

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other advisers immediately.

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**GENTING**

**MALAYSIA**

**GENTING MALAYSIA BERHAD**

Registration No. 198001004236 (58019-U)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED DISPOSAL OF THE MIAMI HERALD LAND (AS DEFINED HEREIN) FOR A TOTAL CASH CONSIDERATION OF UNITED STATES DOLLARS 1.225 BILLION (EQUIVALENT TO APPROXIMATELY RM5.482 BILLION) EITHER BY (1) GENTING FLORIDA LLC (AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF GENTING MALAYSIA BERHAD) TO SMART CITY MIAMI, LLC (“PURCHASER”) OF 100% OF THE ISSUED AND OUTSTANDING MEMBERSHIP INTERESTS IN RESORTS WORLD MIAMI LLC (“RW MIAMI”) WHICH HOLDS THE MIAMI HERALD LAND; OR (2) RW MIAMI OF THE MIAMI HERALD LAND TO THE PURCHASER**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Principal Adviser*



**AmInvestment Bank**

**AmInvestment Bank Berhad**

(Registration No. 197501002220 (23742-V))  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The resolution in respect of the above proposal will be tabled at an extraordinary general meeting (“**EGM**”) of Genting Malaysia Berhad (“**GENM**”) or at any adjournment thereof. The EGM will be held on a virtual basis through live streaming and online remote voting at the Broadcast Venue, 25th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia via TIIH Online website at <https://tiih.online> on Thursday, 15 June 2023 at 2.30 p.m.. The Notice of the EGM together with the Form of Proxy and the Personal Data Notice are enclosed in this Circular. This Circular and the Administrative Guide are available on GENM’s website at <https://www.gentingmalaysia.com/egm/>. Please follow the procedures set out in the Administrative Guide in order to register, participate and vote remotely.

As a shareholder, in the event you wish to appoint a proxy, please complete, sign and return the Form of Proxy in accordance with the instructions printed thereon so as to arrive at the office of the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (“**Tricor**”) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at Tricor’s Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not later than 48 hours before the time set for holding the EGM or at any adjournment thereof. The Form of Proxy can also be submitted electronically via TIIH Online at <https://tiih.online>. Please follow the procedures set out in the Administrative Guide.

Last date and time for lodging the Proxy Form : Tuesday, 13 June 2023 at 2.30 p.m.

Date and time of EGM : Thursday, 15 June 2023 at 2.30 p.m. or at any adjournment thereof

This Circular is dated 31 May 2023

## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

- Amendment SPA** : The agreement dated 17 May 2023, United States Eastern date/time between RW Miami, Genting Florida and the Purchaser to amend the terms of the Initial SPA to, among others, reflect the Purchaser's Election to Convert and to include Genting Florida as a party to the SPA
- AmInvestment Bank** : AmInvestment Bank Berhad (Registration No. 197501002220 (23742-V))
- Asset Sale** : The proposed disposal of the Miami Herald Land by RW Miami to the Purchaser pursuant to the terms and conditions of the Initial SPA
- Board** : Board of Directors of our Company
- BNM** : Bank Negara Malaysia
- Bursa Securities** : Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
- Business Day** : Any day of the week other than (a) Saturday and Sunday, or (b) a day on which banking institutions in the State of Florida are obligated or authorized by law or executive action to be closed to the transaction of normal banking business
- Circular** : This circular to the shareholders of GENM in relation to the Proposed Disposal dated 31 May 2023
- Closing** : The consummation of the Proposed Disposal
- Closing Date** : The date on which Closing occurs
- Company or GENM** : Genting Malaysia Berhad (Registration No. 198001004236 (58019-U))
- County** : Miami-Dade County, a political subdivision of the State of Florida, US, through Miami-Dade Transportation and Public Works Department
- County Consent** : Shall have the meaning given in Section 7 of Appendix I of this Circular
- County Lease and Development Agreement** : County Lease and Development Agreement dated 8 May 2017 entered into between RW Miami and the County for the joint development at the Omni Bus Terminal with access to adjacent Adrienne Arsht Center Metromover Station with the County, in relation to Parcel D of the Miami Herald Land

## DEFINITIONS (CONT'D)

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- Deposit** : The deposit of sum of USD25 million (equivalent to approximately RM112 million) payable within 10 Business Days of the Effective Date, and, where applicable, includes the additional USD25 million payable by the Purchaser in the event it exercises its option to extend the Closing Date (as set out in Section 5 of Appendix I of this Circular)
- Director(s)** : Director(s) of our Company and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding six (6) months of the date on which the terms of the Proposed Disposal were agreed upon:
- (i) a director of GENM, its subsidiary or holding company; and
  - (ii) a chief executive of GENM, its subsidiary or holding company
- Disposal Consideration** : A cash consideration of USD1.225 billion (equivalent to approximately RM5.482 billion)
- Due Diligence Expiration Date** : The date on which the Due Diligence Period expires, being the later of (a) 60 days from the Effective Date; or (b) 1 Business Day following Genting Florida's written notice to the Purchaser that GENM has received GENM Approval together with documentary evidence of the same
- Due Diligence Period** : The period for the Purchaser to conduct its due diligence on the Miami Herald Land, which expires on the Due Diligence Expiration Date
- Effective Date** : 26 April 2023, being the date of the Initial SPA
- EGM** : Extraordinary general meeting
- Election to Convert** : The election by the Purchaser pursuant to the terms of the Initial SPA to convert the structure of the Proposed Disposal from an Asset Sale to an Equity Sale
- EPS** : Earnings per share
- Equity Sale** : The proposed disposal of the Membership Interests by Genting Florida to the Purchaser pursuant to the terms and conditions of the SPA whereby the intent of Genting Florida and the Purchaser is that by virtue of the Purchaser's acquisition of the Membership Interests, the Purchaser will thereafter own a direct interest in RW Miami's right, title, interest and obligations to and under the Miami Herald Land
- Escrow Agent** : First American Title Insurance Company, the escrow agent appointed under the terms of the SPA

## DEFINITIONS (CONT'D)

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- FYE** : Financial year ending/ended, as the case may be
- GAI** : Genting Americas Inc., an indirect wholly-owned subsidiary of GENM
- GENM Approval** : Approval by a simple majority of the shareholders of GENM of the Proposed Disposal at the EGM
- GENM Group or Group** : GENM and its subsidiaries
- GENM Shares** : Ordinary shares in GENM
- Genting Florida** : Genting Florida LLC, a Delaware limited liability company, and an indirect wholly-owned subsidiary of GENM
- Hart Scott Rodino Act filing** : A filing required to be made pursuant to the Hart Scott Rodino Antitrust Improvements Act of 1976 by parties to the US Department of Justice for antitrust review before certain large merger or acquisition transactions can close
- Independent Valuer or JLL** : JLL Valuation & Advisory Services, LLC, being the independent valuer appointed by GENM for the Proposed Disposal
- Initial SPA** : The conditional sale and purchase agreement dated 26 April 2023, United States Eastern date/time between RW Miami and the Purchaser for the disposal of the Miami Herald Land by RW Miami to the Purchaser
- Listing Requirements** : Main Market Listing Requirements of Bursa Securities, as amended from time to time
- LPD** : 12 May 2023, being the latest practicable date before the printing of this Circular
- Membership Interests** : 70,000,100 authorised units with a unit value of USD1.00 each, comprising 100% of the issued and outstanding membership interests in RW Miami
- Miami Herald Land** : Collectively, four parcels of land located in Miami, Florida measuring an aggregate land area of approximately 673,691 sq. ft. comprising:

Parcel	Description	Land area (sq. ft.)
A	1, Herald Plaza Miami	246,390
B	425, NE 13 <sup>th</sup> Street	273,106
C	(a) 1404, Biscayne Boulevard; and (b) 360 NE, 14 <sup>th</sup> Terrace	85,853
D	9947 Omni Station Bus Loop ( <i>air rights only</i> )	68,342
<b>Total</b>		<b>673,691</b>

## DEFINITIONS (CONT'D)

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<b>NA</b>	:	Net assets
<b>NBV</b>	:	Net book value
<b>PAT</b>	:	Profit after tax
<b>Proposed Disposal</b>	:	The proposed disposal of the Miami Herald Land for the Disposal Consideration, either by (1) Equity Sale or (2) Asset Sale. As at the LPD, the Proposed Disposal is currently structured as an Equity Sale which, pursuant to the terms of the SPA, may revert to an Asset Sale under certain circumstances
<b>Purchaser</b>	:	Smart City Miami, LLC, a Delaware limited liability company
<b>RW Miami</b>	:	Resorts World Miami LLC, a Delaware limited liability company, which is currently an indirect wholly-owned subsidiary of GENM
<b>RW Miami Membership Interests</b>	:	70,000,100 authorised units with a unit value of USD1.00 each, comprising 100% of the ownership interest in RW Miami
<b>SPA</b>	:	The Initial SPA, as amended by the Amendment SPA
<b>Title Company</b>	:	First American Title Insurance Company providing co-insurance with Old Republic National Title Insurance Company
<b>US</b>	:	United States of America
<b>Valuation Certificate</b>	:	The valuation certificate dated 26 April 2023 prepared by the Independent Valuer in respect of the Miami Herald Land
<b>Valuation Date</b>	:	18 April 2023, being the material valuation date for the Miami Herald Land
<b>Valuation Report</b>	:	The valuation report dated 9 May 2023 prepared by the Independent Valuer in respect of the Miami Herald Land

## CURRENCIES

<b>RM and sen</b>	:	Ringgit Malaysia and sen respectively
<b>USD</b>	:	United States Dollar

## UNITS OF MEASUREMENT

<b>sq. ft.</b>	:	Square feet
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## **DEFINITIONS (CONT'D)**

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All references to “you” or “your” in this Circular are to the shareholders of GENM.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference to any legislation in this Circular is a reference to that legislation as for the time being amended or re-enacted.

Any reference to time of day in this Circular is a reference to Malaysian time, unless otherwise stated.

Any reference to announcements in this Circular is to announcements made by GENM on Bursa Securities' website, unless otherwise stated.

Any discrepancy in the tables between the amounts listed and the totals in this Circular is due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that the Group's plans and objectives will be achieved.

