



GENTING MALAYSIA BERHAD
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PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021**

- **The Group returned to profitability in 4Q21**
- **Gross gaming revenue in the US recovered to near pre-pandemic levels in FY21**
- **Soft opening of Genting SkyWorlds on 8 February 2022**

KUALA LUMPUR, 24 February 2022 – Genting Malaysia Berhad (Group) today announced its financial results for the fourth quarter (4Q21) and financial year ended 31 December 2021 (FY21).

In 4Q21, the Group recorded an 81% improvement in total revenue to RM1,889.2 million and achieved adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) of RM738.1 million, more than four times of the level reported in the same quarter last year (4Q20). Additionally, the Group registered profit before tax of RM162.2 million as compared to a loss before tax (LBT) of RM285.1 million in 4Q20. The Group also attained net profit of RM124.0 million as compared to net loss of RM258.2 million in the same period last year.

In FY21, the Group's total revenue declined by 8% to RM4,156.7 million. However, adjusted EBITDA more than doubled to RM727.0 million, primarily driven by the strong recovery registered by the Group's overseas operations. The Group's loss before tax also narrowed by 46% to RM1,147.7 million after taking into account depreciation and amortisation, finance costs and the Group's share of results in an associate. Net loss decreased by 55% to RM1,051.0 million in the period.

4Q21 Results

Revenue from the Group's leisure and hospitality business in Malaysia grew by 49% to RM961.9 million while the Group's adjusted EBITDA more than doubled to RM358.1 million. These improvements were primarily driven by higher volume of business registered at Resorts World Genting (RWG) following its re-opening on 30 September 2021, which was well received. Additionally, the full lifting of interstate travel restrictions from 11 October 2021 further aided demand recovery at the resort. In contrast, the operating performance of RWG in 4Q20 was impacted by the re-imposition of travel restrictions in most states during the period.

In the United Kingdom (UK) and Egypt, revenue from the Group's operations recovered to RM433.2 million, more than three times of the level recorded in 4Q20, and the Group recorded adjusted EBITDA of RM178.8 million as compared to an adjusted loss before interest, taxation, depreciation and amortisation (LBITDA) of RM40.9 million in 4Q20. These improvements were mainly contributed by better operating performance at the Group's land-based casinos in the UK following the lifting of the Coronavirus Disease 2019 (COVID-19) restrictions across the region. In addition, Crockfords Cairo in Egypt reported higher volume of business during the period. By comparison, the Group's venues in the UK were intermittently closed throughout 4Q20 amid a resurgence of COVID-19 cases in the country. The Group's adjusted EBITDA this quarter was also aided by a one-off tax recovery and lower debt written off.

In the United States of America (US) and Bahamas, the Group's revenue increased by 43% to RM350.7 million, mainly attributable to the strong rebound in demand registered at Resorts World New York City (RWNYC) as facilities in the New York State continued to operate without mandated pandemic-related restrictions. This contributed to the property's gross gaming revenue returning to pre-pandemic levels. By comparison, the operating performance at RWNYC in 4Q20 was adversely impacted by the limited operating hours imposed from mid-November 2020 in compliance with a government directive. Adjusted EBITDA from the segment also improved by 65% to RM116.7 million in 4Q21, aided by the recognition of a capital award in relation to the expansion project at RWNYC.

Meanwhile, the Group's associate company, Empire Resorts, Inc. (Empire), had recorded similar improvements in operating trends with gross gaming revenue at Resorts World Catskills (RWC) exceeding pre-pandemic levels in 4Q21.

The Group had also reported higher revenue from its property segment of RM123.1 million due to a gain from disposal of land in the period. As a result, the segment registered adjusted EBITDA of RM104.7 million.

FY21 Results

In Malaysia, the Group achieved adjusted EBITDA of RM15.5 million despite the challenging operating environment, aided by the Group's recalibrated business model. During the period, the Group's leisure and hospitality businesses had operated under significant COVID-19 restrictions for most of FY21, in addition to the temporary closure of RWG for approximately five months in the year as compared to the three-month suspension of its operations over the same period last year (FY20). This resulted in the Group recording a 52% decline in revenue to RM1,516.5 million.

In the UK and Egypt, the Group recorded an increase in revenue by 63% to RM1,064.7 million and the Group posted adjusted EBITDA of RM243.5 million as compared to an adjusted LBITDA of RM172.5 million in FY20. The recovery in revenue and earnings were primarily attributable to improved operating trends at the Group's land-based casinos in the UK since re-opening in mid-May 2021, in addition to higher volume of business registered at Crockfords Cairo. Moreover, the Group's land-based venues in the UK were temporarily closed for a shorter duration in FY21 as compared to FY20. The Group's adjusted EBITDA in FY21 was also aided by a one-off tax recovery as well as higher debt recovery.

