

**FOURTH QUARTERLY REPORT**

Quarterly report on consolidated results for the financial year ended 31 December 2021. The figures for the cumulative period for the financial year ended 31 December 2021 have been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	<b>UNAUDITED INDIVIDUAL QUARTER</b>		<b>CUMULATIVE PERIOD</b>	
	<b>Fourth quarter ended 31 December</b>		<b>Financial year ended 31 December</b>	
	<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>
<b>Revenue</b>	<b>1,889,177</b>	1,041,079	<b>4,156,664</b>	4,528,780
Cost of sales	<b>(1,435,772)</b>	(995,791)	<b>(4,001,263)</b>	(4,629,851)
<b>Gross profit/(loss)</b>	<b>453,405</b>	45,288	<b>155,401</b>	(101,071)
Other income	<b>319,233</b>	36,028	<b>524,038</b>	185,447
Other expenses	<b>(241,647)</b>	(226,992)	<b>(1,008,160)</b>	(1,027,412)
Other gains/(losses)	<b>1,305</b>	15,146	<b>(12,840)</b>	13,188
Profit/(loss) from operations before impairment losses	<b>532,296</b>	(130,530)	<b>(341,561)</b>	(929,848)
Impairment losses	<b>(209,360)</b>	(49,553)	<b>(240,512)</b>	(590,653)
<b>Profit/(loss) from operations</b>	<b>322,936</b>	(180,083)	<b>(582,073)</b>	(1,520,501)
Finance costs	<b>(103,871)</b>	(60,574)	<b>(381,861)</b>	(331,852)
Share of results in a joint venture	<b>118</b>	-	<b>118</b>	-
Share of results in an associate	<b>(56,908)</b>	(44,432)	<b>(183,835)</b>	(285,159)
<b>Profit/(loss) before taxation</b>	<b>162,275</b>	(285,089)	<b>(1,147,651)</b>	(2,137,512)
Taxation	<b>(38,195)</b>	26,902	<b>96,653</b>	(224,014)
<b>Profit/(loss) for the financial period/year</b>	<b>124,080</b>	(258,187)	<b>(1,050,998)</b>	(2,361,526)
<b>Profit/(loss) attributable to:</b>				
Equity holders of the Company	<b>174,119</b>	(240,848)	<b>(946,832)</b>	(2,263,862)
Non-controlling interests	<b>(50,039)</b>	(17,339)	<b>(104,166)</b>	(97,664)
	<b>124,080</b>	(258,187)	<b>(1,050,998)</b>	(2,361,526)
<b>Earnings/(loss) per share attributable to equity holders of the Company:</b>				
Basic earnings/(loss) per share (sen)	<b>3.08</b>	(4.26)	<b>(16.75)</b>	(40.05)
Diluted earnings/(loss) per share (sen)	<b>3.07</b>	(4.26)	<b>(16.75)</b>	(40.05)

*(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 FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	UNAUDITED INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Fourth quarter ended 31 December		Financial year ended 31 December	
	<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>
<b>Profit/(loss) for the financial period/year</b>	<b>124,080</b>	<b>(258,187)</b>	<b>(1,050,998)</b>	<b>(2,361,526)</b>
<b>Other comprehensive income/(loss)</b>				
<b>Items that will not be reclassified subsequently to profit or loss:</b>				
Actuarial gain/(loss) on retirement benefit liability	18,252	(9,899)	18,252	(9,899)
Changes in the fair value of equity investments at fair value through other comprehensive income	-	-	-	(53,165)
	<b>18,252</b>	<b>(9,899)</b>	<b>18,252</b>	<b>(63,064)</b>
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Cash flow hedges				
- Fair value gain/(loss)	2,667	1,861	6,020	(1,767)
Foreign currency exchange differences				
- Exchange differences on translation of foreign operations	(22,359)	(165,904)	295,904	(116,111)
- Reclassification to profit or loss upon disposal of subsidiaries	82	-	(29,205)	-
	<b>(22,277)</b>	<b>(165,904)</b>	<b>266,699</b>	<b>(116,111)</b>
	<b>(19,610)</b>	<b>(164,043)</b>	<b>272,719</b>	<b>(117,878)</b>
<b>Other comprehensive income/(loss), net of tax</b>	<b>(1,358)</b>	<b>(173,942)</b>	<b>290,971</b>	<b>(180,942)</b>
<b>Total comprehensive income/(loss) for the financial period/year</b>	<b>122,722</b>	<b>(432,129)</b>	<b>(760,027)</b>	<b>(2,542,468)</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the Company	170,405	(429,693)	(640,091)	(2,458,895)
Non-controlling interests	(47,683)	(2,436)	(119,936)	(83,573)
	<b>122,722</b>	<b>(432,129)</b>	<b>(760,027)</b>	<b>(2,542,468)</b>

