



# GENTING

BERHAD

**Postponed 53<sup>rd</sup> AGM  
Presentation  
23<sup>rd</sup> September 2021**



## 1. Key Performance Highlights

## 2. Business Review

- Genting Malaysia
- Genting Singapore
- Resorts World Las Vegas
- Genting Plantations
- Genting Energy

## 3. Looking Ahead

## 4. Pre-submitted Questions from MSWG and Shareholders

# KEY PERFORMANCE HIGHLIGHTS

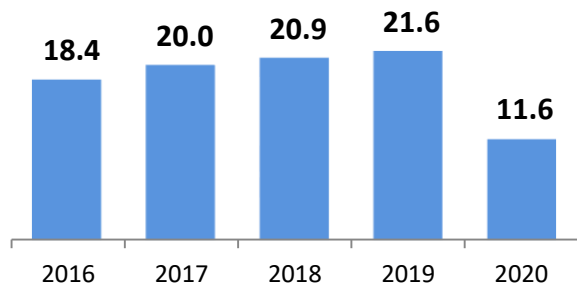
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# Group Financial Overview – Steady Growth

**Revenue**  
(RM billion)

**4-year CAGR: 6%**

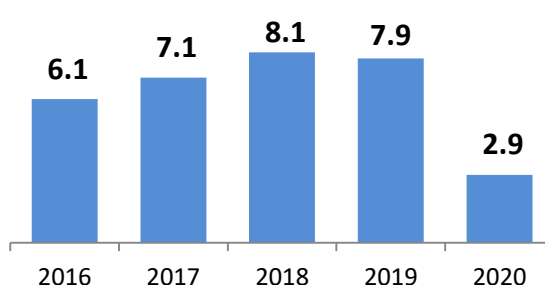
y-o-y:  
-47%



**EBITDA**  
(RM billion)

**4-year CAGR: 9%**

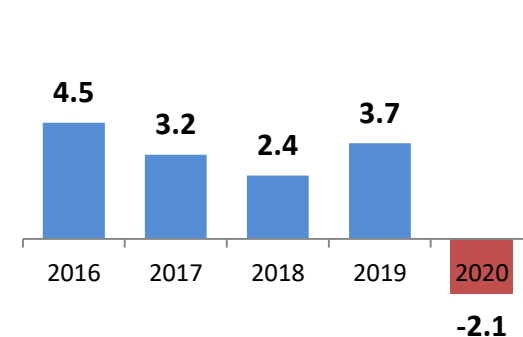
y-o-y:  
-63%



**Net Profit**  
(RM billion)

**4-year CAGR: -6%**

y-o-y:  
->100%



# Group Financial Overview – Balance sheet remains strong

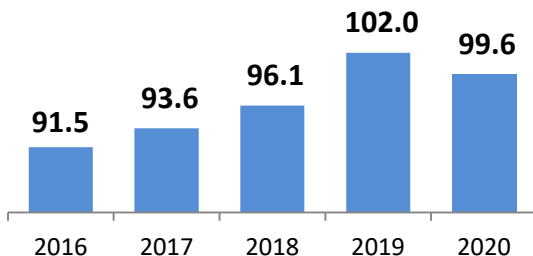


## Total Assets

(RM billion)

4-year CAGR: 4%

y-o-y:  
-2%

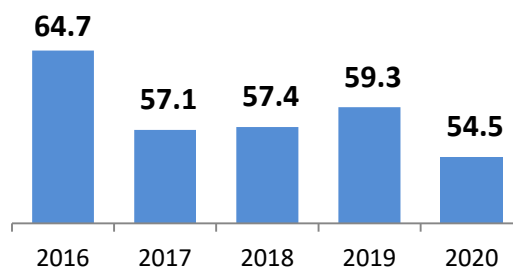


## Shareholders' Equity

(RM billion)

4-year CAGR: -3%

y-o-y:  
-8%

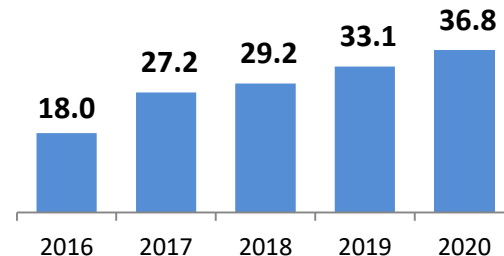


## Total Debt

(RM billion)

4-year CAGR: 23%

y-o-y:  
11%

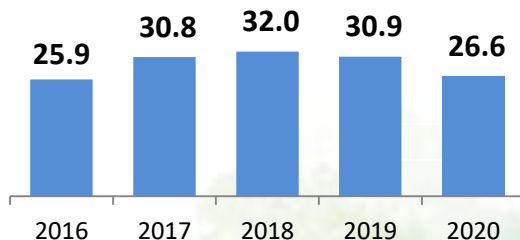


## Total Cash<sup>1</sup>

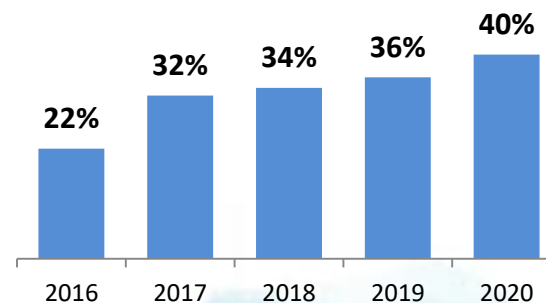
(RM billion)

