

**GENTING**  
MALAYSIA

# POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING

Wednesday, 22 September 2021, 10:00am

**GENM**

# **POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING**

## **WELCOME REMARKS**

**by the Chairman  
Tan Sri Dato' Seri Alwi Jantan**



**GENM**

# **POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING**

**Poll Administrator : Tricor Investor & Issuing House  
Services Sdn Bhd**

**Independent Scrutineer : Deloitte Risk Advisory Sdn Bhd**

**GENM**

# **POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING**

## **INTRODUCTION OF DIRECTORS AND SENIOR MANAGEMENT**

**GENM**

# **POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING**

## **INTRODUCTION OF EXTERNAL AUDITORS AND INDEPENDENT SCRUTINEER**

**GENM**

# **POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING**

## **PROCEDURES FOR MEETING / INTRODUCTION TO REMOTE PARTICIPATION & VOTING (“RPV”)**

**GENM**

# **POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING**

## **Briefing by Poll Administrator on STEPS TO CAST YOUR VOTES REMOTELY**

**GENM**

# **POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING**

## **AGENDA FOR THE POSTPONED 41<sup>ST</sup> AGM**

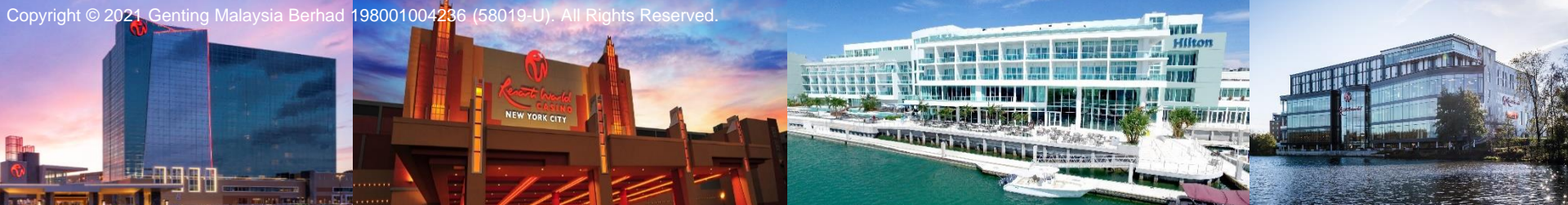


# GENM

# POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING

## AGENDA

1	To lay before the meeting the Audited Financial Statements for the financial year ended 31 December 2020 and the Directors' and Auditors' Reports	
	<b>RESOLUTION</b>	<b>ORDINARY BUSINESS</b>
2	Ordinary Resolution 1	To approve the payment of Directors' fees of RM1,461,075 for the financial year ended 31 December 2020.
3	Ordinary Resolution 2	To approve the payment of Directors' benefits-in-kind for the period from 2 June 2021 until the next annual general meeting of the Company in 2022.
4	Ordinary Resolution 3	To re-elect the following persons as Directors of the Company pursuant to Paragraph 107 of the Company's Constitution: (i) Tan Sri Dato' Seri Alwi Jantan
	Ordinary Resolution 4	(ii) Tan Sri Datuk Clifford Francis Herbert
	Ordinary Resolution 5	(iii) Mr Quah Chek Tin
5	Ordinary Resolution 6	To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.
6	Ordinary Resolution 7	To approve the authority to Directors pursuant to Sections 75 and 76 of the Companies Act 2016.
7	Ordinary Resolution 8	To approve the proposed renewal of the authority for the Company to purchase its own shares.
8	Ordinary Resolution 9	To approve the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature and proposed new shareholders' mandate for additional recurrent related party transactions of a revenue or trading nature.



