



GENTING MALAYSIA BERHAD
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PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2022**

- **Resorts World Genting maintains recovery momentum**
- **Potential headwinds in 2023 from global economic uncertainties as well as recessionary and inflationary pressures**
- **Group remains positive on the longer-term outlook of the leisure and hospitality industry**

KUALA LUMPUR, 24 November 2022 – Genting Malaysia Berhad (Group) today announced its financial results for the third quarter (3Q22) and nine months ended 30 September 2022 (9M22).

In 3Q22, the Group reported total revenue of RM2,271.4 million, nearly three times of the level registered in the same quarter last year (3Q21). The Group also achieved adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) of RM609.8 million, more than eleven times of the level recorded in 3Q21. The Group reported profit before taxation (PBT) of RM95.7 million as compared to a loss before taxation (LBT) of RM379.2 million in the comparable period last year. Net loss improved significantly by 97% to RM8.2 million.

For the nine-month period, Group revenue more than doubled to RM6,168.3 million. The Group also registered adjusted EBITDA of RM1,643.7 million as compared to an adjusted loss before interest, taxation, depreciation and amortisation (LBITDA) of RM11.1 million in the same period last year (9M21). The Group reported PBT of RM30.2 million as compared to LBT of RM1,309.9 million in 9M21, while net loss narrowed by 83% to RM198.4 million.

3Q22 Results

The leisure and hospitality operations in Malaysia recorded revenue of RM1,395.5 million as compared to revenue of RM17.7 million in 3Q21. This improvement was primarily driven by the strong recovery in overall business volume registered at Resorts World Genting (RWG) after the reopening of the national borders and higher contributions from the non-gaming segment following the launch of the new Genting SkyWorlds theme park. By comparison, the Group's performance in 3Q21 was heavily impacted by the temporary closure of RWG from 1 June 2021 until 29 September 2021 in compliance with a government directive of a nationwide total lockdown amid a surge in Coronavirus Disease 2019 (COVID-19) cases in the country. The Group registered adjusted EBITDA of RM445.0 million in 3Q22 as compared to an adjusted LBITDA of RM164.8 million in the same period last year. The Group achieved adjusted EBITDA margin of 32% this quarter.

In the United Kingdom (UK) and Egypt, Group revenue declined by 3% to RM393.9 million, due to the impact of foreign exchange translation losses as a result of the weakening of GBP against RM. Excluding the impact of foreign exchange translation losses, revenue from the UK and Egypt operations improved by 4%. The Group registered a decrease in adjusted EBITDA by 28% to RM73.9 million, largely due to higher payroll and related expenses from the progressive resumption of the Group's operations to full capacity as well as the reopening of Crockfords casino in London since 20 July 2022.

In the United States of America (US) and the Bahamas, Group revenue improved by 17% to RM424.9 million and the Group reported an increase in adjusted EBITDA by 6% to RM128.2 million. These were largely driven by higher contributions from the Group's non-gaming segment following the ramp up of the Hyatt Regency JFK Airport at Resorts World New York City (RWNYC) hotel, in addition to an improved performance at Resorts World Bimini (RW Bimini) as a result of the relaxation of travel restrictions to the Bahamas since 19 June 2022.

The Group's associate company, Empire Resorts, Inc. (Empire) had continued to register strong operating trends in the quarter, with gross gaming revenue at Resorts World Catskills (RW Catskills) surpassing pre-pandemic levels.

9M22 Results

In Malaysia, revenue from the Group's leisure and hospitality business increased more than six times to RM3,625.8 million and the Group registered adjusted EBITDA of RM1,167.0 million as compared to adjusted LBITDA of RM342.6 million in 9M21. These improvements were mainly driven by the higher overall volume of business from both the gaming and non-gaming segments at RWG following the lifting of COVID-19 restrictions nationwide as well as the reopening of national borders since 1 April 2022. In contrast, the Group's performance in 9M21 was adversely impacted by the various strict COVID-19 restrictions imposed, coupled with the temporary closure of RWG for approximately five months.

