

FIRST QUARTERLY REPORT

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

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2021**

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	First quarter ended 31 March		Three months ended 31 March	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	623,350	1,955,868	623,350	1,955,868
Cost of sales	(812,937)	(1,636,558)	(812,937)	(1,636,558)
Gross (loss)/profit	(189,587)	319,310	(189,587)	319,310
Other income	44,378	75,265	44,378	75,265
Other expenses	(265,344)	(290,174)	(265,344)	(290,174)
Other losses	(14,484)	(19,289)	(14,484)	(19,289)
(Loss)/profit from operations before impairment losses	(425,037)	85,112	(425,037)	85,112
Impairment losses	(7,285)	(346,311)	(7,285)	(346,311)
Loss from operations	(432,322)	(261,199)	(432,322)	(261,199)
Finance costs	(81,991)	(85,342)	(81,991)	(85,342)
Share of results in an associate	(45,363)	(100,108)	(45,363)	(100,108)
Loss before taxation	(559,676)	(446,649)	(559,676)	(446,649)
Taxation	58,361	(7,267)	58,361	(7,267)
Loss for the financial period	(501,315)	(453,916)	(501,315)	(453,916)
Loss attributable to:				
Equity holders of the Company	(483,591)	(417,957)	(483,591)	(417,957)
Non-controlling interests	(17,724)	(35,959)	(17,724)	(35,959)
	(501,315)	(453,916)	(501,315)	(453,916)
Loss per share attributable to equity holders of the Company:				
Basic loss per share (sen)	(8.55)	(7.39)	(8.55)	(7.39)
Diluted loss per share (sen)	(8.55)	(7.39)	(8.55)	(7.39)

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

GENTING MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2021

	UNAUDITED INDIVIDUAL QUARTER		UNAUDITED CUMULATIVE PERIOD	
	First quarter ended 31 March		Three months ended 31 March	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Loss for the financial period	(501,315)	(453,916)	(501,315)	(453,916)
Other comprehensive income/(loss)				
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedges				
- Fair value gain/(loss)	585	(2,420)	585	(2,420)
Foreign currency exchange differences				
- Exchange differences on translation of foreign operations	303,471	285,106	303,471	285,106
Other comprehensive income, net of tax	304,056	282,686	304,056	282,686
Total comprehensive loss for the financial period	(197,259)	(171,230)	(197,259)	(171,230)
Total comprehensive loss attributable to:				
Equity holders of the Company	(166,248)	(120,445)	(166,248)	(120,445)
Non-controlling interests	(31,011)	(50,785)	(31,011)	(50,785)
	(197,259)	(171,230)	(197,259)	(171,230)

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

	UNAUDITED As at 31.03.2021 RM'000	As at 31.12.2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	16,185,589	16,052,434
Land held for property development	184,596	184,596
Investment properties	1,801,199	1,729,677
Intangible assets	4,358,425	4,247,655
Right-of-use assets	747,828	741,623
Associate	1,192,388	1,052,174
Financial assets at fair value through other comprehensive income	64,232	62,320
Financial assets at fair value through profit or loss	124,151	118,072
Other non-current assets	101,445	102,250
Deferred tax assets	31,656	31,664
	<u>24,791,509</u>	<u>24,322,465</u>
Current assets		
Inventories	124,205	121,393
Trade and other receivables	582,166	563,501
Amounts due from related companies	16,997	28,345
Amounts due from an associate	383	-
Financial assets at fair value through profit or loss	200,000	362,585
Restricted cash	89,667	29,163
Cash and cash equivalents	2,370,216	2,452,905
	<u>3,383,634</u>	<u>3,557,892</u>
Assets classified as held for sale	446,624	406,750
	<u>3,830,258</u>	<u>3,964,642</u>
	<u>28,621,767</u>	<u>28,287,107</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,764,424	1,764,424
Reserves	13,470,629	14,135,312
Treasury shares	(985,868)	(987,934)
	<u>14,249,185</u>	<u>14,911,802</u>
Non-controlling interests	<u>(442,191)</u>	<u>(411,180)</u>
TOTAL EQUITY	<u>13,806,994</u>	<u>14,500,622</u>
Non-current liabilities		
Other long term liabilities	252,071	312,112
Long term borrowings	8,733,487	9,069,908
Amount due to a related company	11,942	11,577
Lease liabilities	696,283	705,115
Deferred tax liabilities	650,389	707,208
Derivative financial instruments	2,546	2,849
	<u>10,346,718</u>	<u>10,808,769</u>
Current liabilities		
Trade and other payables	2,310,535	2,437,230
Amount due to holding company	15,024	12,919
Amounts due to related companies	24,906	22,015
Amount due to an associate	-	16,733
Short term borrowings	1,438,140	319,296
Lease liabilities	175,008	144,098
Derivative financial instruments	4,198	4,248
Taxation	19,468	20,000
Dividend payable	480,355	-
	<u>4,467,634</u>	<u>2,976,539</u>
Liabilities classified as held for sale	421	1,177
	<u>4,468,055</u>	<u>2,977,716</u>
TOTAL LIABILITIES	<u>14,814,773</u>	<u>13,786,485</u>
TOTAL EQUITY AND LIABILITIES	<u>28,621,767</u>	<u>28,287,107</u>
NET ASSETS PER SHARE (RM)	<u>2.52</u>	<u>2.64</u>

