



GENTING MALAYSIA BERHAD
198001004236 (58019-U)

PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2022**

- **Group's operations in Malaysia recorded strong recovery momentum, driven by the lifting of COVID-19 related restrictions and reopening of national borders**
- **Group remains positive on the longer-term outlook of the leisure and hospitality industry**

KUALA LUMPUR, 25 August 2022 – Genting Malaysia Berhad (Group) today announced its financial results for the second quarter (2Q22) and half year ended 30 June 2022 (1H22).

In 2Q22, the Group's total revenue had more than doubled to RM2,175.6 million from the same quarter last year (2Q21). The Group also reported adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) of RM619.5 million as compared to adjusted EBITDA of RM45.6 million in 2Q21. Additionally, the Group registered profit before taxation of RM50.6 million as compared to a loss before taxation of RM371.0 million in 2Q21. Net loss narrowed by 88% to RM42.3 million.

In 1H22, the Group recorded total revenue of RM3,896.9 million, nearly three times of the level reported in the same period last year (1H21). Adjusted EBITDA improved to RM1,033.9 million, as compared to an adjusted loss before interest, taxation, depreciation and amortisation (LBITDA) of RM64.8 million in 1H21. Taking into account depreciation and amortisation, finance costs and the Group's share of results in an associate, the Group reported a loss before taxation of RM65.5 million, a 93% improvement from 1H21, while net loss narrowed by 78% to RM190.1 million.

2Q22 Results

The Group's leisure and hospitality operations in Malaysia registered revenue of RM1,310.3 million, more than five times of the level recorded in 2Q21. The Group also reported adjusted EBITDA of RM459.1 million as compared to adjusted LBITDA of RM94.2 million in the same period last year. These improvements were predominantly due to overall higher volume of business registered at Resorts World Genting (RWG) following the further lifting of Coronavirus Disease 2019 (COVID-19) related restrictions and reopening of national borders in Malaysia since 1 April 2022. Moreover, the opening of Genting SkyWorlds in February 2022 had contributed to higher non-gaming revenue in 2Q22. In contrast, the Group's performance in 2Q21 was severely impacted by the imposition of strict travel restrictions nationwide amid the COVID-19 pandemic, in addition to the temporary closure of RWG from 1 June 2021 until 29 September 2021. The Group achieved adjusted EBITDA margin of 35% in 2Q22.

In the United Kingdom (UK) and Egypt, revenue from the Group's leisure and hospitality business more than doubled to RM381.2 million. The Group also recorded adjusted EBITDA of RM81.3 million, more than five times of the level registered in 2Q21. The recovery in revenue and earnings was mainly attributable to the higher volume of business registered at the Group's land-based casinos in the UK, as the Group's operations in 2Q21 was impacted by the temporary closure of its businesses. Following the resumption of its UK operations since mid-May 2021, the Group incurred higher payroll and related expenses in 2Q22 as compared to the same period last year.

In the United States of America (US) and Bahamas, the Group reported an 18% improvement in revenue to RM417.2 million while adjusted EBITDA grew by 12% to RM122.9 million. These were largely driven by higher contributions from the Group's non-gaming segment at Resorts World New York City (RWNYC) following the launch of the new Hyatt Regency JFK Airport at Resorts World New York hotel in August last year. Additionally, the Group's Hilton Miami Downtown hotel in Miami had registered improved performance with higher volume of business.

Meanwhile, the strong operating trends reported by the Group's associate company, Empire Resorts, Inc. (Empire) had continued during the period, with gross gaming revenue at Resorts World Catskills (RW Catskills) exceeding pre-pandemic levels.

1H22 Results

The Group's leisure and hospitality business in Malaysia recorded revenue of RM2,230.3 million, more than four times of the level reported in 1H21. The Group also registered adjusted EBITDA of RM722.0 million as compared to adjusted LBITDA of RM177.8 million in the same period last year. The increase in revenue and adjusted EBITDA was mainly driven by overall higher volume of business reported at RWG following further relaxation of COVID-19 restrictions in the country and the reopening of national borders since 1 April 2022. In contrast, the operating performance of RWG in 1H21 was impacted by strict COVID-19 related regulations nationwide, coupled with the temporary closure of RWG for approximately two months during the period.

