GENTING BERHAD

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PRESS RELEASE **For Immediate Release**

GENTING BERHAD ANNOUNCES SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2023

- **Group revenue of RM6.7 billion and EBITDA of RM2.0 billion in 2Q23 improved by 14% and 9% respectively over 1Q23.**
- **Key performer of improved results is the Leisure & Hospitality Division.**

KUALA LUMPUR, 24 AUGUST 2023 - Genting Berhad today announced its financial results for the second quarter ("2Q23") and first half ("1H23") of 2023.

In 2Q23, Group revenue was RM6,659.2 million, an increase of 17% compared with the previous year's corresponding quarter's ("2Q22") revenue of RM5,686.4 million. The increase in revenue was contributed mainly by the Leisure & Hospitality Division. However, the Group's adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") for 2Q23 of RM1,994.8 million declined by 2% compared with RM2,033.5 million in 2Q22.

Increase in revenue and EBITDA of Resorts World Sentosa ("RWS") is mainly attributable to rebound in non-gaming business and recovery in regional gaming business in 2Q23.

Resorts World Genting ("RWG") recorded higher revenue in 2Q23 over 2Q22 mainly due to higher volume of business registered by RWG's gaming and non-gaming segments. Consequently, a higher EBITDA was recorded primarily due to the higher revenue which was partially offset by higher operating expenses in 2Q23.

The revenue from the leisure and hospitality businesses in the United Kingdom ("UK") and Egypt in 2Q23 was higher mainly due to strengthening of GBP. However, a lower EBITDA was recorded mainly due to higher payroll related costs.

The leisure and hospitality businesses in the United States of America ("US") and Bahamas included the financial results of Resorts World New York City ("RWNYC"), Resorts World Bimini ("RW Bimini") and Resorts World Las Vegas ("RWLV"). Higher revenue and EBITDA were recorded by RWNYC. RW Bimini's operating performance also improved with higher revenue as a result of relaxation on travel restrictions since 19 June 2022 leading to higher number of cruise calls that contributed positively to its revenue. However, EBITDA was partially impacted by higher operating and payroll related expenses.

RWLV continues to ramp up and stabilise through focus on operations and profitability in 2Q23. Hotel occupancy and Average Daily Rate ("ADR") in 2Q23 were 90.2% and USD243 respectively compared with 89.9% and USD239 in 2Q22.

The Plantation Division's revenue was lower in 2Q23 due to weaker palm product prices. Consequently, EBITDA for Plantation segment was lower in line with weaker palm product prices. The Downstream Manufacturing segment recorded losses in 2Q23.

Revenue from the Power Division increased primarily attributable to Banten Plant in Indonesia which arose from higher pass-through coal prices and strengthening of USD. The Oil & Gas Division recorded lower revenue and EBITDA mainly due to weaker global crude oil prices in 2Q23.

Profit before taxation of RM742.5 million was recorded in 2Q23 compared with RM398.4 million in 2Q22. The higher profit was mainly due to a net gain on disposal of property, plant and equipment by Genting Malaysia Berhad ("GENM") Group, lower net finance cost, lower impairment losses and lower share of loss in joint ventures and associates. The lower share of loss in joint ventures and associates was mainly attributable to a share of profit in 2Q23 from the Meizhou Wan power plant in China due to higher generation and better tariff rates coupled with lower coal cost compared with a share of loss in 2Q22.

Group revenue of RM12,481.7 million and EBITDA of RM3,828.6 million for 1H23 improved by 26% and 15% respectively over first half of 2022 ("1H22"). The improved results are attributed mainly to the contribution from the Leisure & Hospitality Division.

Revenue and EBITDA of RWS increased significantly over 1H22. Foreign visitor arrivals into Singapore continued to improve. However, limited air capacity from certain regional countries and elevated airfares affected leisure travel.

Revenue from RWG in 1H23 was higher mainly due to higher business volume from the gaming and non-gaming segments following the re-establishment of travel globally as compared to 1H22, when several key markets had not yet reopened. Consequently, a higher EBITDA was recorded but partly offset by higher operating expenses.

The leisure and hospitality businesses in UK and Egypt recorded lower revenue mainly due to decrease in business volume in the UK as a result of slower consumer spending amid ongoing inflationary pressures. Consequently, a lower EBITDA was recorded compared with 1H22 primarily due to lower revenue and higher payroll related costs.