(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 MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2021

	Attributable to equity holders of the Company						Non-controlling Interests	Total Equity	
	Share Capital	Fair Value Reserve	Cash Flow Hedges Reserve	Other Reserves	Treasury Shares	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance at 1 January 2021	1,764,424	(83,898)	(6,939)	1,413,025	(987,934)	12,813,124	14,911,802	(411,180)	14,500,622
Loss for the financial period	-	-	-	-	-	(483,591)	(483,591)	(17,724)	(501,315)
Other comprehensive income/(loss)	-	-	585	316,758	-	-	317,343	(13,287)	304,056
Total comprehensive income/(loss) for the financial period	-	-	585	316,758	-	(483,591)	(166,248)	(31,011)	(197,259)
Transactions with owners:									
Buy-back of shares	-	-	-	-	(21,257)	-	(21,257)	-	(21,257)
Performance-based employee share scheme	-	-	-	5,243	-	-	5,243	-	5,243
Employee share scheme shares vested to employees	-	-	-	(23,323)	23,323	-	-	-	-
Transfer of employee share scheme shares purchase price difference on shares vested	-	-	-	(2,737)	-	2,737	-	-	-
Appropriation:									
Special single-tier dividend declared for the financial year ended 31 December 2020	-	-	-	-	-	(480,355)	(480,355)	-	(480,355)
Total transactions with owners	-	-	-	(20,817)	2,066	(477,618)	(496,369)	-	(496,369)
At 31 March 2021	1,764,424	(83,898)	(6,354)	1,708,966	(985,868)	11,851,915	14,249,185	(442,191)	13,806,994

(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 MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)
FOR THE THREE MONTHS ENDED 31 MARCH 2020

	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 Hedges Reserve RM'000	Other Reserves RM'000	Treasury Shares RM'000	Retained Earnings RM'000			Total RM'000
Balance at 1 January 2020	1,764,424	(30,733)	(5,172)	1,560,855	(998,094)	16,206,357	18,497,637	(327,607)	18,170,030
Loss for the financial period	-	-	-	-	-	(417,957)	(417,957)	(35,959)	(453,916)
Other comprehensive (loss)/income	-	-	(2,420)	299,932	-	-	297,512	(14,826)	282,686
Total comprehensive (loss)/income for the financial period	-	-	(2,420)	299,932	-	(417,957)	(120,445)	(50,785)	(171,230)
Transactions with owners:									
Buy-back of shares	-	-	-	-	(30,145)	-	(30,145)	-	(30,145)
Performance-based employee share scheme	-	-	-	13,982	-	-	13,982	-	13,982
Employee share scheme shares vested to employees	-	-	-	(40,305)	40,305	-	-	-	-
Transfer of employee share scheme shares purchase price difference on shares vested	-	-	-	(10,492)	-	10,492	-	-	-
Appropriation:									
Special single-tier dividend declared for the financial year ended 31 December 2019	-	-	-	-	-	(508,108)	(508,108)	-	(508,108)
Total transactions with owners	-	-	-	(36,815)	10,160	(497,616)	(524,271)	-	(524,271)
At 31 March 2020	1,764,424	(30,733)	(7,592)	1,823,972	(987,934)	15,290,784	17,852,921	(378,392)	17,474,529