# POSTPONED 41<sup>ST</sup> AGM PRESENTATION

# AGENDA



## KEY PROPERTIES



## HIGHLIGHTS



## MALAYSIAN OPERATIONS



## OVERSEAS OPERATIONS

- UK & EGYPT
- US & BAHAMAS



## LATEST DEVELOPMENTS



## LOOKING AHEAD



01

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# KEY PROPERTIES



# GENM

# KEY PROPERTIES



Resorts World Genting, Malaysia



Resorts World Casino New York City, US



Resorts World Catskills, US



Resorts World Birmingham, UK



Resorts World Bahamas



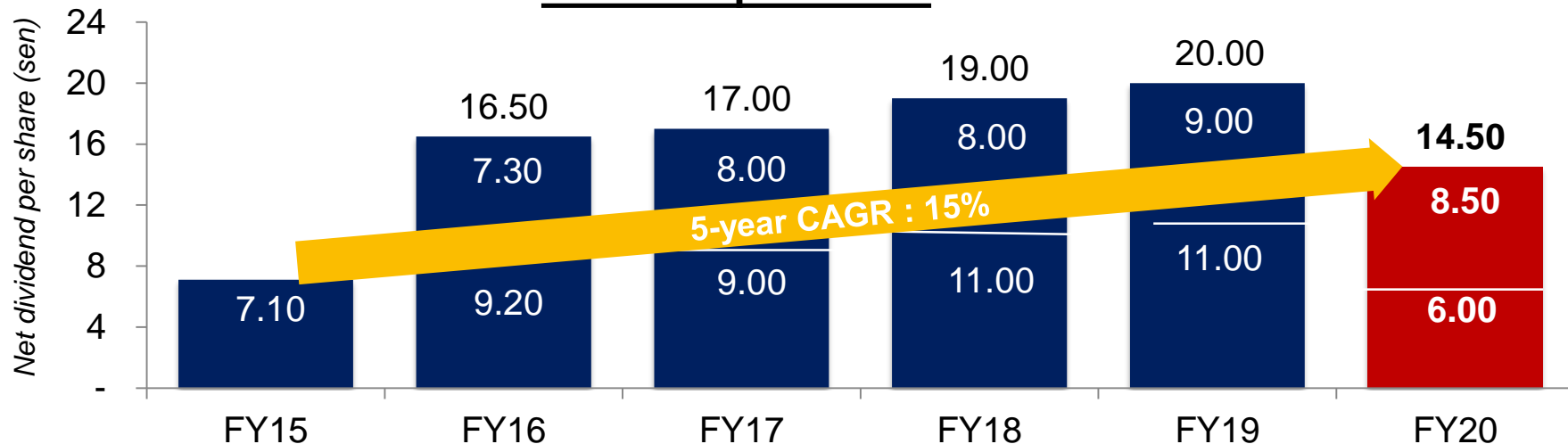
02

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# HIGHLIGHTS

In RM'mil	FY20	FY19	% Change
Revenue	4,529	10,407	↓56%
Adjusted EBITDA	350	2,641	↓87%
<i>Adjusted EBITDA Margin</i>	8%	25%	
Net Profit / (Loss) After Tax	(2,362)	1,332	↓>100%

- Positive adjusted EBITDA despite unprecedented challenges, anchored by Malaysian operations

Dividend per Share

- FY20 dividend yield: **5.4%#**



# HIGHLIGHTS

# AWARDS & ACCOLADES

## 2020 Forbes Travel Guide Star Ratings by Forbes Travel Guide



## Reader's Digest Trusted Brands 2020



Gold Award for Family Theme Park

## Global Regulatory Awards by Gambling Compliance Global Regulatory Awards



**Genting Casinos UK** – Chief Compliance Officer of the Year & Outstanding Individual Contribution to Responsible Gambling

**Genting UK** – Head of AML/MLRO or AML Team of the Year Award

## SUSTAINABILITY IS AT THE FOREFRONT OF GENM'S OPERATIONS



FTSE4Good

### FTSE4GOOD INDEX SERIES

GENM was included as a constituent of the FTSE4Good Index Series since June 2018, having demonstrated strong ESG practices according to globally recognized standards.



Social inclusivity



Protect biodiversity



Responsible business practices



Reduce and recycle waste





03

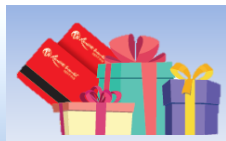
# MALAYSIAN OPERATIONS

In RM'mil	FY20	FY19	% Change
Revenue	<b>3,133.3</b>	7,066.6	↓56%
Adjusted EBITDA	<b>672.0</b>	2,048.2	↓67%
<i>Adjusted EBITDA Margin</i>	<b>21%</b>	<b>29%</b>	

- Revenue declined primarily due to:-
  - 3-month suspension of operations from 18 March 2020 to 18 June 2020
  - Intermittent travel restrictions in 2H20
- Reopened to positive response, amid reduced capacity and movement restrictions
- Impact mitigated by recalibrated cost structure



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



**5.0m**  
MEMBERS

(FY19: 5.0m)



(FY19: 28.7m)

**12.7m**  
VISITORS  
44% of FY19



(FY19: 76%)

**81%**  
DAY-TRIPPERS



(FY19: 74%)

**85%**  
ROOMS SOLD  
TO MEMBERS



(FY19: RM219)

**RM222**  
AVG ROOM RATE  
↑1%



(FY19: 95%)

**50%**  
OCCUPANCY



# MALAYSIA

# RESORTS WORLD GENTING HIGHLIGHTS IN 2020

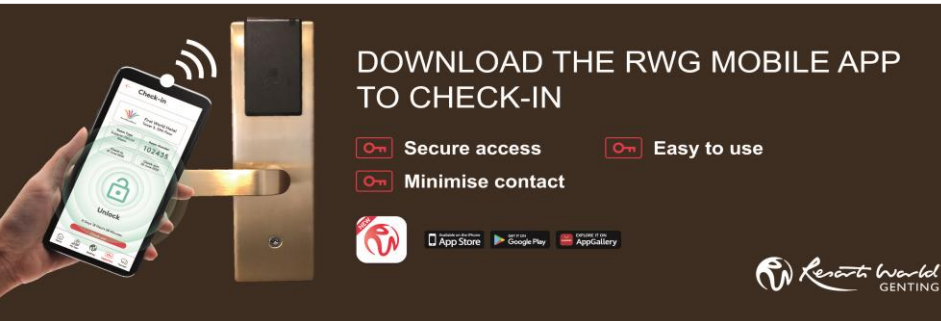
*CNY in the Sky*



*Winter Wonderland*



*Digital Keys*



*StaySafe Promise*



# MALAYSIA

# RESORTS WORLD GENTING HIGHLIGHTS IN 2020



Genting SkyWorlds





# OVERSEAS OPERATIONS



Note: 1 GENM owns 49% indirect stake in RWC





# 04

## OVERSEAS OPERATIONS

### UK & EGYPT

In £'mil	FY20	FY19	% Change
Revenue	123.0	316.8	↓61%
Adjusted EBITDA / (LBITDA)	(32.5)	43.8	↓>100%
<i>Adjusted EBITDA Margin</i>	<i>N/A</i>	14%	

- Operating results impacted by:
  - 5-month temporary closure of casinos from mid-March 2020
  - Periodic suspension of operations amid curfews and regional lockdowns in 4Q20
- Payroll and operating cost savings mitigate impact to earnings



04

# OVERSEAS OPERATIONS

US & BAHAMAS



In US\$'mil	FY20	FY19	% Change
Revenue	143.8	354.6	↓59%
Adjusted EBITDA / (LBITDA)	(38.7)	69.7	↓>100%
<i>Adjusted EBITDA Margin</i>	<i>N/A</i>	20%	

