GENTING
BERHAD
Registration No. 196801000315 (7916-A)

PRESS RELEASE **For Immediate Release**

GENTING BERHAD ANNOUNCES SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2021

KUALA LUMPUR, 27 AUGUST 2021 - Genting Berhad today announced its financial results for the second quarter ("2Q21") and first half ("1H21") of 2021.

In 2Q21, Group revenue was RM2,936.7 million, an increase of more than two-fold compared with the previous year's corresponding quarter's ("2Q20") revenue of RM1,108.0 million. The increase in revenue came mainly from the Leisure & Hospitality segment of the Group. Group adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") for 2Q21 was RM958.9 million compared with an adjusted loss before interest, tax, depreciation and amortisation ("LBITDA") in 2Q20 of RM578.7 million.

Most operations at Resorts World Sentosa ("RWS") had ceased for almost three months from 6 April 2020 to 30 June 2020. This arose from the Circuit Breaker period, a directive in 2020 from the Singapore Government to contain the spread of the Coronavirus Disease 2019 ("COVID-19") virus. Hence, comparatively, RWS has shown an improvement in its revenue and EBITDA in 2Q21 compared with 2Q20. However, with cross-border travel being severely curtailed in RWS's traditional markets, most of the key offerings at RWS continued to operate at considerably lower levels compared to pre-COVID-19 pandemic.

Resorts World Genting ("RWG") has been temporarily closed since 1 June 2021 compared with the temporary closure of operations from mid-March to mid-June 2020. Hence, the overall volume of business from gaming and non-gaming segments is comparatively higher in 2Q21 as a result of the easing of operational and travel restrictions. Lower LBITDA in 2Q21 was mainly due to the higher revenue and a reduction in payroll and related costs as a result of lower headcount.

The higher revenue from the leisure and hospitality business in United Kingdom ("UK") and Egypt in 2Q21 was mainly due to the re-opening of Genting Malaysia Berhad ("GENM") Group's land-based casinos in the UK since mid-May 2021 compared with a temporary suspension of the land-based casino operations throughout 2Q20. The higher EBITDA was primarily attributable to higher revenue and lower debts provision, partially offset by higher payroll and related costs following the resumption of its operations.

The leisure and hospitality businesses in the United States of America ("US") and Bahamas recorded higher revenue in 2Q21 compared with 2Q20 mainly due to better performance from Resorts World Casino New York City ("RWNYC"). The property recommenced its business since September 2020. RWNYC has achieved levels of business almost similar to pre-COVID levels in 2019 albeit operating at reduced capacity. Resort operations in the US and Bahamas were closed throughout 2Q20. EBITDA improved mainly due to higher revenue, partially offset by higher payroll and related costs following the resumption of its operations.

The financial results of Resorts World Las Vegas ("RWLV") are included in the revenue and EBITDA of the US and Bahamas segment. RWLV opened its doors to the public on 24 June 2021 to an estimated crowd of 20,000 visitors and 5,000 VIP guests. The first integrated resort to be built on the Strip in over a decade, RWLV combines 3,506 guest rooms and suites across three hotels including Las Vegas Hilton, Conrad Las Vegas and Crockfords Las Vegas, over 40 food and beverage venues, world-class entertainment and innovative gaming technology, all prominently located on Las Vegas Boulevard. RWLV experienced a high volume of guests enjoying the resort and all its offerings on opening. Revenue and EBITDA over the first six days of operations which amounted to approximately USD14.9 million (equivalent to approximately RM61.1 million) and USD3.9 million (equivalent to approximately RM15.5 million) respectively, were driven by very strong casino and food and beverage operations. Its hotel operations experienced a 71.2% occupancy rate based on available rooms with an average daily rate of USD239. Additional amenities will be completed and opened in the third and fourth quarters, including The Theatre at Resorts World Las Vegas, Zouk Nightclub and the Spa. Total development and land costs incurred as of 30 June 2021 were approximately USD3.9 billion.