4-year CAGR: 6%

y-o-y:  
-14%

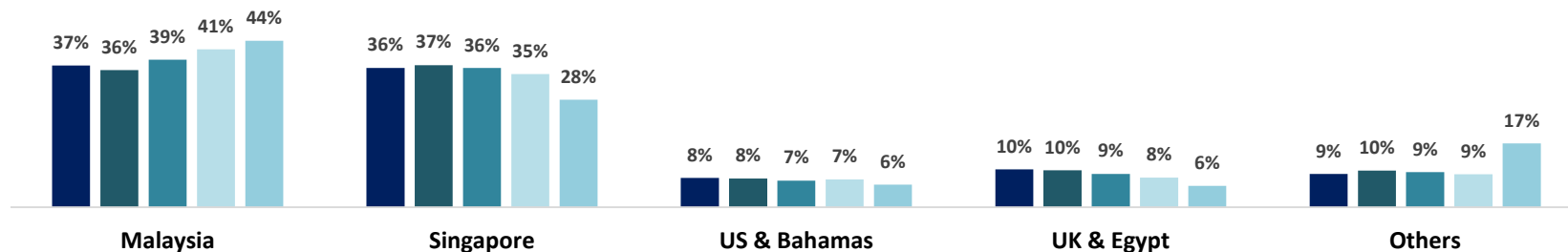


## Gearing Ratio<sup>2</sup>

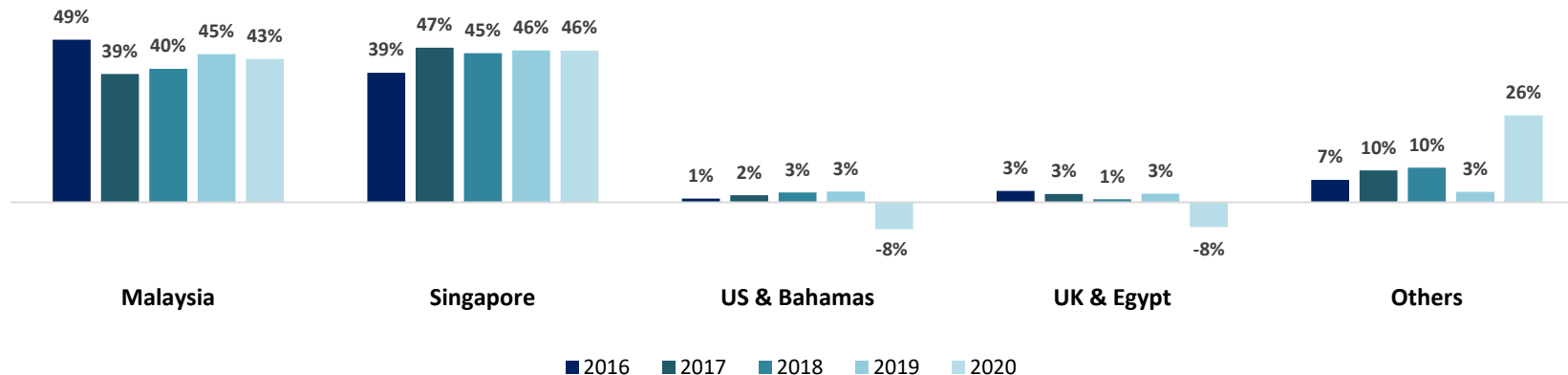


Notes: <sup>1</sup> Includes restricted cash <sup>2</sup> Calculated as total debt divided by total capital (debt and equity)

## Revenue by Location



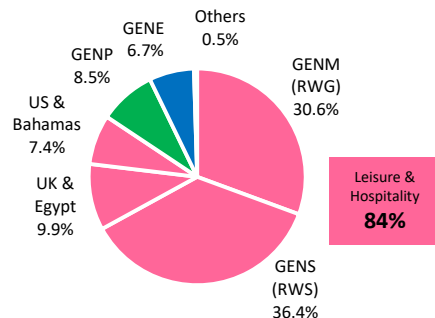
## EBITDA by Location



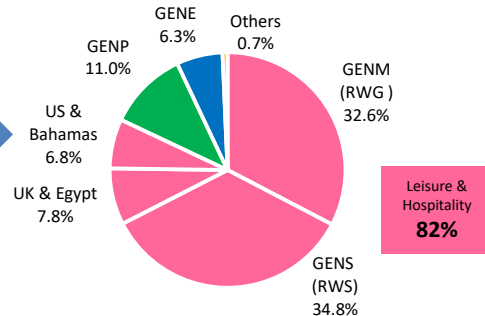
# Group Financial Overview - Business Segments

## Revenue by business segments

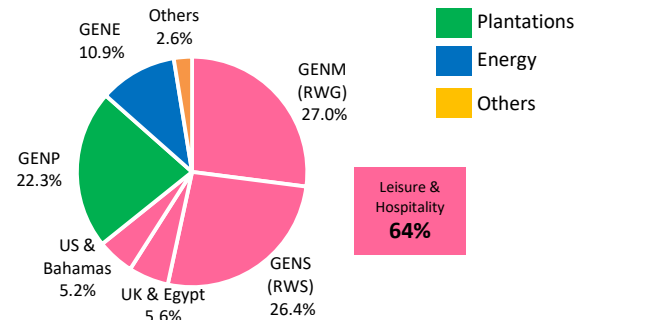
### 2016 - Revenue



### 2019 - Revenue

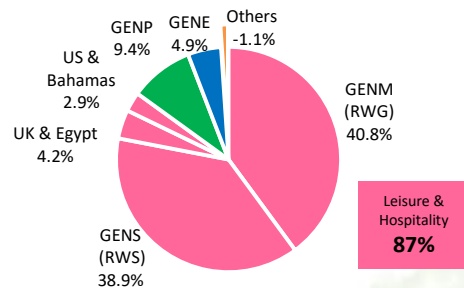


### 2020 - Revenue

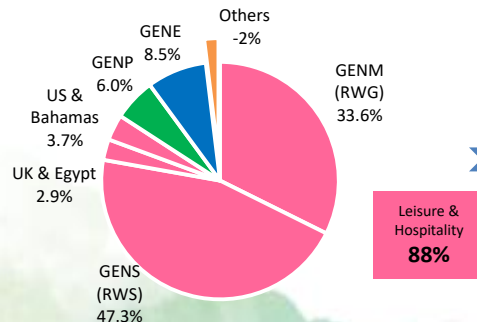


## EBITDA by business segments

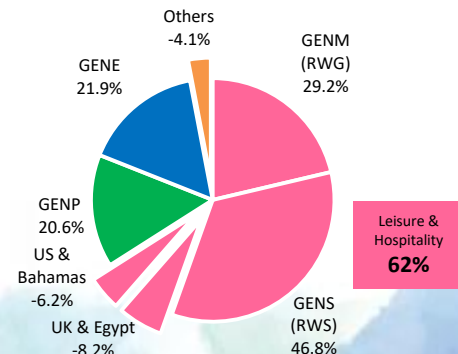
### 2016 - EBITDA



### 2019 - EBITDA



### 2020 - EBITDA



Leisure & Hospitality  
62%

GENM: Genting Malaysia

GENS: Genting Singapore

GENP: Genting Plantations

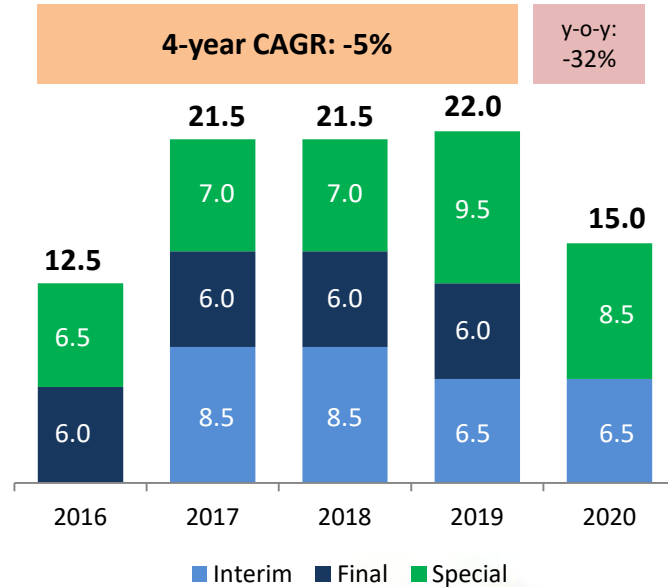
GENE: Genting Energy

RWG: Resorts World Genting

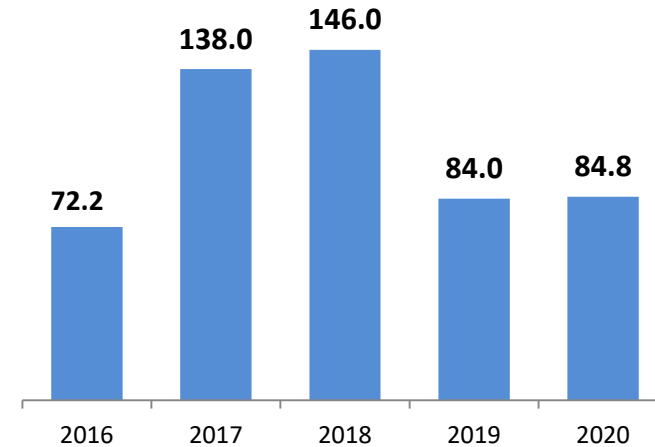
RWS: Resorts World Sentosa

# Group Financial Overview – Consistent dividends

**Dividend Per Share**  
(sen)



**Company Dividend Payout**  
(Percentage)





# Group Financial Overview – Capital Commitments for Global Expansion



<i>In RM million</i>	31 Dec 2020	31 Dec 2019	
Genting Malaysia - Malaysia	1,880	2,687	
- UK	92	352	
- US & Bahamas	1,261	1,737	
Genting Singapore	14,062	14,685	<b>SGD4.5 billion – RWS 2.0 project</b>
Genting Plantations - Malaysia	594	617	
- Indonesia	1,058	987	
Genting Energy - Power	106	101	
- Oil & Gas	51	203	
Resorts World Las Vegas	4,547	9,996	<b>Grand Opening - 24 June 2021</b>
Others	2	6	
<b>Total FY2020</b>	<b>23,653</b>	<b>31,371</b>	<b>↓ 25%</b>