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



# US

# RWNYC EXPANSION

- The new 400-room Hyatt Regency JFK Airport at RWNY Hotel opened on 6 August 2021
- Features premium guestrooms, state-of-the-art conference space, renowned F&B outlets and additional gaming space



# US

# RESORTS WORLD CATSKILLS



- 49%-owned via an associate company
- 1 of 4 commercial gaming-licensed casinos in the New York State
- 150 live table games, ~1,600 VGMs, over 400 rooms across 2 premium hotels
- Total investment in Empire1: ~USD374 mil

In US\$'mil	FY20	FY19	% Change
Revenue	<b>96.9</b>	239.6	↓60%
Adjusted EBITDA	<b>(44.1)</b>	(43.3)	↓2%
<i>Adjusted EBITDA Margin</i>	<i>N/A</i>	N/A	

- Revenue impacted by temporary closure of RW Catskills since mid-March 2020
- Strong rebound in operating performance since RW Catskills resumed operations on 9 September 2020





# 05

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## LATEST DEVELOPMENTS

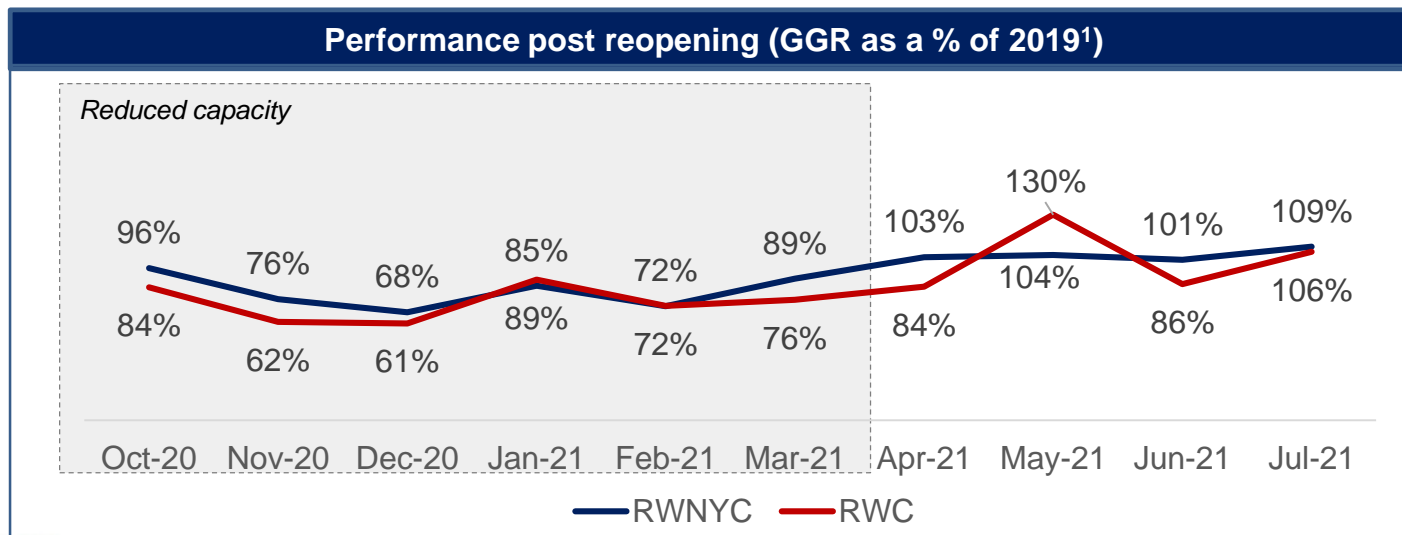


1H21 Performance (in RM'mil)	Malaysia	UK	US & Bahamas	Total
Revenue	574.2	226.0	641.0	1,441.2
<i>% of 2019</i>	<i>15%</i>	<i>27%</i>	<i>82%</i>	<i>27%</i>
Adj. EBITDA/(LBITDA)	(198.9)	(35.8)	169.8	(64.9)
<i>% of 2019</i>	<i>NA</i>	<i>NA</i>	<i>97%</i>	<i>NA</i>

- **Malaysia:** Travel restrictions and closures impacted operations in 1H21; Remains closed since June 2021 amid nationwide lockdown
- **UK:** Operations were closed for most of 1H21; Reopening of UK casinos since May 2021 were well received

## ■ US:

- Gaming facilities in New York returned to full operating hours from 5 April 2021
- All operating restrictions lifted since 15 June 2021 (e.g. occupancy limits)
- RWNYC and RWC's operational performance on positive trajectory





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# LOOKING AHEAD



- Evolving COVID-19 situation worldwide continue to pose uncertainties to timeline of global economic recovery
- Regional gaming market expected to remain challenging in the near-term
- Early signs of economic revival given ramp up of worldwide vaccination rates
- Widespread immunisation will pave way to easing of pandemic restrictions

## Resorts World Genting

- Continue to assess operating structure and align cost base to the challenging operating environment
- Focus on implementing various initiatives (e.g. digitalisation and automation) for sustainable long-term growth and profitability
- Health and safety of guests, employees and the community in RWG remains a key priority
- Genting SkyWorlds, the region's newest outdoor theme park upon completion, will be a key growth initiative for RWG





## UK & Egypt

- Focus on driving revenue and business volume in Group's casinos
- Adopt an agile approach in managing cost structure



## US & Bahamas

- Place emphasis on strengthening the Group's market leading position in the New York State gaming market
- Expansion in New York - Development of new VGM facility, Resorts World Hudson Valley at Orange County
- Leverage synergies between RWNYC and RWC to develop and grow strong market presence
- The new Hyatt Regency JFK Airport at RWNY hotel will be a catalyst for growth
- Optimise Empire's capital structure to enhance profitability
- RW Bimini – leverage partnerships with renowned cruise operators to grow business volume





# **POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING**

22 September 2021

***Reply to pre-submitted queries from shareholders, including the  
Minority Shareholders Watch Group (“MSWG”)***



## **Queries from MSWG**

## **OPERATIONAL & FINANCIAL MATTERS**

### **Question 1:**

Against the backdrop of the COVID-19 pandemic, the Group recorded a 56% decline in revenue to RM4,528.8 million. The decrease was primarily caused by the unprecedented disruptions to the Group's leisure and hospitality operations worldwide arising from the outbreak of COVID-19. (Page 2 of Annual Report - AR)

What is the current situation in terms of percentage of revenue generation compared to the pre-Covid-19 level?

