



FIRST QUARTERLY REPORT

Quarterly report on consolidated results for the first quarter ended 31 March 2023. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31/03/2023 RM'000	Preceding Year Corresponding Quarter 31/03/2022 RM'000	Current Year- To-Date 31/03/2023 RM'000	Preceding Year Corresponding Period 31/03/2022 RM'000
Revenue	5,822,508	4,213,859	5,822,508	4,213,859
Cost of sales	(4,057,420)	(2,900,202)	(4,057,420)	(2,900,202)
Gross profit	1,765,088	1,313,657	1,765,088	1,313,657
Other income	296,141	118,212	296,141	118,212
Impairment losses	(4,538)	-	(4,538)	-
Other expenses	(875,830)	(917,888)	(875,830)	(917,888)
Other (losses)/gains	(44,102)	6,082	(44,102)	6,082
Finance cost	(502,250)	(450,135)	(502,250)	(450,135)
Share of results in joint ventures and associates	(66,506)	(57,530)	(66,506)	(57,530)
Profit before taxation	568,003	12,398	568,003	12,398
Taxation	(272,812)	(185,877)	(272,812)	(185,877)
Profit/(loss) for the period	295,191	(173,479)	295,191	(173,479)
Profit/(loss) attributable to:				
Equity holders of the Company	98,036	(199,681)	98,036	(199,681)
Non-controlling interests	197,155	26,202	197,155	26,202
	295,191	(173,479)	295,191	(173,479)
Earnings/(loss) per share (sen) for profit/(loss) attributable to equity holders of the Company:				
- Basic	2.55	(5.19)	2.55	(5.19)
- Diluted	2.54	(5.19)	2.54	(5.19)

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022)

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31/03/2023 RM'000	Preceding Year Corresponding Quarter 31/03/2022 RM'000	Current Year- To-Date 31/03/2023 RM'000	Preceding Year Corresponding Period 31/03/2022 RM'000
Profit/(loss) for the period	295,191	(173,479)	295,191	(173,479)
Other comprehensive income				
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	(88,310)	464,486	(88,310)	464,486
	(88,310)	464,486	(88,310)	464,486
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedges				
- Fair value gain/(loss)	4,702	(20,032)	4,702	(20,032)
- Reclassifications	(7,492)	4,121	(7,492)	4,121
Share of other comprehensive income/(loss) of joint ventures and associates	9,790	(13)	9,790	(13)
Net foreign currency exchange differences	732,554	251,423	732,554	251,423
	739,554	235,499	739,554	235,499
Other comprehensive income for the period, net of tax	651,244	699,985	651,244	699,985
Total comprehensive income for the period	946,435	526,506	946,435	526,506
Total comprehensive income attributable to:				
Equity holders of the Company	453,175	441,384	453,175	441,384
Non-controlling interests	493,260	85,122	493,260	85,122
	946,435	526,506	946,435	526,506

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	As At 31 Mar 2023 RM'000	Audited As At 31 Dec 2022 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	49,271,447	49,082,612
Land held for property development	512,349	511,323
Investment properties	655,428	1,689,277
Intangible assets	5,123,653	5,101,926
Rights of use of oil and gas assets	3,191,963	3,190,393
Rights of use of lease assets	6,790,418	6,736,900
Joint ventures	1,704,924	1,670,317
Associates	3,020,649	3,058,902
Financial assets at fair value through other comprehensive income	289,730	378,865
Financial assets at fair value through profit or loss	232,367	239,889
Derivative financial instruments	-	1,348
Other non-current assets	4,263,269	4,258,764
Deferred tax assets	132,252	127,787
	<u>75,188,449</u>	<u>76,048,303</u>
CURRENT ASSETS		
Property development costs	11,273	8,060
Inventories	900,841	817,257
Produce growing on bearer plants	10,453	10,321
Trade and other receivables	3,191,989	2,775,910
Amounts due from joint ventures and associates	75,929	61,572
Financial assets at fair value through other comprehensive income	222,623	214,826
Financial assets at fair value through profit or loss	44,473	46,091
Derivative financial instruments	11,062	11,252
Restricted cash	584,850	596,255
Cash and cash equivalents	21,774,889	21,918,770
	<u>26,828,382</u>	<u>26,460,314</u>
Assets classified as held for sale	1,070,861	956
	<u>27,899,243</u>	<u>26,461,270</u>
TOTAL ASSETS	<u>103,087,692</u>	<u>102,509,573</u>
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	28,945,985	28,840,153
	<u>31,780,954</u>	<u>31,675,122</u>
Non-controlling interests	21,370,981	21,214,778
TOTAL EQUITY	<u>53,151,935</u>	<u>52,889,900</u>
NON-CURRENT LIABILITIES		
Long term borrowings	36,806,078	36,743,271
Lease liabilities	749,003	757,057
Deferred tax liabilities	2,419,303	2,308,620
Other non-current liabilities	878,276	853,174
	<u>40,852,660</u>	<u>40,662,122</u>
CURRENT LIABILITIES		
Trade and other payables	5,965,954	5,812,138
Amounts due to joint ventures and associates	178,548	161,935
Short term borrowings	1,815,951	2,309,388
Lease liabilities	107,264	104,909
Derivative financial instruments	5,674	4,406
Taxation	663,154	564,775
Dividend payable	346,552	-
	<u>9,083,097</u>	<u>8,957,551</u>
TOTAL LIABILITIES	<u>49,935,757</u>	<u>49,619,673</u>
TOTAL EQUITY AND LIABILITIES	<u>103,087,692</u>	<u>102,509,573</u>
NET ASSETS PER SHARE (RM)	8.25	8.23