The Plantation Division's revenue increased in 2Q21 mainly due to higher palm products prices and higher fresh fruit bunches ("FFB") production spurred by the growth in Indonesia from increased harvesting areas and higher yields. Consequently, EBITDA improved in 2Q21. Improved EBITDA from Downstream Manufacturing was mainly on account of higher margins which were partly moderated by lower sales volume.

Revenue and EBITDA from the Power Division increased mainly due to higher net generation from the Indonesian Banten Plant.

The Oil & Gas Division recorded higher revenue and EBITDA mainly due to higher average oil prices in 2Q21.

A higher LBITDA was recorded from "Investments & Others" in 2Q21 mainly due to lower investment income and lower net foreign exchange gains on net foreign currency denominated financial assets compared with 2Q20.

A loss before taxation of RM507.1 million was recorded for 2Q21 compared with a higher loss before taxation of RM1,660.2 million in 2Q20. The lower loss in 2Q21 was mainly due to:

- the Group's higher EBITDA;

partially offset by:

- higher impairment losses, mainly from the Kasuri block operations in Indonesia. The Group has carried out an impairment review on the Kasuri block operations due to the delay in development activities caused by the COVID-19 pandemic situation in Indonesia. The review is based on the value in use method and certain updates to the key assumptions which resulted in an impairment loss of RM229.6 million;
- higher pre-opening expenses incurred by RWLV in 2Q21 compared with 2Q20; and

- higher share of losses in joint ventures and associates, attributed mainly to a lower share of profit from the Meizhou Wan power plant in China as a result of higher coal costs. GENM Group's share of losses from its associate, Genting Empire Resorts LLC, the holding company of Empire Resorts, Inc. ("Empire"), was RM50.6 million in 2Q21 compared with RM78.6 million in 2Q20. The lower share of losses was mainly due to an improvement in Empire's operating performance following the resumption of its operations since September 2020.

In 1H21, Group revenue of RM5,189.8 million recorded a marginal decline compared with RM5,217.2 million in first half of 2020 ("1H20"). The decline came primarily from the Leisure & Hospitality segment which was partially offset by improved performance in the Plantations segment. Group EBITDA however improved more than two-fold to RM1,499.2 million in 1H21 from RM630.0 million in 1H20 mainly due to improved performance from the leisure and hospitality businesses in Singapore and the US and Bahamas.

Revenue and EBITDA of RWS have improved in 1H21 as most operations at RWS had ceased for almost three months from 6 April 2020 to 30 June 2020. Most of its key offerings at RWS continued to operate at considerably lower levels compared with pre-COVID-19 pandemic due to the severe curtailment of cross-border travel in RWS's traditional markets. While Singapore has progressively been reopening the economy since the start of the year, the emergence of a new virus variant and the detection of several clusters of infections, resulted in Singapore's Multi-Ministry Taskforce reintroducing stricter measures and tighter restrictions. As such, the current situation only caters to a limited market of the smaller local population.

Lower revenue was recorded from RWG mainly due to the decline in the overall business volume from gaming and non-gaming segments following the re-imposition of movement control orders and total lockdown by the Malaysian Government. This has resulted in a temporary closure of RWG for approximately two months during 1H21. Additionally, the implementation of strict travel restrictions nationwide during 1H21 had resulted in lower visitation to RWG. As a result, RWG recorded a LBITDA for 1H21 primarily due to lower revenue partially mitigated by a reduction in payroll and related costs as a result of lower headcount.

Revenue from the casino business in UK and Egypt was lower mainly due to temporary closure of GENM Group's land-based casinos in the UK from early January to mid-May 2021 amid a national lockdown in response to the outbreak of COVID-19. However, LBITDA reduced due to lower payroll and related costs as a result of lower headcount and lower debts provision.

The leisure and hospitality businesses in the US and Bahamas recorded higher revenue primarily due to increased business volume of RWNYC operations as limits on capacity and operating hours were progressively eased throughout 1H21. Consequently, EBITDA was recorded compared with LBITDA in 1H20 due to the higher revenue.

Higher revenue and EBITDA from the Plantation Division for 1H21 was mainly due to higher palm products prices and higher FFB production, mainly from the Indonesian estates. Revenue from Downstream Manufacturing declined due to lower sales volume for biodiesel and refined palm products which offset the impact of higher palm products prices. EBITDA was however higher due to higher margins which was partly moderated by lower sales volume.