In the US and Bahamas, revenue from the Group's leisure and hospitality segment more than doubled to RM1,324.1 million, and the Group achieved adjusted EBITDA of RM415.0 million as compared to an adjusted LBITDA of RM162.5 million in FY20. These improvements were primarily driven by the continued strength in RWNYC's operations as mandated COVID-19 restrictions were progressively eased throughout the year. As a result, gross gaming revenue at the property recovered to near pre-pandemic levels in FY21. The Group's adjusted EBITDA was also aided by the recognition of a capital award in relation to the expansion project at RWNYC. In contrast, RWNYC's operating performance in FY20 was adversely impacted by its temporary closure from mid-March 2020 before it reopened in early September 2020 with reduced capacity.

Similarly, Empire recorded a strong recovery in its operating performance in FY21, with gross gaming revenue at RWC achieving pre-pandemic levels in the period.

While the Group maintains its prudent approach to ensure that it continues to be well positioned financially to proactively respond to emerging trends and challenges in the wake of the COVID-19 crisis, the Group remains committed to delivering value and sustainable returns to shareholders. Therefore, the Board has declared a special single-tier dividend of 9.0 sen per ordinary share for FY21, representing the total dividend for the year.

Outlook

Global economic growth is expected to moderate amid a resurgence of COVID-19 variants, prolonged supply chain disruptions, as well as tightening fiscal and monetary policies in selected major economies. In Malaysia, the economy is expected to sustain its recovery trajectory, anchored by a rebound in domestic demand and continued expansion in exports.

While the outlook for international tourism is gradually improving, uncertainties surrounding COVID-19 developments will continue to pose headwinds to global travel. Nevertheless, higher vaccination rates worldwide and the introduction of vaccine passports in certain countries will support the recovery of the tourism, leisure and hospitality industries, including the regional gaming sector.

Against this backdrop, the Group remains cautiously optimistic on the near-term prospects of the leisure and hospitality industry but is wary of the increased spread of COVID-19 variants.

In Malaysia, the latest announcement by government authorities on the potential reopening of national borders will further support the Group's recovery given RWG's prime position as a leading integrated resort destination in the region. Meanwhile, the soft opening of the highly anticipated first class, world-class Genting SkyWorlds took place 8 February 2022 and the Group is focused on the progressive roll out of the remaining attractions in the theme park. The addition of Genting SkyWorlds complements RWG's extensive entertainment offerings and will be a key growth initiative for the Group in Malaysia.

In the UK and Egypt, the Group remains focused on sustaining its recovery momentum by capitalising on the improving trading environment following the relaxation of COVID-19 restrictions. The Group will continue to ramp up its operations in line with demand, whilst proactively managing its cost structure to better adapt to the fluid operating environment.