## FY2020

Genting Berhad – Market  
Capitalisation

**RM17.2 billion**

as at 31 December 2020

↓ -26%

FY19: 23.3 billion



Employing over

**45,000**

people globally

↓ -18%

FY19: 55,000



Investments with  
operations in

**9 countries**

across **4** continents



Protecting

**64** endangered  
freshwater and marine  
species in Resorts World  
Sentosa



**94%**

of virgin rainforest in  
Resorts World Genting  
remained intact



**~1.0 million MT**

of biomass recycled  
from Oil Palm based  
operations (equivalent  
to 48% fresh fruit  
bunches produced)



Jangi wind farm produced  
over **184 kWh\*** of  
clean energy

•Equivalent to the  
electricity consumption  
of more than 152,000  
residents in India for a year



# BUSINESS REVIEW

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## BUSINESS REVIEW

### GENTING MALAYSIA

#### FY2020 Financial Highlights

Revenue

**RM4.5bn**

↓ 56%

EBITDA

**RM0.35bn**

↓ 87%

- ❖ Group registered positive EBITDA in FY2020 despite unprecedented challenges, anchored by Malaysian operations



## BUSINESS REVIEW

### MALAYSIA – Financials

In RM million	FY20	FY19	Change
Revenue	<b>3,133.3</b>	7,066.6	↓56%
Adjusted EBITDA	<b>672.0</b>	2,048.2	↓67%

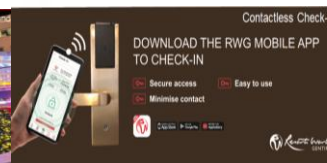
- ❖ Revenue declined mainly due to:
  - 3-month suspension of operations from 18 March 2020
  - Intermittent travel restrictions in 2H20
- ❖ Reopened with reduced capacity on 19 June 2020 to positive response
- ❖ Impact mitigated by recalibrated cost structure and re-engineered processes

### Resorts World Genting

- ❖ Improving operational efficiency through re-engineered processes by utilising artificial intelligence technology for automation and digitalisation (e.g. hotel yield management system, e-payment system, digital devices within the casino, digital keys to check into hotel rooms, intelligent queuing system, RWG FB chatbot and more)
- ❖ Exclusive world-class attractions and endless entertainment
- ❖ Genting SkyWorlds (new outdoor theme park) – to complete by end 2021



One of Asia's leading integrated resort destinations with ~10,500 rooms\*





## VIDEO

## BUSINESS REVIEW

### US & BAHAMAS – Financials

In USD million	FY20	FY19	Change
Revenue	<b>143.8</b>	354.6	↓59%
Adjusted EBITDA	<b>(38.7)</b>	69.7	↓>100%

- ❖ Revenue impacted by temporary closure of operations from mid-March 2020. Notwithstanding,
  - Reopening of RWNYC since 9 Sept 2020 have been well received
  - RW Bimini reopened since 26 December 2020
- ❖ Impact to earnings mitigated by streamlined operating cost at RWNYC

### Resorts World Casino New York City

- ❖ The first and only video gaming machine facility in New York City, USA
- ❖ The new 400-room Hyatt Regency JFK Airport at Resorts World New York Hotel opened on 6 August 2021
- ❖ The hotel features premium guest rooms, state-of-the-art conference space, renowned F&B outlets and additional gaming space

### Resorts World Bimini

- ❖ RW Bimini – to leverage partnerships with renowned cruise operators to grow business volume



## BUSINESS REVIEW

### US – Financials: Empire Resorts, Inc

In USD million	FY20	FY19	Change
Revenue	<b>96.9</b>	239.6	↓60%
Adjusted EBITDA	<b>(44.1)</b>	(43.3)	↓2%

- ❖ Performance impacted by temporary closure of Resorts World Catskills since mid-March 2020
- ❖ Strong rebound in operating performance since Resorts World Catskills resumed operations on 9 Sep 2020

### Resorts World Catskills

- ❖ 49%-owned associate of Genting Malaysia, through its investments in Empire Resorts, Inc. which totalled USD374 million in 2020
- ❖ 1 of 4 commercial gaming-licensed casinos in the New York State
- ❖ New York's newest casino resort with closest proximity to Manhattan
- ❖ Premium destination resort in the scenic Catskills Mountains, USA
- ❖ 150 live table games, ~1,600 video gaming machines, over 400 rooms across 2 premium hotels





## BUSINESS REVIEW

### GENTING SINGAPORE

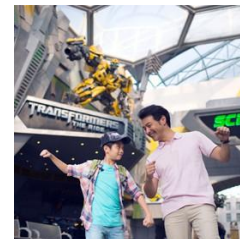
#### FY2020 Financial Highlights

Revenue  
~S\$1.10bn  
↓ 56%

EBITDA  
~S\$427mln  
↓ 64%

#### Resorts World Sentosa

- ❖ During this period of adversity, the resort took the opportunity to re-imagine and re-adapt its offerings for its guests – such as creating the specially curated staycation packages for local residents, fun-filled activities for Halloween treats and food offerings.
- ❖ At S.E.A. Aquarium, a new immersive zone was introduced, which is home to several rare marine species. With over 100,000 marine animals of over 800 species, this is one of the largest aquariums in the world.
- ❖ Also at S.E.A. Aquarium, Aqua Gastronomy - Singapore's first and only underwater destination dining experience, been very popular with guests since its launch in 2020.



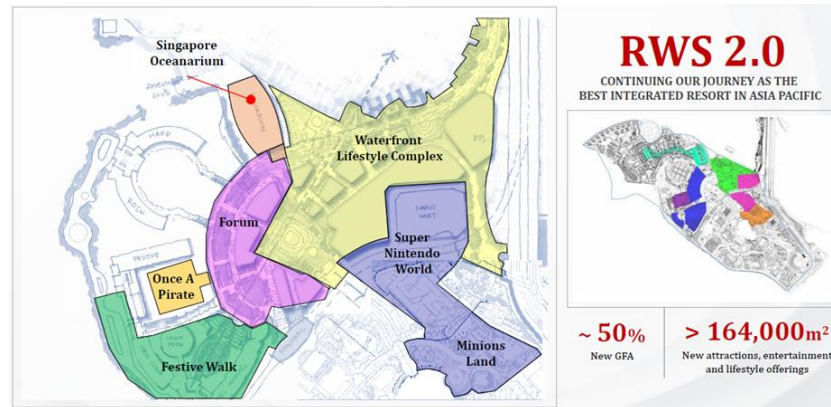
## BUSINESS REVIEW

### RWS EXPANSION PLAN

- ❖ RWS 2.0, the 5-year SGD4.5 billion mega expansion plan aims to transform Resorts World Sentosa into a centrepiece of Singapore's tourism sector.
- ❖ Revisions to its design works are ongoing and these include health and safety protocols to provide reassurance to visitors and sustainable urban features in keeping with Singapore's vision to become a top sustainable and innovative urban destination.

