



GENTING

BERHAD

Registration No. 196801000315 (7916-A)

PRESS RELEASE

For Immediate Release

**GENTING BERHAD ANNOUNCES FIRST QUARTER RESULTS
FOR THE PERIOD ENDED 31 MARCH 2022**

KUALA LUMPUR, 26 MAY 2022 - Genting Berhad today announced its financial results for the first quarter ended 31 March 2022 ("1Q22").

In 1Q22, Group revenue was RM4,213.9 million, a substantial increase of 87% compared with the previous year's corresponding quarter's ("1Q21") revenue of RM2,253.1 million with Leisure & Hospitality Division being the main contributor to the higher revenue. Consequently, adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") of RM1,301.7 million, more than doubled from 1Q21 in line with the increase in revenue.

Revenue from Resorts World Sentosa ("RWS") improved over 1Q21 which operational performance had been impacted by the Coronavirus Disease 2019 ("COVID-19") pandemic. However, EBITDA dipped mainly due to the rise in utilities expenses and the expiry of COVID-19 related Government support measures.

Revenue from Resorts World Genting ("RWG") improved substantially mainly due to higher business volume from the gaming and non-gaming segments as a result of the easing of travel restrictions during 1Q22. Revenue for 1Q21 had been impacted by the temporary closure of RWG for almost one month followed by the re-imposition of travel restrictions across the country caused by the adverse impact of COVID-19 pandemic. Consequently, RWG recorded EBITDA in 1Q22 compared with an adjusted loss before interest, tax, depreciation and amortisation ("LBITDA") in 1Q21 mainly due to the higher revenue and higher debts recovery.

The leisure and hospitality business in United Kingdom ("UK") and Egypt recorded higher revenue in 1Q22 compared with 1Q21 as the latter period had been impacted by the nationwide lockdown in the UK with effect from early January 2021 as a result of COVID-19 pandemic, when all the land-based casinos and resort operations had been temporarily closed. Genting Malaysia Berhad ("GENM") Group's land-based casinos in the UK have re-opened since mid-May 2021. EBITDA was recorded compared with LBITDA in 1Q21 primarily due to higher revenue partially offset by higher payroll and related costs following the resumption of its operations since mid-May 2021.

Higher revenue and EBITDA from the leisure and hospitality business in United States of America ("US") and Bahamas was mainly due to the strong operating performance from Resorts World New York City ("RWNYC") since the full lifting of COVID-19 restrictions in June 2021. RWNYC operated with limited operating hours in compliance with a government directive in 1Q21.

Resorts World Las Vegas ("RWLV")'s revenue and EBITDA in 1Q22 was affected by the surge of the COVID-19 Omicron variant which significantly impacted group and leisure travel to RWLV. However, rebounding travel trends in the Spring and Summer of 2022, on account of loosening COVID-19 restrictions, indicated strong demand for RWLV's properties and services. 1Q22 hotel occupancy started with 54% in January and finished at 85% in March.



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Revenue from the Plantation Division in 1Q22 was similar with that of 1Q21. Higher revenue from stronger palm product selling prices was partially offset by lower sales volumes from the Downstream Manufacturing segment. However, EBITDA increased as margins improved on the back of stronger palm product prices.

The revenue from the Power Division was higher mainly due to the Banten Plant in Indonesia from higher pass-through coal prices despite marginally lower generation. EBITDA was higher due to lower operating and maintenance (“O&M”) expenses compared with the O&M expenses incurred for the minor scheduled outage in early 2021. In the Oil & Gas Division, revenue and EBITDA improved on higher average oil prices mitigated by marginally lower production in 1Q22.

A profit before taxation of RM12.4 million was recorded in 1Q22 compared with a loss before taxation of RM486.9 million in 1Q21. The better performance was mainly attributable to the Group’s higher EBITDA and lower pre-opening expenses, partly offset by higher depreciation charges and higher net finance costs in 1Q22 mainly due to RWLV as it commenced operations on 24 June 2021. Further, GENM Group’s finance costs were higher mainly due to higher average outstanding borrowings as well as finance costs incurred on certain qualifying projects which were completed during the period and hence were no longer capitalised.