Higher revenue and EBITDA were recorded from the leisure and hospitality businesses in the US and Bahamas. RWNYC recorded a higher revenue mainly due to overall high volume of business. Improved operating performance of RW Bimini resulted from relaxation on travel restriction since 19 June 2022 leading to higher number of cruise calls that contributed positively to revenue. EBITDA of RWNYC and RW Bimini likewise increased, partially offset by higher operating and payroll related expenses.

RWLV achieved a hotel occupancy rate and ADR of 90.0% and USD261 respectively in 1H23, compared with 80.4% and USD234 for 1H22. In addition, RWLV benefited from a mix of concert headliners and events, including the NFL Super Bowl and college basketball tournaments, paired with a robust convention quarter which drove strong visitation to RWLV's property.

Revenue from the Plantation Division for 1H23 was lower mainly due to weaker palm product prices even though fresh fruit bunches ("FFB") production increased primarily driven by improved production in Indonesia. EBITDA of the Plantation Division was consequently lower with Downstream Manufacturing's EBITDA lower owing to margin deterioration.

Revenue and EBITDA of the Power Division improved in 1H23 mainly due to higher generation from the Banten Plant in Indonesia following a shorter outage period. The Oil & Gas Division recorded lower revenue and EBITDA due to lower global crude oil prices in 1H23.

A profit before taxation of RM1,310.5 million was recorded in 1H23 compared with RM410.8 million in 1H22. The higher profit flowed down from higher EBITDA, coupled with net gain on disposal of property, plant and equipment, lower net finance cost and lower impairment losses.

The performance of the Group for the remaining period of the 2023 financial year may be impacted as follows:

Global economic growth is expected to moderate with an anticipated slowdown in advanced economies amid continued monetary policy tightening. Whilst the Malaysian economy is subjected to downside risks from the weaker global growth, domestic demand is expected to continue driving its recovery.

The travel and tourism sectors are expected to remain resilient in spite of the headwinds to the external environment. In line with this, the ongoing recovery momentum of the regional gaming market is expected to be sustained, aided by the increase in airline capacity in the region.

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

In Malaysia, GENM Group remains focused on driving visitation, operational efficiencies and effective cost management at RWG. GENM Group will leverage its integrated resort offerings to capitalise on the increasing inbound tourist arrivals to Malaysia to drive incremental foreign visitation to RWG. To further strengthen the resilience of GENM Group's business, GENM Group will optimise yields through database marketing, working with strategic partners to augment GENM Group's assets and product offerings, particularly in the mid-hill location, whilst strengthening and expanding GENM Group's distribution channels. Meanwhile, GENM Group will continue to invest in the infrastructure at Genting Highlands to elevate the customer experience as well as to enhance the safety and wellbeing of guests and the community at RWG.

In the UK, GENM Group remains cautious on the volatility implicit in the operating environment, particularly in the London segment. GENM Group will continue to explore opportunities to strengthen its capabilities and enhance its competitiveness to build a more resilient business. At the same time, emphasis will continue to be placed on proactively managing costs and driving operational efficiencies to further improve the overall performance of GENM Group's operations.

In the US, GENM Group remains focused on strengthening its leading position in the New York State gaming market. GENM Group will continue to intensify marketing efforts and promotional activities to grow GENM Group's US database whilst leveraging synergies between RWNYC and Empire Resorts, Inc's assets to drive visitation and improve the overall returns of GENM Group's US operations. Meanwhile, GENM Group will continue to closely monitor 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, GENM Group will continue to leverage its collaborations with international cruise operators to increase footfall to the resort. GENM Group also remains steadfast in driving efficiencies and fiscal discipline to improve the performance of RW Bimini.

As part of RWS 1.5, Genting Singapore Limited ("GENS") has embarked on the renovation work of the Forum in May 2023. This will create a 20,000 sqm central lifestyle cluster, offering a wide variety of upscale restaurants, specialty shops, entertainment and iconic concept stores in a biophilic environment. The construction of Minion Land at Universal Studios Singapore and the Singapore Oceanarium under RWS 2.0 are progressing well. Other components of RWS transformation, including the new Waterfront building, Equarius Hotel extension and the new Health and Wellness Centre are targeted to commence construction in 2024 following Government approvals.