### JAPAN INTEGRATED RESORT OPPORTUNITY

- ❖ On 11 June 2021 - Genting Singapore announced that it was leading a consortium of local Japanese corporates and a bid was submitted in response to the Yokohama City's request for a proposal for an integrated resort project.
- ❖ On 10 September 2021 - the Yokohama City published its decision to cancel the Yokohama Integrated Resort Bid process, and accordingly, Genting Singapore's participation in the Yokohama IR bid was discontinued.





## BUSINESS REVIEW

### RESORTS WORLD LAS VEGAS - GRAND OPENING (24 JUNE 2021)



#### Grand Opening Ceremony

Genting Chairman Tan Sri KT Lim, Nevada Governor Steve Sisolak,  
Hilton CEO Chris Nassetta, Resorts World Las Vegas President  
Scott Sibella, Lim family and other VIPs



## BUSINESS REVIEW

### RESORTS WORLD LAS VEGAS - GRAND OPENING (24 JUNE 2021)



## BUSINESS REVIEW

### RESORTS WORLD LAS VEGAS

- ❖ First six days of operations, the resort recorded:
  - revenue: USD14.9 million, adjusted EBITDA: USD3.9 million driven by very strong casino and food and beverage operations.
  - 71.2% average hotel occupancy rate based on available rooms, average daily room rate: USD239.
- ❖ Helping to sustain the local economy in Nevada :
  - during the difficult COVID-19 pandemic times in 2020, by keeping its construction works going with over 4,000 construction workers employed
  - boosting local tourism and providing ~6,000 new jobs in 2021.





## BUSINESS REVIEW

### RESORTS WORLD LAS VEGAS

- ❖ **Exceptional accommodation using new age technology**  
3,506 guest rooms and suites  
(Las Vegas Hilton at Resorts World, Conrad Las Vegas at Resorts World and Crockfords Las Vegas, LXR Hotels & Resorts)
- ❖ **State-of-the-art casino** – 117,000 square feet of gaming space
- ❖ **Multiple dining options** – Over 40 food and beverage options
- ❖ **Mega concerts & entertainment** – 5,000-capacity concert and entertainment venue is outfitted to host a myriad of affairs
- ❖ **Retail shopping** – ~ 70,000 square feet of dedicated retail space
- ❖ **Entertaining nightlife** – partnering Zouk Group, the resort features a multiplicity of experiences in one entertainment complex
- ❖ **High-tech meeting facilities** – 250,000 square feet of flexible meeting and banquet space
- ❖ **Unique pool and spa experiences** – 5.5-acre pool complex featuring five unique pool experiences, including the only infinity-edge pool on the Las Vegas Strip



## BUSINESS REVIEW

### RESORTS WORLD LAS VEGAS

❖ Awana Spa – opened on 14 September 2021



❖ Zouk Nightclub – opened on 17 September 2021



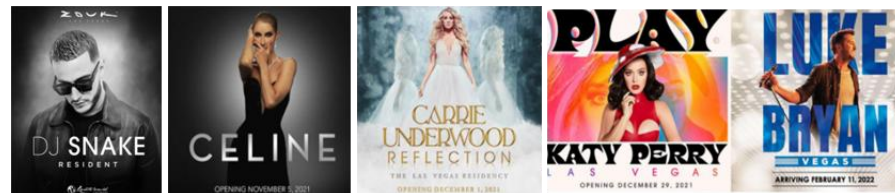
❖ The Theatre at Resorts World Las Vegas – opening soon



## BUSINESS REVIEW

### RESORTS WORLD LAS VEGAS

- ❖ **The Hilton partnership** Integrates three of Hilton's premium brands and Hilton Honors (the award-winning guest loyalty programme) into Resorts World Las Vegas:
  - **Las Vegas Hilton**  
1,774 full-service guest rooms and suites
  - **Conrad Las Vegas**  
1,496 contemporary guest rooms and suites
  - **Crockfords Las Vegas - LXR Hotels & Resorts**  
236 ultra-luxury guest rooms and suites
- ❖ Partnering **NV Energy** for a long-term fully bundled electric service using 100 percent renewable resources.
- ❖ Partnering **Konami Gaming, Inc.** for its exclusive gaming management system.
- ❖ Partnering with **Zouk Group** in "reinventing the traditional integrated hospitality experience in Las Vegas across every sector, including nightlife."





## BUSINESS REVIEW

### RESORTS WORLD LAS VEGAS

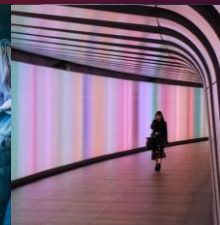
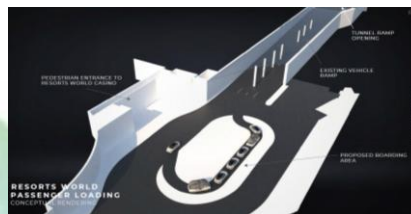
#### ❖ Most Technologically Advanced Resort in Las Vegas

using artificial intelligence based systems and applications to create or offer unique and innovative features, such as:

- **West Tower Screen** with 100,000-square-foot LED screen (one of the nation's largest) dedicated to provide immersive content, entertainment and a visual showcase for any event, company or product launch.
- **Red** is the resort's digital concierge, ready to serve the guests at anytime, anywhere.
- Mobile check in and contactless digital key via **Hilton Honors app**.
- **Play+** is Resorts World Las Vegas' app that uses a smartphone to play cashless at the casino and a mobile wallet to pay cashless at resort restaurants, shops and bars.
- **RFID casino chips** with radio-frequency identification tracking features to ensure accuracy for individual player's gameplay.
- Three irresistibly cute **robotic puppies** to welcome guests at the resort.
- **High-tech meeting space** with interactive walls and the finest audiovisual solutions available for the modern meeting.
- Resorts World Las Vegas passenger station and tunnel connecting the resort to Las Vegas Convention Centre (LVCC) and Vegas Loop (via underground tunnels in all-electric Tesla vehicles) in minutes, will soon be ready by end 2021.

