure and hospitality sector in the country.

In the UK, GENM Group's land-based casinos have reopened since 17 May 2021. GENM Group will focus on driving revenues and business volume at its venues, while adopting an agile approach in managing its cost structure and business model to better adapt to the new operating environment.

In the US, GENM Group remains committed to reinforcing its position in the New York State gaming market by leveraging synergies between RWNYC and Resorts World Catskills to develop and grow its strong local market exposure. Meanwhile, preparations are in place for the opening of the new 400-room Hyatt Regency JFK at Resorts World New York hotel from the middle of 2021. With the roll-out of new amenities at RWNYC, the expansion project will improve RWNYC's competitive position in the region, in addition to providing GENM Group with an ideal platform for growth. In the Bahamas, GENM Group will continue to focus on driving visitation and spend at Resorts World Bimini.

The tourism sector is still hobbled by the restricted travel between the traditional markets. Resumption of RWS's business has been a careful and calibrated process with safeguarding of public and also its team members' health and safety as the top priority. While the global rollout of vaccines has begun, international travel continues to suffer from significant disruption due to resurgence of virus cases in several of its key source markets. It is envisaged that international visitor arrivals to Singapore, especially for leisure purposes will be unlikely to return in the near term.

To weather through this tough period, RWS has been developing creative events and promotions for domestic tourists such as the introduction of all-in-one destination packages.

To increase vibrancy and attractiveness of RWS destination for the eventual recovery of international travel, RWS continues to reimagine and reinvent its Integrated Resorts' ("IR") offerings by building on Singapore's position as a safe and trusted hub to create an ecosystem of differentiated business-leisure experiences around the IR.

Revisions to its SGD4.5 billion mega expansion plan (RWS 2.0) facility designs are ongoing and these include health and safety protocols to provide reassurance to its visitors and sustainable urban features in keeping with Singapore's vision to become a top sustainable and innovative urban destination.

At GENS Group level, environmental, social and corporate governance (ESG) will form the backbone of its transformative journey. In this regard, GENS continues to review and adopt corporate governance best practices to ensure confidence from stakeholders, and accelerate its efforts in environmental stewardship through the RWS sustainability programme in partnership with Sentosa Development Corporation to transform Sentosa Island into a carbon neutral destination by 2030.

In relation to GENS Group's growth and geographical diversification strategy, GENS continues to engage with the relevant stakeholders for the Request-for-Proposal (RFP) issued by Yokohama City. Its long term vision is to create a world-class IR destination that is uniquely positioned and sustainable, and anchored on strong local partnerships.

Scheduled to open on 24 June 2021, RWLV will combine traditional and modern architecture, weaving a new luxury hotel experience into the fabric of Las Vegas with Asian-inspired touches, progressive technology and world-class guests service. Genting Berhad, through its subsidiaries, has been approved by the Nevada Gaming Commission as the 100% owner of RWLV and RWLV in turn has been granted a non-restricted gaming license to operate the casino.

Updated plans for the USD4.3 billion luxury resort-casino include new amenities such as a 5,000-capacity state-of-the-art theater scalable to host A-list residencies and corporate events; a dynamic 75,000-square-foot nightlife and daylife concept; a 50-foot diameter video globe which will display over 6,000-square-foot of captivating LED content; and additional luxury suites, villas and penthouses with individual lobby experiences, open balconies and a sky casino.

GENP Group's prospects for the rest of the year will track the performance of its mainstay Plantation segment, which is in turn dependent principally on the movements in palm products prices and GENP Group's FFB production.

The impact of the COVID-19 pandemic continues to be felt worldwide with the renewed containment measures from countries facing resurgent infection waves. Thus, GENP Group expects palm oil prices to be primarily influenced by the impact of the pandemic on global economic conditions as well as the demand and supply dynamics of palm oil and other substitute oils and fats.