*(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 DECEMBER 2021**

	As at 31.12.2021 RM'000	As at 31.12.2020 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	16,007,899	16,052,434
Land held for property development	180,518	184,596
Investment properties	1,835,592	1,729,677
Intangible assets	4,183,372	4,247,655
Right-of-use assets	670,421	741,623
Associate	1,685,494	1,052,174
Joint venture	42,958	-
Financial assets at fair value through other comprehensive income	64,572	62,320
Financial assets at fair value through profit or loss	130,384	118,072
Other non-current assets	49,161	102,250
Deferred tax assets	34,145	31,664
	<u>24,884,516</u>	<u>24,322,465</u>
<b>Current assets</b>		
Inventories	126,565	121,393
Trade and other receivables	717,317	563,501
Amounts due from related companies	3,506	28,345
Amounts due from an associate	36,883	-
Financial assets at fair value through profit or loss	-	362,585
Restricted cash	379	29,163
Cash and cash equivalents	4,641,026	2,452,905
	<u>5,525,676</u>	<u>3,557,892</u>
Assets classified as held for sale	-	406,750
	<u>5,525,676</u>	<u>3,964,642</u>
<b>TOTAL ASSETS</b>	<u><b>30,410,192</b></u>	<u><b>28,287,107</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	1,764,424	1,764,424
Reserves	13,005,122	14,135,312
Treasury shares	(985,868)	(987,934)
	<u>13,783,678</u>	<u>14,911,802</u>
<b>Non-controlling interests</b>	<u>(531,116)</u>	<u>(411,180)</u>
<b>TOTAL EQUITY</b>	<u><b>13,252,562</b></u>	<u><b>14,500,622</b></u>
<b>Non-current liabilities</b>		
Other long-term liabilities	193,919	312,112
Long-term borrowings	12,650,177	9,069,908
Amount due to a related company	9,272	11,577
Lease liabilities	646,511	705,115
Deferred tax liabilities	611,811	707,208
Derivative financial instruments	-	2,849
	<u>14,111,690</u>	<u>10,808,769</u>
<b>Current liabilities</b>		
Trade and other payables	2,482,983	2,437,230
Amount due to holding company	6,831	12,919
Amounts due to related companies	46,736	22,015
Amount due to an associate	-	16,733
Short term borrowings	385,566	319,296
Lease liabilities	104,118	144,098
Derivative financial instruments	1,259	4,248
Taxation	18,447	20,000
	<u>3,045,940</u>	<u>2,976,539</u>
Liabilities classified as held for sale	-	1,177
	<u>3,045,940</u>	<u>2,977,716</u>
<b>TOTAL LIABILITIES</b>	<u><b>17,157,630</b></u>	<u><b>13,786,485</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>30,410,192</b></u>	<u><b>28,287,107</b></u>
<b>NET ASSETS PER SHARE (RM)</b>	<u><b>2.44</b></u>	<u><b>2.64</b></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 FINANCIAL YEAR ENDED 31 DECEMBER 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 year	-	-	-	-	-	(946,832)	(946,832)	(104,166)	(1,050,998)
Other comprehensive income/(loss)	-	-	6,020	282,469	-	18,252	306,741	(15,770)	290,971
Total comprehensive income/(loss) for the financial year	-	-	6,020	282,469	-	(928,580)	(640,091)	(119,936)	(760,027)
Transactions with owners:									
Buy-back of shares	-	-	-	-	(21,257)	-	(21,257)	-	(21,257)
Performance-based employee share scheme	-	-	-	13,579	-	-	13,579	-	13,579
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	-	-	-	(12,481)	2,066	(477,618)	(488,033)	-	(488,033)
Balance at 31 December 2021	1,764,424	(83,898)	(919)	1,683,013	(985,868)	11,406,926	13,783,678	(531,116)	13,252,562

*(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  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	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 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 year	-	-	-	-	-	(2,263,862)	(2,263,862)	(97,664)	(2,361,526)
Other comprehensive (loss)/income	-	(53,165)	(1,767)	(130,202)	-	(9,899)	(195,033)	14,091	(180,942)
Total comprehensive (loss)/income for the financial year	-	(53,165)	(1,767)	(130,202)	-	(2,273,761)	(2,458,895)	(83,573)	(2,542,468)
Transactions with owners:									
Buy-back of shares	-	-	-	-	(30,145)	-	(30,145)	-	(30,145)
Performance-based employee share scheme	-	-	-	33,169	-	-	33,169	-	33,169
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)
Final single-tier dividend declared for the financial year ended 31 December 2019	-	-	-	-	-	(282,662)	(282,662)	-	(282,662)
Interim single-tier dividend declared for the year ended 31 December 2020	-	-	-	-	-	(339,194)	(339,194)	-	(339,194)
Total transactions with owners	-	-	-	(17,628)	10,160	(1,119,472)	(1,126,940)	-	(1,126,940)
At 31 December 2020	1,764,424	(83,898)	(6,939)	1,413,025	(987,934)	12,813,124	14,911,802	(411,180)	14,500,622