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	← Attributable to equity holders of the Company →								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	Non- controlling Interests RM'000	
At 1 January 2023	3,056,175	(1,201,241)	21,934	298,056	29,721,404	(221,206)	31,675,122	21,214,778	52,889,900
Profit for the period	-	-	-	-	98,036	-	98,036	197,155	295,191
Other comprehensive (loss)/income	-	(80,515)	(339)	436,423	(430)	-	355,139	296,105	651,244
Total comprehensive (loss)/income for the period	-	(80,515)	(339)	436,423	97,606	-	453,175	493,260	946,435
Effects arising from changes in composition of the Group	-	-	-	-	1,504	-	1,504	(1,504)	-
Performance-based Employee Share Scheme by subsidiaries	-	-	-	-	(2,295)	-	(2,295)	2,295	-
Effects of share-based payment	-	-	-	-	-	-	-	(3,329)	(3,329)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(334,519)	(334,519)
Appropriation:									
Final single-tier dividend for financial year ended 31 December 2022	-	-	-	-	(346,552)	-	(346,552)	-	(346,552)
Balance at 31 March 2023	3,056,175	(1,281,756)	21,595	734,479	29,471,667	(221,206)	31,780,954	21,370,981	53,151,935

(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 2022)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	← 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 2022	3,056,175	(667,887)	9,338	(1,040,574)	30,658,202	(221,206)	31,794,048	21,364,551	53,158,599
(Loss)/profit for the period	-	-	-	-	(199,681)	-	(199,681)	26,202	(173,479)
Other comprehensive income/(loss)	-	465,312	(10,130)	185,907	(24)	-	641,065	58,920	699,985
Total comprehensive income/(loss) for the period	-	465,312	(10,130)	185,907	(199,705)	-	441,384	85,122	526,506
Effects arising from changes in composition of the Group	-	-	-	-	7,947	-	7,947	(7,947)	-
Performance-based Employee Share Scheme by subsidiaries	-	-	-	-	(95)	-	(95)	95	-
Effects of share-based payment	-	-	-	-	-	-	-	2,168	2,168
Dividends to non-controlling interests	-	-	-	-	-	-	-	(317,200)	(317,200)
Appropriation:									
Interim single-tier dividend for financial year ended 31 December 2021	-	-	-	-	(423,563)	-	(423,563)	-	(423,563)
Balance at 31 March 2022	3,056,175	(202,575)	(792)	(854,667)	30,042,786	(221,206)	31,819,721	21,126,789	52,946,510

(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 2022)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	Current Year-To-Date RM'000	Preceding Year Corresponding Period RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	568,003	12,398
Adjustments for:		
Depreciation and amortisation	859,620	817,967
Finance cost	502,250	450,135
Share of results in joint ventures and associates	66,506	57,530
Net impairment of receivables	54,858	9,152
Net exchange loss – unrealised	51,498	2,451
Net fair value loss on financial assets at fair value through profit or loss	6,182	37,001
Impairment losses	4,538	39
Assets written off	2,249	6,771
Interest income	(200,960)	(42,060)
Deferred income recognised for Government grant	(46,361)	(44,575)
Investment income	(1,541)	(1,541)
Net fair value gain on derivative financial instruments	(672)	(56,482)
Other non-cash items	(12,487)	(7,378)
	<u>1,285,680</u>	<u>1,229,010</u>
Operating profit before changes in working capital	1,853,683	1,241,408
Net change in current assets	(441,708)	(4,526)
Net change in current liabilities	(82,947)	1,272
	<u>(524,655)</u>	<u>(3,254)</u>
Cash generated from operations	1,329,028	1,238,154
Tax paid (net of tax refund)	(137,985)	(74,850)
Retirement gratuities paid	(2,776)	(2,170)
Other operating activities	(9)	(16)
	<u>(140,770)</u>	<u>(77,036)</u>
NET CASH FROM OPERATING ACTIVITIES	1,188,258	1,161,118
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and rights of use of lease assets	(499,759)	(715,797)
Increase in investments, intangible assets and other long term financial assets	(13,891)	(269,294)
Interest received	151,664	31,050
Proceeds from Government grant	30,103	25,027
Proceeds from disposal of property, plant and equipment	1,759	9,850
Other investing activities	3,010	597
NET CASH USED IN INVESTING ACTIVITIES	(327,114)	(918,567)

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023 (Cont'd)

	Current Year-To-Date RM'000	Preceding Year Corresponding Period RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings, redemption of medium term notes and payment of transaction costs	(842,982)	(1,791,052)
Finance cost paid	(522,838)	(450,927)
Dividends paid to non-controlling interests	(79,768)	(317,200)
Repayment of lease liabilities	(34,184)	(51,587)
Proceeds from bank borrowings and issuance of medium term notes by a subsidiary	210,134	679,949
Restricted cash	18,396	26,452
NET CASH USED IN FINANCING ACTIVITIES	<u>(1,251,242)</u>	<u>(1,904,365)</u>
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(390,098)	(1,661,814)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	21,918,770	22,581,891
EFFECTS OF CURRENCY TRANSLATION	246,217	117,700
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>21,774,889</u>	<u>21,037,777</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	19,853,674	18,385,717
Money market instruments	1,921,215	2,652,060
	<u>21,774,889</u>	<u>21,037,777</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022)

GENTING BERHAD

NOTES TO THE INTERIM FINANCIAL REPORT – FIRST QUARTER ENDED 31 MARCH 2023

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

(a) Accounting Policies, Presentation and Methods of Computation

The interim financial report 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 2022. 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 2022 except for the adoption of amendments to published standards for the Group for the financial year beginning 1 January 2023:

- Amendments to MFRS 101 and MFRS Practice Statement 2 on disclosure of accounting policies
- Amendments to MFRS 108 on definition of accounting estimates
- Amendments to MFRS 112 on deferred tax related to assets and liabilities arising from a single transaction

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 2023.

