



GENTING MALAYSIA BERHAD
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PRESS RELEASE

For Immediate Release

**GENTING MALAYSIA BERHAD ANNOUNCES RESULTS FOR THE
FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

- **Operational profitability in Malaysia exceeds pre-pandemic levels**
- **Group returns to profitability in FY23**
- **Group remains cautious of the near-term outlook of the leisure and hospitality industry**

KUALA LUMPUR, 29 February 2024 – Genting Malaysia Berhad (Group) today announced its financial results for the fourth quarter (4Q23) and financial year ended 31 December 2023 (FY23).

The Group's total revenue in 4Q23 grew by 12% to RM2,721.5 million while adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) improved by 78% to RM843.9 million. Additionally, the Group reported profit before taxation (PBT) of RM294.2 million as compared to a loss before tax (LBT) of RM372.4 million in the same period last year (4Q22). The Group also registered net profit of RM217.6 million as compared to a net loss of RM469.0 million in 4Q22.

In FY23, total Group revenue increased by 18% to RM10,189.4 million while adjusted EBITDA grew by 24% to RM2,632.2 million. The Group also achieved PBT of RM674.2 million as compared to LBT of RM342.2 million in the same period last year (FY22). The Group registered net profit of RM360.8 million as compared to a net loss of RM667.4 million in FY22, representing a turnaround of over RM1.0 billion.

4Q23 Results

The leisure and hospitality business in Malaysia recorded higher revenue by 13% to RM1,798.8 million and a 13% increase in adjusted EBITDA to RM529.5 million. These improvements were mainly attributable to overall higher volume of business from Resorts World Genting (RWG)'s gaming and non-gaming segments. While the Group incurred higher operating expenses due to the ramp up of its operations, adjusted EBITDA margin maintained at 29% from the same period last year.

In the United Kingdom (UK) and Egypt, the Group's revenue grew by 28% to RM429.7 million, mainly driven by higher volume of business across the Group's estate. The Group also reported an increase in adjusted EBITDA by 50% to RM90.2 million despite higher payroll related costs.

In the United States of America (US) and the Bahamas, Group revenue increased marginally by 1% to RM465.7 million. During the period, the Group reported higher contributions from Resorts World New York City (RWNYC) and Resorts World Bimini (RW Bimini), which registered an improved operating performance mainly driven by higher number of cruise calls and visitation to the resort. However, the Group registered a 12% decline in adjusted EBITDA to RM130.5 million, primarily attributable to higher operating and payroll related expenses.

The Group's overall adjusted EBITDA during the period was aided by net foreign exchange translation gains of RM130.4 million, as compared to net foreign exchange translation losses of RM183.1 million in 4Q22. Excluding the impact of the foreign exchange translation, the Group's adjusted EBITDA increased by 9%.

FY23 Results

In Malaysia, the Group's leisure and hospitality operations reported higher revenue by 23% to RM6,415.5 million while adjusted EBITDA grew by 26% to RM2,062.2 million. These improvements were largely driven by higher volume of business from the gaming and non-gaming segments at RWG, aided by the continued recovery in travel demand from the wider region. Despite the Group incurring higher operating expenses in the period, the Group's adjusted EBITDA margin improved by 1 percentage point to 32%.

In the UK and Egypt, the Group's leisure and hospitality business reported an increase in revenue by 11% to RM1,667.4 million, largely attributable to higher volume of business. However, adjusted EBITDA declined by 3% to RM291.2 million, mainly due to higher payroll and related costs.

In the US and the Bahamas, revenue from the Group's leisure and hospitality operations grew by 13% to RM1,875.6 million, mainly contributed by overall higher volume of business at RWNYP and the improved operating performance of RW Bimini. Adjusted EBITDA also increased by 15% to RM550.4 million despite higher operating and payroll related expenses.

The Group's associate company, Empire Resorts, Inc. (Empire) recorded higher total gross gaming revenue, aided by the opening of Resorts World Hudson Valley in December 2022. However, Empire incurred higher payroll costs and operating expenses during the period, which impacted its adjusted EBITDA.