Revenue from the Power Division for 1H21 comprised mainly revenue from sale of electricity by the Indonesian Banten Plant which decline was attributable to lower generation. Consequently, EBITDA was lower due to lower revenue and higher operating and maintenance expenses.

The Oil & Gas Division recorded higher revenue and EBITDA mainly due to higher selling prices which were mitigated by higher workover expenses.

A loss before taxation of RM994.0 million was recorded for 1H21 compared with a loss of RM1,878.4 million recorded in 1H20. The lower loss in 1H21 was mainly due to the higher EBITDA, lower impairment losses and lower share of losses in joint ventures and associates. The lower share of loss in Empire in 1H21 was mainly due to an improvement in its operating performance following the resumption of operations since September 2020. The share of loss in Empire in 1H20 had been impacted by costs associated with the refinancing of Empire's loans. However, higher pre-opening expenses were incurred by RWLV in 1H21.

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

Global economic recovery is expected to continue, albeit at an uneven pace across advanced economies and emerging markets. However, challenges to global growth persist given ongoing concerns surrounding the evolving COVID-19 situation worldwide and potential risks of heightened financial market volatility. In Malaysia, economic recovery is expected to be delayed by the earlier re-imposition of containment measures nationwide and increased spread of COVID-19.

While international travel has shown early signs of revival, the recent COVID-19 developments will continue to pose uncertainties to the outlook for the tourism, leisure, and hospitality sectors. The regional gaming market is expected to remain challenging in the short-term.

GENM Group maintains its cautious stance on the near-term prospects of the leisure and hospitality industry.

In Malaysia, the government's announcement of a nationwide total lockdown will significantly impact GENM Group's business following the temporary closure of RWG since 1 June 2021. While GENM Group remains focused on implementing various initiatives to create a stronger platform for sustainable long-term growth and profitability, GENM Group will continue to closely monitor its cost base as it navigates the challenging operating and business environment. The health and safety of guests, employees and the RWG community remain central to GENM Group's efforts and GENM Group will continue to prioritise the inoculation of its entire workforce. Meanwhile, the timely completion of Genting SkyWorlds continues to be a key focus.

In the UK, GENM Group is encouraged by the recovery momentum seen since the resumption of its land-based casinos on 17 May 2021. GENM Group will continue to ramp up its operations to drive revenue and business volumes as COVID-19 restrictions are relaxed across the region. Meanwhile, GENM Group will also continue to assess its cost structure to better align its operations with the fluid new operating environment.

In the US, RWNYC and Resorts World Catskills ("RWC") continue to record strong rebound in demand with the easing of pandemic-related restrictions in the New York State. GENM Group will place increased focus on developing its strong local market exposure by leveraging synergies between RWNYC and RWC to drive business volumes and improve the overall margins of its US operations. Meanwhile, GENM Group's new hotel, Hyatt Regency JFK Airport at Resorts World New York, which opened on 6 August 2021 will also be a catalyst for growth. In the Bahamas, GENM Group will continue enhancing the accessibility and infrastructure at Resorts World Bimini, in addition to capitalising on partnerships with renowned brands to drive visitation to the resort.

In the short-term, Genting Singapore Limited ("GENS") does not anticipate any measurable increase in business sentiment until it has greater visibility of the border openings. With the COVID-19 pandemic still raging in its regional markets, GENS believes a sustained and broad-based recovery in travel and tourism will be protracted and subject to a high degree of uncertainty.

Meanwhile, RWS remains focused on creating fun and innovative experiences to attract local visitorship.

With its strategic and measured approach, the GENS Group remains resilient to weather through the ongoing adverse effects impacting the tourism industry in Singapore. GENS continues to invest in new and attractive guest experiences to position RWS as Asia's premier business and leisure destination. With environmental, social and corporate governance ("ESG") being a strong core focus area, GENS Group's journey towards building a sustainable destination has been successful with RWS securing three internationally and nationally recognised green certifications.

