



GENTING MALAYSIA BERHAD  
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**PRESS RELEASE**

**For Immediate Release**

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**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE  
THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2019**

**KUALA LUMPUR, 28 November 2019** – Genting Malaysia Berhad (Group) today announced its financial results for the third quarter (3Q19) and nine months ended 30 September 2019 (9M19).

The Group recorded a marginal increase in total revenue to RM2,627.8 million in 3Q19. However, the adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) decreased to RM694.4 million. The Group registered an improvement in profit before tax (PBT) and net profit to RM443.7 million and RM393.8 million respectively, primarily due to an impairment loss on the Group's investment in promissory notes issued by the Mashpee Wampanoag Tribe (Tribe) of RM1,834.3 million that was recognised in the third quarter of last year.

In 9M19, the Group registered a 7% improvement in total revenue to RM7,964.9 million while adjusted EBITDA declined marginally to RM2,090.0 million. The Group's PBT and net profit increased to RM1,202.5 million and RM1,050.0 million respectively, largely due to an impairment loss on the Group's investment in the Tribe recorded in the same period last year as mentioned above.

**3Q19 Results**

The Group's leisure and hospitality business in Malaysia recorded a 5% increase in revenue to RM1,796.2 million, primarily aided by higher hold percentage in the mid to premium players segment. Additionally, the Group's non-gaming business grew by 36% as the introduction of more attractions at Resorts World Genting (RWG) continues to be well received. Nevertheless, adjusted EBITDA decreased to RM537.5 million, mainly due to higher casino duties. RWG also registered a fall in overall volume of business in the gaming segment primarily due to lower incentives offered to customers. In the period, the Group recorded a further reversal of provision of RM101.4 million following the settlement of the litigation associated with the outdoor theme park.

In the United Kingdom (UK) and Egypt, the Group's operations reported lower revenue of RM414.7 million, largely attributable to lower hold percentage in the premium players segment despite an increase in volume of business. However, adjusted EBITDA improved by 42% to RM85.7 million, mainly due to lower debt-related costs and the Group's adoption of a new accounting standard involving lease expenses.

In the United States (US) and Bahamas, the Group's operations registered marginally higher revenue of RM355.8 million while adjusted EBITDA declined to RM55.4 million. The decrease in adjusted EBITDA was largely due to higher payroll and operating expenses incurred for Resorts World Casino New York City (RWNYC). Nevertheless, the impact was mitigated by narrowing losses at Resorts World Bimini, which benefitted from ongoing improvements to its operational efficiencies.

The Group's overall adjusted EBITDA was impacted by lower foreign exchange translation gains on its USD denominated assets. Excluding this effect, the Group's overall adjusted EBITDA would have declined by 10% from the same period last year.

## 9M19 Results

The Malaysian leisure and hospitality business registered a 12% increase in revenue to RM5,461.8 million, aided by higher hold percentage in the mid to premium players segment. The Group's non-gaming business at RWG also recorded a 36% improvement in revenue as a result of ongoing initiatives to grow this segment. However, overall volume of business in the gaming segment declined, largely attributable to the trimming of incentives offered to customers. In the period, the Group recorded lower adjusted EBITDA of RM1,633.1 million, mainly due to an increase in gaming duties paid.

In the UK and Egypt, the Group's operations reported a decrease in revenue to RM1,254.1 million. This was primarily due to lower hold percentage in the premium players segment in the UK and lower contribution from Crockfords Cairo in Egypt. However, adjusted EBITDA increased by 43% to RM171.8 million, largely attributable to the adoption of a new accounting standard as mentioned above and lower debt-related expenses.

In the US and Bahamas, the Group's revenue grew by 6% to RM1,100.9 million mainly due to the favourable foreign exchange translation of USD against RM. Excluding this impact, revenue from the Group's operations increased by 2% largely attributable to higher volume of business at RWNYC. Adjusted EBITDA in the period also improved by 5% to RM224.0 million.