Unless otherwise stated, the exchange rate of USD 1.00: RM 4.4755, being BNM's middle rate as at 5.00 p.m. on 12 May 2023, being the LPD, is used throughout this Circular for the purpose of translation of USD into RM, where applicable.

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## EXECUTIVE SUMMARY

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This Executive Summary highlights only the salient information of the Proposed Disposal. You are advised to read this Circular and its appendices in its entirety for further details of the Proposed Disposal and not to rely solely on this Executive Summary in forming a decision on the Proposed Disposal before voting at the EGM.

Key information	Description	Reference to Circular
<b>Summary of the Proposed Disposal</b>	<p>The Proposed Disposal is currently structured as a disposal of the Membership Interests comprising 70,000,100 authorised units in RW Miami by Genting Florida to the Purchaser for a Disposal Consideration of USD1.225 billion (equivalent to approximately RM5.482 billion) subject to the terms and conditions of the SPA, the salient terms of which are set out in <b>Appendix I</b> of this Circular.</p> <p>It is the intent of Genting Florida and the Purchaser that, by virtue of the Purchaser's acquisition of the Membership Interests, the Purchaser will own a direct interest in RW Miami's right, title, interest and obligations first arising after the Purchaser's acquisition of the Membership Interests, to and under the Miami Herald Land.</p> <p>Upon completion of the Proposed Disposal (in the case of an Equity Sale), RW Miami shall cease to be an indirect wholly-owned subsidiary of GENM.</p> <p>It should be noted that in the event that the Amendment SPA is terminated (without terminating the Initial SPA) or if Genting Florida, RW Miami and the Purchaser cannot agree on the terms on any remaining outstanding matters relating to the purchase of the Membership Interests contemplated by the Amendment SPA, the Amendment SPA shall be void and the transaction shall revert to an Asset Sale.</p>	Section 2.1 and Appendix I
<b>Basis and justification in arriving at the Disposal Consideration</b>	<p>For avoidance of doubt, the Disposal Consideration remains unchanged regardless of whether the Proposed Disposal is effected by way of an Equity Sale or Asset Sale. The Disposal Consideration was arrived at on a willing buyer-willing seller basis after taking into consideration the following:-</p> <p>(i) the market value of the Miami Herald Land of USD1,223 million (equivalent to approximately RM5,474 million) as ascribed by JLL as set out in the Valuation Certificate, primarily based on the Sales Comparison Approach, comparing the Miami Herald Land with recent sale transactions involving other similar land parcels in the vicinity, with adjustments being made to differences in location, access, size, zoning and other relevant factors to arrive at the market value;</p>	Section 2.4



## EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
	<p>(ii) GENM acquired the Miami Herald Land on 27 May 2011 and Miami's property market has grown significantly since then as indicated by the Miami's Home Price Index nearly tripling from 139.46 in June 2011 to 398.56 as at 1 December 2022;</p> <p>(iii) assuming the Proposed Disposal (in the case of an Equity Sale) had taken place on 31 December 2022, the adjusted NA value of RW Miami as at 31 December 2022 will be USD249 million (equivalent to approximately RM1,114 million), after adjustments are made as a result of which, all that remains of the adjusted NA in RW Miami is the Miami Herald Land;</p> <p>(iv) based on the Disposal Consideration of USD1.225 billion (equivalent to approximately RM5.482 billion), the Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale) is expected to give rise to a proforma gain of approximately USD967 million (equivalent to approximately RM4,328 million) to the GENM Group for the FYE 31 December 2022. The actual gain from the disposal can only be ascertained upon the completion of the Proposed Disposal; and</p> <p>(v) the form of payment of the Disposal Consideration which will be entirely in cash. In addition, the Disposal Consideration:</p> <p>(a) in the case of an Equity Sale, translates to an implied price to book ratio (PBR) of approximately five (5) times based on the adjusted NA of RW Miami as at 31 December 2022; and</p> <p>(b) in the case of an Asset Sale, represents a premium of approximately USD966 million (equivalent to approximately RM4,323 million) or approximately 400% over GENM's cost of investment in relation to the Miami Herald Land of USD259 million (equivalent to approximately RM1,159 million) as detailed in Section 2.8 of this Circular.</p>	
<b>Utilisation Proceeds</b>	<p><b>of</b> The cash proceeds to be generated from the Proposed Disposal are intended to be utilised for the funding of future investments as and when they arise, of which announcements will be made and shareholder approval will be sought pursuant to the Listing Requirements, if required and to defray estimated tax and expenses relating to the Proposed Disposal.</p>	Section 2.6

## EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
<b>Rationale for the Proposed Disposal</b>	<p>The Miami property market has grown significantly since GENM's acquisition of the Miami Herald Land on 27 May 2011, with the Miami Home Price Index nearly tripling from 139.46 in June 2011 to 398.56 as at 1 December 2022.</p> <p>As such, the Proposed Disposal provides GENM with the opportunity to capitalise on the growth of the market and unlock significant value in a non-core asset at an attractive price and enhancing the cash position of the Company. This provides GENM with financial flexibility for its operations and future investments as and when they arise.</p> <p>Based on the Disposal Consideration of USD1.225 billion (equivalent to approximately RM5.482 billion), GENM expects to realise an estimated gain on disposal of USD967 million (equivalent to approximately RM4,328 million) (regardless of whether it is an Equity Sale or Asset Sale).</p>	Section 3
<b>Risk factors</b>	<p>(i) <u>Completion risk / termination risk</u></p> <p>The Proposed Disposal is subject to the fulfilment and/or waiver of condition precedents or occurrence of events under the SPA. Failure to complete the Proposed Disposal will result in GENM being unable to reap the benefits arising from the Proposed Disposal.</p> <p>In addition, the Purchaser has the right to terminate the SPA in the event of any occurrence of material casualty (such as damage or destruction by fire or other disaster or mishap) or material condemnation (i.e. compulsory acquisition by government authority) affecting the Miami Herald Land.</p> <p>(ii) <u>Foreign exchange translation risk</u></p> <p>In view that the Disposal Consideration will be settled in USD, our Group is exposed to foreign exchange risk arising from fluctuations of USD against RM. Any fluctuation of the RM against USD may impact the gain to the GENM Group, when translated into RM terms. We will monitor the movements of the currency to minimise adverse impact of any fluctuations in the exchange rate.</p>	Section 4
<b>Approvals required</b>	<p>The Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale) is subject to the following being obtained:-</p> <p>(i) approval from the shareholders of GENM at the forthcoming EGM;</p> <p>(ii) only in respect of Parcel D, the obtainment of the County Consent; and</p> <p>(iii) where required, the approval, waiver and/or consent of any other relevant authority.</p>	Section 6

## EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
<b>County Consent</b>	<p>At RW Miami's sole cost, RW Miami shall use commercially reasonable efforts in good faith to obtain the approval of the County for the following prior to the Closing Date:</p> <ul style="list-style-type: none"><li>(i) the assignment of the County Lease and Development Agreement to the Purchaser; and</li><li>(ii) the amendment to the County Lease and Development Agreement to extend the date to complete the Phase I improvements (i.e., the construction of a new interim bus terminal across N. Bayshore Drive, a new Omni bus terminal and agreed-to renovations to the Adrienne Arsht Center Metromover Station).</li></ul>	Section 7 of Appendix I

In the case of an Equity Sale, if County Consent has not been obtained by the Closing Date and Parcel D shall not be part of the initial Closing, the parties shall work together to restructure this portion of the transaction.

If the parties cannot agree on any remaining outstanding matters relating to the purchase of the Membership Interests contemplated by the Amendment SPA, including the resolution of the issue relating to County Consent, the transaction shall revert to an Asset Sale and close on the scheduled Closing Date as if the Purchaser did not make the Election to Convert.

*In the event the Proposed Disposal reverts to an Asset Sale*

If the County Consent is not obtained prior to the Closing Date (i) the Closing Date for the Miami Herald Land other than Parcel D will remain as scheduled (and the Disposal Consideration payable by the Purchaser at such Closing will be reduced by USD25 million), and (ii) the Closing Date for Parcel D only will automatically be extended in order for RW Miami to procure the County Consent, in which Closing for Parcel D shall take place 10 Business Days after RW Miami provides written notice to the Purchaser that it has obtained County Consent.

In the event RW Miami is unable to obtain the County Consent by 31 December 2024, either party will have the right to terminate the SPA as to Parcel D only by providing written notice to the other party prior to 31 December 2024.

In addition, if the Purchaser does not accept any condition required by the County in relation to the amendment to the County Lease and Development Agreement, and the County does not waive the same, the Purchaser's sole remedy shall be to terminate the SPA as to Parcel D only.

## EXECUTIVE SUMMARY (CONT'D)

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Key information	Description	Reference to Circular
<b>Interests of the directors, major shareholders and persons connected with them</b>	None of the directors and/or major shareholders of the Company and/or persons connected with them have any interest, direct or indirect, in the Proposed Disposal.	Section 8
<b>Directors' statement and recommendation</b>	<p>The Board, having considered all aspects of the Proposed Disposal, is of the opinion that it is in the best interest of the Company.</p> <p>The Board recommends that you vote in favour of the resolution pertaining to the Proposed Disposal to be tabled the forthcoming EGM.</p>	Section 9
<b>Estimated time frame for completion</b>	Barring any unforeseen circumstances, the Proposed Disposal is expected to be completed by 3 <sup>rd</sup> quarter of 2023.	Section 11



**GENTING MALAYSIA BERHAD**  
Registration No. 198001004236 (58019-U)  
(Incorporated in Malaysia)

**Registered Office:**  
14th Floor, Wisma Genting  
Jalan Sultan Ismail  
50250 Kuala Lumpur

31 May 2023

**Board of Directors:**

Tan Sri Dato' Seri Alwi Jantan (*Chairman/Independent Non-Executive Director*)  
Tan Sri Lim Kok Thay (*Deputy Chairman and Chief Executive/Non-Independent Executive Director*)  
Dato' Indera Lim Keong Hui (*Deputy Chief Executive and Executive Director/Non-Independent Executive Director*)  
Dato' Sri Lee Choong Yan (*President and Executive Director/Non-Independent Executive Director*)  
Mr Quah Chek Tin (*Independent Non-Executive Director*)  
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R) (*Independent Non-Executive Director*)  
Mr Teo Eng Siong (*Independent Non-Executive Director*)  
Dato' Koh Hong Sun (*Independent Non-Executive Director*)  
Madam Chong Kwai Ying (*Independent Non-Executive Director*)  
Mr Ho Heng Chuan (*Independent Non-Executive Director*)

**To our shareholders**

Dear Sir/Madam,

**PROPOSED DISPOSAL**

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**1. INTRODUCTION**

On 27 April 2023, AmInvestment Bank had announced, on behalf of the Company, that GENM's indirect wholly-owned subsidiary, RW Miami, had on 26 April 2023 (United States Eastern date/time) entered into the Initial SPA with the Purchaser for the proposed disposal of the Miami Herald Land by RW Miami for the Disposal Consideration (being a cash consideration of USD1.225 billion (equivalent to approximately RM5.482 billion)). The terms of the Initial SPA include an Election to Convert whereby the Purchaser may elect to convert the transaction from an Asset Sale to an Equity Sale within 10 Business Days after the Effective Date.