In relation to the GENS Group's geographical diversification plans, GENS Group has teamed up with reputable Japanese corporates including Sega Sammy Holdings Inc., Sohgo Security Services Co., Ltd. (ALSOK), Kajima Corporation, Takenaka Corporation and Obayashi Corporation and submitted a bid in response to the Yokohama City's Request for Proposal. GENS is currently awaiting the outcome of the bid. With GENS's over 30 years of successful track record in developing tourism-focused integrated resorts ("IR"), GENS is confident of delivering a world-class IR destination that will be economically successful for the city of Yokohama, if chosen.

As of 1 June 2021, the State of Nevada lifted all COVID-19 restrictions and casino operators are allowed to fully reopen at 100% capacity. RWLV, considered the most technologically advanced integrated resort on the Las Vegas Strip, opened its doors to the public at 11 pm on 24 June 2021.

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 guests service. This includes 117,000 square-feet casino, 59-story tower housing three Hilton hotel brands with over 3,506 rooms, 70,000 square-feet retail space, over 40 food and beverage outlets, 5,000 seat theater, and a 100,000 square-feet exterior LED screen on the West hotel tower. Upon opening, RWLV experienced a large number of guests enjoying the property's various offerings. RWLV will keep the momentum going by leveraging the Hilton branding partnership with over 118 million Hilton Honors Members and capitalising on the return of the convention business with its proximity to the Las Vegas Convention Center expansion.

Additional amenities will be completed and opened in the third and fourth quarters, including The Theatre at Resorts World Las Vegas, Zouk Nightclub and the Spa. Updated plans for the USD4.3 billion luxury resort-casino include new amenities such as a 5,000-capacity state-of-the-art theater scalable to host A-list residencies and corporate events; a dynamic 75,000 square-feet nightlife and daylife concept; a 50-feet diameter video globe which will display over 6,000-square-feet of captivating LED content; and additional luxury suites, villas and penthouses with individual lobby experiences, open balconies and a sky casino.

Genting Plantations Berhad ("GENP") Group's prospects for the second half of 2021 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.

The COVID-19 pandemic continues to impact world markets amid resurgent infection waves. Thus, GENP Group 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.

Based on the crop trend observed in 1H21 and barring any weather anomalies, GENP Group expects overall FFB production growth to extend into second half of 2021 driven by its Indonesian operations as a result of additional harvesting areas and the progression of existing mature areas into higher yielding brackets. However, the growth in output is expected to be moderated by on-going replanting activities in GENP Group's Malaysian estates.

For the Property segment, GENP Group will continue to offer products which cater to a broader market segment given the prevailing soft market sentiments. Meanwhile, patronage and sales of the Premium Outlets® will continue to be adversely affected until the COVID-19 situation has eased.

For the Downstream Manufacturing segment, the outlook for biodiesel will remain constrained due to the unfavourable palm oil-gas oil ("POGO") spread but the demand for refined palm products is expected to be resilient given its competitive pricing vis-à-vis other substitute soft oils.

The performance of Banten Plant in Indonesia has resumed to normalcy with 100% availability subsequent to the minor outage which was carried out from end December 2020 to early February 2021. The plant load factor remains high since June until to-date. The performance of the Jangi wind farm in Gujarat, India has shown improvement with the higher wind season from June to September. Meanwhile, the progress of the copper cap installation that will mitigate the probability of lightning strikes is slower than expected due to the prolonged impact from COVID-19 pandemic in India. However, full completion by 2021 is still envisaged.

Global crude oil prices have shown significant recovery since early 2021 due to higher demand coupled with steady production year on year. Chengdaoxi block is expected to perform better than 2020 during which global crude oil was in the gloom. Following the approval from the Ministry of Energy and Mineral Resources of Indonesia on the Plan of Development for the Kasuri block, the front end engineering design has progressed since 2019. However, the completion date has been further rescheduled to the second half of 2021. This is due to the lockdown policy implemented by the local government arising from the global pandemic. Utilising 1.7 trillion cubic feet of discovered gas-in-place, the plan to supply natural gas until the end of the production sharing contract to a petrochemical plant in West Papua is in progress, and which is to be built by a third party.