(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 MALAYSIA BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2021

	UNAUDITED	
	Three months ended	
	31 March	
	2021	2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(559,676)	(446,649)
Adjustments for:		
Depreciation and amortisation	268,614	282,843
Property, plant and equipment written off	548	3,222
Net (gain)/loss on disposal of property, plant and equipment	(167)	518
Finance costs	81,991	85,342
Interest income	(4,030)	(36,380)
Investment income	(8,278)	(5,615)
Dividend income	(1,541)	(1,233)
Impairment losses	7,285	346,311
Employee share grant scheme expenses	5,243	13,982
Share of results in an associate	45,363	100,108
Net exchange loss – unrealised	10,658	16,471
Other non-cash items and adjustments	(5,781)	(3,026)
	399,905	802,543
Operating (loss)/profit before working capital changes	(159,771)	355,894
Net change in current assets	(3,034)	(55,612)
Net change in current liabilities	(186,987)	(517,406)
	(190,021)	(573,018)
Cash used in operations	(349,792)	(217,124)
Net tax paid	(11,146)	(54,276)
Retirement gratuities paid	(785)	(4,202)
	(11,931)	(58,478)
Net Cash Flow From Operating Activities	(361,723)	(275,602)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition of property, plant and equipment	(230,478)	(326,799)
Addition of investment properties	(9,481)	(57)
Proceeds from disposal of property, plant and equipment	804	505
Proceeds from disposal of financial assets at fair value through profit or loss	156,378	-
Interest received	3,163	33,574
Investment in an associate	(151,545)	(108,350)
Other investing activities	22,252	32,055
Net Cash Flow From Investing Activities	(208,907)	(369,072)
CASH FLOWS FROM FINANCING ACTIVITIES		
Buy-back of shares	(21,257)	(30,145)
Repayment of borrowings and payment of transaction costs	(2,223,340)	(40,618)
Proceeds from bank borrowings and issuance of senior notes	2,952,753	915,984
Repayment of lease liabilities	(20,921)	(38,831)
Restricted cash	(65,000)	-
Finance costs paid	(171,214)	(210,012)
Net Cash Flow From Financing Activities	451,021	596,378
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(119,609)	(48,296)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	2,452,905	6,476,398
EFFECT OF CURRENCY TRANSLATION	36,920	34,872
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	2,370,216	6,462,974
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and deposits	1,909,721	3,595,833
Money market instruments	460,495	2,867,141
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	2,370,216	6,462,974

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

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

a) *Accounting Policies 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*

The business operations of the Group’s leisure and hospitality division are subject to seasonal fluctuations. The results are affected by major festive seasons and holidays.

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

There were no unusual items affecting the assets, liabilities, equity, net income or cashflows of the Group for the three months ended 31 March 2021.

d) *Material Changes in Estimates*

There were no material changes in estimates of amounts reported in prior financial years.

e) *Changes in Debt and Equity Securities*

Purchase of shares pursuant to Section 127 of the Companies Act 2016

During the three months ended 31 March 2021, the Company had acquired 6.8 million ordinary shares from the open market for a cash consideration of RM21.3 million. The share buy-back was made pursuant to the approval obtained from the Company’s shareholders at the Company’s Annual General Meeting held on 22 June 2020. The repurchased shares are held as treasury shares in accordance with the requirements of Section 127(4) of the Companies Act 2016.

During the three months ended 31 March 2021, 6.7 million treasury shares amounting to RM23.3 million have been transferred to the Eligible Employees under the Employee Share Grant Scheme pursuant to Section 127(7)(c) of the Companies Act 2016.