(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**

There were no material issuance, cancellation, share buy-back, resale and repayment of debt securities or equity securities for the current quarter ended 31 March 2023.

(f) **Dividends Paid**

No dividends have been paid during the current quarter ended 31 March 2023.

(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 2023 is set out below:

RM'million	Leisure & Hospitality				Total	Plantation		Total	Power	Property	Oil & Gas	Investments & Others	Total
	Malaysia	Singapore	United Kingdom and Egypt	United States of America and Bahamas		Oil Palm Plantation	Downstream Manufacturing						
Revenue													
Total revenue	1,553.6	1,595.3	352.5	1,428.1	4,929.5	496.0	210.4	706.4	275.5	48.8	110.1	50.2	6,120.5
Inter/intra segment	(152.9)	-	-	-	(152.9)	(140.7)	-	(140.7)	-	(1.7)	-	(2.7)	(298.0)
External	<u>1,400.7</u>	<u>1,595.3</u>	<u>352.5</u>	<u>1,428.1</u>	<u>4,776.6</u>	<u>355.3</u>	<u>210.4</u>	<u>565.7</u>	<u>275.5</u>	<u>47.1</u>	<u>110.1</u>	<u>47.5</u>	<u>5,822.5</u>
Adjusted EBITDA	<u>555.9</u>	<u>646.6</u>	<u>42.4</u>	<u>357.4</u>	<u>1,602.3</u>	<u>117.8</u>	<u>10.9</u>	<u>128.7</u>	<u>97.4</u>	<u>18.2</u>	<u>91.9</u>	<u>(104.7)</u>	<u>1,833.8</u>
Main foreign currency	RM	SGD	GBP	USD		RM/^IDR	RM		^IDR	USD	^RMB		
Exchange ratio of 1 unit/ 100 units^ of foreign currency to RM		3.2937	5.3301	4.3895		0.0288			0.0288	4.3895	64.1521		

RM'million

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

Adjusted EBITDA	1,833.8
Net fair value gain on derivative financial instruments	0.7
Net fair value loss on financial assets at fair value through profit or loss ("FVTPL")	(6.2)
Impairment losses	(4.5)
Depreciation and amortisation	(859.6)
Interest income	201.0
Finance cost	(502.3)
Share of results in joint ventures and associates	(66.5)
Others *	(28.4)
Profit before taxation	568.0

* Others include pre-opening 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	12,036.3	17,477.1	3,803.6	24,717.5	58,034.5	6,314.7	352.6	6,667.3	4,760.2	1,528.7	3,659.0	2,602.3	77,252.0
Segment Liabilities	2,323.3	1,499.3	993.5	1,459.2	6,275.3	388.4	30.5	418.9	386.4	302.7	409.7	438.3	8,231.3
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		
		3.3239	5.4132	4.4240		0.0292			0.0292	4.4240	64.3875/0.0292		

RM'million

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

Segment assets	77,252.0
Interest bearing instruments	19,745.1
Joint ventures	1,704.9
Associates	3,020.6
Unallocated corporate assets	294.2
Assets classified as held for sale	1,070.9
Total assets	103,087.7

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

Segment liabilities	8,231.3
Interest bearing instruments	38,622.0
Unallocated corporate liabilities	3,082.5
Total liabilities	49,935.8

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

Notes

1. Total revenue from the Leisure & Hospitality Division of RM4,776.6 million for the current quarter ended 31 March 2023 comprised gaming revenue and non-gaming revenue of RM2,959.3 million and RM1,817.3 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 2023, acquisitions and disposals of property, plant and equipment by the Group were RM476.6 million and RM1.7 million respectively.

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

- (i) On 12 April 2023, Resorts World Las Vegas LLC ("RWLVLLC"), an indirect wholly owned subsidiary of the Company, announced that it has signed definitive documentation in relation to USD800 million of senior secured credit facilities ("Amended Facilities") which will be established by way of an amendment and extension of its existing USD1,345 million senior secured credit facilities ("Existing Facilities"). The Amended Facilities, together with the equity and junior capital described below, will be used to refinance a portion of the Existing Facilities, pay transaction fees and expenses associated with this refinancing, and, in certain circumstances in the future, fund RWLVLLC's general corporate requirements.

The Amended Facilities, comprising a USD700 million term loan and a USD100 million revolving credit facility, have a scheduled maturity date of 16 October 2027, and include certain terms which provide additional operational and financing flexibility to RWLVLLC relative to those contained in the Existing Facilities.

Closing of the Amended Facilities is subject to customary closing conditions as well as receipt by RWLVLLC of (a) new equity contributions from Genting Berhad and its unlisted subsidiaries ("Equity Condition"); and (b) proceeds from any or a combination of issuance of unsecured debt, issuance of a subordinated shareholder loan, and injection of equity (which, for the avoidance of doubt, is in addition to the Equity Condition) from Genting Berhad and its unlisted subsidiaries of at least USD300 million in aggregate ("Junior Capital Condition"). As at 31 December 2022, Genting Berhad and its unlisted subsidiaries had access to sufficient liquidity to provide the expected new equity contribution and/or subordinated shareholder loans to RWLVLLC to satisfy both the Equity Condition and Junior Capital Condition.

Upon closing of the Amended Facilities, RWLVLLC's weighted average debt maturity will be extended and refinancing risks will be reduced given the Amended Facilities will effectively extend the maturities of the Existing Facilities from 16 April 2024 to 16 October 2027, and RWLVLLC's Total Net Leverage Ratio is expected to be reduced due to the satisfaction of the equity contribution.

