



GENTING MALAYSIA BERHAD  
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**PRESS RELEASE**

**For Immediate Release**

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**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE  
SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2020**

- **Resorts World Genting (RWG) reopens to positive reception**
- **Focus on business efficiency remains as the Group aligns cost structure with the new operating environment**

**KUALA LUMPUR, 27 August 2020** – Genting Malaysia Berhad (Group) today announced its financial results for the second quarter (2Q20) and half year ended 30 June 2020 (1H20).

The Group's total revenue decreased by 96% to RM114.9 million in 2Q20 and the Group recorded an adjusted loss before interest, taxation, depreciation and amortisation (LBITDA) of RM486.2 million. The Group's operating performance was severely impacted by the temporary closure of its resort operations worldwide amid the outbreak of the Coronavirus Disease 2019 (COVID-19) pandemic. Nevertheless, several properties have resumed operations with limited capacity since mid-June 2020. The Group registered loss before tax (LBT) of RM1,044.5 million and net loss of RM923.2 million respectively.

In 1H20, the Group reported a 61% decline in total revenue to RM2,070.8 million and adjusted LBITDA of RM130.8 million. After taking into consideration impairment losses, finance costs, depreciation and amortisation, the Group registered LBT and net loss of RM1,491.1 million and RM1,377.1 million respectively.

### **2Q20 Results**

The leisure and hospitality business in Malaysia reported a 95% decline in revenue to RM82.2 million and adjusted LBITDA of RM214.7 million. This was mainly attributable to the fall in overall volume of business following the temporary closure of the Group's operations since 18 March 2020. However, the impact to the Group's earnings was mitigated by a reduction in payroll costs due to lower headcount. RWG reopened with limited capacity on 19 June 2020 to positive response and visitation to the resort has steadily improved.

In the United Kingdom (UK) and Egypt, the Group reported lower revenue by 92% to RM33.2 million and adjusted LBITDA of RM103.9 million. This was primarily due to the temporary closure of the Group's land-based casino operations throughout the period. The Group's adjusted LBITDA was also attributable to higher debt provision. Nevertheless, the impact to the Group's operating results was mitigated by lower payroll costs and operating expenses from the temporary closure of its land-based gaming operations.

In the United States (US) and Bahamas, the Group's operations registered a reduction in revenue and adjusted LBITDA of RM176.4 million. This was predominantly due to the temporary closure of the Group's resort operations in the US and Bahamas throughout 2Q20, coupled with a change in accounting estimate on revenue recognition relating to Resorts World Casino New York City (RWNYC). Notwithstanding, the Group recorded lower payroll costs and operating expenses at RWNYC following its temporary closure which mitigated the impact to the Group's operating performance.

In the period, the Group recalibrated its operating structure and rightsized its workforce in response to the challenging operating conditions. Nevertheless, the Group is confident that the recalibrated operating structure places it in a better position to capitalise on the eventual recovery of the leisure and hospitality sector, in addition to creating a stronger platform for future profitability and long-term shareholder value.

## **1H20 Results**

The Malaysia leisure and hospitality business reported lower revenue by 64% to RM1,307.3 million, primarily attributable to the unprecedented disruptions to the Group's operations in light of the COVID-19 pandemic. Furthermore, the lower revenue as compared to the same period last year was also attributable to the exceptionally high hold percentage in the mid to premium players segment recorded in the half year ended 30 June 2019. Despite the challenging operating environment, the Group registered adjusted EBITDA of RM116.5 million.

In the UK and Egypt, the Group recorded a 52% decline in revenue to RM404.4 million and adjusted LBITDA of RM81.1 million. This was largely due to the suspension of the Group's land-based gaming operations since mid-March 2020 amid the COVID-19 outbreak.

Similarly, the Group's operations in the US and Bahamas registered lower revenue by 61% to RM289.1 million and adjusted LBITDA of RM161.7 million. This was mainly attributable to the decline in volume of business following the temporary closure of the Group's resorts in the US and Bahamas since mid-March 2020.

The Board of Directors (Board) has declared an interim single-tier dividend of 6.00 sen per ordinary share. While uncertainties surrounding the COVID-19 pandemic remain, the Board is cognisant of the importance to balance the need to conserve funds with its desire to reward shareholders with dividends.