The performance of the Group for the remaining period of the 2022 financial year may be impacted as follows:

The growth of the global economy is expected to be challenging due to disruptions caused by geopolitical tensions, prolonged supply chain issues and inflationary pressures. Whilst economic recovery in Malaysia is expected to remain intact as the country transitions to the endemic phase of COVID-19, the challenges to the global economic environment could pose downside risks.

International tourism is expected to continue its gradual recovery although weakening economic sentiments may delay the return of confidence in global travel. Nevertheless, the progressive reopening of borders and continued easing of COVID-19 restrictions will improve optimism surrounding the tourism, leisure and hospitality industries, including the regional gaming sector. Therefore, GENM Group is positive on the longer-term outlook of the leisure and hospitality industry.

In Malaysia, GENM Group will continue to focus on ramping up operations at RWG following further relaxation of COVID-19 restrictions in the country and the reopening of national borders since 1 April 2022. In view of the increasing visitor turnout at the resort, GENM Group will also place emphasis on maximising yield contributions by intensifying database analytics and targeted marketing efforts to grow key business segments. At the same time, GENM Group will continue to enhance overall operational efficiencies and service delivery to elevate the quality of guest experience at RWG.



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In the UK, sustainability of GENM Group's recovery momentum remains as GENM Group's main priority on the back of the lifting of all COVID-19 travel restrictions in the country. While GENM Group is mindful of the challenges implicit in the current operating environment, GENM Group is confident that the operational improvements implemented in previous years, including enhancements to customer proposition and optimisation of GENM Group's cost structure, will position GENM Group well for the year ahead.

In the US, GENM Group's operations continue to be resilient and GENM Group remains focused on reinforcing its position as the leading gaming operator in the northeast US region amid an increasingly competitive landscape. Marketing efforts will be intensified to grow GENM Group's US customer database, whilst leveraging RWNYS's latest improved facilities and Empire Resorts, Inc. ("Empire")'s expanded product offerings to drive business volume and overall returns on GENM Group's US operations. Meanwhile, the development of Resorts World Hudson Valley, a new video gaming machine facility located in Orange County, New York is progressing well, and emphasis continues to be placed on its timely completion. In the Bahamas, GENM Group will continue executing various cross-marketing initiatives, in addition to capitalising on the various world-class amenities available at the resort, to drive visitation and spend at Resorts World Bimini.

With Singapore reopening its international borders to fully vaccinated travellers from 1 April 2022 and further relaxation of COVID-19 related regulations, Genting Singapore Limited ("GENS") is cautiously optimistic of the recovery trajectory. While GENS is encouraged by the gradual increase in footfall to its integrated resort, RWS, GENS anticipates that the pace of recovery in leisure travel will be moderated by the limited flight schedules, high airfares and ongoing travel restrictions on visitors from certain countries.

RWS continues to harness opportunities to refresh and build new visitor offerings to emerge stronger from the pandemic and capture any upswing in demand. Construction works on both Minion Land and the Singapore Oceanarium ("SGO") are scheduled to start in the second quarter of 2022. When completed, the SGO will become Singapore's new tourism icon and an institution that champions marine education and conservation. Its purpose-built Research and Learning Centre will house a centre of excellence to support marine conservation efforts and nurture environmental stewardship.

To strengthen RWS's position as a leading bleisure (business-leisure) destination that continues to meet the needs of post-pandemic travellers, renovation works to transform Festive Hotel into a bleisure and workation (work-vacation) hotel and the facility upgrade at Resorts World Convention Centre are targeted to commence in the second half of this year. Meanwhile, the reopening of fully refurbished Genting Hotel Jurong and Hard Rock Hotel Singapore will substantially boost RWS's overall hotel room inventory.



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Sustainability remains at the heart of GENS's transformation. In March 2022, GENS Group unveiled its 2030 Sustainability Master Plan anchored on 7 priorities and 25 goals to achieve carbon neutrality and create positive socio-economic impact. As a major initiative in support of the Master Plan, RWS commissioned the installation of 4,100 photovoltaic solar panels to accelerate its transition towards renewable energy. The new installation is targeted to quadruple its onsite solar energy generation capacity. GENS also launched Sustainability@RWS programme, a three-year collaboration with Ngee Ann Polytechnic to nurture future talent in support of the nation's sustainability drive. The programme aligns to its broader ambition of creating positive environmental and socio-economic impact for the communities in which GENS operates in.