The Group's overall adjusted EBITDA was also impacted by lower foreign exchange translation gains on its USD denominated assets. Excluding this effect, the Group's adjusted EBITDA would have remained flat from the previous year.

## Outlook

The expansion of the global economy is expected to continue moderating amid slowing growth in most major economies and developing markets, as protracted geopolitical uncertainties and unresolved trade tensions persist. In Malaysia, economic growth is expected to continue at a slower pace, supported by domestic demand.

The outlook for international travel is anticipated to remain modest. Domestic tourism will be closely correlated to the economic performance and outlook of the country. Meanwhile, the outlook for regional gaming is expected to remain challenging, particularly in the premium players business, due to ongoing macroeconomic uncertainties.

The Group remains cautious on the opportunities and growth potential of the leisure and hospitality industry.

In Malaysia, the ongoing development of the outdoor theme park is progressing well and the Group remains focused on its timely completion. The Group will also continue placing emphasis on leveraging its quality assets to grow key business segments. These include the roll out of virtual reality based attractions to supplement and expand the breath of offerings of Skytropolis Indoor Theme Park, as well as the introduction of additional events to drive traffic growth to RWG. Meanwhile, the Group will continue enhancing cost and operational efficiencies to manage the challenging operating environment by intensifying database marketing efforts, optimising yield management and improving overall service delivery at RWG.

In the UK, the Group remains committed to delivering sustainable performance by continuously identifying opportunities to streamline its operations and improve overall business efficiency. The Group will also focus on its strategy of growing market share in the mass market segment to strengthen its position in the country. This includes leveraging the Group's recent acquisition of Authentic Gaming, an online gaming specialist, which creates a significant opportunity for the Group to continue leading the way in the live gaming space and bring together its offline and online gaming experiences. Meanwhile, the Group will continue placing emphasis on efforts to improve the operating performance of Resorts World Birmingham.