## **Outlook**

The global economy is expected to contract this year as the COVID-19 pandemic caused severe disruptions to economic activity worldwide. In addition, escalating geopolitical and trade tensions adds downward pressure and uncertainties to the global economy. In Malaysia, the gradual and progressive reopening of the economy since early May has enabled the recovery of economic activities.

The tourism, leisure and hospitality and gaming industries are among the sectors hardest hit by the pandemic. As the COVID-19 situation continues to evolve, pandemic-related fears and uncertainty may result in the slow recovery of this sector.

In Malaysia, the Group is heartened by the positive reception to the phased reopening of RWG. The Group will continue leveraging domestic demand to drive traffic growth and revenue whilst actively managing its cost base. Meanwhile, the Group is focused on the completion of the outdoor theme park which is targeted to open in mid-2021.

In the UK, a majority of the Group's land-based gaming operations have recommenced since 15 August 2020. Given the unprecedented challenges, the Group will continue to be nimble in its approach at managing its cost structure to align with the new operating environment. Retail shopping outlets at Resorts World Birmingham and the Group's interactive business continue to operate in line with expectations.

In the US, RWNYC and Resorts World Catskills remain temporarily shuttered until further notice. In the Bahamas, operations at Resorts World Bimini reopened on 2 July 2020 but have been suspended since 25 July 2020 amid renewed concerns from local authorities surrounding the pandemic. The Group will continue to proactively manage its operating cost structure as it navigates through the dynamic situation in the US and Bahamas. In the meantime, development work for the expansion project at RWNYC is currently underway and the Group is working towards the completion of the first phase of the new 400-room hotel, which is expected to open by the first quarter of 2021.