On 10 February 2022, the State of Nevada lifted its statewide mask mandate – an important step toward achieving a strong return of convention business and international travel following a significant period of lockdowns and travel restrictions. In March 2022, visitor volume increased by 50% and convention attendance by more than 100% compared to the prior year period according to the Las Vegas Convention Visitors Authority.

RWLV combines traditional and modern architecture, weaving a new luxury hotel experience into the fabric of Las Vegas with Asian-inspired touches, progressive technology and world-class guest service. This includes a 117,000 square-foot casino, a 57-storey tower housing three Hilton hotel brands with 3,506 rooms, 70,000 square-foot of retail space, over 40 food and beverage outlets, a 5,000-capacity state-of-the-art theatre, and a 100,000 square-foot exterior LED screen on the West Tower. Upon opening on 24 June 2021, RWLV experienced high demand for its various offerings. RWLV intends to continue building on its strong momentum by leveraging the Hilton branding partnership with over 133 million Hilton Honors Members and capitalising on the return of the convention business and the property's proximity to the newly expanded Las Vegas Convention Center ("LVCC"). In addition, the opening of the Resorts World Las Vegas Passenger Station, which will connect RWLV to LVCC via Elon Musk's underground transportation system, will give guests the option to escape their conference and conveniently visit the RWLV property to enjoy the many on-site amenities. New performances at the Resorts World Theatre and future projects, such as the opening of the highly anticipated Crossroads Kitchen, are expected to drive significant foot traffic in the remainder of 2022 and beyond.

Genting Plantations Berhad ("GENP") Group's prospects for the rest of the year will track the performance of its mainstay Plantation segment, which is in turn dependent principally on the movements in palm products prices and GENP Group's fresh fruit bunches ("FFB") production.

For the short term, GENP Group expects palm oil prices to be supported by supply tightness of palm oil and other substitute oils and fats, backed by a confluence of factors such as the unresolved labour shortage in Malaysia, drought in key soybean producing areas and the protracted Russia-Ukraine conflict. Meanwhile, the uncertainties surrounding Indonesia's export policy will contribute towards volatility to palm oil prices.



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GENP Group expects a moderate growth in FFB production for the year sustained by additional areas coming into maturity and progression of existing mature areas into higher yielding brackets in Indonesia. On the other hand, the on-going replanting activities in Malaysia may constrain GENP Group's production growth.

For the Property segment, GENP Group will continue to offer products which cater to a broader market segment. Meanwhile, patronage and sales of the Premium Outlets® has shown recovery since the reopening of economy, and likely to further improve with the gradual restoration of international travel.

For the Downstream Manufacturing segment, refined palm products from Malaysia continue to face stiffer competition from its Indonesian counterparts which enjoy cost saving in feedstock due to unfavourable price differential arising from the imposition of export levy. Meanwhile, the outlook for palm based biodiesel will remain challenging due to the unfavourable palm oil-gas oil spread.

The Banten power plant in Indonesia achieved its high plant load factor and high availability subsequent to the annual scheduled outage which was carried out from January to February 2022. The coal supplies have stabilised with the assistance and directive issued by the power offtaker. The performance of the Jangi wind farm in Gujarat, India is expected to improve with the higher wind season anticipated to commence in May to September every year. Generation from both power plants is expected to be stable and continue to contribute positive earnings to the Group's performance.

With the steady production year on year, coupled with high global crude oil prices beyond the USD100/bbl mark at present, Chengdaoxi block will continue to contribute higher earnings to the Group. Following the approval from the Ministry of Energy and Mineral Resources of Indonesia on the Plan of Development for the Kasuri block, the progress of the front end engineering design work and environmental assessment approval have made good progress towards its final completion stage. Negotiation is on-going with potential offtaker in West Papua for the supply of natural gas which will be utilising the 1.7 trillion cubic feet of discovered gas-in-place.