**Reply to Question 1:**

<b>Revenue (in RM'mil)</b>	<b>2Q21</b>	<b>1H21</b>
Malaysia	262.8	574.2
<i>% of 2019</i>	<i>15%</i>	<i>15%</i>
US & Bahamas	369.5	641.0
<i>% of 2019</i>	<i>93%</i>	<i>82%</i>
UK	185.5	226.0
<i>% of 2019</i>	<i>44%</i>	<i>27%</i>
<b>Total</b>	<b>817.9</b>	<b>1,441.2</b>
<i>% of 2019</i>	<i>31%</i>	<i>27%</i>

**Question 2:**

The Group is confident that the comprehensive measures in place emphasising cost optimisation and business efficiencies will provide the framework for the Group to pivot quickly once the casinos reopen. (Page 3 of AR)

Which are the areas of cost optimization and business efficiencies that have been instituted and what have been the positive outcome?

**Reply to Question 2:**

- The Group recalibrated its operations and adopted a leaner cost structure to adapt to the new operating environment. Steps taken include:
  - Rightsizing of our workforce and voluntary pay reduction;
  - Deferring non-essential capital expenditure; and
  - Significantly reduced discretionary expenses.
- The emphasis on cost optimisation and operational efficiencies enable us to quickly scale our business to adapt to the level of demand.
- The Group will also continue to re-engineer its processes to capitalise on the eventual recovery of the leisure and hospitality sector.



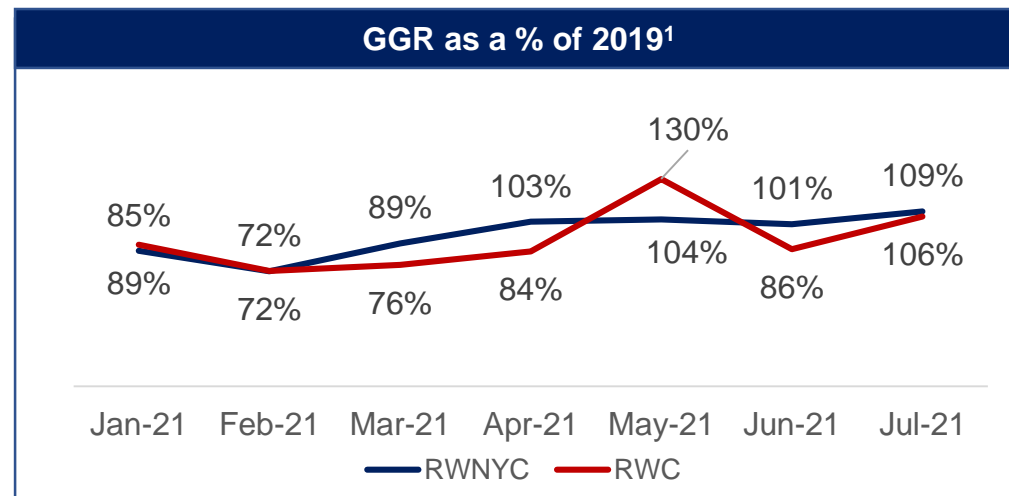
**Question 3:**

In the United States, the Group was encouraged by the positive reception to the reopening of Resorts World Casino New York City (“RWNYC”) and Resorts World Catskills (“RWC”) since 9 September 2020 under a 21-point safety plan that exceeds the requirements mandated by the New York State.  
(Page 3 of AR)

What has the positive reception translated into? What is the outlook for RWNYC and RW Catskills?

## Reply to Question 3:

In US\$'mil	2Q21	1H21
<b><u>RWNYC</u></b>		
Revenue	<b>74.9</b>	<b>133.1</b>
% of 2019	101%	91%
Adjusted EBITDA/(LBITDA)	<b>31.8</b>	<b>54.9</b>
% of 2019	125%	135%
<b><u>Empire (RWC)</u></b>		
Revenue	<b>55.6</b>	<b>97.4</b>
% of 2019	95%	85%
Adjusted EBITDA/(LBITDA)	<b>3.5</b>	<b>(0.0)</b>
% of 2019	N/A	N/A



- Reopening of RWNYC and RWC have been well received.
- All operating restrictions were eased in April 2021 and fully lifted since 15 June 2021.

<sup>1</sup>: NY State Gaming Commission

**Reply to Question 3 (Cont'd):**

- Looking ahead, the Group remains committed to reinforcing its position in the New York State gaming market by leveraging synergies between RWNYC and RWC to develop and grow its strong market presence.
- The Group's new 400-room hotel, Hyatt Regency JFK Airport at Resorts World New York City, has opened on 6 August 2021 to positive reception.
- The expansion project is part of the Group's vision of bringing an integrated resort to New York City.
- RWNYC's diversified offerings will further develop its strong local standing and reinforce its competitive position in the region.

**Question 4:**

There was a total impairment losses of RM590.7 million in 2020 relating to the assets of RW Birmingham, RW Bimini and certain casino licences and assets in the UK, (Page 29 of AR)

What are the reasons for the impairment losses? What is the probability of providing for further impairment losses for FY 2021?