(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 FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	Financial year ended 31 December	
	2021 RM'000	2020 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(1,147,651)	(2,137,512)
Adjustments for:		
Depreciation and amortisation	1,106,288	1,118,730
Property, plant and equipment written off	23,204	19,165
Net gain on disposal of property, plant and equipment	(5,550)	(923)
Finance costs	381,861	331,852
Interest income	(24,260)	(83,490)
Investment income	(8,939)	(17,708)
Dividend income	(6,250)	(5,782)
Impairment losses	240,512	590,653
Employee share grant scheme expenses	13,579	33,169
Reversal of termination related costs	-	(2,376)
Gain on disposal of subsidiaries	(184,106)	-
Share of results in an associate	183,835	285,159
Net exchange losses/(gains) – unrealised	10,250	(3,675)
Income from capital award	(85,445)	-
Other non-cash items and adjustments	3,836	(14,222)
	<b>1,648,815</b>	<b>2,250,552</b>
<b>Operating profit before working capital changes</b>	<b>501,164</b>	<b>113,040</b>
Net change in current assets	(85,791)	30,544
Net change in current liabilities	57,819	(498,603)
	<b>(27,972)</b>	<b>(468,059)</b>
<b>Cash generated from/(used in) operations</b>	<b>473,192</b>	<b>(355,019)</b>
Net tax refund/(paid)	2,248	(81,750)
Retirement gratuities paid	(4,444)	(44,527)
	<b>(2,196)</b>	<b>(126,277)</b>
<b>Net Cash Flow From Operating Activities</b>	<b>470,996</b>	<b>(481,296)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(864,759)	(1,070,492)
Proceeds from disposal of property, plant and equipment	45,299	14,479
Investment in a joint venture	(42,840)	-
Purchase of investments	-	(50,000)
Proceeds from disposal of subsidiaries (see Notes 1 and 2 below)	591,008	-
Proceeds from disposal of financial assets at fair value through profit or loss	356,378	427,097
Interest received	21,925	77,892
Deferred payment on acquisition of subsidiaries/ acquisition of subsidiaries	-	(13,283)
Investment in an associate	(774,195)	(743,769)
Other investing activities	66,515	77,179
<b>Net Cash Flow From Investing Activities</b>	<b>(600,669)</b>	<b>(1,280,897)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Buy-back of shares	(21,257)	(30,145)
Repayment of borrowings, redemption of medium term note and payment of transaction costs	(3,647,522)	(2,614,103)
Proceeds from bank borrowings and issuance of senior notes	7,075,491	2,080,471
Repayment of lease liabilities	(179,018)	(84,322)
Dividend paid	(480,355)	(1,129,964)
Finance costs paid	(468,523)	(467,670)
<b>Net Cash Flow From Financing Activities</b>	<b>2,278,816</b>	<b>(2,245,733)</b>
<b>NET MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>2,149,143</b>	<b>(4,007,926)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<b>2,452,905</b>	<b>6,476,398</b>
<b>EFFECT OF CURRENCY TRANSLATION</b>	<b>38,978</b>	<b>(15,567)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<b>4,641,026</b>	<b>2,452,905</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Bank balances and deposits	2,966,835	1,607,195
Money market instruments	1,674,191	845,710
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<b>4,641,026</b>	<b>2,452,905</b>

*(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**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

**DISPOSAL OF SUBSIDIARIES**

Note 1

Fair value of the net assets disposed and net cash inflow on disposal of PLM Properties (UK) Pte. Ltd., an owner of a hotel and adjoining residential apartments in London, as disclosed in Part I Note (j) of this interim financial report are analysed as follows:

	<b>As at date of disposal RM'000</b>
Property, plant and equipment	265,204
Investment properties	129,336
Intangible assets	12,742
Cash and cash equivalents	3,939
Trade and other receivables	456
Trade and other payables	(83)
Net assets disposed	<u>411,594</u>
Reclassification of currency translation reserve	<u>(29,287)</u>
	<b>382,307</b>
Gain on disposal of a subsidiary	64,357
Total cash consideration	<u>446,664</u>
Less: cash and cash equivalents disposed	<u>(3,939)</u>
Net cash inflow on disposal of a subsidiary	<u><u>442,725</u></u>

Note 2

Fair value of the net assets disposed and net cash inflow on disposal of Authentic Gaming Limited and Authentic Gaming Malta Limited, as disclosed in Part I Note (j) of this interim financial report are analysed as follows:

	<b>As at date of disposal RM'000</b>
Property, plant and equipment	9,807
Intangible assets	69,123
Cash and cash equivalents	2,733
Trade and other receivables	9,900
Inventories	71
Trade and other payables	(37,792)
Other long-term liabilities	(2,260)
Deferred tax liabilities	(487)
Taxation	(81)
Net assets disposed	<u>51,014</u>
Reclassification of currency translation reserve	82
Gain on disposal of subsidiaries	<u>119,749</u>
Total cash consideration	<u>170,845</u>
Deferred consideration	(19,829)
Less: cash and cash equivalents disposed	<u>(2,733)</u>
Net cash inflow on disposal of subsidiaries	<u><u>148,283</u></u>

**GENTING MALAYSIA BERHAD**  
**NOTES TO THE INTERIM FINANCIAL REPORT – FOURTH QUARTER ENDED 31 DECEMBER 2021**

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

**a) Accounting Policies 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 figures for the cumulative period for the financial year ended 31 December 2021 have been audited.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021. The accounting policies 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 standards that are mandatory 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 cash flows of the Group for the financial year ended 31 December 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 financial year ended 31 December 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 September 2021. The repurchased shares are held as treasury shares in accordance with the requirements of Section 127(4) of the Companies Act 2016.