Issuance of Senior Notes due 2026

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

Other than the above, there were no material issuance, cancellation, repurchase, resale or repayments of debts or equity securities for the three months ended 31 March 2021.

f) Dividend Paid

No dividend has been paid for the three months 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. The performance of the operating segments is based on a measure of adjusted earnings/(losses) before interest, tax, depreciation and amortisation ("EBITDA/(LBITDA)"). This measurement basis excludes the effects of gain or loss on disposal of assets, assets written off, impairment loss or reversal of previously recognised impairment loss, pre-operating expenses and other non-recurring items.

The Group is organised into the following main business segments:

Leisure & Hospitality - this segment comprises integrated resort activities which include gaming, hotels, food and beverages ("F&B"), theme parks, retail, entertainment attractions, tours and travel related services and other supporting services.

Properties - this segment is involved in property developments, property investment and management.

All other immaterial business segments including investment in equities, training services, reinsurance services, utilities services, yacht charter services and information technology related services are aggregated and disclosed under "Investments & Others" as they are not of sufficient size to be reported separately.

g) Segment Information (Cont'd)

Segment analysis for the three months ended 31 March 2021 is set out below:

	<u>Leisure & Hospitality</u>			<u>Total</u> RM'Mil	<u>Property</u>	<u>Investments</u> <u>& Others</u>	<u>Total</u>
	<u>Malaysia</u> RM'Mil	<u>United Kingdom and Egypt</u> RM'Mil	<u>United States of America and Bahamas</u> RM'Mil		RM'Mil	RM'Mil	RM'Mil
<u>Revenue</u>							
Total revenue	322.4	40.2	256.3	618.9	18.0	11.8	648.7
Inter segment	(23.4)	-	-	(23.4)	(0.2)	(1.8)	(25.4)
External	299.0	40.2	256.3	595.5	17.8	10.0	623.3
<u>Adjusted (LBITDA)/EBITDA</u>	(83.6)	(51.7)	68.6	(66.7)	(27.1)	(16.6)	(110.4)
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.6035	4.0658		4.0658		

During the three months ended 31 March 2021, revenue from the leisure & hospitality segment of RM595.5 million comprised gaming revenue and non-gaming revenue of RM490.2 million and RM110.8 million respectively. Non-gaming revenue included hotel room revenue which is recognised when services are rendered to the customers over their stay at the hotel, F&B revenue which is recognised when the services are rendered to the customers and rental income which is recognised on a straight-line basis over the lease term.

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

Adjusted LBITDA for reportable segments	RM'Mil (110.4)
Pre-operating expenses	(37.9)
Property, plant and equipment written off	(0.5)
Net gain on disposal of property, plant and equipment	0.2
Impairment losses	(7.3)
Redundancy costs	(2.9)
Others	(8.9)
LBITDA	(167.7)
Depreciation and amortisation	(268.6)
Interest income	4.0
Finance costs	(82.0)
Share of results in an associate	(45.4)
Loss before taxation	(559.7)

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

	<u>Leisure & Hospitality</u>			<u>Total</u> RM'Mil	<u>Property</u>	<u>Investments</u> <u>& Others</u>	<u>Total</u>
	Malaysia RM'Mil	United Kingdom and Egypt RM'Mil	United States of America and Bahamas RM'Mil		RM'Mil	RM'Mil	RM'Mil
Segment Assets	11,409.1	4,567.8	6,706.0	22,682.9	2,123.6	1,455.8	26,262.3
Segment Liabilities	1,582.6	1,137.2	601.5	3,321.3	144.8	26.5	3,492.6
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.6698	4.1435		4.1435		

RM'Mil

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

Segment assets	26,262.3
Interest bearing instruments	522.2
Associate	1,192.4
Unallocated corporate assets	198.3
Assets classified as held for sale	446.6
Total assets	28,621.8