GENS' 10th Sustainability Report of March 2023 had undergone internal and external assurance processes in line with industry best practices. As part of the work relating to the Task Force on Climate-related Financial Disclosures (TCFD), RWS has achieved a 38% reduction in carbon emissions intensity attributable to a range of initiatives. GENS is also revamping the social aspect of its ESG (Environmental, Social and Corporate Governance) framework with a renewed emphasis on building a resilient community and bolstering the local economy through partnerships, active volunteerism in the areas of education, food security, climate change, and supporting local small and medium-size enterprises.

In Las Vegas, visitor volume in the State of Nevada has returned to pre-pandemic levels with international travel continuing to recover as Coronavirus Disease 2019 ("COVID-19") travel restrictions ease and air travel into Las Vegas continues to grow according to the Las Vegas Convention Visitors Authority. Further, visitor volume increased by 1.5% and convention attendance increased by 16.1% year-on-year, and 2023 attendance is expected to surpass 2019 levels, as larger conventions return and new sporting events are introduced such as Formula 1 Las Vegas Grand Prix and NFL Super Bowl in 2024. During 2Q23, RWLV achieved hotel occupancy rate and ADR of 90.2% and USD243 respectively, which show positive movement towards future targeted projections. With the growing return of conventions and business travel to Las Vegas, RWLV will have its highest mix of convention base room nights in 2023. New performances at the Resorts World Theatre and future projects are expected to drive significant foot traffic in the remainder of 2023 and beyond.

RWLV intends to continue building on its strong momentum by leveraging the Hilton branding partnership with over 165 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, RWLV's guests can now utilise The Boring Company's underground transportation system which transports guests between RWLV and the LVCC in minutes. This added convenience is a unique experience at present, with RWLV's passenger station being the first of over 55 stops anticipated to form the Vegas Loop. As international travel continues to resume and with strong demand for domestic travel to Las Vegas, RWLV remains focused on growth opportunities, including ongoing efforts to build RWLV's database for casino and resort marketing.

Genting Plantations Berhad ("GENP") Group's prospects for the second half of 2023 ("2H2023") 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 FFB production.

In the short run, GENP Group expects palm products prices to remain supported as palm oil production is expected to be impacted by the looming El Nino phenomenon in major palm oil producing regions. Additionally, palm product prices have gained strength amidst the geopolitical tension in the Black Sea region which disrupted supply of sunflower oil, along with drought in North America potentially affecting production of soya and canola oil.

GENP Group anticipates a modest year-on-year growth in FFB production for 2H 2023, spurred by the favourable age profile and expanded harvesting area in Indonesia. Nevertheless, the ongoing replanting activities in Malaysia may have a moderating effect on GENP Group's production growth. Furthermore, the potential occurrence of El Nino could also impact GENP Group's production in 2H 2023, the extent of which will depend on the timing and severity of the phenomenon.

The Property segment will continue to offer products which cater to a broader market segment, taking into consideration the prevailing market sentiments. The Premium Outlets® is expected to continue its growth trajectory underpinned by its enhanced tenant portfolio. Meanwhile, the Premium Outlets has recently conducted a groundbreaking event for its first foreign expansion, namely the Jakarta Premium Outlets®, situated in Alam Sutera, to the southwest of Greater Jakarta.

The Downstream Manufacturing segment continues to face stiff competition for its refined palm products due to Indonesia's export tax structure. On the other hand, the segment's palm-based biodiesel will cater mainly for Malaysian biodiesel mandate as biodiesel export remain challenging.

The performance of the Group's supercritical coal-fired Banten power plant in Indonesia is expected to be robust with high plant load factor and availability, coupled with improved efficiency. The plant remains a high dispatch priority amongst all the thermal power plants in Jawa Island. The 49% owned joint venture, SDIC Genting Meizhou Wan Electric Power Company Limited is expected to deliver a stronger performance arising from less volatile global and domestic coal prices, backed by adequate coal inventories as well as higher demand for electricity following an improved outlook for China's economy. However, the performance of Jangi Wind Farm in Gujarat is expected to be significantly affected by the downtime taken for the repairs of the wind turbine generators' damaged blades caused by Biparjoy cyclone.

The Group maintains a positive outlook on its 49% working interest in the Petroleum Contract for Petroleum Exploration, Development and Production in Chengdaoxi Block in the shallow waters of Bohai Bay, China, arising from anticipated stable production and the favourable outlook for global crude oil prices. This is also driven by tightening global supply and demand which is forecasted to improve. Following approval of the revised Plan of Development 1 ("revised POD 1") in February 2023, development activities are progressing for the Kasuri Block in West Papua, Indonesia. Negotiations are in progress with PT Pupuk Kalimantan Timur following the signing of the Heads of Agreement in February 2023 for the offtake of raw gas to the Amurea plant; and discussions with potential Liquefied Natural Gas buyers are also on-going. Updated Front End Engineering Design study on the revised POD 1 is nearing completion whilst environmental impact analysis is progressing as expected.