In the US, the Group remains committed to expanding its presence and strengthening its market leading position in the New York State. To this end, the Group will continue to pursue strategic initiatives between RWNYC and Empire to improve business volume and overall returns of its US operations. The development of Resorts World Hudson Valley, a new video gaming machine facility located in Orange County, New York is progressing well and remains on track to open in the summer of 2022. In addition, preparations are underway for Empire to commence its mobile sports betting operations in New York. At the same time, the Group will also place emphasis on scaling up operations at RWNYC following the completion of the USD400 million expansion project to transform the property into a world-class integrated resort destination. In the Bahamas, the Group will continue to leverage cross-marketing initiatives with strategic partners to drive visitation and spend at Resorts World Bimini (RW Bimini) through increased port calls at the new RW Bimini Cruise Port.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Variance		FINANCIAL YEAR ENDED 31 DECEMBER		Variance	
	4Q2021	4Q2020	4Q21 vs 4Q20		2021	2020	FY21 vs FY20	
	RM'Mil	RM'Mil	RM'Mil	%	RM'Mil	RM'Mil	RM'Mil	%
Revenue								
Leisure & Hospitality								
- Malaysia	961.9	644.7	317.2	49%	1,516.5	3,133.3	-1,616.8	-52%
- United Kingdom and Egypt	433.2	116.1	317.1	>100%	1,064.7	651.9	412.8	63%
- United States of America and Bahamas	350.7	245.5	105.2	43%	1,324.1	604.5	719.6	>100%
	<u>1,745.8</u>	<u>1,006.3</u>	<u>739.5</u>	<u>73%</u>	<u>3,905.3</u>	<u>4,389.7</u>	<u>-484.4</u>	<u>-11%</u>
Property	123.1	17.4	105.7	>100%	180.1	75.3	104.8	>100%
Investments & others	20.3	17.4	2.9	17%	71.3	63.8	7.5	12%
	<u>1,889.2</u>	<u>1,041.1</u>	<u>848.1</u>	<u>81%</u>	<u>4,156.7</u>	<u>4,528.8</u>	<u>-372.1</u>	<u>-8%</u>
Adjusted EBITDA/(LBITDA)								
Leisure & Hospitality								
- Malaysia	358.1	130.8	227.3	>100%	15.5	672.0	-656.5	-98%
- United Kingdom and Egypt	178.8	(40.9)	219.7	>100%	243.5	(172.5)	416.0	>100%
- United States of America and Bahamas	116.7	70.9	45.8	65%	415.0	(162.5)	577.5	>100%
	<u>653.6</u>	<u>160.8</u>	<u>492.8</u>	<u>>100%</u>	<u>674.0</u>	<u>337.0</u>	<u>337.0</u>	<u>100%</u>
Property	104.7	(2.8)	107.5	>100%	113.0	21.6	91.4	>100%
Investments & others	(20.2)	12.4	-32.6	->100%	(60.0)	(8.3)	-51.7	->100%
	<u>738.1</u>	<u>170.4</u>	<u>567.7</u>	<u>>100%</u>	<u>727.0</u>	<u>350.3</u>	<u>376.7</u>	<u>>100%</u>
Pre-operating expenses	(27.5)	(27.4)	-0.1	-0%	(120.6)	(84.2)	-36.4	-43%
Property, plant and equipment written off	(14.0)	(1.7)	-12.3	->100%	(23.2)	(19.2)	-4.0	-21%
Net gain/(loss) on disposal of property, plant and equipment	5.4	1.4	4.0	>100%	5.5	0.9	4.6	>100%
Impairment losses	(209.4)	(49.6)	-159.8	->100%	(240.5)	(590.7)	350.2	59%
Redundancy costs	(5.6)	(15.8)	10.2	65%	(24.2)	(146.6)	122.4	83%
Gain on disposal of subsidiaries	119.8	-	119.8	NC	184.1	-	184.1	NC
Others	(1.2)	4.9	-6.1	->100%	(8.2)	4.2	-12.4	->100%
	<u>605.6</u>	<u>82.2</u>	<u>523.4</u>	<u>>100%</u>	<u>499.9</u>	<u>(485.3)</u>	<u>985.2</u>	<u>>100%</u>
EBITDA/(LBITDA)	605.6	82.2	523.4	>100%	499.9	(485.3)	985.2	>100%
Depreciation and amortisation	(290.5)	(269.1)	-21.4	-8%	(1,106.3)	(1,118.7)	12.4	1%
Interest income	7.8	6.8	1.0	15%	24.3	83.5	-59.2	-71%
Finance costs	(103.9)	(60.6)	-43.3	-71%	(381.9)	(331.9)	-50.0	-15%
Share of results in an joint venture	0.1	-	0.1	NC	0.1	-	0.1	NC
Share of results in an associate	(56.9)	(44.4)	-12.5	-28%	(183.8)	(285.1)	101.3	36%
	<u>162.2</u>	<u>(285.1)</u>	<u>447.3</u>	<u>>100%</u>	<u>(1,147.7)</u>	<u>(2,137.5)</u>	<u>989.8</u>	<u>46%</u>
Profit/(loss) before taxation	162.2	(285.1)	447.3	>100%	(1,147.7)	(2,137.5)	989.8	46%
Taxation	(38.2)	26.9	-65.1	->100%	96.7	(224.0)	320.7	>100%
	<u>124.0</u>	<u>(258.2)</u>	<u>382.2</u>	<u>>100%</u>	<u>(1,051.0)</u>	<u>(2,361.5)</u>	<u>1,310.5</u>	<u>55%</u>
Profit/(Loss) for the financial period	124.0	(258.2)	382.2	>100%	(1,051.0)	(2,361.5)	1,310.5	55%
Basic loss per share (sen)	3.08	(4.26)	7.3	>100%	(16.75)	(40.05)	23.3	58%
Diluted loss per share (sen)	3.07	(4.26)	7.3	>100%	(16.75)	(40.05)	23.3	58%

NC : Not comparable

About Genting Malaysia Berhad

Genting Malaysia is one of the leading leisure and hospitality corporations in the world. Listed on Bursa Malaysia with approximately RM16 billion in market capitalisation, Genting Malaysia owns and operates major resort properties including Resorts World Genting (RWG) in Malaysia, Resorts World 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 (RW 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. Additionally, Genting Highlands Premium Outlets (a joint venture between Genting Plantations Berhad and Simon Property Group) at the mid-hill and the recent launch of Genting SkyWorlds, a first class, world-class theme park, further complements RWG's extensive premium offerings and exemplifies its position as a leading provider of leisure and entertainment in the region.

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 RW 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 (VGM) 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 hospitality and entertainment experience, featuring a live table games casino, over 800 rooms across three hotels, including the newly opened Hyatt Regency JFK Airport at Resorts World New York, VGMs, diverse bar and restaurant choices, exciting shows and memorable events. Additionally, the development of Empire Resorts, Inc.'s Resorts World Hudson Valley in Orange County, New York and the upcoming roll-out of its New York mobile sports betting operations will expand the Group's suite of product offerings in the state. 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, Genting Malaysia operates RW Bimini, which features a casino, Hilton at RW Bimini, restaurants and bars, various resort amenities, the new RW Bimini Cruise Port, 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 and biotechnology.

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

For information on the major properties of Genting Malaysia

Resorts World Genting, visit www.rwgenting.com

Genting Casinos UK Limited, visit www.gentingcasinos.co.uk

Resorts World Casino New York City, visit www.rwnewyork.com

Resorts World Catskills, visit www.rwcatskills.com

Resorts World Birmingham, visit www.resortsworldbirmingham.co.uk

Resorts World Bimini, visit www.rwbimini.com

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