During the financial year ended 31 December 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 #1”). The Notes #1 bear interest at a rate of 3.3% per annum, payable semi-annually.



**e) Changes in Debt and Equity Securities (Cont'd)**

**Issuance of Senior Unsecured Notes due 2031**

In April 2021, GENM Capital Labuan Limited, a direct wholly-owned subsidiary of the Company, issued USD1,000,000,000 aggregate principal amount of 3.882% senior unsecured notes due in 2031 ("Notes #2"). The Notes #2 is fully and unconditionally guaranteed by the Company. Interest is payable semi-annually.

**Redemption of Medium Term Notes ("MTN")**

On 11 May 2021, GENM Capital Berhad, a direct wholly-owned subsidiary of the Company, had early redeemed RM1.25 billion in nominal value of the RM2.60 billion in nominal value of MTNs issued on 31 March 2017 under the MTN programme.

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

**f) Dividend Paid**

Dividend paid during the financial year ended 31 December 2021 is as follows:

	<b>RM'Mil</b>
Special single-tier dividend for the year ended 31 December 2020 paid on 6 April 2021	
8.5 sen per ordinary share	<u>480.3</u>

**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 financial year ended 31 December 2021 is set out below:

	<u>Leisure &amp; Hospitality</u>			<u>Total</u> RM'Mil	<u>Property</u>	<u>Investments</u> <u>&amp; 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
<b><u>Revenue</u></b>							
Total revenue	1,590.3	1,064.7	1,324.1	3,979.1	187.3	158.0	4,324.4
Inter segment	(73.8)	-	-	(73.8)	(7.2)	(86.7)	(167.7)
External	1,516.5	1,064.7	1,324.1	3,905.3	180.1	71.3	4,156.7
<b><u>Adjusted EBITDA/(LBITDA)</u></b>	15.5	243.5	415.0	674.0	113.0	(60.0)	727.0
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.7013	4.1454		4.1454		

During the financial year ended 31 December 2021, revenue from the leisure & hospitality segment of RM3,905.3 million comprised gaming revenue and non-gaming revenue of RM3,252.8 million and RM652.5 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 EBITDA to loss before taxation is provided as follows:

Adjusted EBITDA for reportable segments	<b>RM'Mil</b> 727.0
Gain on disposal of subsidiaries	184.1
Net gain on disposal of property, plant and equipment	5.5
Pre-operating expenses	(120.6)
Property, plant and equipment written off	(23.2)
Impairment losses	(240.5)
Redundancy costs	(24.2)
Others	(8.2)
<b>EBITDA</b>	<u>499.9</u>
Interest income	24.3
Share of results in a joint venture	0.1
Share of results in an associate	(183.8)
Finance costs	(381.9)
Depreciation and amortisation	(1,106.3)
<b>Loss before taxation</b>	<u><u>(1,147.7)</u></u>

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

	<u>Leisure &amp; Hospitality</u>			<u>Total</u> RM'Mil	<u>Property</u>	<u>Investments</u> <u>&amp; 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
<b>Segment Assets</b>	11,493.7	4,654.0	6,490.9	22,638.6	2,176.1	1,427.6	26,242.3
<b>Segment Liabilities</b>	1,665.6	1,090.7	628.8	3,385.1	74.7	31.9	3,491.7
Main foreign currency	RM	GBP	USD		RM/USD		
Exchange ratio of 1 unit of foreign currency to RM		5.6308	4.1660		4.1660		

**RM'Mil**

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

Segment assets	26,242.3
Interest bearing instruments	2,279.6
Associate	1,685.5
Joint venture	43.0
Unallocated corporate assets	159.8
<b>Total assets</b>	<b>30,410.2</b>

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

Segment liabilities	3,491.7
Interest bearing instruments	13,035.6
Unallocated corporate liabilities	630.3
<b>Total liabilities</b>	<b>17,157.6</b>

h) **Property, Plant and Equipment**

During the financial year ended 31 December 2021, acquisitions (including capitalised interest) of property, plant and equipment by the Group were RM956.9 million.

i) **Material Event Subsequent to the end of Financial Year**

On 28 January 2022, the Company announced that its direct wholly-owned subsidiary, GENM Capital Berhad had early redeemed RM1.4 billion in nominal value of the RM2.6 billion in nominal value of Medium Term Notes ("MTN") issued on 11 July 2018 under the MTN programme.

Other than the above, there was no other material event subsequent to the end of the current financial year ended 31 December 2021 that have not been reflected in this interim financial report.