**Reply to Question 4:**

- An impairment loss is recorded when the carrying amount of the assets in the books, at the point of review, exceeds its recoverable amount.
- In view of the impact of COVID-19 on the Group's operations, the Group had carried out an impairment review on the carrying amount of its assets periodically.
- Consequently, the Group recorded a total impairment loss of RM590.7 million as a result of the unprecedented disruptions to the Group's business activities.



**Reply to Question 4 (Cont'd):**

- Subsequent impairment reviews will be carried out in 2021. If the recoverable amount of the assets determined during the review exceeds the carrying amount, this impairment loss will be reversed.
- If there are indications that the carrying amount of the assets may not be recoverable to the full extent of its book value in subsequent reviews, additional impairment charges may be required.

**Question 5:**

Redundancy costs of RM146.6 million was incurred in 2020 as a result of the recalibration of the Group's operating structure and rightsizing of its workforce. (Page 29 of AR)

How many employees were laid-off in FY 2020? How many more are expected to be laid off in FY 2021?

**Reply to Question 5:**

- As at 31 December 2020, the Group employed over 12,000 staff across its operations worldwide. This represents a decline of approximately 35% from 31 December 2019.
- The Group will continue to re-engineer its processes and align its operating structure, including manpower, in accordance with the level of business.

**Question 6:**

In the US, the Group is focused on strengthening its market leading position in the state of New York with the introduction of world class integrated resort amenities at RWNYC. The development of the new upscale 400-room Hyatt Regency JFK at Resorts World New York hotel is progressing well and is set to open in phases from the middle of 2021. In the US, RWC recorded an occupancy rate of 62% in 2020 (2019: 76%). (Page 30 of AR)

**Question 6 (Cont'd):**

- (a) Is the Hyatt Regency on track to open in the middle of 2021? What is the outlook for the Hyatt Regency?
  
- (b) Considering that RWC had a reasonable occupancy rate of 62% in 2020, what is the expected occupancy rate in 2021?



**Reply to Question 6 (a):**

- As mentioned, earlier, the new 400-room hotel, Hyatt Regency JFK Airport at Resorts World New York City, opened on 6 August 2021.
- The Group's expansion project will be a catalyst for growth for RWNYC.

**Reply to Question 6 (b):**

- RWC's occupancy rates are expected to improve with restrictions fully-lifted in the US and we target to achieve occupancy rate of approximately 80% in 2021.

**Question 7:**

Other expenses increased from RM244.5 million in 2019 to RM323.5 million in 2020. (Page 71 of AR)

What were the major components that contributed to the significant increases and what were the reasons for the increases?

**Reply to Question 7:**

- The increase in other expenses was mainly due to redundancy costs, as a result of the Group rightsizing its workforce in response to the unprecedented disruptions to operations amid the COVID-19 pandemic.

## **CORPORATE GOVERNANCE MATTERS**

### **Question 1:**

Group revenue had declined by 56% from FY 2019 to FY 2020 while a net profit of RM1,332.2 million in FY 2019 had turned into a net loss of RM2,361.5 million in FY 2020 (a sharp drop of 277.3%). With such poor financial performance, for FY 2020, three executive directors namely the Deputy Chairman and Chief Executive, Tan Sri Lim Kok Thay, Deputy Chief Executive and Executive Director, Mr. Lim Keong Hui and President and Chief Operating Officer and Executive Director, Dato' Sri Lee Choong Yan still received substantial remuneration though in Tan Sri Lim's case there was a decrease compared to the amount received in FY 2019.

**Question 1 (Cont'd):**

The percentage of decrease was, however, far much lower than the deterioration in the Group revenue and net profit.

A summary of their total remuneration is as follows:

		<b>FY 2020 (RM'm)</b>	<b>FY 2019 (RM'm)</b>	<b>% change</b>
(i)	Tan Sri Lim Kok Thay	49.57	67.72	- 26.8
(ii)	Mr. Lim Keong Hui	9.20	9.12	+ 0.8
(iii)	Dato' Sri Lee Choong Yan (appointed to the Board only on 1 January 2020)	10.32	-	NA

Kindly justify these directors remuneration in the context of the Group's deteriorating performance.



**Reply to Question 1:**

- A substantial part, representing up to 40%, of the Executive Directors' total remuneration reported for FY20 is performance-linked remuneration, comprising bonuses and long term incentive plans, which were earned for previous years' performances prior to FY20 but only paid in FY20.
- For FY20 specifically, GENM did not give any bonuses, salary increments nor gratuity scheme awards. These typically form a substantial part of the performance-linked remuneration for Executive Directors and management.

**Reply to Question 1 (Cont'd):**

- All Executive Directors and senior management also took temporary voluntary pay reductions of 20% in FY20 and FY21 in light of the adverse impact of COVID-19 on the Group's performance.
- The Executive Directors' remuneration is commensurate with their roles and responsibilities which includes strategic development and direction of the Group's global businesses for long term sustainable growth and to further enhance shareholders' value.

**Reply to Question 1 (Cont'd):**

- Furthermore, they provide leadership across the Group and ensure that internal governance, planning, policies and system enhance the Group's capability and capacity.
- The Directors have had to intensify their efforts to help the Group navigate an extremely challenging business environment.
- The Directors' remuneration are reviewed annually with appropriate comparison to global industry survey data conducted by independent consultants and also determined by reference to similar roles and responsibilities, industry experience and expertise of our international peers.

**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.

**Question 2 (Cont'd):**

The Company departs from the Practice as there are two other independent directors namely Gen. Dato' Seri DiRaja Tan Sri (Dr) Mohd. Zahidi Bin Hj. Zainuddin (R) and Mr. Teo Eng Siong with tenure exceeding nine years where no resolutions were proposed to seek shareholders' approval to retain them as independent directors beyond nine years.