On 2 May 2023, AmInvestment Bank had announced, on behalf of the Company, additional information in relation to the Proposed Disposal.

On 11 May 2023, AmInvestment Bank, had announced, on behalf of the Company, that the Purchaser had on 10 May 2023 (United States Eastern date/time) exercised the Election to Convert and that the Purchaser and RW Miami shall work in good faith to negotiate an amendment to the Initial SPA to effect the change in the transaction structure of the Proposed Disposal from an Asset Sale to an Equity Sale.

On 18 May 2023, AmInvestment Bank, had announced, on behalf of the Company, RW Miami and Genting Florida had on 17 May 2023 (United States Eastern date/time) entered into the Amendment SPA with the Purchaser to amend the terms of the Initial SPA to, among others, reflect the Purchaser's Election to Convert and to include Genting Florida as a party to the SPA. Pursuant to the terms of the Amendment SPA, the Purchaser and RW Miami have agreed to convert the transaction structure of the Proposed Disposal from an Asset Sale to an Equity Sale and among others, that Genting Florida and RW Miami shall have settled, discharged or reasonably insulated RW Miami from any existing liability prior to Closing and Genting Florida will act to ensure that the only property owned by RW Miami at the time of Closing is the Miami Herald Land. For avoidance of doubt, the Disposal Consideration for the Proposed Disposal remains unchanged regardless of the Purchaser's Election to Convert.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED DISPOSAL AND TO SET OUT THE VIEW AND RECOMMENDATION OF OUR BOARD ON THE PROPOSED DISPOSAL AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED DISPOSAL TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED DISPOSAL TO BE TABLED AT THE FORTHCOMING EGM.**

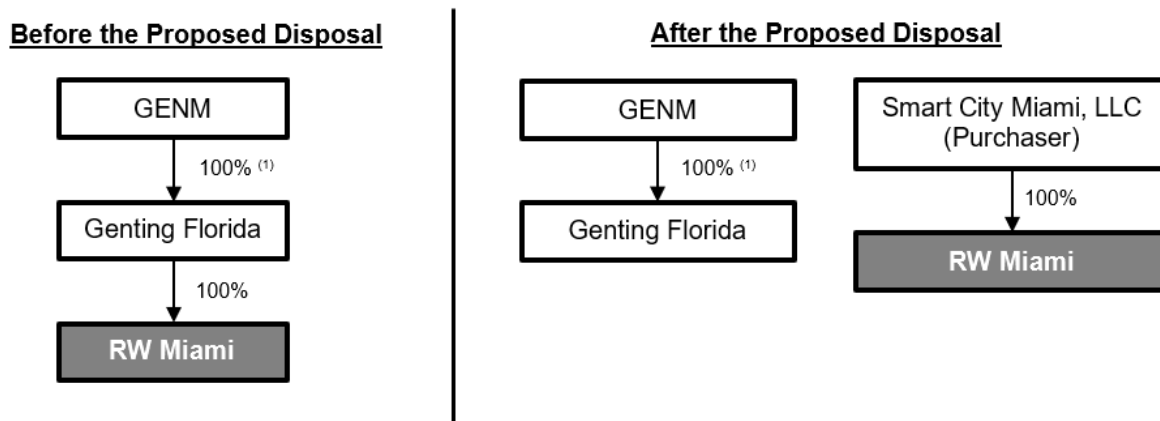
## **2. DETAILS OF THE PROPOSED DISPOSAL**

### **2.1 Proposed Disposal**

The Proposed Disposal is currently structured as a disposal of the Membership Interests comprising 70,000,100 authorised units in RW Miami by Genting Florida to the Purchaser for a Disposal Consideration of USD1.225 billion (equivalent to approximately RM5.482 billion) subject to the terms and conditions of the SPA, the salient terms of which are set out in **Appendix I** of this Circular.

It is the intent of Genting Florida and the Purchaser that, by virtue of the Purchaser's acquisition of the Membership Interests, the Purchaser will own a direct interest in RW Miami's right, title, interest and obligations first arising after the Purchaser's acquisition of the Membership Interests, to and under the Miami Herald Land.

Upon completion of the Proposed Disposal (in the case of an Equity Sale), RW Miami shall cease to be an indirect wholly-owned subsidiary of GENM. The corporate structure of the GENM Group before and after the Proposed Disposal is set out below:



**Note:-**

(1) *Genting Florida is an indirect wholly-owned subsidiary of GENM held through intermediaries namely, Genting Worldwide Limited, Genting (USA) Limited, Genting East Coast USA Limited, Genting Americas Holdings Limited and GAI.*

It should be noted that in certain instances, such as, in event that the Amendment SPA is terminated (without terminating the Initial SPA) or if Genting Florida, RW Miami and the Purchaser cannot agree on the terms on any remaining outstanding matters relating to the purchase of the Membership Interests contemplated by the Amendment SPA, the Amendment SPA shall be void and the transaction shall revert to an Asset Sale. Please refer to Section 6(b) of Appendix I of this Circular for further details. The Company will make the relevant announcements, when required, in accordance with the Listing Requirements.

**2.2 Description of the Miami Herald Land**

The Miami Herald Land is close to commercial, residential and shopping areas and is located directly across the street from the Adrienne Arsht Center for the Performing Arts of Miami-Dade County, one of the largest performing arts centers in the United States.

In addition, the Miami Herald Land is bordered by extensive connectivity to Miami International Airport, Brickell (South Florida's major financial center), South Beach (one of the world's top beach destinations) as well as emerging hotspots such as Edgewater, Wynwood Art District and the Design District (a luxury shopping destination in South Florida).

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Further details of the Miami Herald Land are as follows:-

Parcel	A	B	C	D
<b>Identification</b>				
• Title no.	23288	19697	24131	N/A
• Folio no.	01-3231-075-0010	01-3231-054-0010	01-3231-080-0020	01-3231-080-0010
<b>Registered owner</b>	RW Miami	RW Miami	RW Miami	Miami Dade County Miami Dade Transit
<b>Beneficial owner</b>	RW Miami	RW Miami	RW Miami	RW Miami (subject to the Country Lease and Development Agreement) <sup>(2)</sup>
<b>Description Existing / Proposed Usage</b>	Currently vacant	Currently vacant	There are Boulevard Shops located on Parcel C with a total rentable area of 20,139 sq. ft. The Boulevard Shops, which is a double-storey building, are currently untenanted.	Parcel D, which is currently not owned by RW Miami, houses the Adrienne Arsht Center station, a transportation hub. However, RW Miami owns the air rights (i.e. the right to have exclusive control, occupancy and use of the vertical air space above a property) on Parcel D which allows RW Miami all air and commercial development rights for the transportation hub. The transportation hub connects GENM Group's properties in Downtown Miami to the South Beach entertainment corridor and convention centre, via the monorail. The monorail system (Metromover) is operated by the Miami-Dade public transit authority.
<b>Buildings erected and building age</b>	None	None	Erected on the site are the following structures:- • Boulevard Shops located on Parcel C with a total rentable area of 20,139 sq. ft. with building age of approximately 93 years.	None
<b>Address</b>	1 Herald Plaza, Miami, Florida 33132	425 NE 13 <sup>th</sup> Street, Miami, Florida 33132	a) 1401 Boulevard, Miami, Florida 33132 b) 360 NE, 14 <sup>th</sup> Terrace, Florida 33132	9947 Omni Station Bus Loop, Florida 33132



Parcel	A	B	C	D
District	Miami Dade	Miami Dade	Miami Dade	Miami Dade
State	Florida	Florida	Florida	Florida
Category of land use and any restrictions on the land use	1066 Commercial With Extra Features other than Parking	2865 Parking Lot / Mobile Home Park: Parking Lot	1229 Mixed Use-Store Commercial	8647 County: Dade County <sup>(2)(3)</sup>
Land area (sq. ft.)	246,390	273,106	85,853	68,342
Tenure of land (years)	Freehold	Freehold	Freehold	Leasehold (90 years expiring on 9 May 2107 with an option to renew for another 25 years)
Rental income per month	None	None	None	None
Audited NBV as at 31 December 2022		USD243 million (RM1,088 million)		USD12 million (RM54 million)
Valuation Date			18 April 2023	
Market value <sup>(1)</sup>	USD690 million RM3,088 million	USD380 million RM1,700 million	USD129 million RM577 million	USD24 million RM107 million
Original cost and date of investment				
Encumbrances	Parcel D - Subject to easement (right of access for specified purpose(s)) and encroachments (partial or gradual displacement of an existing use by another use) outlined in the County Lease and Development Agreement <sup>(5)</sup>			

**Notes:-**

- (1) Being the market value as ascribed by JLL as set out in the Valuation Certificate, primarily based on the Sales Comparison Approach.
- (2) RW Miami has entered into the County Lease and Development Agreement in relation to Parcel D. Pursuant to the County Lease and Development Agreement, RW Miami has the right to use the land for the duration of the lease term based on the terms and conditions of the lease, which is to undertake a joint development at the Omni Bus Terminal with access to adjacent Adrienne Arsht Center Metromover Station with the County.
- (3) A classification system employed by the municipality in Miami Dade County.
- (4) Subject to any applicable utility easements that do not appear to adversely affect value.
- (5) Pursuant to the County Lease and Development Agreement, the County has granted RW Miami various easements to facilitate the development contemplated in the agreement, which shall inure to the benefit of and be binding upon the County, RW Miami and each of their respective successors and assigns, and upon any person acquiring the relevant premises.