The Group's overall adjusted EBITDA was aided by lower net unrealised foreign exchange translation losses of RM171.1 million on its USD denominated borrowings during the year as compared to net unrealised foreign exchange translation losses of RM244.8 million in FY22. Excluding the impact of the foreign exchange translation, the Group registered a 19% increase in adjusted EBITDA.

Against the backdrop of the Group's improved financial performance, the Board of Directors (Board) has declared a final single-tier dividend of 9.0 sen per ordinary share. Together with the interim dividend of 6.0 sen per ordinary share, the Board has declared total dividend of 15.0 sen per ordinary share for FY23.

Outlook

The expansion of the global economy is projected to remain resilient but modest, as ongoing geopolitical tensions, uncertainties surrounding key monetary policies and inflationary pressures could continue weighing on global growth. In Malaysia, economic growth is expected to improve, supported by external demand and domestic expenditure.

International tourism is expected to recover amid increased global air connectivity and a rebound in Asian markets. However, macroeconomic and geopolitical headwinds could continue posing challenges to the sustained recovery of global travel demand. The regional gaming market is expected to continue improving in line with the positive outlook for international tourism.

The Group remains cautious of the near-term prospects of the leisure and hospitality industry but is positive in the longer-term.

In Malaysia, the expected growth in regional tourism and domestic private consumption augurs well for the Group's strategy on increasing visitation and customer spend at RWG. Though competitive pressures remain, the Group will continue to focus on innovative marketing initiatives to expand customer reach whilst capitalising on value offerings to grow key business segments. Meanwhile, continued investments in infrastructure enhancements at Genting Highlands will be made to ensure the safety of visitors and the surrounding community.

In the UK, the Group is encouraged by the sustained positive performance of its casinos despite the challenging operating environment. The Group remains focused on exploring opportunities and investing in capabilities to strengthen the resilience of the Group's business. In addition, the Group will continue to put in place measures to grow its operations, with particular focus on the Core Casinos division. The Group will also keep managing its costs effectively to improve its operational leverage and boost profitability.

In the US, the Group remains focused on reinforcing its market position and expanding its presence in New York State to compete effectively in the northeast US region. The Group will continue to actively grow its customer database, whilst enhancing synergies between RWNYC and Empire's assets to improve the overall returns of the Group's US business. The Group is also closely monitoring 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. In the Bahamas, the Group will continue to build and deepen partnerships with international cruise operators to increase the number of port calls at RW Bimini. At the same time, the Group is committed to driving operational efficiencies and effective cost management to improve overall yields at the resort.

A summary table of the results is attached below.