The Board of Directors has declared an interim single-tier dividend of 6.0 sen per ordinary share for 1H23 compared with 7.0 sen per ordinary share for 1H22.

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GENTING BERHAD SUMMARY OF RESULTS	2Q23 RM'million	2Q22 RM'million	2Q23 vs 2Q22 %	1H23 RM'million	1H22 RM'million	1H23 vs 1H22 %
Revenue						
Leisure & Hospitality						
- Malaysia	1,529.3	1,308.6	+17	2,930.0	2,226.7	+32
- Singapore	2,008.5	1,099.6	+83	3,603.8	2,073.6	+74
- UK and Egypt	390.2	381.2	+2	742.7	776.5	-4
- US and Bahamas	1,408.2	1,297.2	+9	2,836.3	2,341.4	+21
	5,336.2	4,086.6	+31	10,112.8	7,418.2	+36
Plantation						
- Oil Palm Plantation	571.5	738.6	-23	1,067.5	1,304.7	-18
- Downstream Manufacturing	371.0	501.3	-26	581.4	654.0	-11
	942.5	1,239.9	-24	1,648.9	1,958.7	-16
- Intra segment	(156.7)	(221.0)	+29	(297.4)	(426.0)	+30
	785.8	1,018.9	-23	1,351.5	1,532.7	-12
Power	335.2	328.8	+2	610.7	499.9	+22
Property	42.2	53.7	-21	89.3	91.3	-2
Oil & Gas	101.2	137.1	-26	211.3	254.5	-17
Investments & Others	58.6	61.3	-4	106.1	103.7	+2
	6,659.2	**5,686.4**	+17	**12,481.7**	**9,900.3**	+26
Profit for the period						
Leisure & Hospitality						
- Malaysia	665.4	580.3	+15	1,221.3	912.9	+34
- Singapore	901.9	471.2	+91	1,548.5	874.4	+77
- UK and Egypt	59.5	81.3	-27	101.9	166.0	-39
- US and Bahamas	302.2	281.5	+7	659.6	416.0	+59
	1,929.0	1,414.3	+36	3,531.3	2,369.3	+49
Plantation						
- Oil Palm Plantation	184.6	369.5	-50	302.4	619.0	-51
- Downstream Manufacturing	(3.6)	23.6	>-100	7.3	27.3	-73
	181.0	393.1	-54	309.7	646.3	-52
Power	133.6	135.3	-1	231.0	169.6	+36
Property	7.0	11.0	-36	25.2	21.7	+16
Oil & Gas	76.5	111.0	-31	168.4	208.1	-19
Investments & Others	(332.3)	(31.2)	>-100	(437.0)	(79.8)	>-100
Adjusted EBITDA	1,994.8	2,033.5	-2	3,828.6	3,335.2	+15
Net fair value gain/(loss) on derivative financial instruments	3.3	(56.5)	>100	4.0	-	NM
Net fair value loss on financial assets at fair value through profit or loss	(39.9)	(24.6)	-62	(46.1)	(61.6)	+25
Gain on disposal of a subsidiary	-	5.8	-100	-	5.8	-100
Impairment losses	(55.8)	(143.8)	+61	(60.3)	(143.8)	+58
Depreciation and amortisation	(978.2)	(928.5)	-5	(1,837.8)	(1,746.5)	-5
Interest income	243.1	48.9	>100	444.1	91.0	>100
Finance cost	(526.8)	(441.1)	-19	(1,029.1)	(891.2)	-15
Share of results in joint ventures and associates	(52.2)	(76.1)	+31	(118.7)	(133.6)	+11
Others	154.2	(19.2)	>100	125.8	(44.5)	>100
Profit before taxation	**742.5**	**398.4**	+86	**1,310.5**	**410.8**	>100
Taxation	(295.1)	(288.1)	-2	(567.9)	(474.0)	-20
Profit/(loss) for the period	**447.4**	**110.3**	>100	742.6	**(63.2)**	>100
Basic earnings/(loss) per share (sen)	4.17	(1.55)	>100	6.72	(6.73)	>100

NM= Not meaningful

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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