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

- (ii) On 27 April 2023, Genting Malaysia Berhad (“GENM”), a direct 49.4% subsidiary of the Company, announced that its wholly owned subsidiary, Resorts World Miami, LLC (“RW Miami”) had on 26 April 2023 (“Effective Date”) entered into a conditional sale and purchase agreement (“SPA”) with Smart Miami City, LLC (“Purchaser”) for the proposed disposal of four parcels of land in Miami measuring an aggregate land area of approximately 673,691 square feet or 15.47 acres (collectively known as “Miami Herald Land”) for a total cash consideration of USD1.225 billion (equivalent to approximately RM5.433 billion). Under the SPA, the Purchaser may elect to convert the transaction to a purchase of 100% of ownership interests in RW Miami instead of Miami Herald Land within 10 Business Days after the Effective Date (“Election to Convert”).

On 11 May 2023, GENM announced that the Purchaser had, on 10 May 2023, exercised the Election to Convert.

On 18 May 2023, GENM announced that RW Miami and Genting Florida, LLC (“Genting Florida”), an indirect wholly owned subsidiary of GENM, had on 17 May 2023 entered into an amendment agreement to the SPA with the Purchaser to amend the terms of the SPA to, among others, reflect the Purchaser’s Election to Convert and to include Genting Florida as a party to the SPA.

- (iii) On 5 May 2023, GENM announced that its wholly owned subsidiary, GENM Capital Berhad (“GENM Capital”), has issued RM500 million in nominal value of Medium Term Notes (“MTN”) via 3 tranches under the RM5 billion in nominal value of MTN Programme. This is the third issuance by GENM Capital under the MTN Programme. The proceeds from the issuance of the MTNs shall be utilised for operating expenses, capital expenditure, investment, refinancing, working capital requirements and/or general funding requirements, including to finance the development and/or redevelopment of the properties and/or resorts of GENM and/or its subsidiaries including those located in Genting Highlands, Pahang, Malaysia.

Other than the above, there were no other material events subsequent to the end of the current quarter ended 31 March 2023 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 2023.

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

There were no material changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2022.

(l) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 31 March 2023 are as follows:

	RM'million
Contracted	12,264.2
Not contracted	4,197.2
	<hr/>
	16,461.4
	<hr/>
Analysed as follows:	
- Property, plant and equipment	16,008.1
- Rights of use of oil and gas assets	277.8
- Rights of use of lease assets	138.0
- Investments	35.1
- Intangible assets	2.4
	<hr/>
	16,461.4
	<hr/>

(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 2023 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 2022 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>0.4</u>
ii) Provision of management and/or support services and licensing fee by the Group to Resorts World Inc Pte Ltd ("RWI") Group.	<u>0.3</u>
iii) Concept license fees, management and consultancy fees charged by Zouk IP Pte Ltd and Zouk Consulting Pte Ltd to RWLVLLC.	<u>6.3</u>
iv) Licensing fee for the use of trademark of Japanese restaurant charged by RWI Group to RWLVLLC.	<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>0.3</u>
vi) Sale of refined palm oil products by Genting MusimMas Refinery Sdn Bhd to Inter-Continental Oils & Fats Pte Ltd.	<u>133.0</u>
vii) Licensing fee for the use of "Resorts World" and "Genting" intellectual property charged by RWI Group to GENM Group.	<u>21.7</u>
viii) Income from rental of premises by GENM Group to Warisan Timah Holdings Sdn Bhd, a company related to certain directors of GENM.	<u>0.5</u>
ix) Provision of maintenance and construction services by an entity connected with a shareholder of BB Entertainment Ltd ("BBEL") to GENM Group.	<u>3.1</u>
x) Licensing fee for the use of gaming software and system charged by RWI Group to GENM Group.	<u>3.3</u>
xi) Provision of support and management services by GENM Group to Empire Resorts, Inc ("Empire") Group.	<u>3.7</u>
xii) Provision of water supply services by an entity connected with a shareholder of BBEL to GENM Group.	<u>1.4</u>
xiii) Provision of electricity services by an entity connected with a shareholder of BBEL to GENM Group.	<u>5.6</u>
xiv) Income from rental of premises by GENM Group to Empire Group.	<u>2.3</u>

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

	Current Quarter RM'million
<u>Group</u>	
xv) Sale of goods and services by Genting Singapore Limited ("GENS") Group, an indirect 52.6% subsidiary of the Company, to DCP (Sentosa) Pte Ltd.	1.2
xvi) Purchase of goods and services by GENS Group from DCP (Sentosa) Pte Ltd.	20.1

(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 2023, 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	336.2	-	176.2	512.4
Financial assets at FVTPL	27.8	-	249.0	276.8
Derivative financial instruments	-	11.1	-	11.1
	<u>364.0</u>	<u>11.1</u>	<u>425.2</u>	<u>800.3</u>
Financial liability				
Derivative financial instruments	-	5.7	-	5.7

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2022.

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

	RM'million
As at 1 January 2023	427.9
Foreign exchange differences	0.6
Fair value changes – recognised in other comprehensive income	0.7
Fair value changes – recognised in income statements	(4.5)
Dividend income and interest income	1.6
Transfer out of Level 3	(1.1)
As at 31 March 2023	<u>425.2</u>

During the three months ended 31 March 2023, the Group transferred certain investments from Level 3 into Level 1 following the exchange of these investments with publicly listed shares.