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

Segment liabilities	3,492.6
Interest bearing instruments	10,171.6
Unallocated corporate liabilities	1,150.2
Liabilities classified as held for sale	0.4
Total liabilities	14,814.8

h) **Property, Plant and Equipment**

During the three months ended 31 March 2021, acquisitions (including capitalised interest) of property, plant and equipment by the Group were RM248.8 million.

i) **Material Events Subsequent to the end of Financial Period**

- On 13 April 2021, the Company 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 ("Notes"). The Notes are fully and unconditionally guaranteed by the Company. The Notes 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 Malaysia Securities Berhad (under the Exempt Regime) on 20 April 2021. The proceeds from the Notes will be used by the Company and/or its subsidiaries to refinance existing borrowings and for capital (including investment) and working capital requirements.
- On 11 May 2021, the Company 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 financial period 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 three months 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 financial year ended 31 December 2020.

l) Capital Commitments

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

	RM'Mil
Contracted	748.6
Not contracted	2,243.4
	<u>2,992.0</u>
Analysed as follows:	
- Property, plant and equipment	2,983.4
- Investments	8.6
	<u>2,992.0</u>

m) Significant Related Party Transactions

In the normal course of business, the Group undertakes on agreed terms and prices, transactions with related companies and other related parties. The related party transactions of the Group carried out during the three months ended 31 March 2021 are as follows:

	Current quarter RM'000
i) Provision of technical know-how and management expertise in the resort's operations by Genting Berhad ("GENT") Group to the Group.	<u>5,847</u>
ii) Licensing fee for the use of "Genting", "Resorts World" and "Awana" logo charged by GENT to the Group.	<u>11,495</u>
iii) Provision of management and support services by GENT Group to the Group.	<u>1,955</u>
iv) Income from rental and related services provided to GENT Group.	<u>1,605</u>
v) Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the United States of America and the Bahamas charged by Resorts World Inc Pte Ltd ("RWI") Group to the Group.	<u>14,936</u>
vi) Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by the Group to GENT Group.	<u>1,978</u>
vii) Income from rental of premises to Warisan Timah Holdings Sdn Bhd.	<u>243</u>
viii) Provision of water supply services and electricity services by an entity connected with shareholder of BB Entertainment Ltd ("BBEL") to the Group.	<u>2,789</u>
ix) Income from rental of office space to Genting Hong Kong Limited ("GENHK") Group.	<u>1,541</u>
x) Provision of maintenance and construction services by an entity connected with shareholder of BBEL to the Group.	<u>2,513</u>
xi) Licensing fee for the use of gaming software and system charged by RWI Group to the Group.	<u>1,337</u>
xii) Provision of utilities, maintenance and security services by the Group to Genting Highlands Premium Outlets Sdn Bhd.	<u>419</u>
xiii) Provision of crewing, technical support and administrative support services by GENHK Group to the Group.	<u>3,141</u>
xiv) Provision of support and management services by the Group to Empire Resorts, Inc. ("Empire")	<u>2,733</u>
xv) Subscription of Series L Preferred Stock of Empire by the Group.	<u>151,545</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 assets or liabilities 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:

	Level 1	Level 2	Level 3	Total
	RM'Mil	RM'Mil	RM'Mil	RM'Mil
Financial assets				
Financial assets at fair value through profit or loss	-	200.0	124.1	324.1
Financial assets at fair value through other comprehensive income	-	-	64.2	64.2
	-	200.0	188.3	388.3
Financial liability				
Derivative financial instruments	-	6.7	-	6.7

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

GENTING MALAYSIA BERHAD
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – FINANCIAL PERIOD ENDED
31 MARCH 2021

Part II: Compliance with Appendix 9B of Bursa Securities Listing Requirements

1) Review of Performance

Financial review for the current quarter compared with the corresponding period and immediate preceding quarter

The results of the Group are tabulated below:

	INDIVIDUAL QUARTER				PRECEDING QUARTER			
	1Q2021	1Q2020	Var		4Q2020	Var		
	RM'Mil	RM'Mil	RM'Mil	%	RM'Mil	RM'Mil		%
Revenue								
Leisure & Hospitality								
- Malaysia	299.0	1,225.1	-926.1	-76%	644.7	-345.7		-54%
- United Kingdom and Egypt	40.2	371.2	-331.0	-89%	116.1	-75.9		-65%
- United States of America and Bahamas	256.3	320.7	-64.4	-20%	245.5	10.8		4%
	595.5	1,917.0	-1,321.5	-69%	1,006.3	-410.8		-41%
Property	17.8	23.2	-5.4	-23%	17.4	0.4		2%
Investments & others	10.0	15.7	-5.7	-36%	17.4	-7.4		-43%
	623.3	1,955.9	-1,332.6	-68%	1,041.1	-417.8		-40%
Adjusted (LBITDA)/EBITDA								
Leisure & Hospitality								
- Malaysia	(83.6)	331.2	-414.8	->100%	130.8	-214.4		->100%
- United Kingdom and Egypt	(51.7)	22.8	-74.5	->100%	(40.9)	-10.8		-26%
- United States of America and Bahamas	68.6	14.7	53.9	>100%	70.9	-2.3		-3%
	(66.7)	368.7	-435.4	->100%	160.8	-227.5		->100%
Property	(27.1)	10.3	-37.4	->100%	(2.8)	-24.3		->100%
Investments & others	(16.6)	(23.6)	7.0	30%	12.4	-29.0		->100%
Adjusted (LBITDA)/EBITDA	(110.4)	355.4	-465.8	->100%	170.4	-280.8		->100%
Pre-operating expenses	(37.9)	(19.6)	-18.3	-93%	(27.4)	-10.5		-38%
Property, plant and equipment written off	(0.5)	(3.2)	2.7	84%	(1.7)	1.2		71%
Net gain/(loss) on disposal of property, plant and equipment	0.2	(0.5)	0.7	>100%	1.4	-1.2		-86%
Impairment losses	(7.3)	(346.3)	339.0	98%	(49.6)	42.3		85%
Redundancy costs	(2.9)	-	-2.9	NC	(15.8)	12.9		82%
Others	(8.9)	(0.6)	-8.3	->100%	4.9	-13.8		->100%
(LBITDA)/EBITDA	(167.7)	(14.8)	-152.9	->100%	82.2	-249.9		->100%
Depreciation and amortisation	(268.6)	(282.8)	14.2	5%	(269.1)	0.5		0%
Interest income	4.0	36.4	-32.4	-89%	6.8	-2.8		-41%
Finance costs	(82.0)	(85.3)	3.3	4%	(60.6)	-21.4		-35%
Share of results in an associate	(45.4)	(100.1)	54.7	55%	(44.4)	-1.0		-2%
Loss before taxation	(559.7)	(446.6)	-113.1	-25%	(285.1)	-274.6		-96%

NC: Not comparable

1) Review of Performance (Cont'd)

a) Quarter ended 31 March 2021 ("1Q 2021") compared with quarter ended 31 March 2020 ("1Q 2020")

The Group's revenue in 1Q 2021 was RM623.3 million, a decrease of 68% compared with RM1,955.9 million in 1Q 2020. The leisure and hospitality segment of the Group recorded lower revenue in 1Q 2021 as a result of the temporary closure of the Group's businesses in Malaysia and the United Kingdom ("UK"), in addition to the Group's properties operating at a reduced capacity in compliance with the respective government directives amid the outbreak of the COVID-19 pandemic.

The decrease in revenue for this quarter was mainly due to:

1. lower revenue from the leisure and hospitality business in Malaysia by RM926.1 million or 76%, mainly due to the decline in the overall business volume from gaming and non-gaming segments following the re-imposition of a Movement Control Order by the government, which has resulted in a temporary closure of Resorts World Genting ("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;
2. lower revenue from the leisure and hospitality businesses in the UK and Egypt by RM331.0 million or 89%, mainly due to the nationwide lockdown in UK with effect from early January 2021, where all the land-based casino and resort operations were temporarily closed. Casino operations in Cairo, Egypt which has resumed operations since October 2020 continue to operate with lower business volume in 1Q 2021; and
3. lower revenue from the leisure and hospitality businesses in the United States of America ("US") and Bahamas by RM64.4 million or 20%, mainly due to Resorts World Casino New York City ("RWNYC operations") operating with reduced capacity and limited operating hours following the recommencement of its business since September 2020.