Further, in respect of two independent directors with tenure exceeding 12 years namely Tan Sri Datuk Clifford Francis Herbert and Mr Quah Chek Tin proposed for re-election, there was no mention of seeking shareholders' approval through a two-tier voting process.



**Question 2 (Cont'd):**

Why does the Group not apply the Practices in the MCCG? Is there any plan to apply these practices?

**Reply to Question 2:**

- 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 independent-minded and they continue to provide the necessary checks and balances in the best interest of the Company.

**Reply to Question 2 (Cont'd):**

- The Independent Directors serving more than nine years are persons with high calibre and their vast knowledge and experience contributes positively to the growth of the Group.
- They have each also provided an undertaking to Bursa Securities since their appointment confirming and declaring that they are “independent directors” as defined under paragraph 1.01 of the MMLR of Bursa Securities.

**Question 3:**

Practice 4.5 of 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.

**Reply to Question 3:**

- 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 the MCCG.

**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. The timeframe is unreasonably long and the application of the Practice should be expedited to, say, 3 years.

**Reply to Question 4:**

- 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 utilizing independent sources to identify suitably qualified candidates, where necessary.



## **Queries from Shareholders**

## **ADMINISTRATIVE MATTERS**

### **Question 1:**

Why are there no door gifts/ digital vouchers given to shareholders attending the 41<sup>st</sup> AGM? Will the Board consider this request?

### **Reply to Question 1:**

- As this meeting is being conducted on a fully virtual basis, there will be no distribution of door gifts or digital vouchers for the 41<sup>st</sup> AGM.

## **DIVIDENDS**

### **Question 2:**

Are there any considerations to set up a dividend reinvestment plan (“DRIP”) programme?

### **Reply to Question 2:**

- While the Group does not have any plans for a DRIP programme at present, the Group will continue to evaluate the feasibility of this proposal.

## **STRATEGY/ OPERATIONS**

### **Question 3:**

How will GENM sustain its operations if the COVID-19 situation prolongs?

How will GENM maintain/improve its profit margins moving forward?

### **Reply to Question 3:**

- Majority of the Group's key assets are open, save for RWG which had to temporarily close since 1 June 2021 due to the resurgence of COVID-19 in Malaysia.

## **STRATEGY/ OPERATIONS**

### ***Reply to Question 3 (Cont'd):***

- It is difficult and challenging for most businesses, including GENM, to sustain its business in a low revenue environment for prolonged periods.
- Notwithstanding, GENM has re-engineered its processes and recalibrated its cost structure to navigate through this challenging operating environment.

**STRATEGY/ OPERATIONS**

**Reply to Question 3 (Cont'd):**

- The emphasis on cost optimisation is evident from the reduction of our daily cash burn across the Group by over 30%, mainly from:
  - rightsizing our work force and voluntary pay reduction;
  - deferring non-essential capital expenditure; and
  - significantly reduced discretionary expenses.
- As RWG is currently closed, its daily cash burn including interest cost is approximately RM4 million per day.

## **STRATEGY/ OPERATIONS**

### **Reply to Question 3 (Cont'd):**

- Nevertheless, the Group is confident that with a leaner cost structure and re-engineered processes, it will be able to maintain and improve margins as business ramps up to pre-pandemic levels.



## **STRATEGY/ OPERATIONS**

### **Question 4:**

Will the Group implement cashless methods for gaming activities at its venues to minimise the spread of COVID-19?

### **Reply to Question 4:**

- Yes, this is currently implemented in our gaming venues.
- As mentioned earlier, the Group has re-engineered its business processes with more emphasis placed on the use of technology (e.g. e-payment systems and digital devices within the casino).
- This will help to improve overall operational efficiencies and enhance safety and well-being of guests and employees.

## **STRATEGY/ OPERATIONS**

### **Reply to Question 4 (Cont'd):**

- The Group is also pivoting and innovating its business to adapt to new customer trends and behaviours post-pandemic.
- Such initiatives include exploring interactive/online gaming to mitigate risks associated with the physical aspects of our current core business.
- This is evident by the Group's recent application for a mobile sports betting licence in the New York State through a consortium.

**STRATEGY/ OPERATIONS**

**Question 5:**

When RWG reopened in mid-June 2020, non-Genting Rewards members were unable to enter its casinos and no new cards were being issued. Won't management consider resuming the issuance of Genting Rewards memberships to drive business volume and revenue?

## **STRATEGY/ OPERATIONS**

### **Reply to Question 5:**

- When RWG reopened on 19 June 2020, the Group had to operate at reduced capacity in compliance with strict health and precautionary measures implemented by the authorities.
- Therefore, entry into the casinos were restricted to existing Genting Rewards members only.
- In reopening our properties, we will recruit new Genting Rewards members if it is permitted under safety protocols and guidelines implemented by relevant authorities.

## **STRATEGY/ OPERATIONS**

### **Question 6:**

Does RWG receive any assistance from the government under the various COVID-19 stimulus packages?

### **Reply to Question 6:**

- The Group received some level of aid from the government, mainly in the form of:
  - electricity discount of about RM800,000 per month during the eligible period since April 2020; and
  - wage subsidy of about RM900,000 per month for 7 months from June 2021 (the Group was not eligible for wage subsidy in FY2020).

## **STRATEGY/ OPERATIONS**

### **Question 7:**

Which hotels are currently open to the public at RWG? Will management provide free rooms to Genting Rewards members in the future?

### **Reply to Question 7:**

- Resorts World Awana is now open and we will open the rest of the hotels at RWG progressively based on demand, when inter-state travel is allowed.
- As part of the Group's initiative to drive revenue at RWG, the Group will continue to reward its members with special packages.