GENTING BERHAD
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – FIRST QUARTER ENDED 31 MARCH 2023

(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 31/03/2023 RM'million	Preceding Year Corresponding Quarter 31/03/2022 RM'million		
Revenue				
Leisure & Hospitality				
- Malaysia	1,400.7	918.1	482.6	+53
- Singapore	1,595.3	974.0	621.3	+64
- UK and Egypt	352.5	395.3	-42.8	-11
- US and Bahamas	1,428.1	1,044.2	383.9	+37
	4,776.6	3,331.6	1,445.0	+43
Plantation				
- Oil Palm Plantation	496.0	566.1	-70.1	-12
- Downstream Manufacturing	210.4	152.7	57.7	+38
	706.4	718.8	-12.4	-2
- Intra segment	(140.7)	(205.0)	64.3	+31
	565.7	513.8	51.9	+10
Power	275.5	171.1	104.4	+61
Property	47.1	37.6	9.5	+25
Oil & Gas	110.1	117.4	-7.3	-6
Investments & Others	47.5	42.4	5.1	+12
	5,822.5	4,213.9	1,608.6	+38
Profit before taxation				
Leisure & Hospitality				
- Malaysia	555.9	332.6	223.3	+67
- Singapore	646.6	403.2	243.4	+60
- UK and Egypt	42.4	84.7	-42.3	-50
- US and Bahamas	357.4	134.5	222.9	>100
	1,602.3	955.0	647.3	+68
Plantation				
- Oil Palm Plantation	117.8	249.5	-131.7	-53
- Downstream Manufacturing	10.9	3.7	7.2	>100
	128.7	253.2	-124.5	-49
Power	97.4	34.3	63.1	>100
Property	18.2	10.7	7.5	+70
Oil & Gas	91.9	97.1	-5.2	-5
Investments & Others	(104.7)	(48.6)	-56.1	>-100
Adjusted EBITDA	1,833.8	1,301.7	532.1	+41
Net fair value gain on derivative financial instruments	0.7	56.5	-55.8	-99
Net fair value loss on financial assets at FVTPL	(6.2)	(37.0)	30.8	+83
Impairment losses	(4.5)	-	-4.5	NM
Depreciation and amortisation	(859.6)	(818.0)	-41.6	-5
Interest income	201.0	42.1	158.9	>100
Finance cost	(502.3)	(450.1)	-52.2	-12
Share of results in joint ventures and associates	(66.5)	(57.5)	-9.0	-16
Others	(28.4)	(25.3)	-3.1	-12
	568.0	12.4	555.6	>100

NM = Not meaningful

Quarter ended 31 March 2023 compared with quarter ended 31 March 2022

Revenue of the Group for the current quarter recorded RM5,822.5 million, an increase of 38% compared with the previous year's corresponding quarter's revenue of RM4,213.9 million. The increase in revenue came mainly from the Leisure & Hospitality Division of the Group. The Group's adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") for the current quarter of RM1,833.8 million improved by 41% compared with RM1,301.7 million in the previous year's corresponding quarter.

Revenue and adjusted EBITDA from Resorts World Sentosa ("RWS") continued to benefit from the ongoing recovery of regional travel and gaming demand.

Resorts World Genting ("RWG") recorded higher revenue in the current quarter mainly due to higher business volume following further relaxation of Coronavirus Disease 2019 ("COVID-19") restrictions and the reopening of national borders since 1 April 2022. Consequently, adjusted EBITDA increased but was partially offset by higher operating expenses in the current quarter.

The leisure and hospitality businesses in the United Kingdom ("UK") and Egypt recorded lower revenue due to the impact of ongoing inflationary pressures. Consequently, a lower adjusted EBITDA was recorded compared with previous year's corresponding quarter mainly due to lower revenue coupled with higher payroll and operating expenses.

Revenue from the leisure and hospitality businesses in the United States of America ("US") and Bahamas increased primarily due to the strong operating performances from Resorts World New York City ("RWNYC") and Hilton Miami Downtown. Higher revenue was also recorded by Resorts World Bimini ("RW Bimini") following the relaxation on travel restriction since 19 June 2022. Increase in adjusted EBITDA was partially offset by higher operating and payroll related expenses in the current quarter.

The financial results of Resorts World Las Vegas ("RWLV") are included in the revenue and adjusted EBITDA of the US and Bahamas segment. RWLV achieved a second consecutive record adjusted EBITDA and EBITDA margin in the current quarter since its opening; the better performance was driven by the continued growth of convention business and strong performance in casino, food and beverage, and hotel divisions. Hotel occupancy and Average Daily Rate ("ADR") in the current quarter were 89.8% and USD280 respectively compared with 70.8% and USD229 in the previous year's corresponding quarter. RWLV benefited from a mix of headliners and events from NFL Superbowl to college basketball tournaments, paired with a robust convention quarter which drove strong visitation to RWLV.

The Plantation Division's revenue for the current quarter increased compared with the previous year's corresponding quarter due to higher sales volume from the Downstream Manufacturing segment, partially offset by weaker palm product prices. However, adjusted EBITDA was lower mainly due to the weaker palm product prices.

Revenue and adjusted EBITDA of the Power Division in the current quarter improved due to higher generation from the Banten power plant in Indonesia following a shorter outage period in the current quarter. Meanwhile, the Oil & Gas Division recorded lower revenue and adjusted EBITDA mainly due to weaker global crude oil prices in the current quarter.

The Group recorded a profit before taxation of RM568.0 million compared with RM12.4 million in the previous year's corresponding quarter. The significant improvement in the profit before taxation is mainly due to the higher adjusted EBITDA of the Group. A higher share of loss in joint ventures and associates was recorded in the current quarter mainly due to higher share of loss in Genting Empire Resorts LLC, the holding company of Empire. The higher share of loss arose from higher payroll costs and operating expenses incurred during the period, which was also contributed by the opening of Resorts World Hudson Valley. The increase in effective ownership interest in Empire by GENM Group from 66.6% to 76.3% with effect from immediate preceding quarter has also resulted in a higher share of losses in Empire.