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GENTING BERHAD			1Q22 vs		
SUMMARY OF RESULTS	1Q22	1Q21	1Q21	4Q21	1Q22 vs
	RM'million	RM'million	%	RM'million	4Q21
					%
Revenue					
Leisure & Hospitality					
- Malaysia	918.1	297.2	>100	957.6	-4
- Singapore	974.0	846.5	+15	803.3	+21
- UK and Egypt	395.3	40.2	>100	433.2	-9
- US and Bahamas	1,044.2	256.3	>100	1,066.7	-2
	3,331.6	1,440.2	>100	3,260.8	+2
Plantation					
- Oil Palm Plantation	566.1	362.2	+56	677.7	-16
- Downstream Manufacturing	152.7	249.8	-39	572.7	-73
	718.8	612.0	+17	1,250.4	-43
- Intra segment	(205.0)	(99.0)	>-100	(212.3)	+3
	513.8	513.0	-	1,038.1	-51
Power	171.1	155.4	+10	249.0	-31
Property	37.6	40.3	-7	157.1	-76
Oil & Gas	117.4	82.0	+43	91.3	+29
Investments & Others	42.4	22.2	+91	41.3	+3
	4,213.9	2,253.1	+87	4,837.6	-13
(Loss)/profit for the period					
Leisure & Hospitality					
- Malaysia	332.6	(88.4)	>100	458.4	-27
- Singapore	403.2	406.9	-1	231.1	+74
- UK and Egypt	84.7	(52.5)	>100	178.8	-53
- US and Bahamas	134.5	66.5	>100	213.0	-37
	955.0	332.5	>100	1,081.3	-12
Plantation					
- Oil Palm Plantation	249.5	154.8	+61	304.3	-18
- Downstream Manufacturing	3.7	(6.0)	>100	16.2	-77
	253.2	148.8	+70	320.5	-21
Power	34.3	31.6	+9	90.2	-62
Property	10.7	(22.3)	>100	110.4	-90
Oil & Gas	97.1	66.0	+47	70.1	+39
Investments & Others	(48.6)	(16.3)	>-100	(62.2)	+22
	1,301.7	540.3	>100	1,610.3	-19
Net fair value gain/(loss) on derivative financial instruments	56.5	-	NM	(6.4)	>100
Net fair value (loss)/gain on financial assets at fair value through profit or loss	(37.0)	(4.3)	>-100	117.9	>-100
Gain on disposal of subsidiaries	-	-	-	119.8	-100
Net impairment losses	-	(43.5)	+100	(179.0)	+100
Depreciation and amortisation	(818.0)	(578.0)	-42	(773.5)	-6
Interest income	42.1	33.3	+26	46.0	-8
Finance cost	(450.1)	(234.0)	-92	(393.3)	-14
Share of results in joint ventures and associates	(57.5)	(25.9)	>-100	(174.5)	+67
Others	(25.3)	(174.8)	+86	(65.8)	+62
	12.4	(486.9)	>100	301.5	-96
Taxation	(185.9)	(47.5)	>-100	(254.7)	+27
(Loss)/profit for the period	(173.5)	(534.4)	+68	46.8	>-100
Basic loss per share (sen)	(5.19)	(8.62)	+40	(3.37)	-54

NM= Not meaningful



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About GENTING:

Genting Berhad is principally an investment holding and management company. While the Company was incorporated in 1968 and listed in 1971, the Genting Group was founded in 1965 when its Founder, the late Tan Sri Lim Goh Tong started the journey to realise his vision of building a mountaintop resort in Malaysia. Today, the Genting Group comprises Genting Berhad and its listed companies; Genting Malaysia Berhad, Genting Plantations Berhad and Genting Singapore Limited, as well as its wholly owned unlisted subsidiaries Genting Energy Limited and Resorts World Las Vegas LLC.

Led by Tan Sri Lim Kok Thay, the Group is involved in leisure and hospitality, oil palm plantations, power generation, oil and gas, property development, life sciences and biotechnology activities, with operations spanning across the globe, including in Malaysia (the Group's country of origin), Singapore, Indonesia, India, China, the United States of America, Bahamas, the United Kingdom and Egypt. In the core leisure and hospitality business, the Genting Group markets and offers a suite of products under a number of premier brands including **Genting, Resorts World, Genting Grand, Genting Club, Crockfords and Maxims**. The Genting Group has tie ups with established names such as Universal Studios, Premium Outlets, Zouk, Hard Rock Hotel, Hilton, Hyatt and other renowned international brand partners.

For more information, visit www.genting.com.

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