In the US, the Group is steadfast in maintaining RWNYC's market leading position in the Northeast US region amid increasing regional competition. To this end, the Group is focused on the completion of RWNYC's ongoing expansion, which will enhance the property's product offerings and position RWNYC well for future growth. To reinforce its position as a mainstay of the New York State gaming market, the Group will also leverage its unique position to capitalise on synergies between RWNYC and Resorts World Catskills to grow business volume and improve overall margins of its US operations. In the Bahamas, the Group will continue enhancing connectivity and infrastructure at Resorts World Bimini to drive visitation and grow volume of business.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD  SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Variance		NINE MONTHS ENDED 30 SEPTEMBER		Variance	
	3Q2019	3Q2018	3Q19 vs 3Q18		2019	2018	9M19 vs 9M18	
	RM'Mil	RM'Mil	RM'Mil	%	RM'Mil	RM'Mil	RM'Mil	%
<b>Revenue</b>								
Leisure & Hospitality								
- Malaysia	1,796.2	1,704.6	91.6	5%	5,461.8	4,896.0	565.8	12%
- United Kingdom and Egypt	414.7	505.7	-91.0	-18%	1,254.1	1,354.1	-100.0	-7%
- United States of America and Bahamas	355.8	350.7	5.1	1%	1,100.9	1,041.9	59.0	6%
	<u>2,566.7</u>	<u>2,561.0</u>	5.7	<1%	<u>7,816.8</u>	<u>7,292.0</u>	<u>524.8</u>	<u>7%</u>
Property	23.8	23.0	0.8	3%	74.1	70.0	4.1	6%
Investments & others	37.3	14.9	22.4	>100%	74.0	58.6	15.4	26%
	<u>2,627.8</u>	<u>2,598.9</u>	28.9	1%	<u>7,964.9</u>	<u>7,420.6</u>	<u>544.3</u>	<u>7%</u>
<b>Adjusted EBITDA</b>								
Leisure & Hospitality								
- Malaysia	537.5	641.2	-103.7	-16%	1,633.1	1,715.1	-82.0	-5%
- United Kingdom and Egypt	85.7	60.2	25.5	42%	171.8	120.3	51.5	43%
- United States of America and Bahamas	55.4	71.4	-16.0	-22%	224.0	213.8	10.2	5%
	<u>678.6</u>	<u>772.8</u>	<u>-94.2</u>	<u>-12%</u>	<u>2,028.9</u>	<u>2,049.2</u>	<u>-20.3</u>	<u>-1%</u>
Property	10.2	0.3	9.9	>100%	37.4	28.3	9.1	32%
Investments & others	5.6	41.7	-36.1	-87%	23.7	46.8	-23.1	-49%
<b>Adjusted EBITDA</b>	<u>694.4</u>	<u>814.8</u>	<u>-120.4</u>	<u>-15%</u>	<u>2,090.0</u>	<u>2,124.3</u>	<u>-34.3</u>	<u>-2%</u>
Pre-opening expenses	91.2	(14.6)	105.8	>100%	(53.5)	(46.9)	-6.6	-14%
Property, plant and equipment written off	(16.8)	(2.4)	-14.4	->100%	(18.3)	(21.6)	3.3	15%
Net gain/(loss) on disposal of property, plant and equipment	2.0	(1.2)	3.2	>100%	(1.7)	(1.1)	-0.6	-55%
Impairment losses	(18.6)	(1,912.4)	1,893.8	99%	(39.4)	(1,945.7)	1,906.3	98%
Reversal of previously recognised impairment losses	11.1	23.7	-12.6	-53%	11.1	27.1	-16.0	-59%
Gain on disposal of a subsidiary	-	-	-	-	123.8	-	123.8	NC
Others	(10.2)	0.2	-10.4	->100%	(15.5)	15.0	-30.5	->100%
<b>EBITDA/(LBITDA)</b>	<u>753.1</u>	<u>(1,091.9)</u>	<u>1,845.0</u>	<u>&gt;100%</u>	<u>2,096.5</u>	<u>151.1</u>	<u>1,945.4</u>	<u>&gt;100%</u>
Depreciation and amortisation	(273.6)	(233.4)	-40.2	-17%	(791.2)	(712.1)	-79.1	-11%
Interest income	27.7	98.2	-70.5	-72%	87.0	269.8	-182.8	-68%
Finance costs	(63.5)	(40.0)	-23.5	-59%	(189.8)	(113.2)	-76.6	-68%
<b>Profit/(loss) before taxation</b>	<u>443.7</u>	<u>(1,267.1)</u>	<u>1,710.8</u>	<u>&gt;100%</u>	<u>1,202.5</u>	<u>(404.4)</u>	<u>1,606.9</u>	<u>&gt;100%</u>
<b>Taxation</b>	<u>(49.9)</u>	<u>(245.0)</u>	<u>195.1</u>	<u>80%</u>	<u>(152.5)</u>	<u>(387.3)</u>	<u>234.8</u>	<u>61%</u>
<b>Profit/(loss) for the financial period</b>	<u>393.8</u>	<u>(1,512.1)</u>	<u>1,905.9</u>	<u>&gt;100%</u>	<u>1,050.0</u>	<u>(791.7)</u>	<u>1,841.7</u>	<u>&gt;100%</u>
<b>Basic earnings/(loss) per share (sen)</b>	<u>7.27</u>	<u>(26.41)</u>	<u>33.7</u>	<u>&gt;100%</u>	<u>19.38</u>	<u>(13.08)</u>	<u>32.5</u>	<u>&gt;100%</u>
<b>Diluted earnings/(loss) per share (sen)</b>	<u>7.26</u>	<u>(26.41)</u>	<u>33.7</u>	<u>&gt;100%</u>	<u>19.36</u>	<u>(13.08)</u>	<u>32.4</u>	<u>&gt;100%</u>

NC : Not comparable

## **About Genting Malaysia**

Genting Malaysia is one of the leading leisure and hospitality corporations in the world. Listed on Bursa Malaysia with approximately RM18 billion in market capitalisation, Genting Malaysia owns and operates major resort properties including Resorts World Genting (RWG) in Malaysia, Resorts World Casino New York City (RWNYC) and Resorts World Catskills (RWC) in the United States (US), Resorts World Bimini (RW Bimini) in the Bahamas, Resorts World Birmingham and over 40 casinos in the United Kingdom (UK) and Crockfords Cairo in Egypt. Genting Malaysia also owns and operates two seaside resorts in Malaysia, namely Resorts World Kijal in Terengganu and Resorts World Langkawi on Langkawi island.