2. Material Changes in 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 31/03/2023 RM'million	Immediate Preceding Quarter 31/12/2022 RM'million	Changes +/- RM'million	+/- %
Revenue				
Leisure & Hospitality				
- Malaysia	1,400.7	1,585.8	-185.1	-12
- Singapore	1,595.3	1,771.3	-176.0	-10
- UK and Egypt	352.5	335.1	17.4	+5
- US and Bahamas	1,428.1	1,493.1	-65.0	-4
	4,776.6	5,185.3	-408.7	-8
Plantation				
- Oil Palm Plantation	496.0	560.7	-64.7	-12
- Downstream Manufacturing	210.4	419.6	-209.2	-50
	706.4	980.3	-273.9	-28
- Intra segment	(140.7)	(203.7)	63.0	+31
	565.7	776.6	-210.9	-27
Power	275.5	203.8	71.7	+35
Property	47.1	37.2	9.9	+27
Oil & Gas	110.1	124.9	-14.8	-12
Investments & Others	47.5	34.0	13.5	+40
	5,822.5	6,361.8	-539.3	-8
Profit before taxation				
Leisure & Hospitality				
- Malaysia	555.9	622.4	-66.5	-11
- Singapore	646.6	866.3	-219.7	-25
- UK and Egypt	42.4	60.3	-17.9	-30
- US and Bahamas	357.4	356.9	0.5	-
	1,602.3	1,905.9	-303.6	-16
Plantation				
- Oil Palm Plantation	117.8	164.7	-46.9	-28
- Downstream Manufacturing	10.9	15.8	-4.9	-31
	128.7	180.5	-51.8	-29
Power	97.4	66.8	30.6	+46
Property	18.2	12.3	5.9	+48
Oil & Gas	91.9	102.3	-10.4	-10
Investments & Others	(104.7)	(362.9)	258.2	+71
Adjusted EBITDA	1,833.8	1,904.9	-71.1	-4
Net fair value gain/(loss) on derivative financial instruments	0.7	(4.0)	4.7	>100
Net fair value loss on financial assets at FVTPL	(6.2)	(13.6)	7.4	+54
Gain on deemed disposal of subsidiaries	-	79.5	-79.5	-100
Impairment losses	(4.5)	(304.9)	300.4	+99
Depreciation and amortisation	(859.6)	(1,083.1)	223.5	+21
Interest income	201.0	154.9	46.1	+30
Finance cost	(502.3)	(484.4)	-17.9	-4
Share of results in joint ventures and associates	(66.5)	(97.0)	30.5	+31
Others	(28.4)	(32.5)	4.1	+13
	568.0	119.8	448.2	>100

Material changes in profit before taxation for the current quarter compared with the immediate preceding quarter

A profit before taxation for the current quarter of RM568.0 million has increased more than fourfold compared with RM119.8 million in the preceding quarter. The increase was mainly due to recognition of lower net foreign exchange losses by GENM Group and lower impairment losses and depreciation and amortisation in the current quarter.

Adjusted EBITDA of the Leisure & Hospitality, Plantation and Oil & Gas divisions declined compared with the preceding quarter.

Adjusted EBITDA from RWS declined in the current quarter. The recovery of non-gaming business was constrained by lagging overseas visitor arrivals from its traditional visitor source markets. Airline capacity constraints have continued to cap incoming mass leisure tourist traffic. Elevated airfares during festive seasons have also impacted visitor volume for the attractions, resulting in a 15% dip in the overall non-gaming revenue from the preceding quarter.

However, RWLV's revenue and adjusted EBITDA for the current quarter continued to gather momentum since its opening, aided by re-bounding travel trends. In March 2023, convention attendance increased by 39.6% compared with pre-pandemic levels according to the Las Vegas Convention Visitors Authority ("LVCVA"). Overall, hotel occupancy and ADR for the current quarter remained strong at 89.8% and USD280 respectively compared with 88.9% and USD270 in the preceding quarter.

Adjusted EBITDA from the Plantation Division declined in the current quarter mainly due to lower FFB production amidst the cyclical low cropping season.

Higher adjusted EBITDA from the Power Division in the current quarter was mainly due to higher net generation from the Banten power 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/quarterly business overview for a detailed review of their respective performance.*

<u>Listed subsidiaries</u>	<u>Quarterly business overview/ Announcement date</u>
<i>Genting Singapore Limited</i>	<i>12 May 2023</i>
<i>Genting Plantations Berhad</i>	<i>24 May 2023</i>
<i>Genting Malaysia Berhad</i>	<i>25 May 2023</i>

3. Prospects

The respective business operations of the Group continue to recover from the COVID-19 related impacts. The detailed comments on performance for the first quarter of 2023 have been included in Notes 1 and 2 above. Liquidity and working capital requirements continue to be closely monitored.

Even so, the performance of the Group for the remaining period of the 2023 financial year may be impacted as follows:

The global economic environment is expected to gradually improve. However, downside risks continue to predominate amid ongoing geopolitical tensions and concerns surrounding the impact from monetary policy decisions. While Malaysia's economic expansion is expected to moderate in line with a slower global economy, growth will continue to be supported by domestic demand.

International travel demand is expected to remain positive, although its recovery could be constrained by the macroeconomic uncertainties and inflationary pressures. The regional gaming market is expected to continue improving in tandem with the improved outlook on global travel.

GENM Group continues to be cautiously optimistic on the near-term outlook of the leisure and hospitality industry and remains positive in the longer-term.

In Malaysia, GENM Group remains focused on enhancing yields at RWG by intensifying its database marketing efforts whilst improving overall operational efficiencies at the resort. GENM Group will continue to leverage its integrated resort offerings to grow key business segments, including tapping on increasing inbound tourist arrivals to Malaysia, and drive traffic to RWG. At the same time, effective cost management will continue to be emphasised as part of GENM Group's ongoing efforts to augment its resilience amid a fluid operating environment.