## 2.3 Information on RW Miami

RW Miami is a Delaware limited liability company formed on 31 March 2011 in Delaware, US, under the Delaware Limited Liability Company Act. RW Miami is an indirect wholly-owned subsidiary of GENM.

As at the LPD, the equity of RW Miami consists of 70,000,100 authorized units with a unit value of USD1.00 each, held by Genting Florida.

Please refer to **Appendix III** of this Circular for further information on RW Miami.

## 2.4 Basis and justification of arriving at the Disposal Consideration

For avoidance of doubt, the Disposal Consideration remains unchanged regardless of whether the Proposed Disposal is effected by way of an Equity Sale or Asset Sale. The Disposal Consideration was arrived at on a willing buyer-willing seller basis after taking into consideration the following:-

- (i) the market value of the Miami Herald Land of USD1,223 million (equivalent to approximately RM5,474 million) as ascribed by JLL as set out in the Valuation Certificate, primarily based on the Sales Comparison Approach, comparing the Miami Herald Land with recent sale transactions involving other similar land parcels in the vicinity, with adjustments being made to differences in location, access, size, zoning and other relevant factors to arrive at the market value;
- (ii) GENM acquired the Miami Herald Land on 27 May 2011 and Miami's property market has grown significantly since then as indicated by the Miami's Home Price Index nearly tripling from 139.46 in June 2011 to 398.56 as at 1 December 2022;
- (iii) assuming the Proposed Disposal (in the case of an Equity Sale) had taken place on 31 December 2022, the adjusted NA value of RW Miami as at 31 December 2022 will be USD249 million (equivalent to approximately RM1,114 million), after the following adjustments are made as a result of which, all that remains of the adjusted NA in RW Miami is the Miami Herald Land:

	<b>USD'000</b>
RW Miami member's deficit as at 31 December 2022	(135,342)
Add: Net liabilities amount arising from the proposed assignment / transfer of assets and liabilities to Genting Florida <sup>(a)</sup>	52,594
Add: Capitalisation of borrowings from GAI <sup>(b)</sup>	106,739
Add: Assignment of amount owing to Genting Worldwide Services Limited <sup>(c)</sup>	226,083
Less: Sale of remaining asset (i.e. a condominium unit) <sup>(d)</sup>	(1,381)
<b>Adjusted NA value of RW Miami as at 31 December 2022</b>	<b>248,693</b>

- (a) proposed assignment / transfer to Genting Florida, an indirect wholly-owned subsidiary of GENM, of amounts due from/to affiliate, accounts payable and finance lease liabilities. The amount represented in the audited financial statements of RW Miami for the FYE 31 December 2022 are set out below:-

	<b>USD'000</b>
- Amount due from affiliates	18,216
- Net accounts payable	(5,138)
- Amount due to affiliates	(62,706)
- Finance lease liabilities	(2,966)
<b>Total</b>	<b>(52,594)</b>

- (b) proposed capitalisation of borrowings from GAI, an indirect wholly-owned subsidiary of GENM, amounting to USD106.74 million as at 31 December 2022;
- (c) proposed assignment of amount owing to Genting Worldwide Services Limited, an indirect wholly-owned subsidiary of GENM, amounting to USD226.08 million as at 31 December 2022 to GAI;
- (d) proposed sale of remaining asset (i.e. a condominium unit) to ABC Biscayne LLC, an indirect wholly-owned subsidiary of GENM, at the NBV of the said asset as at 31 December 2022 amounting to USD1.38 million; and
- (e) any final adjustments arising from the cash and other residual liabilities to be agreed upon between the Purchaser and Genting Florida upon Closing;
- (iv) based on the Disposal Consideration of USD1.225 billion (equivalent to approximately RM5.482 billion), the Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale) is expected to give rise to a proforma gain of approximately USD967 million<sup>(1)</sup> (equivalent to approximately RM4,328 million) to the GENM Group for the FYE 31 December 2022. The actual gain from the disposal can only be ascertained upon the completion of the Proposed Disposal; and

**Note:-**

(1) *The proforma gain is derived as follows:-*

	<b>Amount (USD' million)</b>
<i>Disposal Consideration</i>	1,225.0
<i>Less: Adjusted NA of RW Miami as at 31 December 2022</i>	(249.0)
<i>Less: Estimated expenses for the Proposed Disposal</i>	(3.0)
<i>Less: Final adjustment sum *</i>	(7.0)
<b><i>Proforma gain on disposal</i></b>	<b>967.0</b>

\* *This relates to the capitalisation of borrowings from GAI from 1 January 2023 up to the LPD.*

- (v) the form of payment of the Disposal Consideration which will be entirely in cash. In addition, the Disposal Consideration:
- (a) in the case of an Equity Sale, translates to an implied price to book ratio (PBR) of approximately five (5) times based on the adjusted NA of RW Miami as at 31 December 2022; and
- (b) in the case of an Asset Sale, represents a premium of approximately USD966 million (equivalent to approximately RM4,323 million) or approximately 400% over GENM's cost of investment in relation to the Miami Herald Land of USD259 million (equivalent to approximately RM1,159 million) as detailed in Section 2.8 of this Circular.

## 2.5 Details of the Purchaser

Smart City Miami, LLC was incorporated on 17 April 2023 and is a Delaware limited liability company. Its principal activities are real estate development.

As at the LPD, the Purchaser does not have any directors and is managed by its sole member being Smart City Member Parent LLC, also a Delaware limited liability company. The sole member is ultimately owned by David Martin and Pedro Martin, founders of the Terra group of companies ("**Terra Group**"). In this regard, the Purchaser is an affiliate of the Terra Group.

The Terra Group is a South Florida-based real estate development group of companies involved in property development projects in many areas in Florida, amongst others, Coconut Grove, Miami Beach (including the Miami Beach Convention Center Hotel), Weston, Doral, Pembroke Pines and Bay Harbor Islands.

## 2.6 Utilisation of proceeds

The cash proceeds to be generated from the Proposed Disposal are intended to be utilised in the following manner:-

Details of utilisation	Expected timeframe for utilisation from the completion of the Proposed Disposal	Amount		
		USD'million	RM'million	%
Funding of future investments as and when they arise, of which announcements will be made and shareholder approval will be sought pursuant to the Listing Requirements, if required <sup>(1)</sup>	Within 48 months	1,002	4,484	81.8
Defray estimated tax and expenses relating to the Proposed Disposal <sup>(2)</sup>	Within 12 months	223	998	18.2
	<b>Total</b>	<b>1,225</b>	<b>5,482</b>	<b>100.0</b>

**Notes:-**

- (1) The management of GENM is currently evaluating options for the use of the above proceeds. Whilst priority is to use the proceeds to complement our Group's businesses in leisure and hospitality, the management is also continuously on the lookout for other viable investment opportunities. The proceeds from the Proposed Disposal will provide our Group with readily available funds to undertake viable investment opportunities, as and when they arise.

In the event of any material variation to the earmarked utilisation of proceeds, the Company will seek shareholders' approval in accordance with the Listing Requirements, if required.

- (2) The estimated tax and expenses relating to the Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale) comprise the following:-

	USD' million	RM' million
Corporate taxes payable relating to the Proposed Disposal	220	984
Broker fees (0.1% of the Disposal Consideration)	1	5
Other professional fees (advisers and valuers) and miscellaneous expenses related to the Proposed Disposal	2	9
<b>Total</b>	<b>223</b>	<b>998</b>

Any excess funds allocated for estimated tax and expenses will be used for general working capital.

Pending the use of proceeds from the Proposed Disposal for the purposes set out above, the proceeds will be placed in interest-bearing deposits with financial institutions and/or invested in other financial instruments as the Board deems fit.

**2.7 Liabilities to remain with GENM**

Save for the obligations and liabilities stated in and arising from the SPA which includes the obligation of Genting Florida to indemnify the Purchaser from and against any and all liabilities, obligations, claims, costs and expenses which the Purchaser may incur or suffer arising under or on account of the Membership Interests prior to Closing Date (in the case of an Equity Sale), there are no other liabilities in respect to the GENM Group, including contingent liabilities and/or guarantees, which will remain with the GENM Group pursuant to the Proposed Disposal. In addition, there is no guarantee given by the GENM Group to the Purchaser in relation to the Proposed Disposal.

Please refer to **Appendix I** for further details on the obligations and liabilities stated in and arising from the SPA including the indemnity to be provided by Genting Florida (in the case of an Equity Sale).

## 2.8 Original cost and date of investment

The original cost and date of investment by the GENM Group for the Membership Interests are as follows:-

<u>Dates of investment</u>	<u>Description</u>	<u>Cost of investment</u> (USD)
April 2011	100 units	100
May 2011	70,000,000 units	70,000,000
<b>Total</b>	<b>70,000,100 units</b>	<b>70,000,100</b>

GENM, through its subsidiary Bayfront 2011 Property LLC (now known as RW Miami), originally acquired the Miami Herald Land (excluding Parcel D), on 27 May 2011 at USD246 million (or equivalent to approximately RM1,101 million) and Parcel D for USD13 million (or equivalent to approximately RM58 million) on 8 May 2017.

## 3. RATIONALE FOR THE PROPOSED DISPOSAL

The Miami property market has grown significantly since GENM's acquisition of the Miami Herald Land on 27 May 2011, with the Miami Home Price Index nearly tripling from 139.46 in June 2011 to 398.56 as at 1 December 2022.

As such, the Proposed Disposal provides GENM with the opportunity to capitalise on the growth of the market and unlock significant value in a non-core asset at an attractive price and enhancing the cash position of the Company. This provides GENM with financial flexibility for its operations and future investments as and when they arise.

Based on the Disposal Consideration of USD1.225 billion (equivalent to approximately RM5.482 billion), GENM expects to realise an estimated gain on disposal of USD967 million (equivalent to approximately RM4,328 million) (regardless of whether it is an Equity Sale or Asset Sale).