**STRATEGY/ OPERATIONS**

**Question 8:**

How much rental assistance has the Group provided to tenants of SkyAvenue to-date and does the Group have any statistics to share on tenants who have ceased operations due to the impact of COVID-19 and the temporary closure of RWG?



**STRATEGY/ OPERATIONS**

**Reply to Question 8:**

- The Group had offered rental assistance to tenants of the SkyAvenue Complex in the form of rental waivers and/or discounts to the amount of RM38.6 million, due to temporary closures amid the COVID-19 pandemic.
- Through the Group's initiative, the SkyAvenue Complex continues to record occupancy rates of approximately 90%.

**STRATEGY/ OPERATIONS**

**Question 9:**

Given the political volatility in Malaysia and growing negative perception surrounding gambling among certain local factions, what are the steps taken by GENM to prepare itself for such trends?

## **STRATEGY/ OPERATIONS**

### **Reply to Question 9:**

- The Group has regular communication and consultation with regulators to ensure we act with responsibility and accountability in compliance with all regulatory requirements.
- We will also continue to observe best practices in all areas of our business as part of the Group's commitment to enhance its ESG and sustainability agenda.
- Our businesses generate significant activities in the local economy and we remain committed to playing our role as a key contributor to the Malaysian economy as well as remaining one of the largest employers in the country.

## **STRATEGY/ OPERATIONS**

### **Question 10:**

What actions have been taken by management to attract foreign funds?

### **Reply to Question 10:**

- The Group actively engages both local and foreign investors on a regular basis through its investor relations team.
- The Group's engagement methods include working closely with sell-side analysts, quarterly analyst briefings and participation in both local and overseas investor forums.

**STRATEGY/ OPERATIONS**

**Question 11:**

Would RWLV, RWNYC and RW Catskills practice combined procurement and sourcing to achieve better economies of scale and cost savings?

## **STRATEGY/ OPERATIONS**

### **Reply to Question 11:**

- RWNYC and RWC are managed by a common management team through a Management Agreement. RW Catskills will benefit from operational synergies with RWNYC.
- On the other hand, RWLV is held by our holding company, Genting Berhad, and has its own separate management team.
- Notwithstanding this, we expect significant cross marketing synergies between RWLV, RWNYC and RW Catskills through our group loyalty programme.

## **EMPIRE**

### **Question 12:**

What is the main cause of Empire incurring losses for the past few years?

When does management expect Empire to contribute profit to GENM?



## **EMPIRE**

### **Reply to Question 12:**

- Prior to GENM's investment in Empire, the losses incurred by Empire was mainly due to high overheads, comprising listing and compliance costs and high interest costs due to a sub-optimal capital structure.
- Empire has recorded positive EBITDA since May 2021.

## **INVESTMENT IN MASHPEE**

### **Question 13:**

Please update shareholders on the impairment of GENM's investment in the Mashpee Wampanoag tribe. Is there a change in direction since President Biden has taken office?

## **INVESTMENT IN MASHPEE**

### **Reply to Question 13:**

- The Biden Administration immediately withdrew the Trump Administration's appeal of the June 2020 federal court order requiring the U.S. Department of Interior to issue a new declaration recognizing the Mashpee Wampanoag's tribal status and protecting the development rights on their reservation trust lands.

## **INVESTMENT IN MASHPEE**

### **Reply to Question 13:**

- The Tribe currently has the right to move forward with updating the design, securing financing and beginning construction of a casino on its reservation trust lands, but the expected declaration from the Interior will be an important protection of that right against future litigation.
- We are currently working with our partners to advance the project immediately upon the issuance of a new declaration by the Interior.
- The impairment loss can be reversed when the Tribe's land rights are secured and the promissory notes are assessed to be recoverable.

## **FINANCIALS**

### **Question 14:**

What are the positive impacts for the company, especially financially, after implementing the unpaid leave policy (1 day/week)?

### **Reply to Question 14:**

- The Group recorded savings of approximately RM150,000 per day.

**OTHERS**

**Question 15:**

For Malaysia, what is the future expansion or growth? Is Online Betting/Gaming a possibility in Malaysia?

**OTHERS**

**Reply to Question 15:**

- In Malaysia, our investment in the Genting Integrated Tourism Plan to reinvigorate and transform RWG is at its tail end.
- Genting SkyWorlds, the region's newest outdoor theme park, is on track to open soon and will be a key catalyst for growing visitation and business volume.
- Online betting is currently not permitted in Malaysia.
- Nevertheless, the Group will be keen to explore such opportunities if and when the authorities permits online betting in Malaysia.

**OTHERS**

**Question 16:**

Is GENM considering a 'Cruise to Nowhere' offering in Malaysia in partnership with Genting Cruise Lines?

**Reply to Question 16:**

- 'Cruise to Nowhere' is offered by Genting Hong Kong and GENM does not partner with Genting Hong Kong on this product.
- However, GENM and Genting Hong Kong cross-refer respective products on request by customers.



## **OTHERS**

### **Question 17:**

Regarding the recent winding up of the AVRDC Time Share Scheme (“Scheme”), what is the profit/loss incurred by the Scheme over the years in operation? Does management have any plans with regard to the properties held under the Scheme? Is there any possibility that GENM may launch a vacation club program in the future?

**OTHERS**

**Reply to Question 17:**

- The AVRDC Scheme had been recording operating losses for years. In FY2018 and FY2019, AVRDC had recorded an operating loss of RM1.1 million and RM2.5 million respectively.
- The unprecedented COVID-19 pandemic presented further challenges, which resulted in a substantial drain on its resources (both financial and otherwise).
- A Special Resolution on the termination of the Scheme together with an attractive compensation package was offered and tabled at the Adjourned General Meeting held on 24 April 2021, which was conducted in accordance with the provisions of the Scheme documents, including the Trust Deed.