**j) Changes in the Composition of the Group**

**Disposal of PLM Properties (UK) Pte. Ltd. (“PLM”), an owner of a hotel and adjoining residential apartments in London**

On 24 May 2021, Genting Worldwide (UK) Limited, an indirect wholly-owned subsidiary of the Company entered into a Share Purchase Agreement with BCC Pine Bidco Limited to dispose of its entire equity interest in PLM for a total cash consideration of GBP77.0 million (equivalent to approximately RM446.7 million). The Group realised a gain of approximately GBP6.1 million (equivalent to approximately RM64.3 million, including the realisation of reserve on exchange differences) from the disposal. The disposal was completed on 25 June 2021 and PLM ceased to be an indirect wholly-owned subsidiary of the Company.

**Disposal of Authentic Gaming Limited (“AGL”) and Authentic Gaming Malta Limited (“AGML”), providers of live online gaming solutions**

On 26 October 2021, Genting Malta Limited, an indirect wholly-owned subsidiary of the Company entered into an agreement with SG Gaming, Inc. to dispose of its entire equity interest in AGL and AGML for a total cash consideration of GBP30.2 million (equivalent to approximately RM170.8 million), net of working capital and net debt adjustments on the completion date. Out of the cash consideration of GBP30.2 million, GBP26.7 million (equivalent to approximately RM151.0 million) was paid in cash and the remaining GBP3.5 million (equivalent to approximately RM19.8 million) is payable within 12 months.

The Group realised a gain of approximately GBP21.2 million (equivalent to approximately RM119.8 million) from the disposal. The disposal was completed on 3 November 2021 and AGL and AGML ceased to be indirect wholly-owned subsidiaries of the Company.

Other than the above, there were no other material changes in the composition of the Group for the financial year ended 31 December 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 December 2021 are as follows:

	<b>RM'Mil</b>
Contracted	739.7
Not contracted	2,307.3
	<u>3,047.0</u>
Analysed as follows:	
- Property, plant and equipment	<u>3,047.0</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 financial year ended 31 December 2021 are as follows:

	Current quarter RM'000	Current financial year-to-date RM'000
i) Licensing fee for the use of "Genting", "Resorts World" and "Awana" logo charged by GENT to the Group.	32,714	53,729
ii) Provision of management and support services by GENT Group to the Group.	1,498	7,086
iii) Income from rental and related services provided to GENT Group.	1,382	6,117
iv) 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.	18,479	72,253
v) Provision of information technology consultancy, development, implementation, support and maintenance services and other management services by the Group to GENT Group.	1,764	7,694
vi) Income from rental of premises to Warisan Timah Holdings Sdn Bhd, a company related to certain directors of the Company.	276	1,051
vii) Income from rental of office space to Genting Hong Kong Limited ("GENHK") Group.	1,394	5,952
viii) Provision of maintenance and construction services by an entity connected with shareholder of BB Entertainment Ltd to the Group.	1,992	12,642
ix) Licensing fee for the use of gaming software and system charged by RWI Group to the Group.	2,803	5,790
x) Provision of crewing, technical support and administrative support services by GENHK Group to the Group.	5,745	17,241
xi) Provision of support and management services by the Group to Empire Resorts, Inc. ("Empire").	5,204	12,667
xii) Subscription of Series L Preferred Stock of Empire by the Group.	622,650	774,195
xiii) Acquisition of a piece of land by the Group from Murrumbeena Sdn Bhd, a company related to certain directors of the Company.	-	5,000

**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 December 2021, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

	Level 1 RM'Mil	Level 2 RM'Mil	Level 3 RM'Mil	Total RM'Mil
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	-	-	130.4	130.4
Financial assets at fair value through other comprehensive income	-	-	64.6	64.6
	-	-	195.0	195.0
<b>Financial liability</b>				
Derivative financial instruments	-	1.3	-	1.3

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 YEAR ENDED**  
**31 DECEMBER 2021**

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

**1) Review of Performance**

Financial review for the current quarter and financial year to date compared with the corresponding periods last year

The results of the Group are tabulated below:

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

## 1) Review of Performance (Cont'd)

Financial review for the current quarter compared with the immediate preceding quarter

The results of the Group are tabulated below:

	INDIVIDUAL QUARTER 4Q2021 RM'Mil	PRECEDING QUARTER 3Q2021 RM'Mil	Var	
			RM'Mil	%
<b>Revenue</b>				
Leisure & Hospitality				
- Malaysia	961.9	17.7	944.2	>100%
- United Kingdom and Egypt	433.2	406.0	27.2	7%
- United States of America and Bahamas	350.7	364.2	-13.5	-4%
	<b>1,745.8</b>	787.9	957.9	>100%
Property	123.1	20.3	102.8	>100%
Investments & others	20.3	18.1	2.2	12%
	<b>1,889.2</b>	<b>826.3</b>	1,062.9	>100%
<b>Adjusted EBITDA/(LBITDA)</b>				
Leisure & Hospitality				
- Malaysia	358.1	(164.8)	522.9	>100%
- United Kingdom and Egypt	178.8	102.1	76.7	75%
- United States of America and Bahamas	116.7	120.4	-3.7	-3%
	<b>653.6</b>	57.7	595.9	>100%
Property	104.7	15.3	89.4	>100%
Investments & others	(20.2)	(19.3)	-0.9	-5%
	<b>738.1</b>	53.7	684.4	>100%
Pre-operating expenses	(27.5)	(29.7)	2.2	7%
Property, plant and equipment written off	(14.0)	(1.5)	-12.5	->100%
Net gain/(loss) on disposal of property, plant and equipment	5.4	-	5.4	NC
Impairment losses	(209.4)	-	-209.4	NC
Redundancy costs	(5.6)	(7.7)	2.1	27%
Gain on disposal of subsidiaries	119.8	-	119.8	NC
Others	(1.2)	2.4	-3.6	->100%
<b>EBITDA</b>	<b>605.6</b>	17.2	588.4	>100%
Depreciation and amortisation	(290.5)	(276.8)	-13.7	-5%
Interest income	7.8	6.8	1.0	15%
Finance costs	(103.9)	(95.5)	-8.4	-9%
Share of results in a joint venture	0.1	-	0.1	NC
Share of results in an associate	(56.9)	(30.9)	-26.0	-84%
<b>Profit/(loss) before taxation</b>	<b>162.2</b>	<b>(379.2)</b>	541.4	>100%