## 4. RISK FACTORS

### 4.1 Completion risk / Termination risk

The Proposed Disposal is subject to fulfilment and/or waiver of condition precedents or occurrence of events under the SPA. Amongst others, in the event the due diligence outcome is not satisfactory to the Purchaser, the Proposed Disposal may not be consummated. Failure to complete the Proposed Disposal will result in GENM being unable to reap the benefits arising from the Proposed Disposal. Notwithstanding this, GENM will take all reasonable steps to ensure the fulfilment of the conditions precedent for the purpose of completing the Proposed Disposal.

In addition, the Purchaser has the right to terminate the SPA in the event of any occurrence of material casualty (such as damage or destruction by fire or other disaster or mishap) or material condemnation (i.e. compulsory acquisition by government authority) affecting the Miami Herald Land.

## 4.2 Foreign exchange translation risk

In view that the Disposal Consideration will be settled in USD, our Group is exposed to foreign exchange risk arising from fluctuations of USD against RM. Any fluctuation of the RM against USD may impact the gain to the GENM Group, when translated into RM terms. We will monitor the movements of the currency to minimise adverse impact of any fluctuations in the exchange rate.

## 5. EFFECTS OF THE PROPOSED DISPOSAL

### 5.1 Share capital and substantial shareholders' shareholdings

The Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale) will not have any effect on the issued share capital of GENM and the substantial shareholders' shareholdings in GENM as the Proposed Disposal does not involve the issuance of new GENM Shares.

### 5.2 Earnings and EPS

GENM is expected to realise a gain arising from the Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale) in the financial year which the Proposed Disposal completes. The actual gain arising from the Proposed Disposal will depend on the adjusted NA of RW Miami (in the case of an Equity Sale) and the NBV of the Miami Herald Land (in the case of an Asset Sale) at the time of completion of the Proposed Disposal.

For illustrative purposes, based on the audited consolidated financial statements of GENM for the FYE 31 December 2022 and assuming that the Proposed Disposal had been effected at the beginning of FYE 31 December 2022, the Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale) is expected to realise a gain of USD967 million (equivalent to approximately RM4,328 million) to GENM. The financial effects on GENM's earnings and EPS are as follows:-

	<b>Audited as at 31 December 2022 (RM'million)</b>	<b>After the Proposed Disposal (RM'million)</b>
Loss/profit attributable to the equity holders of the Company	(520.0)	2,833.7 <sup>(1)</sup>
No. of GENM Shares in issue (excluding treasury shares) ('million)	5,665.2	5,665.2
(Loss per share)/EPS (sen)	(9.17)	50.02

#### **Notes:-**

(1) The proforma PAT is computed as follows:-

	<b>Amount (RM' million)</b>
<i>Audited loss of GENM for the FYE 31 December 2022</i>	(520.0)
<i>Add: Estimated gain on the Proposed Disposal<sup>(a)(b)</sup></i>	4,327.8
<i>Less: Estimated corporate taxes payable relating to the Proposed Disposal<sup>(c)</sup></i>	(974.1)
<b>Proforma PAT of GENM</b>	<b>2,833.7</b>

(a) Equity Sale

The gain on the Proposed Disposal for Equity Sale scenario is computed as follows:-

	USD' million	RM' million
Disposal Consideration	1,225.0	5,482.5
Less: Adjusted NA of RW Miami as at 31 December 2022	(249.0)	(1,114.4)
Less: Estimated expenses for the Proposed Disposal <sup>(i)</sup>	(3.0)	(13.4)
Less: Final adjustment sum <sup>(ii)</sup>	(7.0)	(31.3)
<b>Gain on disposal</b>	<b>967.0</b>	<b>4,327.8</b>

(i) Consists of, amongst others, professional fees, fees payable to the relevant authorities, printing cost of this Circular, advertising and miscellaneous expenses relating to the Proposed Disposal.

(ii) This relates to the capitalisation of borrowings from GAI from 1 January 2023 up to the LPD.

(b) Asset Sale

The gain on the Proposed Disposal for Asset Sale scenario is computed as follows:-

	USD' million	RM' million
Disposal Consideration	1,225.0	5,482.5
Less: NBV	(255.0)	(1,141.3)
Less: Estimated expenses for the Proposed Disposal <sup>(i)</sup>	(3.0)	(13.4)
<b>Gain on disposal</b>	<b>967.0</b>	<b>4,327.8</b>

(i) Consists of, amongst others, professional fees, fees payable to the relevant authorities, printing cost of this Circular, advertising and miscellaneous expenses relating to the Proposed Disposal.

(c) The corporate taxes payable relating to the Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale).

The Proposed Disposal is expected to contribute positively to the future earnings of the Company as a result of the estimated gain on disposal to be recognised.

### 5.3 NA per GENM Share and gearing

For illustrative purposes only, based on the audited consolidated statement of financial position of GENM as at 31 December 2022, and assuming that the Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale) had been effected on that day, the proforma effects on the consolidated NA per GENM Share and the gearing of GENM are as follows:-

	Audited as at 31 December 2022	After the Proposed Disposal
	(RM' million)	(RM' million)
Share Capital	1,764.5	1,764.5
Reserves	11,815.9	15,169.6 <sup>(1)</sup>
Treasury Shares	(944.5)	(944.5)
<b>Total Equity/NA</b>	<b>12,635.9</b>	<b>15,989.6</b>
No. of GENM Shares in issue (excluding treasury shares) ('million)	5,665.2	5,665.2
NA per GENM Share (RM) <sup>(2)</sup>	2.23	2.82
Total borrowings (RM' million)	12,117.1	12,117.1
Gearing (times) <sup>(3)</sup>	0.96	0.76



**Notes:-**

- (1) *Based on the net gain on disposal arising from the Proposed Disposal after taking into account the estimated expenses and tax expenses relating to the Proposed Disposal.*
- (2) *Computed based on the NA of GENM divided by the number of GENM Shares in issue (excluding treasury shares).*
- (3) *Computed based on total interest-bearing borrowings divided by the NA of GENM.*

**6. APPROVALS REQUIRED**

The Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale) is subject to the following being obtained:-

- (i) approval from the shareholders of GENM at the forthcoming EGM;
- (ii) only in respect of Parcel D, the obtainment of the County Consent; and
- (iii) where required, the approval, waiver and/or consent of any other relevant authority.

**7. PERCENTAGE RATIO**

Pursuant to Paragraph 10.02(g) of the Listing Requirements, the highest percentage ratio applicable to the Proposed Disposal (regardless of whether it is an Equity Sale or Asset Sale) is approximately 43.0%, computed based on GENM's audited consolidated financial statements for the FYE 31 December 2022.

**8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH THEM**

None of the Directors and/or major shareholders of the Company and persons connected with them have any interest, direct or indirect, in the Proposed Disposal.

**9. DIRECTORS' STATEMENT / RECOMMENDATION**

The Board, having considered all aspects of the Proposed Disposal, is of the opinion that it is in the best interest of the Company.

The Board recommends that you vote in favour of the resolution pertaining to the Proposed Disposal to be tabled at the forthcoming EGM.

**10. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION**

As at the LPD, save for the Proposed Disposal, there are no outstanding corporate exercises or proposals that have been announced by the Company which are pending completion.

The Proposed Disposal is not conditional upon any other corporate exercises undertaken by GENM.

## 11. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Disposal is expected to be completed by 3<sup>rd</sup> quarter of 2023.

## 12. EGM

We will hold an EGM, the notice of which is enclosed in this Circular, entirely through live streaming from the Broadcast Venue at 25th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia, on Thursday, 15 June 2023 at 2.30 p.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the resolution set out in the Notice of EGM.

This Circular, Notice of EGM, Form of Proxy, Administrative Guide and other relevant EGM documents are available on GENM's website at <https://www.gentingmalaysia.com/egm/>.

The voting on the ordinary resolution at the EGM of the Company will be by poll. If you are unable to attend and vote remotely via the Remote Participating and Voting facilities provided at the EGM, please download the Form of Proxy from GENM's website at <https://www.gentingmalaysia.com/egm/> and complete, sign and return the Form of Proxy in accordance with the instructions printed thereon so as to arrive at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia no later than 48 hours before the time set for holding the EGM or at any adjournment thereof.

The Form of Proxy can also be submitted electronically online via TIIH Online at <https://tiah.online>. Please follow the procedures set out in the Administrative Guide at <https://www.gentingmalaysia.com/egm/>.

The completion and the return of the Form of Proxy will not preclude you from attending and voting at the EGM should you subsequently decide to do so. For revocation of proxy, please refer to the procedures set out in the Administrative Guide.

## 13. FURTHER INFORMATION

We request that you refer to the attached appendices for further information.

Yours faithfully  
For and on behalf of the Board of  
**Genting Malaysia Berhad**

**TAN SRI DATO' SERI ALWI JANTAN**  
Chairman/Independent Non-Executive Director

## SALIENT TERMS OF THE SPA

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All references to “Seller” in the SPA shall mean Genting Florida, except with respect to any reference where the term “Seller” is used to refer to the County Lease and Development Agreement, the ownership of the Miami Herald Land or any matter related thereto, where instead each reference shall mean to RW Miami.

In the event that the Proposed Disposal reverts to an Asset Sale, references to “Seller” shall mean RW Miami.

### A) General

#### 1. Indivisible Economic Package

The Purchaser has no right to purchase, and RW Miami has no obligation to sell, less than all of the Miami Herald Land (other than Parcel D, if the County Consent is not obtained).

#### 2. Disposal Consideration

(i) Cash consideration of USD1.225 billion (net any set off of the Deposit paid and subject to adjustments for agreed apportionments in respect of items including property taxes and utilities), will be payable at Closing. The initial allocation of the Disposal Consideration of USD1.225 billion is as follows:-

(a) Freehold land (Parcels A, B and C) : USD1.200 billion

(b) Leasehold Land (Parcel D) : USD25 million

In the event parties fail to agree to a final allocation of the Disposal Consideration among the components (a) and (b) above at least 2 Business Days prior to the Due Diligence Expiration Date (as defined in Section 4 of this Appendix I below), the Purchaser shall have the option to either (i) have the initial allocation above be binding; or (ii) terminate the SPA as to Parcel D only and the Disposal Consideration shall be reduced by USD25 million.

(ii) Within 10 Business Days from the Effective Date, the Purchaser shall pay a sum of USD25 million as the Deposit to the Escrow Agent.