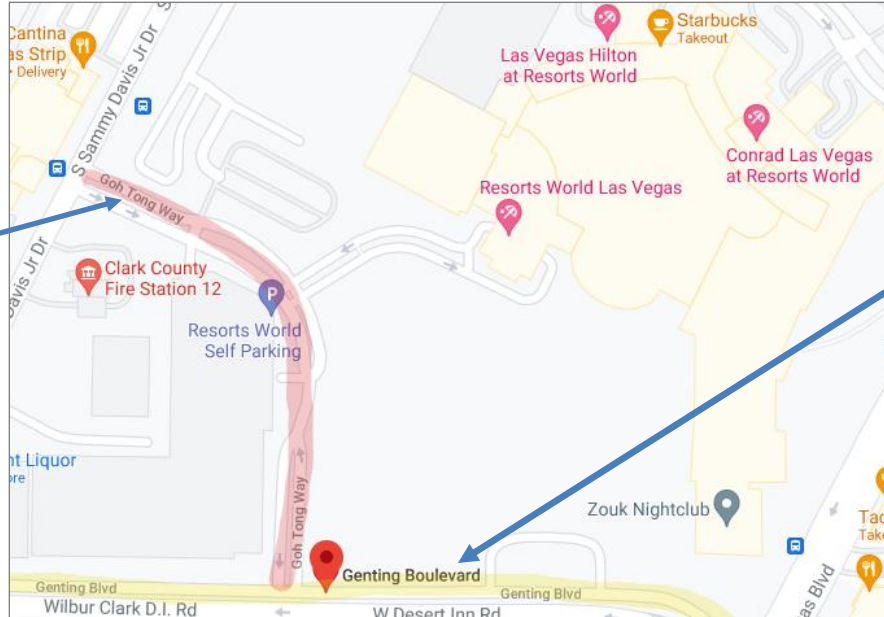


### IMMERSIVE TECHNOLOGY



## BUSINESS REVIEW

RESORTS WORLD LAS VEGAS – dedicated street names “Genting Boulevard” and “Goh Tong Way”



# Plantations & Downstream Manufacturing

## BUSINESS REVIEW

### GENTING PLANTATIONS

- ❖ One of Malaysia's lowest cost oil palm producer with total landbank of 243,446 hectares.
- ❖ 12 oil mills with total milling capacity of 665 metric tonnes/hour (tph). Indonesia milling capacity expanded from 255 tph in 2018 to 370 tph in 2020 and 420 tph by 2022.
- ❖ Replanting in Malaysia to sustain favourable age profile (Average palm age = 11.7 years), 12,000 hectares replanted to-date since 2017.

### Downstream Manufacturing

- ❖ Satisfactory performance (8% revenue growth) amidst challenging environment
- ❖ Energy cost saving with Liquified Natural Gas ("LNG") - biodiesel plant started using LNG in 3Q2020

### FY2020 Financial Highlights

#### Revenue

**RM2.50 bn**

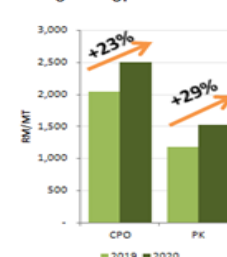
↑10%

#### EBITDA

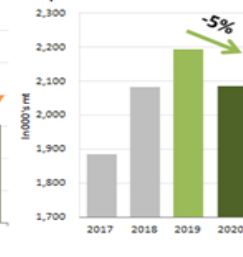
**RM590mn**

↑36%

Average selling price



FFB production



### Improvement... Energy cost saving with LNG

- Biodiesel plant started using LNG in 3Q 2020;
- The 2<sup>nd</sup> plant under Genting Integrated Biorefinery using LNG



LNG tanker with Genting Biodiesel Sdn Bhd plant



Commissioning of burner - Aug'20





## BUSINESS REVIEW

### Biotechnology

- ❖ Genomics R&D of high yielding planting materials and microbial solutions, towards Genting Plantations' profitability – such as:
  - **Marker-Driven High Yielding Planting Materials** - early yield of 20% improvement,
  - **SIRIM-certified** mother palms with desired high yielding traits for full-scale replanting in 2022.
  - **Yield Booster**, a flagship biofertiliser product developed by ACGT Sdn Bhd for optimal plant growth and disease control, has shown average yield increased by 17% and reduced inorganic usage by 25%. A three-fold increase in Genting Plantations' adoption of Yield Booster in 2020.



ACGT Laboratories



Rumah Mampu Biaya Johor



Genting Indahpura



Johor Premium Outlets®



Genting Highlands Premium Outlets®

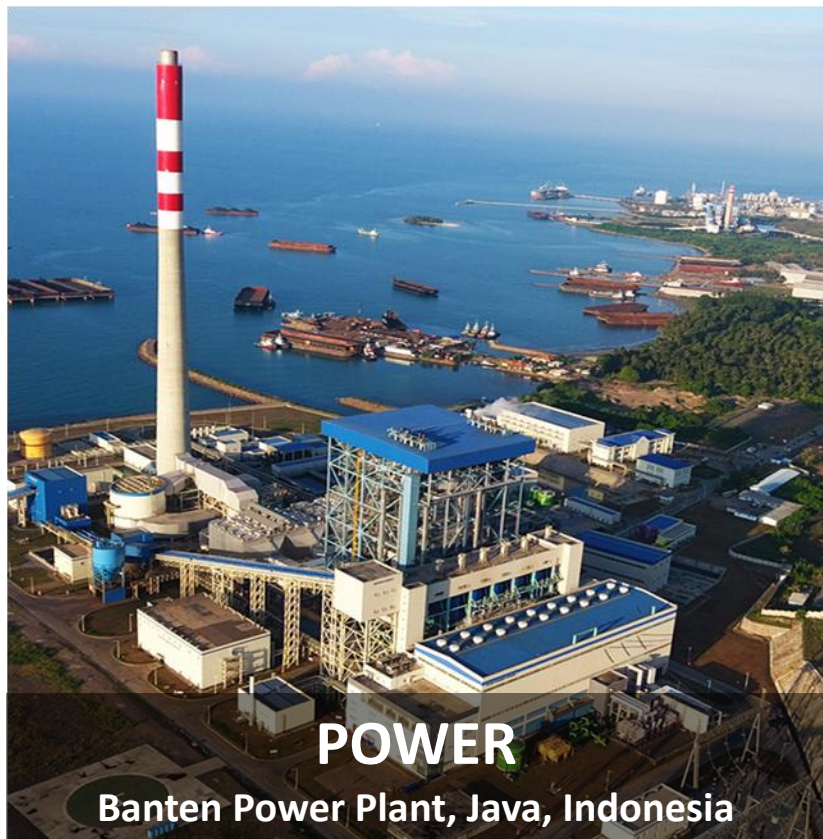
### Property

- ❖ Property sales declined by 42% in 2020 due to soft property market conditions owing to the pandemic,
- ❖ Prudent approach - new launches timed towards later part of 2020, offering attractive and affordable pricing. Received encouraging response with 65% units sold or booked at end December 2020

### Premium Outlets®

- ❖ Impacted by pandemic (share of joint-venture profit declined by 39%)
- ❖ Silver winner for “Transportation, Travel & Tourism” category of the Putra Brand Awards 2020.
- ❖ Maintained near-full occupancy of lettable area in 2020. Some new brand partners openings in 2020 and 2021

## BUSINESS REVIEW



### FY2020 Financials Highlights

Revenue  
**RM1.28bn**  
↓7%

Adjusted EBITDA  
**RM0.61bn**  
↓9%



## BUSINESS REVIEW

### Power



Indonesia – Banten power plant

- ❖ Achieved more than 80% plant availability in 2020.
- ❖ Recognised for its reliability, efficiency and good environmental management practices
- ❖ Received certificate of appreciation from the state utility company in 2020 for its support and cooperation in the power grid stabilisation



China – Meizhou Wan power plants

- ❖ Record-high revenue and profit in 2020, following the drought season in Fujian province and improvement in China's economy, both contributed to higher power generation; coupled with lower coal prices.
- ❖ Net contribution of RM195 million in 2020 to the Group.



