



GENTING MALAYSIA BERHAD
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PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
FIRST QUARTER 31 MARCH 2023**

KUALA LUMPUR, 25 May 2023 – Genting Malaysia Berhad (Group) today announced its financial results for the first quarter ended 31 March 2023 (1Q23).

The Group's total revenue grew by 33% to RM2,283.5 million while adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) improved by 43% to RM592.9 million. The Group also registered profit before taxation of RM41.3 million as compared to a loss before taxation of RM116.1 million in the same period last year (1Q22). The Group reported net loss of RM45.4 million in 1Q23, mainly due to deferred tax provisions recognised in the quarter. Notwithstanding, the Group's net loss narrowed by 69% from 1Q22.

In Malaysia, the leisure and hospitality business recorded higher revenue by 52% to RM1,402.6 million and the Group reported an increase in adjusted EBITDA by 66% to RM436.5 million. These improvements were primarily attributable to overall higher volume of business registered at Resorts World Genting (RWG) following the lifting of pandemic-related restrictions and the reopening of the national borders since 1 April 2022. As a result of the ramp up of the Group's operations, the Group incurred higher operating expenses in 1Q23.

In the United Kingdom (UK) and Egypt, revenue from the Group's leisure and hospitality operations declined by 11% to RM352.5 million, mainly due to lower volume of business recorded by the Group's UK gaming operations amid ongoing inflationary pressures. Consequently, the Group reported a decrease in adjusted EBITDA by 50% to RM42.4 million. The Group's adjusted EBITDA was also impacted by higher payroll and operating expenses incurred during the period.

In the United States of America (US) and the Bahamas, the Group recorded a 29% increase in revenue to RM460.7 million. The Group also reported a 77% growth in adjusted EBITDA to RM138.4 million. The higher revenue and adjusted EBITDA were largely driven by the strong operating performance registered at both Resorts World New York City (RWNYC) and the Hilton Miami Downtown hotel, coupled with the improved operating performance of Resorts World Bimini (RW Bimini) following the relaxation of travel restrictions to the Bahamas since 19 June 2022. Due to the Group's continued operational ramp up, the Group incurred higher operating and payroll related expenses in 1Q23.

The Group's associate company, Empire Resorts, Inc. (Empire) had reported some impact to its operating performance as Resorts World Catskills registered lower total gross gaming revenue in the quarter. Meanwhile, Resorts World Hudson Valley (RW Hudson Valley), which commenced operations on 28 December 2022, had begun contributing to Empire's revenue. Empire had recorded higher payroll costs and operating expenses during the period, which was also contributed by the opening of RW Hudson Valley as operations continue to ramp up.

Outlook

The global economic environment is expected to gradually improve. However, downside risks continue to predominate amid ongoing geopolitical tensions and concerns surrounding the impact from monetary policy decisions. While Malaysia's economic expansion is expected to moderate in line with a slower global economy, growth will continue to be supported by domestic demand.

International travel demand is expected to remain positive, although its recovery could be constrained by the macroeconomic uncertainties and inflationary pressures. The regional gaming market is expected to continue improving in tandem with the improved outlook on global travel.

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

In Malaysia, the Group remains focused on enhancing yields at RWG by intensifying its database marketing efforts whilst improving overall operational efficiencies at the resort. The Group will continue to leverage its integrated resort offerings to grow key business segments, including tapping on increasing inbound tourist arrivals to Malaysia, and drive traffic to RWG. At the same time, effective cost management will continue to be emphasised as part of the Group's ongoing efforts to augment its resilience amid a fluid operating environment.

In the UK, the Group remains focused on maintaining the recovery momentum registered at its venues despite the continued challenges in the operating landscape. The Group will continue to invest in the quality of its products offerings and service delivery, in addition to exploring complementary opportunities that will enable the Group to grow its market share and long-term revenues. The Group will also place emphasis on cost optimisation measures that will enhance the Group's operational agility and business resilience.