NC: Not comparable

## 1) *Review of Performance (Cont'd)*

### a) **Quarter ended 31 December 2021 (“4Q 2021”) compared with quarter ended 31 December 2020 (“4Q 2020”)**

The Group’s revenue in 4Q 2021 was RM1,889.2 million, an increase of 81% from RM1,041.1 million in 4Q 2020. The increase in revenue for this quarter was mainly due to:

1. higher revenue from the leisure and hospitality business in Malaysia by RM317.2 million or 49%, mainly due to higher business volume from the gaming and non-gaming segments after Resorts World Genting (“RWG”) resumed its operations on 30 September 2021 followed by the lifting of inter-state travel restrictions since 11 October 2021. RWG was temporarily closed since 1 June 2021 in compliance with a government directive to curb the spread of COVID-19 virus. Revenue for 4Q 2020 was impacted by the re-imposition of travel restrictions in most states in the country from 14 October 2020;
2. higher revenue from the leisure and hospitality businesses in the United Kingdom (“UK”) and Egypt by RM317.1 million or more than three times of the level reported in 4Q 2020, mainly due to higher volume of business for the Group’s land-based casinos in the UK and Crockfords Cairo. The land-based casinos in the UK have recorded an improved performance since re-opened in mid-May 2021. In 4Q 2020, the land-based casinos were intermittently closed throughout the period amid a resurgence of COVID-19 cases in the country;
3. higher revenue from the property segment by RM105.7 million mainly due to the proceeds from disposal of land in Malaysia during 4Q 2021; and
4. higher revenue from the leisure and hospitality businesses in the United States of America (“US”) and Bahamas by RM105.2 million or 43%, mainly due to the strong operating performance from Resorts World New York City (“RWNYC”) since the full lifting of COVID-19 restrictions in June 2021. In 4Q 2020, RWNYC operated with limited operating hours from mid-November 2020 in compliance with a government directive.

The Group reported adjusted EBITDA of RM738.1 million in 4Q 2021, an increase of RM567.7 million compared with RM170.4 million in 4Q 2020, mainly due to:

1. higher adjusted EBITDA from the leisure and hospitality business in Malaysia by RM227.3 million, mainly due to the higher revenue, lower operating expenses and a reduction in payroll and related costs as a result of lower headcount. The adjusted EBITDA margin was 37% as compared to 20% in 4Q 2020;
2. adjusted EBITDA of RM178.8 million from the leisure and hospitality businesses in the UK and Egypt compared with an adjusted LBITDA of RM40.9 million in 4Q 2020. This was primarily attributable to the recognition of RM109.4 million in relation to the recovery of value added taxes (“VAT”) paid in prior years on income from gaming machines following the recent establishment of a legal precedent. In addition, higher revenue and lower debt written off, offset by higher payroll and related costs following the resumption of its operations since mid-May 2021 have contributed to the adjusted EBITDA during the current quarter;
3. adjusted EBITDA of RM104.7 million from the property segment in 4Q 2021 due to the gain from disposal of land during 4Q 2021; and
4. higher adjusted EBITDA from the leisure and hospitality businesses in the US and Bahamas by RM45.8 million or 65%, mainly due to higher revenue offset by higher payroll and related costs following the opening of new facilities at RWNYC. The Group has also recognised a capital award in relation to the expansion project at RWNYC of RM44.6 million in 4Q 2021 (4Q 2020: RM5.0 million).

The Group reported profit before taxation of RM162.2 million in 4Q 2021 as compared to loss before taxation of RM285.1 million in 4Q 2020, mainly due to:

1. higher adjusted EBITDA as mentioned above; and
2. recognition of gain on disposal of subsidiaries of RM119.8 million in 4Q 2021, as mentioned in Part 1 (j) above.
3. higher impairment losses by RM159.8 million relating to the assets of Resorts World Bimini.