Notwithstanding lacklustre production in the first quarter of 2021, GENP Group expects a recovery in crop output and overall growth in FFB production for the year underpinned by additional mature areas and favourable age profile of its Indonesia operations. On the other hand, replanting activities are likely to moderate production from Malaysian estates.

For the Property segment, GENP Group will continue to offer products which cater to a broader market segment given the prevailing soft market sentiments. Meanwhile, patronage and sales of the Premium Outlets[®] will continue to be adversely affected until the COVID-19 situation has eased.

The outlook for the Downstream Manufacturing segment for the rest of this year will remain challenging due to the unfavourable palm oil-gas oil ("POGO") spread and squeezed margins for its products. Nevertheless, the demand for refined palm products is expected to be sustained given its competitive pricing vis-à-vis other substitute soft oils.

The performance of the Banten power plant in Indonesia has resumed to normalcy with 100% availability subsequent to the minor outage which was carried out from end December 2020 to early February 2021. In Gujarat, India, the performance of the Jangi wind farm will improve with the higher wind season from June to August. Meanwhile, the progress of the copper cap installation that will mitigate the probability of lightning strikes is slower than expected due to the sudden surge of COVID-19 cases in India. However, full completion by 2021 is still envisaged.

Global crude oil prices have shown their recovery since December 2020. With the steady production year on year, coupled with the improvement in global crude oil price and hedging of oil prices, Chengdaoxi block will continue to make positive contributions to the Group. Following the approval from the Ministry of Energy and Mineral Resources of Indonesia on the Plan of Development for the Kasuri block, work on the front end engineering design ("FEED") commenced since 2019. The completion date of the FEED is further rescheduled to the second half of 2021. This is due to the lockdown policy implemented by the local government arising from the global pandemic. Utilising 1.7 trillion cubic feet of discovered gas-in-place, the plan to supply natural gas until the end of the production sharing contract to a petrochemical plant in West Papua is in progress, and which is to be built by a third party.

4. Variance of Actual Profit from Forecast Profit

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

5. Taxation

The breakdown of tax charges for the current quarter ended 31 March 2021 is set out below:

	Current Quarter 31/03/2021 RM'million	Preceding Year Corresponding Quarter 31/03/2020 RM'million
Current taxation		
Malaysian income tax charge	18.5	57.7
Foreign income tax charge	99.0	121.4
	<u>117.5</u>	<u>179.1</u>
Deferred tax credit	(70.0)	(54.9)
	<u>47.5</u>	<u>124.2</u>
Prior period taxation		
Income tax under provided	-	0.5
Total tax charge	<u>47.5</u>	<u>124.7</u>

The effective tax rate of the Group for the current quarter ended 31 March 2021 is higher than the Malaysian statutory income tax rate mainly due to expenses not deductible for tax purposes and current period's tax losses not recognised.

6. Loss Before Taxation

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

	Current Quarter 31/03/2021 RM'million	Preceding Year Corresponding Quarter 31/03/2020 RM'million
Charges:		
Finance cost	234.0	261.4
Depreciation and amortisation	578.0	675.0
Impairment losses	43.5	482.5
Property, plant and equipment written off	1.6	4.0
Inventories written off	0.1	0.1
Net fair value loss on financial assets at FVTPL	4.3	14.6
	<u> </u>	<u> </u>
Credits:		
Interest income	33.3	145.5
Net reversal of impairment/(impairment) of receivables	30.2	(47.3)
Investment income	13.2	13.8
Net gain on disposal of property, plant and equipment	6.0	2.6
Net gain on change in shareholding of associates	-	52.7
Net surplus arising from Government acquisition	-	7.0
Net foreign exchange gain/(loss)	10.4	(6.4)
	<u> </u>	<u> </u>

7. Status of Corporate Proposals Announced

There were no corporate proposals announced but not completed as at 18 May 2021.