In the UK and Egypt, the Group reported an 85% growth in revenue to RM1,170.4 million, mainly attributable to the improved operating performance of the Group's land-based casinos in the UK and Egypt. In addition, the reopening of Crockfords casino in London since 20 July 2022 had contributed to the increase. By comparison, the Group's land-based venues in the UK were temporarily closed for nearly five months in 9M21 due to a national lockdown to curb the spread of COVID-19. The Group also recorded adjusted EBITDA of RM239.9 million in 9M22, almost four times of the levels recorded in 9M21, mainly due to the recovery of the Group's operations. Since reopening on 17 May 2021, the Group has progressively increased its operational capacity, which resulted in the Group incurring higher payroll and related expenses in 9M22.

In the US and the Bahamas, the Group's operations registered a 23% increase in revenue to RM1,200.0 million, largely due to the strong volume of business registered at RWNYC which saw a boost in demand for its gaming and non-gaming offerings following the addition of new amenities at the property. Moreover, the improved performance of the Group's Hilton Miami Downtown hotel had contributed to the increase. The Group reported a 10% growth in adjusted EBITDA to RM329.1 million in the period.

Empire had also recorded similar operating trends, with gross gaming revenue at RW Catskills maintaining its recovery trajectory and exceeding pre-pandemic levels.

Outlook

Global economic conditions are expected to remain challenging with subdued outlook for major economies as concerns surrounding recessionary and inflationary pressures, tightening monetary policies and geopolitical tensions persist. In Malaysia, economic growth is expected to be supported by domestic demand amid the weakening external environment.

While international tourism is anticipated to continue improving, ongoing global economic headwinds and pandemic management measures in certain countries could impact demand for international travel. Consequently, the recovery of the regional gaming market could face some setbacks.

Nevertheless, the Group remains cautiously optimistic on the near-term outlook of the leisure and hospitality industry and remains positive in the longer-term.

In Malaysia, the Group is encouraged by the increase in visitation at RWG following the reopening of the national borders and the relaxation of COVID-19 restrictions in the region. In view of the potential challenges in the operating environment, the Group will continue to closely monitor risks and demand and react accordingly. The Group remains focused on managing yield and profitability at RWG and will continue to actively market RWG products and services to its membership base and other segments in Malaysia and regionally. At the same time, the Group will continue placing emphasis on operational resilience and cost discipline.

In the UK, the Group remains committed to building a stronger and more resilient business whilst prioritising cost management measures that further enhance efficiencies amid an increasingly challenging operating landscape. The Group is currently exploring several key initiatives to grow its market share and long-term revenues, which include improving customer propositions at its venues and investments in opportunities that are complementary to the Group's existing business.