## 1) *Review of Performance (Cont'd)*

### b) **Financial year ended 31 December 2021 (“FY 2021”) compared with financial year ended 31 December 2020 (“FY 2020”)**

The Group’s revenue in FY 2021 was RM4,156.7 million, a decrease of 8% from RM4,528.8 million in FY 2020 mainly due to:

1. lower revenue from the leisure and hospitality business in Malaysia by RM1,616.8 million or 52%, mainly due to the decline in the overall business volume from gaming and non-gaming segments following the re-imposition of various COVID-19 restrictions by the Government during the year. This has resulted in a temporary closure of RWG for approximately five months compared to three months in FY 2020; mitigated by
2. higher revenue from the leisure and hospitality businesses in the US and Bahamas by RM719.6 million primarily due to strong rebound in demand seen at RWNYC as COVID-19 restrictions were gradually eased during the year. In FY 2020, RWNYC operations were temporary closed since mid-March 2020 and resumed business with reduced capacity in early September 2020;
3. higher revenue from the leisure and hospitality businesses in the UK and Egypt by RM412.8 million or 63%, mainly due to higher volume of business from the Group’s land-based casinos in the UK and Crockfords Cairo. The Group’s land-based casinos were temporary closed for approximately 4.5 months compared to approximately 6 months in FY 2020; and
4. higher revenue from the property segment by RM104.8 million mainly due to the proceeds from disposal of land in Malaysia during 4Q 2021.

The Group reported adjusted EBITDA of RM727.0 million in FY 2021, more than doubled compared to FY 2020 of RM350.3 million. This was mainly due to:

1. adjusted EBITDA of RM415.0 million from the leisure and hospitality businesses in the US and Bahamas compared with adjusted LBITDA of RM162.5 million in FY 2020, mainly due to higher revenue offset by higher payroll and related costs following the resumption of its operations and the introduction of new facilities at RWNYC. In addition, the recognition of a capital award in relation to the expansion project at RWNYC of RM85.4 million (FY2020: RM19.9 million) has further improved the adjusted EBITDA for the US and Bahamas operations; and
2. adjusted EBITDA of RM243.5 million from the leisure and hospitality businesses in the UK and Egypt compared with adjusted LBITDA of RM172.5 million in FY 2020, mainly due to the recognition of VAT claim on income from gaming machines of RM109.4 million. In addition, higher revenue and higher debt recovery offset by higher payroll and related costs have contributed to adjusted EBITDA for FY 2021; offset by
3. lower adjusted EBITDA from the leisure and hospitality business in Malaysia by RM656.5 million, primarily due to the lower revenue mitigated by a reduction in operating expenses, and payroll and related costs as a result of lower headcount.

The Group reported loss before taxation of RM1,147.7 million in FY 2021 compared with RM2,137.5 million in FY 2020, lower by 46%, mainly due to:

1. higher adjusted EBITDA as mentioned above;
2. lower impairment losses by RM350.2 million. The Group recorded impairment losses of RM240.5 million in FY 2021 mainly in relation to assets of Resorts World Bimini and certain casino licences and assets in the UK. The impairment losses of RM590.7 million in FY 2020 were in relation to the assets of Resorts World Birmingham and Resorts World Bimini as well as certain casino licences and assets in the UK;
3. recognition of gain on disposal of subsidiaries of RM184.1 million as mentioned in Part 1 (j) above;
4. lower share of losses in an associate, Genting Empire Resorts LLC, the holding company of Empire Resorts, Inc. (“Empire”), of RM183.8 million compared with RM285.1 million in FY 2020. The lower share of losses was mainly due to continued improvement in Empire’s operating performance following the full relaxation of COVID-19 restrictions since June 2021; and
5. lower redundancy costs by RM122.4 million from Malaysia and UK operations.

## **2) Material Changes in Loss before Taxation for the Current Quarter (“4Q 2021”) compared with the Immediate Preceding Quarter (“3Q 2021”)**

The Group reported profit before taxation of RM162.2 million compared with loss before taxation of RM379.2 million in 3Q 2021, mainly due to:

1. adjusted EBITDA of RM358.1 million from the leisure and hospitality businesses in Malaysia compared with adjusted LBITDA of RM164.8 million in 3Q 2021, mainly due to higher revenue. RWG was temporarily closed on 1 June 2021 in compliance with a government directive and resumed operations on 30 September 2021;
2. higher adjusted EBITDA from the property segment by RM89.4 million mainly due to the gain from disposal of land during 4Q 2021;
3. higher adjusted EBITDA from the leisure and hospitality businesses in the UK and Egypt by RM76.7 million primarily due to the recognition of VAT claim on income from gaming machines of RM109.4 million offset by higher operating expenses incurred during 4Q 2021;
4. recognition of gain on disposal of subsidiaries of RM119.8 million in 4Q 2021, as mentioned in Part 1 (j) above; offset by
5. impairment losses of RM209.4 million mainly relating to the assets of Resorts World Bimini.

## **3) Prospects**

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 RWNYS 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 RWNYS 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.