Provided that:

(a) the SPA has not been terminated as set out in Section 4 below; and

(b) GENM has obtained the approval by a simple majority of shareholders of GENM of the Proposed Disposal at an EGM (“**GENM Approval**”) and has provided documented evidence (in the form of GENM’s announcement to the Bursa Securities and a certificate from an officer of the Seller and GENM confirming GENM’s receipt of GENM Approval) to the Purchaser and Escrow Agent,

the Deposit shall be released to the Seller within 1 Business Day after the Due Diligence Expiration Date and thereafter, shall be non-refundable except as otherwise provided pursuant to the terms of the SPA. The Deposit (together with any accrued interest) shall be credited to the Disposal Consideration at Closing.

**SALIENT TERMS OF THE SPA (CONT'D)**

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**3. Conditions precedent**

The Proposed Disposal is subject to satisfactory due diligence by the Purchaser (as further explained in Section 4 of this Appendix I below), GENM Approval and the conditions precedent to Closing as follows:-

- (i) RW Miami shall convey marketable and insurable title to the Miami Herald Land, subject only to permitted exceptions at Closing;
- (ii) Seller's and Purchaser's delivery of all instruments and documents required to be delivered at Closing;
- (iii) Both Seller and Purchaser having performed and complied in all material respects with all of the terms of the SPA to be performed and complied with prior to or at Closing;
- (iv) The Title Company shall be prepared to issue, upon payment of the applicable premiums therefor, an owner's title policy with respect to the Miami Herald Land, showing title to the Miami Herald Land vested in the Purchaser, subject only to permitted exceptions;
- (v) Purchaser shall have delivered the Disposal Consideration less the Deposit, adjustments for agreed apportionments in respect of items including property taxes and utilities and any other adjustments or credits required under the SPA to the Escrow Agent;
- (vi) The Purchaser's representations under the SPA shall be true, accurate and complete in all material respects on and as of the Effective Date and on and as of the Closing Date as if then remade;
- (vii) Subject to the provisions on Purchaser obtaining notice of breach of any Seller's representation, on the Closing Date, the Seller's representations under the SPA shall be true, complete and accurate, in all material respects, on and as of the Effective Date and on and as of the Closing Date as if then remade subject only to changes that are (A) caused by the acts or omissions of the Purchaser or its agents or affiliates; (B) a result of the ownership or operation of the Miami Herald Land in the normal course of business and in compliance with the SPA, in accordance with applicable laws, occurring after the Effective Date, and do not have an adverse effect on the Purchaser's ability to purchase, operate, or redevelop the Miami Herald Land and are disclosed by the Purchaser by the Seller in writing; and (C) casualty or condemnation;
- (viii) As of the Closing Date, there shall be no moratorium in effect, including concurrency, that delays by more than 180 days or prevents by more than 180 days the issuance of any development, construction, or land use approvals or permits for the Miami Herald Land for the Purchaser's redevelopment of the Miami Herald Land as a mixed use project;
- (ix) There shall be no adverse change in the environmental condition of the Miami Herald Land following the Effective Date; and

**SALIENT TERMS OF THE SPA (CONT'D)**

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- (x) County Consent in relation to Parcel D.

If the above conditions (save for item (x)) are not satisfied as of the Closing Date, the Purchaser may elect, in its sole discretion, to:-

- (a) waive such condition and proceed with the Closing as contemplated by the SPA (without any reduction in Disposal Consideration);
- (b) terminate the SPA by written notice to the Seller, in which event the Deposit shall be returned to the Purchaser; or
- (c) exercise its rights and remedies as set out in Section 6(i)(ii) or Section 8 of Appendix I below (with respect to GENM Approval), if the failure to fulfil the condition precedent is due to the default of the Seller beyond any applicable notice and cure periods.

**4. Due Diligence Period**

The Purchaser shall have a period of the later of (a) 60 days from the Effective Date; or (b) 1 Business Day following Seller's written notice to the Purchaser that GENM has received GENM Approval together with documentary evidence of the same ("**Due Diligence Period**"), to determine that the Miami Herald Land is satisfactory to the Purchaser, in the Purchaser's sole discretion. If the Purchaser is not satisfied with the Miami Herald Land and/or its inspection results, in its sole discretion, then the Purchaser may deliver written notice thereof to the Seller ("**Due Diligence Rejection Notice**") and terminate the SPA. In such event, the Deposit paid shall be returned to the Purchaser and neither party shall have any obligation to the other, save for those which expressly survive termination.

If the Purchaser fails to deliver the Due Diligence Rejection Notice by the end of the Due Diligence Period ("**Due Diligence Expiration Date**"), the Purchaser's right to terminate the SPA shall be deemed null and void and of no further force and effect, the Deposit shall become non-refundable save as expressly provided in the SPA, and the parties shall proceed to Closing.

**5. Closing Date**

At the expiry of the Due Diligence Period, the Purchaser can either (i) close in 7 Business Days or (ii) request for an extension of up to 60 days by delivering written notice to the Seller and the Escrow Agent of such extension on or prior to the Due Diligence Expiration Date and within 5 Business Days thereafter paying an additional USD25 million to the Escrow Agent, which will be deemed to form part of the Deposit (which shall be non-refundable except as otherwise provided pursuant to the terms of the SPA) and will be applied to the Disposal Consideration at Closing.

If the Purchaser is unable to bind insurance (i.e. when insurance companies temporarily suspend the issuance of new policies for a period of time due to certain circumstances such as the threat of an impending hurricane), or if either party is prevented from performing its Closing obligations on the scheduled Closing Date due to the unavailability of essential closing services resulting from event(s) of force majeure, then, either party may extend the Closing Date to the date that is 5 Business Days after the force majeure event no longer prevents the binding of insurance and the availability of essential closing services.

**SALIENT TERMS OF THE SPA (CONT'D)**

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At Closing, the Seller shall deposit with Escrow Agent cash from the Closing proceeds otherwise due to the Seller in the amount of USD15 million ("**Holdback Deposit**") to secure the Seller's remaining obligations which survive Closing (such as the Seller's representations and the indemnity by the Seller for liabilities and which the Purchaser may incur or suffer arising under or on account of the Membership Interests prior to Closing Date) and its closing documents. The Holdback Deposit will be held by Escrow Agent for 9 months after Closing.

**6. Termination and default***(a) Termination of the SPA – the Proposed Disposal is terminated*

In addition to the potential termination events set out in Sections 3, 4, 5 and 8 of this Appendix I, the SPA may be terminated in the event of:-

- (i) **Default by the Purchaser:** If the Proposed Disposal is not consummated due to the Purchaser's failure to purchase the Miami Herald Land in accordance with the SPA, the Seller shall be entitled to terminate the SPA and the Deposit shall be disbursed to the Seller as liquidated damages.
- (ii) **Default by the Seller:** If the Proposed Disposal is not consummated due to a default by the Seller in its obligations to complete the Proposed Disposal in accordance with the SPA, then the Purchaser shall be entitled to (a) terminate the SPA and the Seller will promptly return the Deposit paid by the Purchaser in addition to reimbursement by the Seller for the Purchaser's and its affiliates' out of pocket expenses not exceeding USD1 million; (b) waive such default and consummate the Proposed Disposal; or (c) seek specific performance against the Seller, with such action having to be commenced by the Purchaser within 60 days after the occurrence of such default.

In addition, the Seller shall be liable for actual damages (but not consequential damages) resulting from breach of the Seller's representations under the SPA of which the Purchaser had no actual knowledge prior to or at the Closing, which shall survive the Closing for 9 months following the Closing Date ("**Survival Period**"). Each representation shall automatically be null and void and of no further force and effect after expiration of the Survival Period unless the Purchaser shall have provided a notice of claim prior to the expiration of the Survival Period and a lawsuit is commenced within 60 days of expiration of the Survival Period. In the event of any breach of representation by the Seller, the Purchaser shall not be entitled to sue, seek, obtain or be awarded losses from the Seller unless the aggregate amount of losses for which the Seller is liable to the Purchaser exceeds USD250,000. In no event will the Seller be liable to the Purchaser in an amount exceeding 3.5% of the Disposal Consideration.

*(b) Termination of the Amendment SPA only – the Proposed Disposal reverts to an Asset Sale*

In the event that the Amendment SPA is terminated by the parties (without terminating the Initial SPA) or the parties cannot come to terms on any remaining outstanding matters relating to the purchase of the Membership Interests contemplated by the Amendment SPA, or if either party determines that a Hart Scott Rodino Act filing is required due to the structure of the transaction as a Membership Interests sale, the Amendment SPA shall be void ab initio in which event the terms and conditions of the SPA shall apply in all respects and the transaction shall revert to

**SALIENT TERMS OF THE SPA (CONT'D)**

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an Asset Sale and close on the scheduled Closing Date as if the Purchaser did not make the Election to Convert. As at the LPD, the only outstanding matter relating to the purchase of the Membership Interests contemplated by the Amendment SPA is the County Consent (as detailed in Section 7 of Appendix I below).

Notwithstanding anything in the Amendment SPA to the contrary, the Purchaser may terminate this Amendment SPA by providing written notice of such termination to Genting Florida prior to the later of (i) the Due Diligence Expiration Date; or (ii) if the Purchaser extends the Closing Date by the additional 60 days, then 10 Business Days prior to the Closing Date.

Upon any termination of the Amendment SPA, the terms and conditions of the Initial SPA shall apply in all respects and the transaction shall revert to an Asset Sale and close on the scheduled Closing Date as if the Purchaser did not make the Election to Convert, subject to the terms and conditions of the Initial SPA.

**7. County Consent in respect of Parcel D**

At RW Miami's sole cost, RW Miami shall use commercially reasonable efforts in good faith to obtain the approval of the County for the following prior to the Closing Date (collectively, "**County Consent**"):

- (i) the assignment of the County Lease and Development Agreement to the Purchaser; and
- (ii) the amendment to the County Lease and Development Agreement to extend the date to complete the Phase I improvements (i.e., the construction of a new interim bus terminal across N. Bayshore Drive, a new Omni bus terminal and agreed-to renovations to the Adrienne Arsht Center Metromover Station).