## OTHERS

### *Reply to Question 17 (Cont'd):*

- The Special Resolution was duly approved by Time Share Owners present (in person or by proxy) by a poll with 95% majority.
- Consequently, the Scheme, and all documents governing the Scheme were legally and effectively terminated as of 24 April 2021. Accordingly, the SSM has been formally notified of the termination of the Scheme.
- The Scheme itself does not own any properties. Currently, GENM has no plans to launch any vacation club programme.

## **OTHERS**

### **Reply to Question 17 (Cont'd):**

- On 1st August 2021, an action was commenced by 18 Time Share owners against AVRDC to nullify the validity of the Special Resolution passed at the Adjourned General Meeting.
- AVRDC has filed its defence and applied for a stay of proceedings pending arbitration and alternatively, to strike-out the Writ and Statement of Claim.

## **OTHERS**

### **Question 18:**

What is the status of the Miami Rail and what is the latest update regarding the Miami expansion?

## **OTHERS**

### **Reply to Question 18:**

- GENM has entered into an arrangement, by way of exchange of select land parcels, with Miami-Dade County in Florida to permit a public/private partnership for the funding, construction and operation of a multimodal transportation hub.
- The proposed transportation hub would connect downtown Miami to the South Beach entertainment and conference center corridor with a new monorail.

## **OTHERS**

### ***Reply to Question 18 (Cont'd) :***

- The transportation hub would also feature a new bus terminal, a connection to the existing Metromover rail system that serves downtown Miami, the proposed monorail and possible water taxi outlets.
- GENM's only obligations are to effectuate the land swap and abide by its existing bus depot lease with the County.

## **OTHERS**

### **Reply to Question 18 (Cont'd) :**

- GENM has no obligation to fund construction of the monorail, nor any responsibility for the development, operation or maintenance of the transportation hub because all such matters will be shared between a third party infrastructure fund (Meridiam) and the Florida authorities.
- If the monorail project does not receive the necessary funding or otherwise move forward, GENM retains the right to undo the land swap at GENM's sole election.



## OTHERS

### *Reply to Question 18 (Cont'd) :*

- Apart from the above, there are no immediate plans for any expansion in Miami.

## **OTHERS**

### **Question 19:**

Are Directors attending this virtual AGM being paid meeting allowances?

### **Reply to Question 19:**

- No meeting allowances will be paid to Directors attending the AGM, both physically or virtually.

## **OTHERS**

### **Question 20:**

What are the cost-savings from conducting the virtual AGM this year as compared to the virtual AGM last year and physical AGMs in previous years?

### **Reply to Question 20:**

- Whilst there are some cost-savings, more importantly, the virtual sessions are held in line with government restrictions in order to safeguard our shareholders.

## **OTHERS**

### **Question 21:**

How much are the maintenance fees for the Tranquility? What was the purpose of the Group's acquisition of the yacht?

### **Reply to Question 21:**

- The average cost for the maintenance of Tranquility is approximately EUR2.2 million per annum.
- The acquisition of the yacht was to allow GENM to differentiate itself from its competitors and provide GENM with a unique and competitive edge for its premium customers business.

**OTHERS**

**Question 22:**

Will GENM participate in any related party transaction (“RPT”)s that will be against the interests of shareholders again in the future?

## **OTHERS**

### **Reply to Question 22:**

- GENM will not participate in any RPT that will be against the interest of shareholders.
- When GENM undertakes an RPT, we will ensure that such RPTs are:
  - (i) in the best interest of GENM;
  - (ii) fair, reasonable and on normal commercial terms; and
  - (iii) not detrimental to the interests of GENM's minority shareholders.

## **OTHERS**

### **Reply to Question 22 (Cont'd):**

- Any officer who is deemed interested in the transaction is required to abstain from deliberating and voting on the relevant resolutions pertaining to the proposed RPT.
- Being a listed company on Bursa Malaysia, GENM ensures that all RPTs comply with the Main Market Listing Requirements.

## **ESG**

### **Question 23:**

What is the total expenditure allocated per year in pursuing the Environment, Social and Governance (ESG) activities under the Sustainability Program?



## **ESG**

### **Reply to Question 23:**

- GENM is committed to its ESG initiatives to ensure sustainable development, environmental protection and social wellbeing of the surrounding community.
- The Group does not have a fixed fund allocation to ESG-related activities and the budget will vary from year to year, based on programmes planned to support its ESG initiatives as the Group continues to review its framework.
- There are also various unquantifiable CSR efforts contributed by the Group, such as communal works which require manual labour from team members.

## **ESG**

### **Question 24:**

What is GENM doing to conserve the environment?

### **Reply to Question 24:**

- GENM has an established sustainability framework overseen by a sustainability committee comprising Senior Management.
- GENM examines all aspects of its operations to minimise resource consumption whenever possible, and takes wide-ranging measures to protect biodiversity, reduce its consumption of water, energy and other resources, avoid waste and effective landscape management.

## ESG

### *Reply to Question 24 (Cont'd):*

- The Group's ultimate aim is to avoid net losses or the degradation of natural habitats, biodiversity and landscapes through managing water catchment areas and controlling soil erosion.
- For example, as a result of our conservation efforts, more than 90% of our land bank remains undeveloped.

# END OF CFO PRESENTATION

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*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.*

**GENM**

# **POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING**

**INTERMISSION**

**GENM**

# **POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING**

## **ANNOUNCEMENT OF POLL RESULTS**



**THE POSTPONED 41<sup>ST</sup> ANNUAL GENERAL MEETING HAS  
CONCLUDED**

**THANK YOU FOR YOUR PARTICIPATION**