The Group's leisure and hospitality business worldwide continued to report a lower cost structure in 1Q 2021 following the re-calibration of the Group's operating structure and right-sizing of its workforce in response to the unprecedented disruptions to the Group's operations amid the COVID-19 pandemic.

The Group reported adjusted LBITDA of RM110.4 million in 1Q 2021, compared with adjusted EBITDA of RM355.4 million in 1Q 2020 mainly due to:

1. adjusted LBITDA of RM83.6 million in 1Q 2021 as compared to adjusted EBITDA of RM331.2 million in 1Q 2020 from the leisure and hospitality business in Malaysia, mainly due to lower revenue, mitigated by lower operating expenses and a reduction in payroll and related costs as a result of lower headcount;
2. adjusted LBITDA of RM51.7 million in 1Q 2021 as compared to adjusted EBITDA of RM22.8 million in 1Q 2020 from the leisure and hospitality business in UK and Egypt, mainly due to lower revenue, mitigated by a reduction in operating expenses; and
3. adjusted LBITDA of RM27.1 million in 1Q 2021 as compared to adjusted EBITDA of RM10.3 million in 1Q 2020 from the property segment, mainly due to higher land taxes imposed on certain assets in Malaysia; mitigated by
4. higher adjusted EBITDA by RM53.9 million from the leisure and hospitality businesses in the US and Bahamas, mainly due to lower payroll costs and operating expenses for RWNYC operations, offset by lower revenue.

The Group's loss before taxation in 1Q 2021 was RM559.7 million compared with RM446.6 million in 1Q 2020, an increase of 25%, mainly due to:

1. adjusted LBITDA as mentioned above; mitigated by
2. impairment losses of RM346.3 million in relation to the assets of Resorts World Birmingham and Resorts World Bimini as well as certain casino licences and assets in the UK during 1Q 2020; and
3. lower share of losses in an associate, Genting Empire Resorts LLC, the holding company of Empire Resorts, Inc. ("Empire"), of RM45.4 million in 1Q 2021 compared to RM100.1 million in 1Q 2020. The lower share of losses 1Q 2021 was mainly due to the Group's share of costs associated with the refinancing of Empire's loans in 1Q 2020. Furthermore, there was an improvement in Empire's operating performance in 1Q 2021 following the resumption of its business since September 2020.

2) Material Changes in Loss before Taxation for the Current Quarter (“1Q 2021”) compared with Profit before Taxation for the Immediate Preceding Quarter (“4Q 2020”)

Loss before taxation for 1Q 2021 was RM559.7 million compared with RM285.1 million in 4Q 2020, mainly due to:

1. adjusted LBITDA of RM83.6 million in 1Q 2021 compared with adjusted EBITDA of RM130.8 million in 4Q 2020 from leisure and hospitality business in Malaysia mainly due to lower revenue as a result of the suspension of RWG’s operations for approximately one month in 1Q 2021 and the implementation of stricter travel restrictions nationwide;
2. adjusted LBITDA of RM16.6 million in 1Q 2021 from “investments and others” segment as compared to adjusted EBITDA of RM12.4 million in 4Q 2020, mainly due to unrealised foreign exchange translation losses on USD denominated liabilities due to the weakening of RM against USD during current quarter; and
3. higher adjusted LBITDA from the property segment by RM24.3 million mainly due higher land taxes imposed on certain assets in Malaysia; mitigated by
4. lower impairment losses by RM42.3 million due to impairment of certain casino licences and assets in the UK during 4Q 2020.

3) Prospects

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.

The 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 the Group’s business following the temporary closure of RWG’s casino operations from 24 May 2021. The 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 the Group’s efforts. While the 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, the Group’s land-based casinos have reopened since 17 May 2021. The 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, the Group remains committed to reinforcing its position in the New York State gaming market by leveraging synergies between RWNYS 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 RWNYS, the expansion project will improve RWNYS’s competitive position in the region, in addition to providing the Group with an ideal platform for growth. In the Bahamas, the Group will continue to focus on driving visitation and spend at RW Bimini.