In the UK and Egypt, revenue from the Group's leisure and hospitality business more than tripled to RM776.5 million. The Group also achieved adjusted EBITDA of RM166.0 million as compared to adjusted LBITDA of RM37.4 million in 1H21. The improvements registered during this period were mainly due to the impact of a resurgence in COVID-19 cases in the UK on the Group's operations in 1H21, which resulted in the temporary closure of the Group's land-based businesses. As the Group had resumed operations since mid-May 2021, the Group had incurred higher payroll and related expenses in 1H22 as compared to 1H21.

In the US and Bahamas, revenue from the Group's leisure and hospitality business grew by 27% to RM775.1 million while adjusted EBITDA was higher by 13% to RM200.9 million. The increase in revenue and adjusted EBITDA was mainly driven by the strong operating performance registered at RWNYC since the full lifting of mandated COVID-19 restrictions in June 2021, coupled with the improved performance of the Group's Hilton Miami Downtown hotel.

Meanwhile, the operating performance of Empire sustained its strong recovery momentum in 1H21, with gross gaming revenue at RW Catskills surpassing pre-pandemic levels in the period.

While uncertainties remain amid the fluidity of the Group's operating environment, the Group remains committed to delivering value and sustainable returns to shareholders. Therefore, the Board of Directors has declared an interim single-tier dividend of 6.0 sen per ordinary share.

Outlook

The global economic environment is expected to remain challenging from continued headwinds posed by geopolitical tensions and reduced macroeconomic support amid high inflation. Whilst set against the backdrop of slowing global growth, economic recovery momentum in Malaysia is expected to persist, supported by domestic demand.

The recovery in international travel demand is expected to continue alongside the easing or removal of travel restrictions and reopening of markets. However, concerns of a weakening global economy may delay its recovery trajectory.

The Group is cautiously optimistic on the near-term outlook of the leisure and hospitality industry but remains positive in the longer-term.

In Malaysia, the Group will continue to optimise yield contributions by focusing on key business segments and database marketing efforts. Following the lifting of COVID-19 restrictions nationwide and the reopening of national borders, the Group will continue to ramp up operations and capitalise on demand for integrated resort offerings. In addition, the Group will leverage its assets to attract foreign and domestic visitations to RWG to drive revenue growth. Up to three additional rides at Genting SkyWorlds are expected to be commissioned within the fourth quarter of 2022. Investments in targeted events and promotions will also be made to drive leisure traffic at RWG.

In the UK, the Group remains vigilant of the challenges implicit in the current operating environment. Nevertheless, business has continued to recover well, and the Group will keep focusing on strategies to grow its market share in both the core and London segments. These include exploring opportunities to add capacity to the Group's existing offerings to strengthen the resilience of the Group's business. At the same time, emphasis will be placed on improving overall business efficiencies and optimising costs to enhance the Group's operational agility as the Group sustains its recovery momentum.