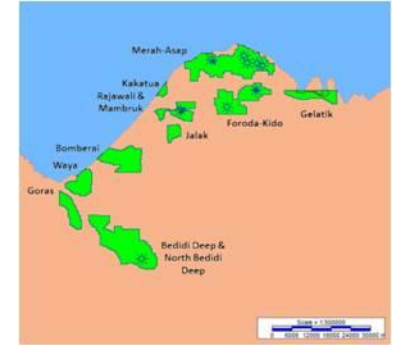
India – Jangi wind farm

- ❖ Genting Energy's first renewable project, generated ~184GWh in 2020 or over 2,005GWh of clean energy since its inception
- ❖ Consistently high availability rates, 2020: 97.4%
- ❖ Installation of the copper cap to mitigate the risk of lightning strikes is in progress



## BUSINESS REVIEW

### Oil & Gas



#### China – Chengdaoxi Oil Field

- ❖ Delivered approximately 2.9 million barrels of oil in 2020 and Genting Oil & Gas' share was above 1.4 million barrels of oil.
- ❖ China Petroleum & Chemical Corporation (Sinopec) is the partner of this joint venture.

#### Indonesia – Kasuri Block

- ❖ Drilled 10 wells, extensive 2D and 3D seismic carried out
- ❖ POD 1 will utilise 1.7tcf of Gas Initially In Place (“GIIP”) in the Roabiba formation in the Asap, Merah and Kido (“AMK”) structures
- ❖ Gas to be sold to 3rd party petrochemical plant for 20 years; pending internal and Government approval
- ❖ Front End Engineering Design work and Environmental Impact Assessment are in progress

## BUSINESS REVIEW




- ❖ For the past decade, Genting has invested in life science companies that are in various stages of R&D for new treatments and new ways to improve our health and lifestyle.
- ❖ Our investments in:
  - **TauRx Pharmaceuticals Ltd** and **Genting TauRx Diagnostics Centre Sdn Bhd** support research and clinical trials in the on-going fight against Alzheimer's Disease from the perspective of early diagnosis and treatment.
  - **DNAe Group Holdings Limited**, **Cortechs Labs Inc.** and **Celularity Inc.** aim to find ways to detect and treat diseases in the fields of oncology and neuro-degeneration.
- ❖ Celularity Inc. has four active and enrolling clinical trials and plans to submit three additional applications in 2021. In January 2021, it entered into a definitive merger agreement with Nasdaq-listed GX Acquisition Corp. The merger was completed on 16 July and GX Acquisition was renamed as Celularity Inc. The shares of the combined company were listed on Nasdaq on 19 July 2021 under the ticker symbol "CELU".



# Awards

## GENTING BERHAD


 Top 3 Most Valuable Malaysian Brands in 2020 (*Brand Finance*)

### GENTING SINGAPORE - Resorts World Sentosa

Best Integrated Resort (International) - inaugural winner  
(13th Annual TTG China Travel Awards 2020)

Best Integrated Resort (Asia Pacific) – 6th consecutive year  
(Travel Weekly Asia 2020 Readers' Choice Awards)


### GENTING MALAYSIA - Resorts World Genting

 Gold Award for Family Theme Park (*Reader's Digest Trusted Brands 2020*)

Crockfords Hotel – Five-Star Award &  
Genting Grand – Four-Star Award

(2020 Forbes Travel Guide Star Ratings by Forbes Travel Guide)

## GENTING PLANTATIONS

 “Asia’s Most Outstanding Company in Malaysia – Plantation Sector”  
(*Asiamoney - Asia’s Outstanding Companies 2020 Poll - Malaysia*)

## GENTING ENERGY

### Banten Power Plant

Programme for Pollution Control, Evaluation and Rating (Rated Blue)

– 2nd consecutive year

(*Ministry of Environment & Forestry, Indonesia*)

“ISO 45001:2018 Occupational Health & Safety Management” certification

2019 award received in 2020:

“1,325,619 Hours Lost Time Injury Free Award”

(From 1 November 2018 to 30 September 2019)

(*Ministry of Manpower, Indonesia*)



### Meizhou Wan Power Plant

China Power Industry AAA Credit Rating Enterprise

(*China Electricity Council - 中国电力企业联合会*)



Outstanding Economic Contribution Enterprise of Putian City 2020

(*Putian City Finance Bureau – 莆田市财政局*)

Top Taxpayer of Putian City 2020 (100-500 million yuan category)

(*Putian Municipal People's Government – 莆田人民政府*)

Top Tier Enterprise for Fujian Electric Power Industry Occupational Safety 2019

(*Fujian Provincial Regulatory Office*

*of National Energy Administration – 国家能源局福建监管办公室*)

- ❖ Global tourism, leisure and gaming industries are among the sectors hardest hit by the COVID-19 pandemic. For the first time in our history, we had to temporarily close all our resort operations worldwide at intermittent periods, in compliance with respective government directives.
- ❖ To protect our customers and employees, proactive implementation of stringent health and safety measures was done group-wide, in compliance with government guidelines and global best practices. These measures include body temperature screening, compulsory face mask, regular sanitisation of properties and offices, hand sanitising stations at key entry points and high traffic areas in resorts and offices, social distancing policy, lunch hours by shift and rotating work schedules of employees.
- ❖ In such challenging times, we have remained steadfast, focused and resilient to weather through the adversity. Adapting to this new reality required some very difficult decisions to be made that involved recalibrating operational structures and rightsizing the workforce to ensure long term sustainability of our leisure-based businesses.
- ❖ Our diversified business strategy and cost rationalisation exercises helped to mitigate the adverse impact to the Genting Group's overall financial performance in 2020.
- ❖ If the world-wide pandemic improves, our group businesses are expected to improve in tandem. However, the ongoing concerns and uncertainties amid the fluidity of the COVID-19 situation worldwide remain a significant downside risk.

## PRE-SUBMITTED QUESTIONS FROM THE MINORITY SHAREHOLDERS WATCH GROUP (“MSWG”)

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 1: OPERATIONAL AND FINANCIAL MATTERS

#### Question 1:

Genting Plantations recorded higher revenue and earnings mainly due to stronger palm products prices which outweighed the lower output of fresh fruit bunches. The downstream manufacturing business recorded lower sales volume and earnings as the biodiesel and refinery operations registered lower capacity utilisation.

(a) What is the outlook for palm products prices and output of fresh fruit bunches (“FFB”) for the rest of 2021?

#### Response:

***Genting Plantations expects palm oil prices to be primarily influenced by the impact of the pandemic on global economic conditions, as well as the demand and supply dynamics of palm oil and other substitute (oils and fats). For the full year of 2021, the Malaysian Palm Oil Board (“MPOB”) expects palm oil prices to average at RM4,000/mt, due to lower CPO production.***

***Up till August 2021, FFB production has improved by 4% year-on-year and based on the crop trend observed so far, GENP expects overall FFB production growth to continue for the rest of the year, underpinned by additional mature areas and favourable age profile of its Indonesian operations. However, replanting activities are likely to moderate the output of FFB from its Malaysian estates.***

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 1: OPERATIONAL AND FINANCIAL MATTERS

#### Question 1:

- (b) What were the reasons for lower capacity utilisation for biodiesel and refinery operations in 2020 and the outlook for 2021?

#### Response:

*The reasons were due to lower demand for Malaysian refined palm products arising from the competition from Indonesian refineries) and lower demand for biodiesel arising from the unfavourable palm oil-gas oil (“POGO”) spread. The outlook for 2021 remains challenging.*

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 1: OPERATIONAL AND FINANCIAL MATTERS

#### Question 2:

Genting Energy recorded lower revenue and earnings from the power business in 2020, mainly due to lower net generation and lower coal prices.