In the UK, GENM Group remains focused on maintaining the recovery momentum registered at its venues despite the continued challenges in the operating landscape. GENM Group will continue to invest in the quality of its products offerings and service delivery, in addition to exploring complementary opportunities that will enable GENM Group to grow its market share and long-term revenues. GENM Group will also place emphasis on cost optimisation measures that will enhance GENM Group's operational agility and business resilience.

In the US, RWNYC maintained its position as the market leader by gaming revenue in New York State. GENM Group remains committed to exploring opportunities that will strengthen its competitive position in the region, which include developments surrounding the New York Gaming Facility Board's Request for Application to solicit proposals for up to three commercial casinos in New York State. Meanwhile, GENM Group will continue to leverage synergies between RWNYC and Empire's assets to grow its market share and drive the overall returns of GENM Group's US operations. In the Bahamas, GENM Group remains steadfast on executing strategies that will enhance revenues at RW Bimini. These include collaborations with international cruise operators to increase the number of port calls to the island, in addition to focusing marketing efforts and promotional activities to drive visitation to the resort. GENM Group will also continue to exercise cost discipline to improve the profitability of its operations at RW Bimini.

Looking ahead, as GENS continues with RWS 2.0 strategy, GENS Group is committed to enhancing RWS' brand identity as a premium luxury destination that appeals to trendy and affluent customers. RWS was the Presenting Partner and Official Hotel for the first ever LIV Golf event in Singapore. Combining world-class golf, wonderful entertainment and premium guest experiences, this game-changing Super Golf League has elevated RWS' marketing and brand posture globally, making RWS a compelling lifestyle and leisure proposition that resonate with its target consumers with diverse interests across entertainment, food, the arts, sports, and much more. To be carried out in two major stages, RWS will be investing to enhance all its product offerings. The initial stage ("RWS 1.5") involves re-inventing and innovating its facilities to upscale RWS' destination appeal and achieve better demand from its target markets.

The fully renovated 389-rooms Festive Hotel, rebranded as Hotel Ora for the young and mobile with sustainable guestrooms and workspaces, has soft launched and started receiving guests in April 2023. With the opening of Hotel Ora, the resort's overall room inventory now stands at almost 1,600 keys. Other hotels such as Hotel Michael and Crockfords Tower will be renovated in phases.

The Forum at RWS, the central cluster which serves as the integrated resort's first port of call for visitors, will undergo an extensive transformation from May 2023. Targeted for completion by end 2024, The Forum will be elevated into a vibrant and sophisticated central lifestyle connector. Its gross floor area will more than double to around 20,000 square meters over three levels, providing a wide variety of upscale restaurants, specialty shops and iconic concept stores in a biophilic environment.

Ongoing construction works for RWS 2.0 strategy including Minion Land at the Universal Studios Singapore and the Singapore Oceanarium are progressing well with soft openings scheduled for early 2025. In addition, Equarius Hotel expansion and a world class bespoke health and wellness centre shall be major travel appeals for the near term.

On the sustainability front, RWS has attained the highest tier of the Singapore Food Agency's Farm-to-Table Recognition Programme, which recognises companies that source food ingredients from local producers. Putting local first in its procurement practices is a key tenet of its sustainable tourism approach, helping RWS become more resilient to global food supply disruptions.

In Las Vegas, visitor volume in the State of Nevada has returned to pre-pandemic levels with international travel continuing to recover as COVID-19 travel restrictions ease and air travel into Las Vegas continues to grow according to the LVCVA. Further, convention attendance has increased by 39.6% compared to pre-pandemic levels, and 2023 attendance is expected to surpass 2019 levels, as larger conventions return and new sporting events are introduced such as Formula 1 Las Vegas Grand Prix and NFL Pro Bowl in 2023. During the current quarter, RWLV achieved a second consecutive record bests in adjusted EBITDA and EBITDA margin, which show positive movement towards future targeted projections. With the growing return of conventions and business travel to Las Vegas, RWLV will have its highest mix of convention base room nights in 2023. New performances at the Resorts World Theatre and future projects are expected to drive significant foot traffic in the remainder of 2023 and beyond.

RWLV intends to continue building on its strong momentum by leveraging the Hilton branding partnership with over 158 million Hilton Honors members and capitalising on the return of the convention business and the property's proximity to the newly expanded Las Vegas Convention Center ("LVCC"). In addition, RWLV's guests can now utilise The Boring Company's underground transportation system which transports guests between RWLV and the LVCC in minutes. This added convenience is a unique experience at present, with RWLV's passenger station being the first of over 55 stops anticipated to form the Vegas Loop. As international travel continues to resume and with strong demand for domestic travel to Las Vegas, RWLV remains focused on growth opportunities, including ongoing efforts to build RWLV's database for casino and resort marketing.

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.

In the short run, the palm products prices are under pressure as prices of other edible oils namely sunflower and soya oil have been on a declining trend due to better harvest, compounded by downbeat economic prospects in several major economies. Nevertheless, palm products prices could still see some support by supply pressure from lower than anticipated cropping in Indonesia and Malaysia, while palm oil inventory levels in both countries have also declined considerably in recent months.

Following the year-on-year increase in FFB production, GENP Group expects the growth to extend into the remainder of the year, though at a moderate rate, driven by additional harvesting areas and progression of existing mature areas into higher yielding brackets in Indonesia, barring any weather anomalies. Meanwhile, the production growth may be constrained by on-going replanting activities in Malaysia.

The Property segment will continue to offer products which cater to a broader market segment including its upcoming maiden industrial development in Bandar Genting Pura Kencana, taking into consideration the prevailing market sentiments. Meanwhile, performance of the Premium Outlets® has since recovered from the effects of the COVID-19 outbreak, and is expected to continue its growth trajectory underpinned by its enhanced tenant portfolio.