GENTING MALAYSIA BERHAD SUMMARY OF RESULTS	INDIVIDUAL QUARTER		Variance		FINANCIAL YEAR ENDED 31 DECEMBER		Variance	
	4Q2023	4Q2022	4Q23 vs 4Q22		2023	2022	FY23 vs FY22	
	RM'Mil	RM'Mil	RM'Mil	%	RM'Mil	RM'Mil	RM'Mil	%
Revenue								
Leisure & Hospitality								
- Malaysia	1,798.8	1,587.2	211.6	13%	6,415.5	5,213.0	1,202.5	23%
- United Kingdom and Egypt	429.7	335.1	94.6	28%	1,667.4	1,505.5	161.9	11%
- United States of America and Bahamas	465.7	459.7	6.0	1%	1,875.6	1,659.7	215.9	13%
	<u>2,694.2</u>	<u>2,382.0</u>	<u>312.2</u>	<u>13%</u>	<u>9,958.5</u>	<u>8,378.2</u>	<u>1,580.3</u>	<u>19%</u>
Property	24.3	23.8	0.5	2%	98.9	88.5	10.4	12%
Investments & others	3.0	28.9	-25.9	-90%	132.0	136.3	-4.3	-3%
	<u>2,721.5</u>	<u>2,434.7</u>	<u>286.8</u>	<u>12%</u>	<u>10,189.4</u>	<u>8,603.0</u>	<u>1,586.4</u>	<u>18%</u>
Adjusted EBITDA/(LBITDA)								
Leisure & Hospitality								
- Malaysia	529.5	467.3	62.2	13%	2,062.2	1,634.3	427.9	26%
- United Kingdom and Egypt	90.2	60.3	29.9	50%	291.2	300.2	-9.0	-3%
- United States of America and Bahamas	130.5	148.5	-18.0	-12%	550.4	477.6	72.8	15%
	<u>750.2</u>	<u>676.1</u>	<u>74.1</u>	<u>11%</u>	<u>2,903.8</u>	<u>2,412.1</u>	<u>491.7</u>	<u>20%</u>
Property	(9.4)	0.2	-9.6	->100%	5.7	14.9	-9.2	-62%
Investments & others	103.1	(203.4)	306.5	>100%	(277.3)	(310.4)	33.1	11%
	<u>843.9</u>	<u>472.9</u>	<u>371.0</u>	<u>78%</u>	<u>2,632.2</u>	<u>2,116.6</u>	<u>515.6</u>	<u>24%</u>
Adjusted EBITDA								
Pre-operating expenses	(21.8)	(31.1)	9.3	30%	(96.2)	(82.1)	-14.1	-17%
Property, plant and equipment written off	(15.9)	(0.5)	-15.4	->100%	(17.7)	(2.5)	-15.2	->100%
Impairment losses	(16.9)	(293.8)	276.9	94%	(33.3)	(412.3)	379.0	92%
Gain on disposal of a subsidiary	-	-	-	-	-	5.8	-5.8	NC
Net (loss)/gain on disposal of property, plant and equipment	(0.3)	0.3	-0.6	->100%	183.2	0.4	182.8	>100%
Redundancy costs	(0.6)	(3.9)	3.3	85%	(8.2)	(9.0)	0.8	9%
Others	(1.4)	(3.8)	2.4	63%	3.6	(4.0)	7.6	>100%
	<u>787.0</u>	<u>140.1</u>	<u>646.9</u>	<u>>100%</u>	<u>2,663.6</u>	<u>1,612.9</u>	<u>1,050.7</u>	<u>65%</u>
EBITDA								
Depreciation and amortisation	(312.5)	(319.6)	7.1	2%	(1,241.1)	(1,238.8)	-2.3	^
Interest income	30.9	13.1	17.8	>100%	107.0	33.7	73.3	>100%
Finance costs	(163.3)	(150.6)	-12.7	-8%	(635.3)	(596.7)	-38.6	-6%
Share of results in associates	(48.7)	(55.4)	6.7	12%	(218.8)	(153.2)	-65.6	-43%
Share of results in joint ventures	0.8	*	0.8	>100%	(1.2)	(0.1)	-1.1	->100%
	<u>294.2</u>	<u>(372.4)</u>	<u>666.6</u>	<u>>100%</u>	<u>674.2</u>	<u>(342.2)</u>	<u>1,016.4</u>	<u>>100%</u>
Profit/(loss) before taxation								
Taxation	(76.6)	(96.6)	20.0	21%	(313.4)	(325.2)	11.8	4%
	<u>217.6</u>	<u>(469.0)</u>	<u>686.6</u>	<u>>100%</u>	<u>360.8</u>	<u>(667.4)</u>	<u>1,028.2</u>	<u>>100%</u>
Profit/(loss) for the financial period								
Basic earnings/(loss) per share (sen)	4.23	(6.95)	11.2	>100%	7.71	(9.18)	16.9	>100%
Diluted earnings/(loss) per share (sen)	4.23	(6.95)	11.2	>100%	7.71	(9.18)	16.9	>100%

* 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. Additionally, Genting SkyWorlds theme park is a key attraction in augmenting RWG's integrated entertainment line-up. 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 www.rwhudsonvalleyny.com/

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

Resorts World Bimini, visit www.rwbimini.com

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