In the US, the Group remains focused on leveraging synergies between RWNYC and RW Catskills to reinforce its strong local market exposure and maintain its position as the leading gaming operator in the northeast US region. As the Group continues to ramp up operations at RWNYC, the Group will keep driving business volumes through increased direct marketing efforts and promotions. Meanwhile, the development of the Group's new video gaming facility in New York, Resorts World Hudson Valley, is well underway and is targeted to open by the end of the year. In the Bahamas, the further relaxation of COVID-19 related restrictions are expected to boost travel demand into the country. The Group will focus efforts towards capitalising on this pent-up demand by enhancing cross-marketing initiatives, in addition to leveraging partnerships with renowned brands to drive higher visitation to Resorts World Bimini.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Variance		SIX MONTHS ENDED 30 JUNE		Variance	
	2Q2022	2Q2021	2Q22 vs 2Q21		2022	2021	1H22 vs 1H21	
	RM'Mil	RM'Mil	RM'Mil	%	RM'Mil	RM'Mil	RM'Mil	%
Revenue								
Leisure & Hospitality								
- Malaysia	1,310.3	237.9	1,072.4	>100%	2,230.3	536.9	1,693.4	>100%
- United Kingdom and Egypt	381.2	185.3	195.9	>100%	776.5	225.5	551.0	>100%
- United States of America and Bahamas	417.2	352.9	64.3	18%	775.1	609.2	165.9	27%
	<u>2,108.7</u>	<u>776.1</u>	<u>1,332.6</u>	<u>>100%</u>	<u>3,781.9</u>	<u>1,371.6</u>	<u>2,410.3</u>	<u>>100%</u>
Property	21.9	18.9	3.0	16%	44.3	36.7	7.6	21%
Investments & others	45.0	22.9	22.1	97%	70.7	32.9	37.8	>100%
	<u>2,175.6</u>	<u>817.9</u>	<u>1,357.7</u>	<u>>100%</u>	<u>3,896.9</u>	<u>1,441.2</u>	<u>2,455.7</u>	<u>>100%</u>
Adjusted EBITDA/(LBITDA)								
Leisure & Hospitality								
- Malaysia	459.1	(94.2)	553.3	>100%	722.0	(177.8)	899.8	>100%
- United Kingdom and Egypt	81.3	14.3	67.0	>100%	166.0	(37.4)	203.4	>100%
- United States of America and Bahamas	122.9	109.3	13.6	12%	200.9	177.9	23.0	13%
	<u>663.3</u>	<u>29.4</u>	<u>633.9</u>	<u>>100%</u>	<u>1,088.9</u>	<u>(37.3)</u>	<u>1,126.2</u>	<u>>100%</u>
Property	2.1	20.1	-18.0	-90%	11.6	(7.0)	18.6	>100%
Investments & others	(45.9)	(3.9)	-42.0	->100%	(66.6)	(20.5)	-46.1	->100%
Adjusted EBITDA/(LBITDA)	<u>619.5</u>	<u>45.6</u>	<u>573.9</u>	<u>>100%</u>	<u>1,033.9</u>	<u>(64.8)</u>	<u>1,098.7</u>	<u>>100%</u>
Pre-operating expenses	(16.9)	(25.5)	8.6	34%	(37.5)	(63.4)	25.9	41%
Property, plant and equipment written off	(0.9)	(7.2)	6.3	88%	(1.4)	(7.7)	6.3	82%
Impairment losses	(70.8)	(23.8)	-47.0	->100%	(70.8)	(31.1)	-39.7	->100%
Gain on disposal of a subsidiary	5.8	64.3	-58.5	-91%	5.8	64.3	-58.5	-91%
Others	(1.4)	(8.6)	7.2	84%	(3.0)	(20.2)	17.2	85%
EBITDA/(LBITDA)	<u>535.3</u>	<u>44.8</u>	<u>490.5</u>	<u>>100%</u>	<u>927.0</u>	<u>(122.9)</u>	<u>1,049.9</u>	<u>>100%</u>
Depreciation and amortisation	(311.5)	(270.4)	-41.1	-15%	(608.1)	(539.0)	-69.1	-13%
Interest income	3.3	5.7	-2.4	-42%	10.9	9.7	1.2	12%
Finance costs	(134.6)	(100.5)	-34.1	-34%	(304.1)	(182.5)	-121.6	-67%
Share of results in an associate	(41.9)	(50.6)	8.7	17%	(91.2)	(96.0)	4.8	5%
Profit/(loss) before taxation	<u>50.6</u>	<u>(371.0)</u>	<u>421.6</u>	<u>>100%</u>	<u>(65.5)</u>	<u>(930.7)</u>	<u>865.2</u>	<u>93%</u>
Taxation	<u>(92.9)</u>	<u>4.3</u>	<u>-97.2</u>	<u>->100%</u>	<u>(124.6)</u>	<u>62.7</u>	<u>-187.3</u>	<u>->100%</u>
Profit/(loss) for the financial period	<u>(42.3)</u>	<u>(366.7)</u>	<u>324.4</u>	<u>88%</u>	<u>(190.1)</u>	<u>(868.0)</u>	<u>677.9</u>	<u>78%</u>
Basic (loss)/earnings per share (sen)	<u>(0.19)</u>	<u>(6.16)</u>	<u>6.0</u>	<u>97%</u>	<u>(2.43)</u>	<u>(14.71)</u>	<u>12.3</u>	<u>83%</u>
Diluted (loss)/earnings per share (sen)	<u>(0.19)</u>	<u>(6.16)</u>	<u>6.0</u>	<u>97%</u>	<u>(2.43)</u>	<u>(14.71)</u>	<u>12.3</u>	<u>83%</u>

About Genting Malaysia Berhad

Genting Malaysia is one of the leading leisure and hospitality corporations in the world. Listed on Bursa Malaysia with approximately RM17 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 (RW Catskills) (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 Genting SkyWorlds, a first class, world-class theme park, further complement 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 RW Catskills, 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, the mobile app, Resorts WorldBET, 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 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 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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