The Purchaser agrees to use commercially reasonable efforts to assist RW Miami in obtaining the County Consent.

In the case of an Equity Sale, if County Consent has not been obtained by the Closing Date and Parcel D shall not be part of the initial Closing, the parties shall work together to restructure this portion of the transaction.

If the parties cannot agree on any remaining outstanding matters relating to the purchase of the Membership Interests contemplated by the Amendment SPA, including the resolution of the issue relating to County Consent, the transaction shall revert to an Asset Sale and close on the scheduled Closing Date as if the Purchaser did not make the Election to Convert, subject to the terms and conditions of the Initial SPA.

**In the event the Proposed Disposal reverts to an Asset Sale**

If the County Consent is not obtained prior to the Closing Date (i) the Closing Date for the Miami Herald Land other than Parcel D will remain as scheduled (and the Disposal Consideration payable by the Purchaser at such Closing will be reduced by USD25 million), and (ii) the Closing Date for Parcel D only will automatically be extended in order for RW Miami to procure the County Consent, in which Closing for Parcel D shall take place 10 Business Days after RW Miami provides written notice to the Purchaser that it has obtained County Consent.

**SALIENT TERMS OF THE SPA (CONT'D)**

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In the event RW Miami is unable to obtain the County Consent by 31 December 2024, either party will have the right to terminate the SPA as to Parcel D only by providing written notice to the other party prior to 31 December 2024.

In addition, if the Purchaser does not accept any condition required by the County in relation to the amendment to the County Lease and Development Agreement, and the County does not waive the same, the Purchaser's sole remedy shall be to terminate the SPA as to Parcel D only.

**8. GENM Approval**

Closing of the Proposed Disposal is contingent upon the receipt of the GENM Approval. The Seller shall use continuous, diligent, good faith commercially reasonable efforts to obtain regulatory approval of the Circular by the applicable Malaysian regulator (i.e. Bursa Securities) and GENM Approval within 60 days from the Effective Date ("**GENM Approval Period**").

Either the Purchaser or the Seller shall have the right to extend the GENM Approval Period by up to 30 days ("**First Extended GENM Approval Period**") if the GENM Approval is not obtained within the GENM Approval Period.

In the event that the GENM Approval is not obtained by the First Extended GENM Approval Period, the Purchaser will have the option of either:

- (a) terminating the SPA; or
- (b) granting the Seller an additional 30 days after the First Extended GENM Approval Period for the Seller to obtain the GENM Approval (which the Purchaser shall grant if GENM has previously obtained and delivered to the Purchaser the irrevocable written undertakings from shareholders of GENM representing a simple majority of voting rights, to vote in favour of the resolution approving the Proposed Disposal) ("**Second Extended GENM Approval Period**"). If the GENM Approval is not obtained within the Second Extended GENM Approval Period granted by the Purchaser, then the Purchaser shall have the option of either (i) granting the Seller additional time to obtain the GENM Approval; or (ii) terminating the SPA.

If the SPA is terminated pursuant to failure to obtain the GENM Approval, the Deposit will be returned to the Purchaser and the Seller shall reimburse the Purchaser and its affiliates' for out of pocket expenses not exceeding USD5 million.

**B) Additional terms applicable to an Equity Sale****9. Genting Florida's covenants in relation to RW Miami**

- (i) Prior to Closing, Genting Florida and RW Miami shall have settled, discharged or otherwise reasonably insulated RW Miami from any existing liability relating to RW Miami or Genting Florida prior to the Closing Date, including, but not limited to certain litigation involving RW Miami. Any insulation from any existing liability shall be reasonably acceptable to the Purchaser and to the extent required, the Title Company.



**SALIENT TERMS OF THE SPA (CONT'D)**

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- (ii) Genting Florida shall take such actions as are reasonably necessary to ensure the only property owned by RW Miami at the time of Closing is the Miami Herald Land.
- (iii) Prior to the Closing, Genting Florida and RW Miami shall have resolved to the reasonable satisfaction of the Title Company and the Purchaser any and all pending federal, state or local real estate tax assessment matters relating to the Miami Herald Land.
- (iv) Prior to the Closing, Genting Florida shall satisfy or discharge any intercompany loans or debt with respect to RW Miami such that as of the date of Closing, RW Miami shall have no indebtedness and be debt free and not own any loans or other assets other than the Miami Herald Land.

**10. Tax Allocation**

Genting Florida shall cause RW Miami to allocate all items of RW Miami income, gain, loss, deduction, or credit attributable to the Membership Interests for the taxable year of the Closing based on a closing of RW Miami's books as of the Closing Date.

**11. Assignment of Membership Interests**

On the Closing Date, Genting Florida shall deliver or cause to be delivered to the Purchaser and/or the Title Company (as applicable) an assignment of the Membership Interests to Purchaser and such other documents as may reasonably be requested by the Purchaser that are customarily delivered in connection with the closing of a purchase of membership interest of a limited liability company that do not create any additional liability or expense to Genting Florida or RW Miami other than as expressly set forth in the SPA.

Genting Florida agrees to indemnify the Purchaser from and against any and all liabilities, obligations, claims, costs and expenses which the Purchaser may incur or suffer arising under or on account of the Membership Interests prior to Closing Date. The Purchaser agrees to indemnify, defend and hold harmless Genting Florida from and against any and all liabilities, obligations, claims, costs and expenses which Genting Florida may incur or suffer arising under or on account of the Membership Interests on and after the Closing Date.

Genting Florida's liability under the assignment shall be limited as set out in Section 6 of Appendix I of this Circular above.

**12. Change of Name of RW Miami**

At Closing, the Purchaser shall deliver to Genting Florida a change of the name of RW Miami which shall be duly executed and filed with both the Delaware Secretary of State and the Florida Secretary of State to change the name of RW Miami to a name that does not contain the words "Genting", "Resorts World" or any other proprietary name of or trademark held by Genting Florida and its affiliates.

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## VALUATION CERTIFICATE



April 26, 2023

**Genting Malaysia Berhad**

Level 14, Wisma Genting,  
Jalan Sultan Ismail  
50250 Kuala Lumpur

To whom it may concern,

***Valuation of four non-contiguous development sites identified as Folio #s: 01-3231-075-0010; 01-3231-054-0010; 01-3231-080-0020; & 01-3231-080-0010 by the Miami-Dade Property Appraiser (“Assessor”) and situated in the City of Miami, Miami-Dade County, State of Florida, United States of America (collectively identified as “Subject Property”)***

**1. Terms of Reference**

The valuation certificate has been prepared for the purpose of submission to Bursa Malaysia Securities Berhad (“Bursa Securities”) in relation to a corporate proposal undertaken by Resorts World Miami LLC, a wholly-owned subsidiary of Genting Malaysia Berhad.

We hereby confirm that we valued, in accordance with the instruction from the client, the Subject Property via the appraisal report bearing reference VA-23-244632 dated May 9, 2023, with the date of value of April 18, 2023. This valuation certificate is to be read in conjunction with the abovementioned appraisal report.

The appraisal has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice issued by the Appraisal Institute, the Asset Valuation Guidelines under Section 377 of the Capital Markets and Services Act 2007 (“CMSA”) issued by the Securities Commission (“SC”) Malaysia, Guidelines on Due Diligence Conduct for Corporate Proposals and other relevant guidelines issued by the SC, and with the necessary professional responsibility and due diligence.

**2. The Subject Property and the Date of Value**

The Subject Property consists of four non-contiguous development sites situated in City of Miami, Miami-Dade County, State of Florida, United States of America:

Tax Identification	01-3231-075-0010	01-3231-054-0010	01-3231-080-0020	01-3231-080-0010
Address	1 Herald Plaza	425 NE 13th St	1401 Biscayne Blvd & 360 NE 14th Terrace	9947 Omni Station Bus Loop
Interest Appraised	Fee simple estate right <sup>1</sup> (freehold)			90-year leasehold estate right <sup>2</sup> commencing May 10, 2017, with one 25-year renewal option (tenant’s interest)

<sup>1</sup>Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

<sup>2</sup>The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease

Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th ed. (Chicago: Appraisal Institute, 2022)

The date of value is April 18, 2023.

## VALUATION CERTIFICATE (CONT'D)

## 3. Description of the Subject Property

The description of the Subject Property is shown as follows:

Tax identification	01-3231-075-0010 <sup>3</sup>	01-3231-054-0010	01-3231-080-0020	01-3231-080-0010
Property type	Vacant development site	Vacant development site	Development site improved with a retail building known as 'Shrine Building' <sup>6</sup>	Development site currently used as a bus station
Owner of record <sup>4</sup>	Resorts World Miami LLC			Miami Dade County Miami Dade Transit
Encumbrance/ easements/ restrictions	Subject to any applicable utility easements that do not appear to adversely affect value			Subject to easement and encroachments outlined in the Lease and Development Agreement <sup>7</sup>
Road frontage	Herald Plaza	NE 13th St	Biscayne Blvd & NE 14th Terrace	Omni Station Bus Loop
Land area <sup>5</sup> (gross/net)	5.656 acres (5.656 acres)	6.270 acres (6.243 acres)	1.971 acres (1.964 acres)	1.569 acres (1.233 acres)
Shape	Rectangular	Irregular	Irregular	Irregular
Waterfront/Inland	Waterfront site	Inland site	Inland site	Inland site
Flood zone	Yes	Yes	Yes	Yes

<sup>3</sup>1 Herald Plaza is being purchased with the right to develop 42 boat slips subject to the 14 slip rights relating to Division of Environmental and Resource Management ("DERM") Permit No. MOP 000099-2016/2017, the 20 slip rights relating to DERM Permit No. MOP 000382-2015-2016, and 8 slip rights relating to DERM Permit No. MOP 000382-2016-2017. Please refer to the Purchase and Sale Agreement and the client for explanation and copies of permits.

<sup>4</sup>We have reviewed deed records provided by the Assessor to confirm owners of record. The deeds were pulled from public record on April 21, 2023.

<sup>5</sup>We have relied on public record along with site surveys to confirm the site area for each parcel.