The Downstream Manufacturing segment is anticipated to face headwinds for its refined palm products with the declining prices of sunflower and soya oil, as well as increased competition with the Indonesian government relaxing its export restriction on palm oil. On the other hand, the segment's palm-based biodiesel will cater mainly for Malaysian biodiesel mandate, as biodiesel export remain challenging pursuant to the phasing out of palm oil in European Union's biofuel policies, in addition to the current premium pricing of palm oil.

The supercritical coal-fired Banten power plant in Indonesia is expected to maintain steady performance with high plant load factor and availability, enabling it to remain a high dispatch priority amongst all the thermal power plants in Jawa Island. The performance of the 49% owned joint venture, SDIC Genting Meizhou Wan Electric Power Company Limited looks promising with improving coal prices globally as well as domestically in China in anticipation of a more balanced coal demand and supply market. Positive contribution is expected from Jangi Wind Farm in Gujarat, India in anticipation of better wind speed with the approaching annual high wind season between May and August.

The Group continues to look forward to positive contribution from its 49% working interest in the Petroleum Contract for Petroleum Exploration, Development and Production in Chengdaoxi Block in the shallow waters of Bohai Bay, China, backed by steady production and average crude oil prices that remain around USD75/bbl. Meanwhile, discussions with potential offtakers are currently on-going for the Kasuri Block in West Papua, Indonesia, following the approval of the revised Plan of Development 1 in February 2023.

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 2023 is set out below:

	Current Quarter 31/03/2023 RM'million	Preceding Year Corresponding Quarter 31/03/2022 RM'million
Current taxation		
Malaysian income tax charge	52.4	58.3
Foreign income tax charge	156.5	113.6
	<u>208.9</u>	<u>171.9</u>
Deferred tax charge	61.9	17.8
	<u>270.8</u>	<u>189.7</u>
Prior period taxation		
Income tax under/(over) provided	2.0	(3.8)
Total tax charge	<u>272.8</u>	<u>185.9</u>

The effective tax rate of the Group for the current quarter ended 31 March 2023 is higher than the Malaysian statutory income tax rate mainly due to expenses not deductible for tax purposes and tax losses of certain subsidiaries where deferred tax assets have not been recognised.

6. Profit Before Taxation

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

	Current Quarter 31/03/2023 RM'million	Preceding Year Corresponding Quarter 31/03/2022 RM'million
Charges:		
Finance cost	502.3	450.1
Depreciation and amortisation	859.6	818.0
Impairment losses	4.5	-
Net impairment on receivables	54.9	9.2
Property, plant and equipment written off	2.1	4.2
Inventories written off	0.1	0.1
Net fair value loss on financial assets at FVTPL	6.2	37.0
Net foreign exchange loss	38.6	13.4

6. Profit Before Taxation (continued)

	Current Quarter 31/03/2023 RM'million	Preceding Year Corresponding Quarter 31/03/2022 RM'million
Credits:		
Interest income	201.0	42.1
Investment income	1.5	1.5
Net gain on disposal of property, plant and equipment	0.6	2.1
Deferred income recognised for Government grant	46.4	44.6
Net fair value gain on derivative financial instruments	0.7	56.5
Net gain on disposal of assets classified as held for sale	4.9	-

7. Status of Corporate Proposals Announced

There were no corporate proposals announced but not completed as at 18 May 2023.

8. Group Borrowings and Debt Securities

The details of the Group's borrowings and debt securities as at 31 March 2023 are as set out below:

	As at 31/03/2023			As at 31/12/2022
	Secured/ Unsecured	Foreign Currency 'million	RM Equivalent 'million	RM Equivalent 'million
Short term borrowings	Secured	RM		24.7
	Secured	USD	103.3	969.1
	Secured	INR	237.7	15.0
	Unsecured	RM		244.2
	Unsecured	USD	228.5	923.5
	Unsecured	GBP	25.1	132.9
			1,815.9	2,309.4
Long term borrowings	Secured	RM		44.9
	Secured	USD	2,175.3	9,707.7
	Secured	INR	1,805.3	104.2
	Unsecured	RM		7,842.4
	Unsecured	USD	4,339.4	19,044.1
			36,806.1	36,743.3
Total borrowings	Secured	RM		69.6
	Secured	USD	2,278.6	10,676.8
	Secured	INR	2,043.0	119.2
	Unsecured	RM		8,086.6
	Unsecured	USD	4,567.9	19,967.6
	Unsecured	GBP	25.1	132.9
			38,622.0	39,052.7

Approximately 38% of the Group's total borrowings has a maturity profile of more than 5 years.

9. Outstanding Derivatives

As at 31 March 2023, 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 Assets/(Liabilities) RM'million
<u>Interest Rate Swaps</u>		
USD	177.0	
- Less than 1 year		6.2
<u>Forward Foreign Currency Exchange</u>		
USD		
- Less than 1 year	125.5	(4.6)
- Less than 1 year	142.6	1.0
<u>Commodity Futures Contracts</u>		
RM	206.0	
- Less than 1 year		(1.1)
<u>Commodity Collar Contracts</u>		
USD	-	
- Less than 1 year		3.9

There is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2022:

- (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 2023, 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 2023.

12. **Dividend Proposed or Declared**

No dividend has been proposed or declared for the current quarter ended 31 March 2023.

13. **Earnings Per Share (“EPS”)**

- (a) The earnings used as the numerator in calculating basic and diluted EPS for the current quarter ended 31 March 2023 is as follows:

	Current Quarter RM'million
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic EPS)	98.0
Net impact on earnings on potential exercise of Performance Share Scheme awarded to executives of the Company's subsidiaries	<u>(0.1)</u>
Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Diluted EPS)	<u>97.9</u>

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted EPS for the current quarter ended 31 March 2023 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 EPS)	<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 2022 did not contain any qualification.

15. **Approval of Interim Financial Statements**

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 25 May 2023.