(a) What were the reasons for the lower net generation? What is the outlook for 2021?

#### Response:

*The lower net generation was mainly due to Banten plant which had an unscheduled plant shut in 2020 and Jangi wind farm which experienced lower wind speed throughout the year. The outlook for the Energy division remains positive for 2021.*

(b) What action plans have been taken to improve revenue and earnings?

#### Response:

*The Banten plant underwent a standard planned minor maintenance in 2020 (after three years of operations) to enhance the plant's reliability and efficiency. The Genting Energy team will continue to strive for better plant performance and cost efficiency.*

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 1: OPERATIONAL AND FINANCIAL MATTERS

#### Question 3:

Genting Plantations' biotechnology team strives to deliver value through its genomics research and the development of high yielding planting materials and microbial solutions. What achievements have been made to-date and how have these translated into high yielding planting materials and microbial solutions? (please provide figures, where applicable)

#### Response:

*Genting Plantations' biotechnology team has successfully completed sequencing three genomes for the oil palm, jatropha and Ganoderma. These genomes, as well as the R&D programme have helped better understand the genetics of oil palm yield potential and other traits. It has also contributed to the creation of the Titanium Platform Technology, the industry's most-complete oil palm reference genome that contributed towards the development of markers to predict high yielding oil palm planting materials.*

*In 2019, the team successfully obtained the oil palm DxP seed production license from MPOB. The high yielding planting materials (commercially planted in about 600 hectares of Genting Plantations' replanting programme since 2015) have shown an encouraging yield improvement of 20% in the second year. Complementing the superior planting materials, the team's flagship biofertiliser product, Yield Booster addresses the prevalent issues present in plant health, for optimal plant growth and disease control. The Yield Booster exhibited an average 17% yield increment, with 25% reduction in the use of inorganic fertilisers.*

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 1: OPERATIONAL AND FINANCIAL MATTERS

#### Question 4:

Genting Energy's key power operations remained stable and contributed positively throughout 2020, with record high revenue and increased profits from Meizhou Wan ("MZW") power plants in Fujian, China, due to increased power generation and lower coal costs. What is the utilisation rate of the plants? Are the good revenue and profits and lower coal costs sustainable?

#### **Response:**

***The MZW power plant in China does not adopt utilisation rate but instead the plant is paid based on generation in kWh. The generation of MZW power plant in 2020 was 7% higher than 2019, due to lower hydropower generation caused by drought in Southern China in 2020. The merger of phase 1 & phase 2 in 2019 has also increased operational efficiency and improved net contribution by more than 50%.***

	2020	2019	Y-O-Y change
MZW (GWh)	13,267.1	12,431.1	7%
Net contributions (RM 'mil)	195	115	70%

***The generation from MZW plant for 2021 is expected to be sustainable, amidst booming economy subsequent to the COVID 19 pandemic which hit China badly earlier last year. However, coal costs will move in tandem with the global commodity prices. Following China's decision to curb the environmental pollution in the country, the supplies of coal in the market has tightened, resulting in higher coal prices in 1H2021.***



## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 1: OPERATIONAL AND FINANCIAL MATTERS

#### Question 5:

In relation to Genting Singapore's geographical diversification strategy, it is encouraged by the steps taken by the City of Yokohama to launch a formal bidding process for the development of an Integrated Resort which will transform the City to become a gateway to Japan for inbound visitors and contribute towards Japan's tourism growth strategy. What is the latest development and status of the Integrated Project?

#### **Response:**

***On 10 September 2021, the Yokohama City published its decision to cancel the Yokohama Integrated Resort Bid process, and accordingly, Genting Singapore's participation in the Yokohama IR bid was discontinued.***

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 1: OPERATIONAL AND FINANCIAL MATTERS

#### Question 6:

Utilising 1.7 trillion cubic feet of discovered gas-in-place, Genting Oil Kasuri Pte Ltd plans to supply about 170 million cubic feet per day of natural gas until the end of the production sharing contract to a petrochemical plant in West Papua, which is in the plan and will be built by a third party.

(a) What is the duration of the production sharing contract and when will it end?

#### Response:

***Approval in principle has been received to extend the existing production sharing contract from current expiry in year 2038 to 2050.***

(b) When is the petrochemical plant scheduled to be completed?

#### Response:

***The petrochemical plant is scheduled to be completed in Q4 2026. The COVID 19 pandemic situation has caused delays in the ongoing studies and discussions relating to the development of this project.***

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 1: OPERATIONAL AND FINANCIAL MATTERS

#### Question 7:

Genting Plantations' commitment towards sustainability has resulted in its continued engagement with industry certification bodies for its operations. Seven of the oil mills and nineteen of the estates have been certified to-date by the Roundtable for Sustainable Palm Oil ("RSPO"). When are the remaining five mills and remaining estates targeted to be certified by RSPO?

#### Response:

***Based on the time-bound plan for RSPO certification, Genting Plantations plans to achieve full certification in 2023, subject to obtaining Hak Guna Usaha for its Indonesian estates.***

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 2: CORPORATE GOVERNANCE MATTERS

#### Question 1:

Group revenue had declined by 46.5% from FY 2019 to FY 2020 while a net profit of RM3,681.1 million in FY 2019 had turned into a net loss of RM2,074.0 million in FY 2020 (a sharp drop of 156.3%). With such poor financial performance, for FY 2020, two of the executive directors namely the Chairman and Chief Executive, Tan Sri Lim Kok Thay and Deputy Chief Executive and Executive Director, Mr. Lim Keong Hui still received substantial remuneration. A summary of their total remuneration is as follows:

		RM million		
		FY 2020	FY 2019	% change
(i)	Tan Sri Lim Kok Thay	151.34	151.09	+ 0.37
(ii)	Mr. Lim Keong Hui	17.94	19.34	- 7.24

MSWG also noted that for Tan Sri Lim's remuneration, there was a significant hike in other short term employee benefits from RM0.42 million in FY 2019 to RM51.34 million in FY 2020.

- Kindly justify the two executive directors' remuneration in the context of the Group's deteriorating performance.
- What was the reason for the significant increase in Tan Sri Lim's other short term employee benefits and the justification?

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 2: CORPORATE GOVERNANCE MATTERS

#### Question 1 (cont'd):

#### Response:

- a) *We note that the question is based on the group financial data which includes contributions from our subsidiaries. The proper context is to look from the company level which recorded a decline in profit after tax of 32% in 2020. In line with this, total salaries and bonuses for Chairman and Chief Executive Tan Sri Lim Kok Thay and Deputy Chief Executive and Executive Director Mr Lim Keong Hui declined by 30% and 10% respectively in 2020.*

(The remuneration information was disclosed in AR2020 page 69 and AR2019 page 65)

- b) *The increase in 'other short-term employee benefits' relates to a contingent bonus accrued by Genting Singapore Limited, which is conditional upon Genting Singapore being successful in its bid for the Japan integrated resort. No payment of this contingent bonus award would be made since Genting Singapore is not successful in the bid for the Japan integrated resort.*

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 2: CORPORATE GOVERNANCE MATTERS

#### Question 2:

Practice 4.2 of Malaysian Code on Corporate Governance (MCCG) states that the tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process. There is an independent director, with tenure exceeding nine years, where no resolution was proposed to seek shareholders' approval to retain him as an independent director beyond nine years. The Company departs from the Practice and proposes a timeframe of 9 years to apply the Practice. The timeframe of nine years is unreasonably long and the application of the Practice should be expedited to, say, 3 years or below.



## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 2: CORPORATE GOVERNANCE MATTERS

#### Question 2 (cont'd):

#### Response:

- *Although a timeframe of 9 years is proposed, the Board is of the view that the ability of long serving independent directors to remain independent and to discharge their duties with integrity and competency should not be measured solely by tenure of service.*
- *Their long service should not affect their independence as they are independently-minded and they continue to provide the necessary check and balance in the best interest of the Company.*
- *The Independent Director serving more than nine years is a person with high calibre and his vast knowledge and experience contribute positively to the growth of the Group.*
- *He has also provided an undertaking to Bursa Securities confirming and declaring that he is an “independent director” as defined under paragraph 1.01 of the Main Market Listing Requirements of Bursa Securities.*

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 2: CORPORATE GOVERNANCE MATTERS

#### Question 3:

Practice 4.5 of Malaysian Code on Corporate Governance (MCCG) stipulates that the board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

The Company departs from the Practice and proposes a timeframe of 9 years to apply the Practice. The timeframe is unreasonably long and the application of the Practice should be expedited to, say, 3 years or below.

#### Response:

- ***Although a timeframe of 9 years is proposed, the Board is mindful of the target of at least 30% women directors and had taken the initial step to appoint one female director.***
- ***As and when required for any vacant Board position in the future, the Board when sourcing for suitable candidates, would give consideration to identify suitably qualified women candidates in line with the recommendation of MCCG.***

## PRE-SUBMITTED QUESTIONS FROM MSWG:

### PART 2: CORPORATE GOVERNANCE MATTERS

#### Question 4:

Practice 4.6 of MCCG stipulates that in identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

The Company departs from the Practice and proposes a timeframe of 9 years to apply the Practice. MSWG is of the view that the timeframe is unreasonably long and the application of the Practice should be expedited to, say, 3 years.

#### Response

- ***The Group operates in a specialised and highly regulated industry. Hence, there are limited potential candidates with background which fits the criteria requirements.***
- ***Although a timeframe of 9 years is proposed, the Board is open to utilising independent sources to identify suitably qualified candidates, where necessary.***

## PRE-SUBMITTED QUESTIONS FROM THE SHAREHOLDERS

## PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS:

### 1. DIVIDEND POLICY & NO DOOR GIFT

#### Question:

We have received questions from shareholders requesting for participation or door gifts such as e-vouchers, e-coupons or e-wallet credits as a token of appreciation for attending this virtual AGM.

#### Response:

***Kindly be informed that there will be no distribution of door gifts or food vouchers for this AGM. Our main method of rewarding shareholders is by payment of dividends. Genting Berhad will endeavour to preserve liquidity and strengthen its financial resilience during this uncertain and challenging period.***

***We will continue to balance the need to reward our shareholders with dividends against the need to set aside and conserve funds for financial prudence and future growth. All relevant factors are taken into consideration when assessing our dividend policy during this challenging and uncertain business environment.***



## PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS:

### 2. VIRTUAL AGM

#### Question:

How cost effective is this year's virtual AGM compared to last year's virtual AGM and to previous year's physical AGM ? Are Directors attending this virtual AGM being paid meeting allowances?

#### Response:

***There is cost-saving but it is not significant. There is no meeting allowance for Directors attending the AGM, either virtually or physically. More importantly, the virtual AGM is held in line with the government's movement control restrictions on the COVID-19 pandemic to safeguard our shareholders.***

## PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS:

### 3. Environment, Social and Governance

Question:

What is Genting Berhad's commitment in managing ESG (Environment, Social and Governance) issues?

Response:

*ESG is a new global theme which we view as important. Going forward, as further steps towards our commitment to ESG, we are looking to bring an in-house senior corporate sustainability practitioner to review and spearhead the sustainability agenda of Genting Berhad.*

## PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS:

### 4. COVID-19 PANDEMIC

#### Question:

How did the company manage the COVID-19 pandemic and what is the outlook?

#### Response:

***The company has undertaken proactive measures to manage the impact of the COVID-19 pandemic by adhering to all SOPs including managing and operating our businesses remotely away from our office. To reduce operational costs in addition to the Malaysian Government's wage subsidy programme and electricity discounts, the company also implemented a voluntary salary reduction exercise in 2020.***

***The outlook remains challenging as recent COVID-19 developments continue to pose uncertainties. We hope the gradual lifting of restrictions will enable businesses to slowly recover.***

## PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS:

### 5. DIGITAL BANKING

Question:

Is Genting interested in digital banking?

**Response:**

*We have always been at the forefront in applying technology to our businesses across the group such as Perfect Pay gaming table, on-premise mobile gaming, AI-based Agtech solution for plantation, mobile wallet for remittance of funds and RWLV – the only casino in the world providing end-to-end cashless experience (cashless wagering and purchases) throughout the resort.*

## PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS:

### 6. ONLINE GAMING

Question:

Will Genting Berhad venture into online gaming?

Response:

*This is an area of interest to Genting Berhad as it provides access to a wider gaming market using the latest technology. However, we will be selective as we need to understand the legal framework of the relevant jurisdiction. If relevant, such venture will be undertaken by one of the subsidiaries.*



## PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS:

### 7. LIFE SCIENCES - TAURX

#### Question:

Please update us regarding the progress of the Alzheimer's medicine which is currently being developed by TauRx Pharmaceuticals and is there any target year when this medicine will be approved by US FDA?

#### Response:

***TauRx Pharmaceuticals is conducting its Phase 3 clinical trials in North America and Europe and the results of the trial will be available in mid-2022. Upon completion of the trial and if successful, TauRx will submit to FDA for approval and the timing will depend on FDA's assessment.***

## PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS:

### 8. RESORTS WORLD LAS VEGAS (“RWLV”)

#### Question:

How is the performance of RWLV and what is its outlook? Any listing plans?

#### Response:

*RWLV has produced better-than-expected results with a large number of guests enjoying the resort’s various offerings since its opening day. RWLV will keep the momentum going by capitalising on the return of the convention business to the Las Vegas market and with new amenities being planned in the near future. Going forward, RWLV hopes to perform better, unless the pandemic situation worsens. Listing is one of the many ways to monetise the value of RWLV and we will take this into consideration when reviewing all available options.*

## PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS:

### 9. MACAU OPPORTUNITIES

Question:

Are there any opportunities for Genting in Macau?

Response:

***Yes, we are interested in Macau as it is an opportunity for a strong Asian-based gaming operator like Genting, with vast experience operating in other highly regulated casino jurisdictions, to similarly operate in this jurisdiction.***

## PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS:

### 10. GENTING HONG KONG

Question:

What is the amount currently owning by Genting Hong Kong, any impairment and what are the chances of its recovery ?

Response:

*The bulk of the outstanding amount relates to rental charges for office space between Genting Malaysia and Genting Hong Kong and which has since been settled. Hence, there are no issues with impairment.*

## End of CFO Presentation

### **Disclaimer**

*Some of the statements made in this presentation which are not statements of historical facts are forward-looking statements and are based on the current beliefs, assumptions, expectations, estimates, objectives and projections of the directors and management of Genting Berhad and its subsidiaries ("Group") about its business and the industry and markets in which it operates. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors some of which are beyond the control of the Group and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward looking statements as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risks. The Group does not undertake to update these forward-looking statements to reflect events or circumstances that may arise after publication.*