#### 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 charge/(credit) for the current quarter and financial year ended 31 December 2021 are as follows:

	<b>Current quarter ended 31 December 2021 RM'000</b>	<b>Financial year ended 31 December 2021 RM'000</b>
Current taxation		
Malaysian income tax charge	26,147	32,267
Foreign income tax charge	13,739	22,261
	<hr/> 39,886	<hr/> 54,528
Deferred tax charge/(credit)	2,810	(111,186)
	<hr/> 42,696	<hr/> (56,658)
Prior period taxation		
Income tax over provided	(4,501)	(39,995)
	<hr/> 38,195	<hr/> (96,653)

The effective tax rate of the Group for the current quarter ended 31 December 2021 is lower than the statutory tax rate mainly due to adjustment for over provision of prior period taxation as a result of finalisation of statutory tax submission offset by higher expenses not deductible for tax purposes.

The effective tax rate of the Group for the financial year ended 31 December 2021 is lower than the statutory tax rate mainly due to an increase in future tax rate which has been enacted at the reporting date for certain jurisdiction where the group operates, and current year's tax losses and deductible temporary differences not recognised, mitigated by adjustment for over provision of prior period taxation as a result of utilisation of available tax losses of certain subsidiaries for group relief claim.

#### 6) *Status of Corporate Proposals Announced*

There were no corporate proposals announced but not completed as at 18 February 2022.

## 7) Group Borrowings

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

	As at 31.12.2021				As at 31.12.2020
	Secured/ Unsecured	Foreign Currency 'Mil		RM Equivalent 'Mil	RM Equivalent 'Mil
Short term borrowings	Secured	USD	-	-	120.5
	Secured	GBP	39.3	221.1	78.9
	Unsecured	USD	14.6	60.7	1.3
	Unsecured	RM	N/A	103.7	118.6
				385.5	319.3
Long-term borrowings	Secured	USD	167.7	698.9	1,956.6
	Secured	GBP	-	-	217.3
	Unsecured	USD	1,609.4	6,704.8	400.5
	Unsecured	RM	N/A	5,246.6	6,495.5
				12,650.3	9,069.9
Total borrowings	Secured	USD		698.9	2,077.1
	Secured	GBP		221.1	296.2
	Unsecured	USD		6,765.5	401.8
	Unsecured	RM		5,350.3	6,614.1
				13,035.8	9,389.2

## 8) Outstanding Derivatives

As at 31 December 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
Interest Rate Swaps		
GBP		
- Less than 1 year	225,231	1,259

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 December 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 February 2022.

## 11) Dividend Proposed or Declared

- a) (i) The Board of Directors ("Board") has declared a special single-tier dividend of 9.0 sen per ordinary share;
- (ii) The special single-tier dividend shall be payable on 31 March 2022;
- (iii) Entitlement to the special single-tier dividend:

A Depositor shall qualify for entitlement to the special single-tier dividend only in respect of:

- Shares transferred into the depositor's securities account before 4.30 p.m. on 15 March 2022 in respect of transfers; and
  - Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.
- b) The total dividend payable for the current financial year ended 31 December 2021 would amount to 9.0 sen per ordinary share.

## 12) Profit/(loss) before Taxation

Profit/(loss) before taxation has been determined after inclusion of the following charges and credits:

	Current quarter ended 31 December 2021 RM'000	Financial year ended 31 December 2021 RM'000
<b><u>Charges:</u></b>		
Depreciation and amortisation	290,425	1,106,288
Property, plant and equipment written off	14,020	23,204
Impairment losses	209,360	240,512
Net foreign currency exchange losses	-	12,590
Finance costs:		
- Interest on borrowings	137,193	511,881
- Other finance costs	15,345	97,612
- Less: capitalised costs	(48,667)	(227,632)
Finance costs charged to income statements	103,871	381,861
Redundancy costs	5,626	24,195
<b><u>Credits:</u></b>		
Gain on disposal of subsidiaries	119,749	184,106
Net gain on disposal of property, plant and equipment	5,450	5,550
VAT claim on gaming machines income	109,424	109,424
Net foreign currency exchange gains	1,417	-
Interest income	7,790	24,260
Investment income	-	8,939
Dividend income	1,575	6,250
Income from capital award	44,607	85,445

### 13) Earnings/(loss) per share

- (a) The earnings/(loss) used as the numerator in calculating basic and diluted earnings/(loss) per share for the current quarter and financial year ended 31 December 2021 are as follows:

	Current quarter ended 31 December 2021 RM'000	Financial year ended 31 December 2021 RM'000
Earnings/(loss) for the financial period/year attributable to equity holders of the Company (used as numerator for the computation of basic and diluted earnings/(loss) per share)	<u>174,119</u>	<u>(946,832)</u>

- (b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share for the current quarter and financial year ended 31 December 2021 are as follows:

	Current quarter ended 31 December 2021 Number of Shares ('000)	Financial year ended 31 December 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	5,653,138
Adjustment for dilutive effect of Employee Share Scheme	<u>13,001</u>	<u>- **</u>
Adjusted weighted average number of ordinary shares in issue (used as denominator for the computation of diluted loss per share)	<u>5,666,195</u>	<u>5,653,138</u>

\* The weighted average number of ordinary shares in issue during the current quarter and financial year ended 31 December 2021 excludes the weighted average treasury shares held by the Company.

\*\*The calculation of diluted loss per share for the financial year ended 31 December 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 24 February 2022.