The Group maintains a cautious stance on the near-term prospects of the leisure and hospitality industry. Whilst the Group is encouraged by the resumption of its business in Malaysia and the UK, uncertainties surrounding the full impact of the pandemic on the Group's operations and financial performance remain. The Board wishes to caution that the Group expects its financial results for the financial year ending 31 December 2020 to be adversely impacted.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD  SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Variance		SIX MONTHS ENDED 30 JUNE		Variance	
	2Q2020	2Q2019	2Q20 vs 2Q19		2020	2019	1H20 vs 1H19	
	RM'Mil	RM'Mil	RM'Mil	%	RM'Mil	RM'Mil	RM'Mil	%
<b>Revenue</b>								
Leisure & Hospitality								
- Malaysia	82.2	1,756.1	-1,673.9	-95%	1,307.3	3,665.6	-2,358.3	-64%
- United Kingdom and Egypt	33.2	420.1	-386.9	-92%	404.4	839.4	-435.0	-52%
- United States of America and Bahamas	(31.6)	378.1	-409.7	->100%	289.1	745.1	-456.0	-61%
	<b>83.8</b>	<b>2,554.3</b>	<b>-2,470.5</b>	<b>-97%</b>	<b>2,000.8</b>	<b>5,250.1</b>	<b>-3,249.3</b>	<b>-62%</b>
Property	16.9	23.6	-6.7	-28%	40.1	50.3	-10.2	-20%
Investments & others	14.2	23.6	-9.4	-40%	29.9	36.7	-6.8	-19%
	<b>114.9</b>	<b>2,601.5</b>	<b>-2,486.6</b>	<b>-96%</b>	<b>2,070.8</b>	<b>5,337.1</b>	<b>-3,266.3</b>	<b>-61%</b>
<b>Adjusted (LBITDA)/EBITDA</b>								
Leisure & Hospitality								
- Malaysia	(214.7)	540.0	-754.7	->100%	116.5	1,095.6	-979.1	-89%
- United Kingdom and Egypt	(103.9)	45.1	-149.0	->100%	(81.1)	86.1	-167.2	->100%
- United States of America and Bahamas	(176.4)	102.6	-279.0	->100%	(161.7)	168.6	-330.3	->100%
	<b>(495.0)</b>	<b>687.7</b>	<b>-1,182.7</b>	<b>-&gt;100%</b>	<b>(126.3)</b>	<b>1,350.3</b>	<b>-1,476.6</b>	<b>-&gt;100%</b>
Property	6.5	12.3	-5.8	-47%	16.8	27.2	-10.4	-38%
Investments & others	2.3	11.5	-9.2	-80%	(21.3)	18.1	-39.4	->100%
	<b>(486.2)</b>	<b>711.5</b>	<b>-1,197.7</b>	<b>-&gt;100%</b>	<b>(130.8)</b>	<b>1,395.6</b>	<b>-1,526.4</b>	<b>-&gt;100%</b>
Pre-operating expenses	(21.2)	65.9	-87.1	->100%	(40.8)	(144.7)	103.9	72%
Net loss on disposal of property, plant and equipment	(0.3)	-	-0.3	NC	(0.8)	(3.7)	2.9	78%
Impairment losses	(14.8)	(3.0)	-11.8	->100%	(361.1)	(20.8)	-340.3	->100%
Gain on disposal of a subsidiary	-	-	-	-	-	123.8	-123.8	NC
Redundancy costs	(71.5)	-	-71.5	NC	(71.5)	-	-71.5	NC
Others	0.6	(6.1)	6.7	>100%	(3.2)	(6.8)	3.6	53%
	<b>(593.4)</b>	<b>768.3</b>	<b>-1,361.7</b>	<b>-&gt;100%</b>	<b>(608.2)</b>	<b>1,343.4</b>	<b>-1,951.6</b>	<b>-&gt;100%</b>
Depreciation and amortisation	(279.6)	(260.9)	-18.7	-7%	(562.4)	(517.5)	-44.9	-9%
Interest income	25.7	27.4	-1.7	-6%	62.1	59.3	2.8	5%
Finance costs	(118.6)	(58.6)	-60.0	->100%	(203.9)	(126.4)	-77.5	-61%
Share of results in an associate	(78.6)	-	-78.6	NC	(178.7)	-	-178.7	NC
	<b>(1,044.5)</b>	<b>476.2</b>	<b>-1,520.7</b>	<b>-&gt;100%</b>	<b>(1,491.1)</b>	<b>758.8</b>	<b>-2,249.9</b>	<b>-&gt;100%</b>
<b>Taxation</b>	<b>121.3</b>	<b>(73.1)</b>	<b>194.4</b>	<b>&gt;100%</b>	<b>114.0</b>	<b>(102.6)</b>	<b>216.6</b>	<b>&gt;100%</b>
	<b>(923.2)</b>	<b>403.1</b>	<b>-1,326.3</b>	<b>-&gt;100%</b>	<b>(1,377.1)</b>	<b>656.2</b>	<b>-2,033.3</b>	<b>-&gt;100%</b>
<b>Basic (loss)/earnings per share (sen)</b>	<b>(15.93)</b>	<b>7.37</b>	<b>-23.3</b>	<b>-&gt;100%</b>	<b>(23.32)</b>	<b>12.11</b>	<b>-35.4</b>	<b>-&gt;100%</b>
<b>Diluted (loss)/earnings per share (sen)</b>	<b>(15.93)</b>	<b>7.36</b>	<b>-23.3</b>	<b>-&gt;100%</b>	<b>(23.32)</b>	<b>12.10</b>	<b>-35.4</b>	<b>-&gt;100%</b>

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 RM13 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) (which is 49%-owned via an associate company) in the United States (US), Resorts World Bimini (RW Bimini) in the Bahamas, Resorts World Birmingham and over 30 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.

With about 10,500 rooms across seven distinct hotels, RWG is Malaysia's premier integrated resort destination. The resort also features wide-ranging leisure and entertainment facilities, including gaming, theme park and amusement attractions, dining and retail outlets, as well as international shows and business convention facilities. Genting Highlands Premium Outlets (a joint venture between Genting Plantations Berhad and Simon Property Group) at the mid-hill further complements the various attractions at RWG. Additionally, the new outdoor theme park will add to RWG's extensive entertainment offerings upon completion.

In the UK, Genting Malaysia owns and operates over 30 casinos, making it one of the largest leisure and entertainment businesses in the country. The Group also 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's 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 in the State of New York, collectively offer the ultimate gaming, hospitality and entertainment experience, featuring a live table games casino, over 400 rooms across two hotels, video gaming machines, diverse bar and restaurant choices, exciting shows and memorable events. Additionally, the Group embarked on an expansion project at RWNYC to expand its facilities and attractions, including the development of a new 400-room hotel. 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, 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 successfully established the Resorts World brand as a leader in the leisure and hospitality sector in Malaysia, Singapore, the Philippines, the US, the Bahamas and the UK. Tan Sri Lim Kok Thay also has significant investments in other industries globally including oil palm plantations, property development, power generation, oil and gas, cruise and biotechnology.

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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