RWG is a premier leisure and entertainment resort in Malaysia. It is equipped with about 10,500 rooms spread across 7 hotels, theme parks and entertainment attractions, dining and retail outlets, as well as international shows and business convention facilities. The transformation at RWG has seen the Group introducing a plethora of new facilities and attractions which include the First World Hotel Tower 3, the Awana SkyWay cable car system, the Crockfords Hotel, new attractions in the SkyAvenue entertainment complex and First World Plaza, as well as the new Skytropolis Indoor Theme Park. The Genting Highlands Premium Outlet (a joint venture between Genting Plantations Berhad and Simon Property Group) at the mid-hill further complements the new and existing offerings at RWG.

In the UK, Genting Malaysia owns and operates over 40 casinos, making it one of the largest casino operators in the country. The Group is also involved in an interactive business which operates an online gaming platform comprising an online casino and sports book operation which provides customers a seamless multi-channel gaming experience. Additionally, Genting Malaysia operates Resorts World Birmingham, the first integrated leisure complex of its kind in the UK, offering gaming and entertainment facilities, retail and dining outlets and a 182-room four-star hotel. In the Middle East, Crockfords Cairo, an exclusive casino nestled within the posh surroundings of The Nile Ritz-Carlton Hotel in Cairo, is the Group's first venture into the region.

In the US, Genting Malaysia operates two established assets in the state of New York – RWNYC, the first and only video gaming machine facility in New York City, and RWC, a premium destination resort situated within the scenic Catskills Mountains. Collectively, these properties offer the ultimate gaming, hospitality and entertainment experience, featuring a live table games casino, over 400 rooms across 2 hotels, video gaming machines, diverse bar and restaurant choices, exciting shows and unforgettable events. Additionally, the Group embarked on an expansion project at RWNYC to expand its product portfolio, including the development of a new 400-room hotel which is expected to open in 2020. Over in Miami, the Group owns the 527-room Hilton Miami Downtown which sits on 30 acres of prime freehold waterfront land.

In the Bahamas, the Group operates RW Bimini, which features a casino, The Hilton at RW Bimini, restaurants and bars, various resort amenities as well as the largest yacht and marina complex on the island surrounded by turquoise waters and white-sand beaches.

Genting Malaysia is a member of the Genting Group, one of Asia's leading and best-managed multinational companies. The Genting Group is led by Tan Sri Lim Kok Thay, a visionary entrepreneur who has established Resorts World branded properties in Malaysia, Singapore, the Philippines, the US, the Bahamas and the UK, as well as significant investments in oil palm plantations, power generation, oil and gas, property development, cruise, biotechnology and other industries globally.

For more information, visit <http://www.gentingmalaysia.com> or contact [ir.genm@genting.com](mailto:ir.genm@genting.com).

For information on the major properties of Genting Malaysia

Resorts World Genting, visit [www.rwgenting.com](http://www.rwgenting.com)

Genting Casinos UK Limited, visit [www.gentingcasinos.co.uk](http://www.gentingcasinos.co.uk)

Resorts World Casino New York City, visit [www.rwnewyork.com](http://www.rwnewyork.com)

Resorts World Catskills, visit [www.rwcatskills.com](http://www.rwcatskills.com)

Resorts World Birmingham, visit [www.resortsworldbirmingham.co.uk](http://www.resortsworldbirmingham.co.uk)

Resorts World Bimini, visit [www.rwbimini.com](http://www.rwbimini.com)

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