In the US, RWNYC maintained its position as the market leader by gaming revenue in New York State. The Group remains committed to exploring opportunities that will strengthen its competitive position in the region, which include developments surrounding the New York Gaming Facility Board's Request for Application to solicit proposals for up to three commercial casinos in New York State. Meanwhile, the Group will continue to leverage synergies between RWNYC and Empire's assets to grow its market share and drive the overall returns of the Group's US operations. In the Bahamas, the Group remains steadfast on executing strategies that will enhance revenues at RW Bimini. These include collaborations with international cruise operators to increase the number of port calls to the island, in addition to focusing marketing efforts and promotional activities to drive visitation to the resort. The Group will also continue to exercise cost discipline to improve the profitability of its operations at RW Bimini.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Variance		PRECEDING QUARTER		Variance	
	1Q2023	1Q2022	1Q23 vs 1Q22		4Q2022	1Q23 vs 4Q22		
	RM'Mil	RM'Mil	RM'Mil	%	RM'Mil	RM'Mil	%	
Revenue								
Leisure & Hospitality								
- Malaysia	1,402.6	920.0	482.6	52%	1,587.2	-184.6	-12%	
- United Kingdom and Egypt	352.5	395.3	-42.8	-11%	335.1	17.4	5%	
- United States of America and Bahamas	460.7	357.9	102.8	29%	459.7	1.0	^	
	<u>2,215.8</u>	<u>1,673.2</u>	<u>542.6</u>	<u>32%</u>	<u>2,382.0</u>	<u>-166.2</u>	<u>-7%</u>	
Property	26.5	22.4	4.1	18%	23.8	2.7	11%	
Investments & others	41.2	25.7	15.5	60%	28.9	12.3	43%	
	<u>2,283.5</u>	<u>1,721.3</u>	<u>562.2</u>	<u>33%</u>	<u>2,434.7</u>	<u>-151.2</u>	<u>-6%</u>	
Adjusted EBITDA								
Leisure & Hospitality								
- Malaysia	436.5	262.9	173.6	66%	467.3	-30.8	-7%	
- United Kingdom and Egypt	42.4	84.7	-42.3	-50%	60.3	-17.9	-30%	
- United States of America and Bahamas	138.4	78.0	60.4	77%	148.5	-10.1	-7%	
	<u>617.3</u>	<u>425.6</u>	<u>191.7</u>	<u>45%</u>	<u>676.1</u>	<u>-58.8</u>	<u>-9%</u>	
Property	8.7	9.5	-0.8	-8%	0.2	8.5	>100%	
Investments & others	(33.1)	(20.7)	-12.4	-60%	(203.4)	170.3	84%	
Adjusted EBITDA	<u>592.9</u>	<u>414.4</u>	<u>178.5</u>	<u>43%</u>	<u>472.9</u>	<u>120.0</u>	<u>25%</u>	
Pre-operating expenses	(33.3)	(20.6)	-12.7	-62%	(31.1)	-2.2	-7%	
Property, plant and equipment written off	(1.1)	(0.5)	-0.6	->100%	(0.5)	-0.6	->100%	
Impairment losses	(3.5)	-	-3.5	NC	(293.8)	290.3	99%	
Redundancy costs	(4.0)	(1.5)	-2.5	->100%	(3.9)	-0.1	-2%	
Others	1.8	(0.1)	1.9	>100%	(3.5)	5.3	>100%	
EBITDA	<u>552.8</u>	<u>391.7</u>	<u>161.1</u>	<u>41%</u>	<u>140.1</u>	<u>412.7</u>	<u>>100%</u>	
Depreciation and amortisation	(308.6)	(296.6)	-12.0	-4%	(319.6)	11.0	3%	
Interest income	13.0	7.6	5.4	71%	13.1	-0.1	-1%	
Finance costs	(148.4)	(169.5)	21.1	12%	(150.6)	2.2	1%	
Share of results in associates	(67.5)	(49.3)	(18.2)	-37%	(55.4)	-12.1	-22%	
Share of results in a joint venture	*	-	*	100%	*	*	39%	
Profit/(loss) before taxation	<u>41.3</u>	<u>(116.1)</u>	<u>157.4</u>	<u>>100%</u>	<u>(372.4)</u>	<u>413.7</u>	<u>>100%</u>	
Taxation	<u>(86.7)</u>	<u>(31.8)</u>	<u>-54.9</u>	<u>->100%</u>	<u>(96.6)</u>	<u>9.9</u>	<u>10%</u>	
(Loss)/Profit for the financial period	<u>(45.4)</u>	<u>(147.9)</u>	<u>102.5</u>	<u>69%</u>	<u>(469.0)</u>	<u>423.6</u>	<u>90%</u>	
Basic (loss)/earnings per share (sen)	<u>(0.48)</u>	<u>(2.24)</u>	<u>1.8</u>	<u>79%</u>	<u>(6.95)</u>	<u>6.5</u>	<u>93%</u>	
Diluted (loss)/earnings per share (sen)	<u>(0.48)</u>	<u>(2.24)</u>	<u>1.8</u>	<u>79%</u>	<u>(6.95)</u>	<u>6.5</u>	<u>93%</u>	

* Less than RM0.1 million

^ Less than 1%

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), as well as Resorts World Catskills (RW Catskills) and Resorts World Hudson Valley (RW Hudson Valley) (which are 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. Genting SkyWorlds, a first class, world-class theme park, is a key attraction in augmenting RWG's integrated entertainment line-up. Additionally, Genting Highlands Premium Outlets (a joint venture between Genting Plantations Berhad and Simon Property Group) at the mid-hill 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 operates RWNYC, the first and only video gaming machine facility (VGM) in New York City. As a premier entertainment hub, RWNYC houses over 6,500 slots and electronic table games, numerous casual and fine dining restaurants and bars, multi-purpose entertainment and event spaces, and the 400-room Hyatt Regency JFK Airport at RWNYC hotel. Additionally, Genting Malaysia operates RW Catskills and RW Hudson Valley in New York State. RW Catskills, which offers an enticing all-season entertainment experience, features live table games, sports betting, VGMs, over 400 rooms across two hotels, varied bar and restaurant experiences, as well as multi-purpose venues and conference spaces. RW Hudson Valley, a 60,000 sqft gaming and entertainment space, is the Group's latest addition to its portfolio of casinos, featuring 1,200 slots and VGMs. 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 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, cruise 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 New York City, visit www.rwnewyork.com

Resorts World Catskills, visit www.rwcatskills.com

Resorts World Hudson Valley, visit <https://rwhudsonvalleyny.com/>

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

Resorts World Bimini, visit www.rwbimini.com

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