8. Group Borrowings and Debt Securities

The details of the Group's borrowings and debt securities as at 31 March 2021 are as set out below:

	As at 31/03/2021				As at 31/12/2020
	Secured/ Unsecured	Foreign Currency 'million		RM Equivalent 'million	RM Equivalent 'million
Short term borrowings	Secured	RM		4.9	3.9
	Secured	USD	94.4	391.1	557.8
	Secured	GBP	24.4	138.1	78.8
	Secured	INR	222.3	12.7	14.2
	Unsecured	RM		1,463.3	279.9
	Unsecured	USD	93.2	386.3	380.8
	Unsecured	GBP	25.1	142.1	137.6
	Unsecured	JPY	58.3	2.2	1.0
				2,540.7	1,454.0
Long term borrowings	Secured	RM		83.6	83.9
	Secured	USD	2,702.1	11,196.0	12,228.5
	Secured	GBP	40.0	227.1	217.3
	Secured	INR	2,218.9	126.5	129.9
	Unsecured	RM		9,240.9	10,490.1
	Unsecured	USD	3,107.8	12,877.2	10,424.1
	Unsecured	JPY	19,953.3	759.0	778.1
				34,510.3	34,351.9
Total borrowings	Secured	RM		88.5	87.8
	Secured	USD	2,796.5	11,587.1	12,786.3
	Secured	GBP	64.4	365.2	296.1
	Secured	INR	2,441.2	139.2	144.1
	Unsecured	RM		10,704.2	10,770.0
	Unsecured	USD	3,201.0	13,263.5	10,804.9
	Unsecured	GBP	25.1	142.1	137.6
Unsecured	JPY	20,011.6	761.2	779.1	
				37,051.0	35,805.9

Approximately 48% of the Group's total borrowings has a maturity profile of more than 5 years.

9. Outstanding Derivatives

As at 31 March 2021, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

Types of Derivative	Contract/ Notional Value RM'million	Fair Value Liabilities RM'million
<u>Interest Rate Swaps</u>		
USD	470.2	
- Less than 1 year		8.3
- 1 year to 3 years		3.1
GBP	311.8	
- Less than 1 year		4.2
- 1 year to 3 years		2.6
<u>Forward Foreign Currency Exchange</u>		
USD	362.4	
- Less than 1 year		6.9
<u>Commodity Future Contracts</u>		
RM	484.2	
- Less than 1 year		0.2
<u>Commodity Swap</u>		
USD	-	
- Less than 1 year		1.5

There is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2020:

- (a) the credit risk, market risk and liquidity risk associated with these financial derivatives;
- (b) the cash requirements of the financial derivatives; and
- (c) the policy in place for mitigating or controlling the risks associated with these financial derivatives.

10. Fair Value Changes of Financial Liabilities

As at 31 March 2021, the Group does not have any financial liabilities measured at fair value through profit or loss.

11. Changes in Material Litigation

There are no pending material litigations as at 18 May 2021.

12. **Dividend Proposed or Declared**

No dividend has been proposed or declared for the current quarter ended 31 March 2021.

13. **Loss Per Share**

- (a) The loss used as the numerator in calculating basic and diluted loss per share for the current quarter ended 31 March 2021 is as follows:

	Current Quarter RM'million
Loss for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic loss per share)	331.8
Net impact on loss on potential exercise of Performance Share Scheme awarded to executives of the Company's subsidiaries	<u>0.2</u>
Loss for the financial period attributable to equity holders of the Company (used as numerator for the computation of Diluted loss per share)	<u>332.0</u>

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share for the current quarter ended 31 March 2021 is as follows:

	Current Quarter No. of shares 'million
Weighted average number of ordinary shares in issue (used as denominator for the computation of Basic and Diluted loss per share)	<u>3,850.6</u>

14. **Disclosure of Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the financial year ended 31 December 2020 did not contain any qualification.

15. **Approval of Interim Financial Statements**

The condensed consolidated financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 25 May 2021.