In the US, the Group will continue focusing on executing various strategies to strengthen its presence in the region. The Group remains ready to capitalise on revenue and growth opportunities as they arise and is closely monitoring developments in the New York State following the lifting of a moratorium on the award of the remaining three downstate casino licences. The ramp up of the expanded and enhanced RWNYC property continues to be a key focus, and the Group will continue maximising synergies between RWNYC and Empire to improve the competitive position and overall returns of the Group's US operations. Meanwhile, Resorts World Hudson Valley, the Group's new video gaming machine facility in New York, is slated to open by the end of the year. In the Bahamas, the Group will continue working closely with its strategic partners to capture the anticipated increase in travel demand from key markets following the further relaxation of pandemic-related restrictions. The Group will also intensify cross-marketing efforts and introduce additional promotional activities to improve new and repeat visitation at RW Bimini.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Variance		NINE MONTHS ENDED 30 SEPTEMBER		Variance	
	3Q2022	3Q2021	3Q22 vs 3Q21		2022	2021	9M22 vs 9M21	
	RM'Mil	RM'Mil	RM'Mil	%	RM'Mil	RM'Mil	RM'Mil	%
Revenue								
Leisure & Hospitality								
- Malaysia	1,395.5	17.7	1,377.8	>100%	3,625.8	554.6	3,071.2	>100%
- United Kingdom and Egypt	393.9	406.0	-12.1	-3%	1,170.4	631.5	538.9	85%
- United States of America and Bahamas	424.9	364.2	60.7	17%	1,200.0	973.4	226.6	23%
	<u>2,214.3</u>	<u>787.9</u>	<u>1,426.4</u>	<u>>100%</u>	<u>5,996.2</u>	<u>2,159.5</u>	<u>3,836.7</u>	<u>>100%</u>
Property	20.4	20.3	0.1	0%	64.7	57.0	7.7	14%
Investments & others	36.7	18.1	18.6	>100%	107.4	51.0	56.4	>100%
	<u>2,271.4</u>	<u>826.3</u>	<u>1,445.1</u>	<u>>100%</u>	<u>6,168.3</u>	<u>2,267.5</u>	<u>3,900.8</u>	<u>>100%</u>
Adjusted EBITDA/(LBITDA)								
Leisure & Hospitality								
- Malaysia	445.0	(164.8)	609.8	>100%	1,167.0	(342.6)	1,509.6	>100%
- United Kingdom and Egypt	73.9	102.1	-28.2	-28%	239.9	64.7	175.2	>100%
- United States of America and Bahamas	128.2	120.4	7.8	6%	329.1	298.3	30.8	10%
	<u>647.1</u>	<u>57.7</u>	<u>589.4</u>	<u>>100%</u>	<u>1,736.0</u>	<u>20.4</u>	<u>1,715.6</u>	<u>>100%</u>
Property	3.1	15.3	-12.2	-80%	14.7	8.3	6.4	77%
Investments & others	(40.4)	(19.3)	-21.1	->100%	(107.0)	(39.8)	-67.2	->100%
Adjusted EBITDA/(LBITDA)	609.8	53.7	556.1	>100%	1,643.7	(11.1)	1,654.8	>100%
Pre-operating expenses	(13.5)	(29.7)	16.2	55%	(51.0)	(93.1)	42.1	45%
Property, plant and equipment written off	(0.6)	(1.5)	0.9	60%	(2.0)	(9.2)	7.2	78%
Impairment losses	(47.6)	-	-47.6	NC	(118.5)	(31.1)	-87.4	->100%
Gain on disposal of a subsidiary	-	-	-	NC	5.8	64.3	-58.5	-91%
Others	(2.3)	(5.3)	3.0	57%	(5.2)	(25.5)	20.3	80%
EBITDA/(LBITDA)	545.8	17.2	528.6	>100%	1,472.8	(105.7)	1,578.5	>100%
Depreciation and amortisation	(311.1)	(276.8)	-34.3	-12%	(919.2)	(815.8)	-103.4	-13%
Interest income	9.7	6.8	2.9	43%	20.6	16.5	4.1	25%
Finance costs	(142.1)	(95.5)	-46.6	-49%	(446.1)	(278.0)	-168.1	-60%
Share of results in an associate	(6.6)	(30.9)	24.3	79%	(97.8)	(126.9)	29.1	23%
Share of results in joint venture	-	-	-	NC	(0.1)	-	-0.1	NC
Profit/(loss) before taxation	95.7	(379.2)	474.9	>100%	30.2	(1,309.9)	1,340.1	>100%
Taxation	(103.9)	72.2	-176.1	->100%	(228.6)	134.8	-363.4	->100%
(Loss)/Profit for the financial period	(8.2)	(307.0)	298.8	97%	(198.4)	(1,175.1)	976.7	83%
Basic earnings/(loss) per share (sen)	0.20	(5.12)	5.3	>100%	(2.23)	(19.83)	17.6	89%
Diluted earnings/(loss) per share (sen)	0.20	(5.12)	5.3	>100%	(2.23)	(19.83)	17.6	89%

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 RM15 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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