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GENTING BERHAD SUMMARY OF RESULTS	2Q21 RM'million	2Q20 RM'million	2Q21 vs 2Q20 %	1H21 RM'million	1H20 RM'million	1H21 vs 1H20 %
Revenue						
Leisure & Hospitality						
- Malaysia	236.0	80.8	>100	533.2	1,304.1	-59
- Singapore	856.5	78.0	>100	1,703.0	1,304.6	+31
- UK and Egypt	185.3	33.2	>100	225.5	404.4	-44
- US and Bahamas	414.0	(31.7)	>100	670.3	288.6	>100
	1,691.8	160.3	>100	3,132.0	3,301.7	-5
Plantation						
- Oil Palm Plantation	511.9	328.4	+56	874.1	672.9	+30
- Downstream Manufacturing	425.7	333.5	+28	675.5	678.4	-
	937.6	661.9	+42	1,549.6	1,351.3	+15
- Intra segment	(174.8)	(118.5)	-48	(273.8)	(259.9)	-5
	762.8	543.4	+40	1,275.8	1,091.4	+17
Power	311.5	237.1	+31	466.9	495.5	-6
Property	48.2	19.0	>100	88.5	66.0	+34
Oil & Gas	85.1	69.3	+23	167.1	156.5	+7
Investments & Others	37.3	78.9	-53	59.5	106.1	-44
	2,936.7	**1,108.0**	>100	**5,189.8**	**5,217.2**	-1
Loss for the period						
Leisure & Hospitality						
- Malaysia	(102.9)	(310.6)	+67	(191.3)	125.6	>-100
- Singapore	475.7	(239.2)	>100	882.6	237.6	>100
- UK and Egypt	9.7	(114.8)	>100	(42.8)	(92.0)	+53
- US and Bahamas	121.6	(176.8)	>100	188.1	(162.1)	>100
	504.1	(841.4)	>100	836.6	109.1	>100
Plantation						
- Oil Palm Plantation	230.2	98.9	>100	385.0	218.3	+76
- Downstream Manufacturing	24.0	1.8	>100	18.0	16.0	+13
	254.2	100.7	>100	403.0	234.3	+72
Power	131.0	101.4	+29	162.6	204.2	-20
Property	29.7	13.4	>100	7.4	28.9	-74
Oil & Gas	61.4	53.1	+16	127.4	123.6	+3
Investments & Others	(21.5)	(5.9)	>-100	(37.8)	(70.1)	+46
Adjusted EBITDA/(LBITDA)	958.9	(578.7)	>100	1,499.2	630.0	>100
Net fair value gain/(loss) on financial assets at fair value through profit or loss	22.1	(7.0)	>100	17.8	(21.6)	>100
Net (loss)/gain on derecognition and change in shareholding of associates	-	(2.0)	+100	-	50.7	-100
Gain on disposal of a subsidiary	64.3	-	NM	64.3	-	NM
Impairment losses	(300.4)	(86.2)	>-100	(343.9)	(568.7)	+40
Depreciation and amortisation	(638.1)	(589.1)	-8	(1,216.1)	(1,264.1)	+4
Interest income	34.5	106.6	-68	67.8	252.1	-73
Finance cost	(248.5)	(317.6)	+22	(482.5)	(579.0)	+17
Share of results in joint ventures and associates	(52.2)	(11.9)	>-100	(78.1)	(119.9)	+35
Others	(347.7)	(174.3)	-99	(522.5)	(257.9)	>-100
Loss before taxation	**(507.1)**	**(1,660.2)**	+69	**(994.0)**	**(1,878.4)**	+47
Taxation	(91.9)	195.0	>-100	(139.4)	70.3	>-100
Loss for the period	**(599.0)**	**(1,465.2)**	+59	**(1,133.4)**	**(1,808.1)**	+37
Basic loss per share (sen)	(14.63)	(20.41)	+28	(23.25)	(23.85)	+3

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 and its brand affiliates market and offer a suite of products under a number of premier brands including **Genting, Resorts World, Genting Grand, Genting Club, Crockfords, Maxims, Crystal Cruises, Dream Cruises** and **Star Cruises**. 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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