4) Variance of Actual Profit from Forecast Profit

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

5) Taxation

Taxation charges/(credit) for the current quarter ended 31 March 2021 are as follows:

	Current quarter ended 31 March 2021 RM'000
Current taxation	
Malaysian income tax charge	2,330
Foreign income tax charge	7,078
	9,408
Deferred tax credit	(68,077)
	(58,669)
Prior period taxation	
Income tax under provided	308
	(58,361)

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

6) Status of Corporate Proposals Announced

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

7) Group Borrowings

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

	As at 31.03.2021			As at 31.12.2020	
	Secured/ Unsecured	Foreign Currency 'Mil	RM Equivalent 'Mil	RM Equivalent 'Mil	RM Equivalent 'Mil
Short term borrowings	Secured	USD	0.3	1.1	120.5
	Secured	GBP	24.4	138.0	78.9
	Unsecured	USD	3.2	13.1	1.3
	Unsecured	RM	N/A	1,285.9	118.6
				1,438.1	319.3
Long term borrowings	Secured	USD	171.3	709.8	1,956.6
	Secured	GBP	40.0	227.1	217.3
	Unsecured	USD	615.6	2,550.6	400.5
	Unsecured	RM	N/A	5,246.0	6,495.5
				8,733.5	9,069.9
Total borrowings	Secured	USD		710.9	2,077.1
	Secured	GBP		365.1	296.2
	Unsecured	USD		2,563.7	401.8
	Unsecured	RM		6,531.9	6,614.1
				10,171.6	9,389.2

8) *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'000	Fair Value Liabilities RM'000
<u>Interest Rate Swaps</u>		
GBP		
- Less than 1 year	85,046	4,198
- More than 1 year	226,790	2,546
		6,744

Other than the above, there is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2020:

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

9) *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.

10) *Changes in Material Litigation*

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

11) *Dividend Proposed or Declared*

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

12) *Loss before Taxation*

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

	Current quarter ended 31 March 2021 RM'000
<u>Charges:</u>	
Depreciation and amortisation	268,614
Property, plant and equipment written off	548
Impairment losses	7,285
Net foreign currency exchange losses	12,708
Finance costs:	
- Interest on borrowings	105,127
- Other finance costs	40,641
- Less: capitalised costs	(63,777)
Finance costs charged to income statements	81,991
Redundancy costs	2,914

12) Loss before Taxation (Cont'd)

Loss before taxation has been determined after inclusion of the following charges and credits (cont'd):

	Current quarter ended 31 March 2021 RM'000
<u>Credits:</u>	
Interest income	4,030
Investment income	8,278
Dividend income	1,541
Net gain on disposal of property, plant and equipment	167
	<hr/> <hr/>

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 are as follows:

	Current quarter ended 31 March 2021 RM'000
Loss for the financial period attributable to equity holders of the Company (used as numerator for the computation of basic and diluted loss per share)	<hr/> <hr/> (483,591)

- (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 are as follows:

	Current quarter ended 31 March 2021 Number of Shares ('000)
Weighted average number of ordinary shares in issue (*) (used as denominator for the computation of basic loss per share)	5,653,194
Adjustment for dilutive effect of Employee Share Scheme (**)	<hr/> -
Adjusted weighted average number of ordinary shares in issue (used as denominator for the computation of diluted loss per share)	<hr/> <hr/> 5,653,194

(*) *The weighted average number of ordinary shares in issue during the current quarter ended 31 March 2021 excludes the weighted average treasury shares held by the Company.*

(**) *The calculation of diluted loss per share for the current quarter ended 31 March 2021 did not take into account the Employee Share Scheme of the Company as it had an anti-dilutive effect on the basic loss per share. Therefore, the diluted loss per share is the same as basic loss per share.*

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 was not qualified.

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 2021.