<sup>6</sup>The Shrine Building is a historically designated (built in 1930), an existing vacant 25,706 square feet ("sq.ft.") of gross building area ("GBA"), and 20,139 sq.ft. of net rentable area, retail building which is in good overall condition. The double storey construction is of heavy concrete frame with a flat roof. Resorts World Miami LLC has informed that the property was renovated in the past two years. This building exemplifies the historical, cultural, political, economic, and social trends of the community. Based on the Designation Report for the Shrine Building prepared by the Preservation Officer to the Historic and Environmental Preservation Board as of October 21, 2003, the improvements are required to be preserved and are thus valued herein.

<sup>7</sup>Please see section 4 of this certificate for salient details of the Lease and Development Agreement.

The Subject Property is transit-oriented location with excellent access to the light rail at the Adrienne Arsht Metromover Station, as 9947 OMNI Station Bus Loop parcel is adjacent to the light rail station.

The nearest bus stop is at the northwest corner of 15th St and Herald Plaza at the Subject Property's 1 Herald Plaza parcel serviced by the A Bus line. The M and S bus lines stop at the northeast corner of N Bayshore Dr and NE 13th Street at the Subject Property's 425 NE 13 St parcel.

The Subject Property also has excellent access to the highway system. The nearest commercial airport is the Miami International Airport, which is within 8 miles west of the Subject Property.

## VALUATION CERTIFICATE (CONT'D)

## 4. Details on the Lease and Development Agreement

## Ground Lease

Landlord	Miami Dade County
Tenant	Resorts World Miami, LLC
Lease Execution Date	May 8, 2017
Initial Commencement Date	May 10, 2017
Term	90 Years
Term Expiration Date	May 9, 2107
Renewal Options	1x 25-year term

## Periods and Dates

Development Period Dates	May 10, 2017 - May 31, 2021
	<b>Definition</b> period beginning on the initial commencement date and ending on the One-Time Rent Payment Date
One-Time Rent Date	June 1, 2021

Participation Rent Dates	TBD
	<b>Definition</b> the last day of the 48th months following the Initial Commencement Date.
	<b>Definition</b> Participation Rent Commencement Date shall mean the later of (i) Completion of Phase I Construction and (ii) the approval by the City of Miami of Tenant's development plans for the Project

## Rent for Each Period

Development Period	\$100,000/annually or \$8,333.33/month we were advised the payment for the development period have been made
One-Time Rent Date	\$10,000,000 We have received a confirmation indicating the one-time rent payment was made
Participation Rent Dates	the greater of (i) \$300,000/year or (ii) 50% of Gross Revenue generated by the gross floor retail space at 9947 OMNI Station Bus Loop We have been informed that participation period dates are being defined and negotiated

We reviewed the lease and development agreement and spoke with Eric Singer, a partner with the Bilzin Sumberg, who was involved in the preparation of the lease and development agreement, and who has direct knowledge about the agreement. We have been informed that development rent and one-time rent has been paid to date.

Terms of the lease and development agreement require for the tenant to the lease to (1) complete the construction of a new Interim Bus Terminal across N BayShore Drive, (2) the construction of a new OMNI bus terminal on the Land, and (3) perform the agreed-to renovations to the Adrienne Arsht Metromover Station. These renovations and construction were to be done at tenant's cost and during the development period. However, no development has taken place from the date of commencement. Nevertheless, we have been informed that the tenant continued to make rent payments subject to the development period rent obligations. We have confirmed with Eric Singer, a partner with Bilzin Sumberg, that going forward, the tenant will not be obligated to make development rent payments even if the construction obligations to which the tenant is subject to will take place in the future. Going forward, the tenant will be responsible for participation rent only.

We have been informed that the participation rent period is yet to be determined. We have received a copy of the negotiated and partially executed First Amendment to the lease and development agreement. The lease obligates the tenant to develop a new OMNI Bus Terminal and other public infrastructure on and around the Miami Dade Transportation property pursuant to an agreed development timeline. The Interim Agreement became effective on October 31, 2020, due to the lapse in development progress. Section 10 of the First Amendment indicates the time relief negotiated by Resorts World and the County in the event that the Interim Agreement expires on October 30, 2022, which occurred. This was approved by the Federal Transit Administration ("FTA") but has not yet been approved by the Board of County Commissioners. As negotiated, the amendment would then extend the Phase I Improvements completion date to October 29, 2025 (3 years after expiration of the Interim Agreement.). During the entire period, the participation rent would be due based on the original lease guidelines of the greater of (i) \$300,000/year or (ii) 50% of Gross Revenue generated by the ground floor retail space at 9947 OMNI Station Bus Loop. Our valuation of the ground lease assumes participation rent of \$300,000/year with the risk of higher rent payment (defined as 50% of gross revenue generated from any proposed retail) by growing rent based on inflationary trends. The information has not been provided on the development that is suited for the parcel subject to lease and development agreement, and the information on the allocated space for the retail component was not available as well. We are operating under the extraordinary assumption that \$300,000/year in annual payment is due for the duration of the lease with the exception of inflation increases during the remaining 84 years in the original lease with one renewal option, which do not appear to adversely affect value.

**VALUATION CERTIFICATE (CONT'D)****5. Details on the Purchase and Sale Agreement**

The Subject Property is under contract for purchase (Purchase and Sale Agreement) from Resorts World Miami LLC, an affiliate of the Genting Group, by Smart Miami City, LLC, an affiliate of the Terra Group for a total consideration price of \$1.225 billion.

The fee simple estate rights will be transferred for three parcels owned by Resorts World Miami LLC at the time of closing, and leasehold rights will be transferred for Folio #:01-3231-080-0010 that is subject to a 90-year Lease and Development Agreement with one 25-year renewal option.

Further, 1 Herald Plaza is being purchased with the right to develop 42 boat slips subject to the 14 slip rights relating to Division of Environmental and Resource Management (“DERM”) Permit No. MOP 000099-2016/2017, the 20 slip rights relating to DERM Permit No. MOP 000382-2015-2016, and 8 slip rights relating to DERM Permit No. MOP 000382-2016-2017. Please refer to the Purchase and Sale Agreement and the client for explanation and copies of permits.

Avison Young listed the development opportunity in December 2022 and have advertised the parcel worldwide. The listing agent involved in an aggressive marketing campaign that reached 9,000 investors from the Avison Young rosters and additional 5,000 investors from other marketing venues. Advertising pages were taken out in Wall Street Journal and Financial Times in order to ensure the exposure the development site received. As of March 22, 2023, the listing agent received nine offers, of which five were over a billion dollars (U.S.). The winning bid was the most reliable offer recognizing terms, timeline and agreements set along with the sale of a development site. The overall exposure period for the subject was nearly 90 days, which is 30 days above the typical marketing period, however, considered reasonable due to the exposure the listing agent was reaching.

**6. Planning and Zoning Details**

Permitted uses are residential multi-family, commercial, office, retail, civic, civil support, educations, and lodging. Mixed-use projects with ground floor retail are permissible.

The Subject Property is situated within T6-36B-O, Urban Core zoning district, and OMNI Community Redevelopment area overlay with as-of-right allowable buildable of 500 units per gross acre, with the maximum allowable buildable unit count summarized below:

Tax identification	01-3231-075-0010	01-3231-054-0010	01-3231-080-0020	01-3231-080-0010
Address	1 Herald Plaza	425 NE 13th St	1401 Biscayne Blvd & 360 NE 14th Terrace	9947 Omni Station Bus Loop
As-Of-Right buildable unit	2,828	3,135	985	784

Source: Miami 21 Code, as amended, the Zoning Ordinance of the City of Miami

Further, the zoning allows for floor area ratio of 12.00 (prior to TDRs and any additional purchased development rights). As such, as of right buildable square feet is summarized below, reflecting the difference in existing improvements as the remaining allowable floor area. Please note that the allowable buildable floor area ratio of 12.00 applies to the entire parcel #01-3231-080-0020 at 1401 Biscayne Blvd & 360 NE 14 Ter. The potential for maximum allowable buildable area is calculated using the entire site area, while the difference in remaining allowable buildable is calculated by deducting the existing 25,706 sf of retail improvements from the maximum allowable buildable area (zoned FAR). As such, the remaining floor area ratio for parcel #01-3231-080-0020 is 1,004,530 sq.ft. Please note that value of the retail space is separately developed for parcel #01-3231-080-0020 at 1401 Biscayne Blvd & 360 NE 14 Ter.

Tax identification	01-3231-075-0010	01-3231-054-0010	01-3231-080-0020	01-3231-080-0010
Address	1 Herald Plaza	425 NE 13th St	1401 Biscayne Blvd & 360 NE 14th Terrace	9947 Omni Station Bus Loop
As-Of-Right buildable square feet	2,956,680	3,277,272	1,030,236	820,104
Remaining As-Of-Right buildable square feet	2,956,680	3,277,272	1,004,530 <sup>8</sup>	820,104

Source: Miami 21 Code, as amended, the Zoning Ordinance of the City of Miami

**VALUATION CERTIFICATE (CONT'D)**

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<sup>8</sup>deducting the existing improvements of retail building/component (Shrine Building) which measure 25,706 sq. ft.

Due to the Subject Property's proximity to the transit rail, the property may qualify for the Rapid Transit Zone ("RTZ") district designation, which allows for the same density as the Subject Property's in-place allowable zoning density.

The Subject Property's retail building is of legal conforming use and of legal conforming bulk. According to the local planning department, there are no pending or prospective zoning changes. It appears that the current use of the site is a legally conforming use that pre-dates the current zoning regulations.

We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of legal compliance is required.

**7. Basis of Valuation**

The basis of valuation adopted is the As Is Market Value, defined as follows:

## Definition of Values

**Market Value**

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[g]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472

**As Is Market Value**

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal's effective date.

Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015); also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77471

**8. Valuation Methodology**

Three basic approaches may be applicable and utilized, then reconciled to arrive at an estimate of market value. An approach to value is included or eliminated based on its applicability to the property type being value and the information available. The reliability of each approach depends on the availability and comparability of market data as well as the motivation and thinking of purchasers. Applicable approaches and whether or not they were utilized are summarized below:

**Cost Approach**

The Cost Approach is based on the proposition that an informed purchaser would pay no more for the Subject Property than the cost to produce a substitute property with equivalent utility. In the Cost Approach, the appraiser forms an opinion of the cost of all improvements, depreciation from physical, functional and external causes. The land value, entrepreneurial profit and depreciated improvement costs are then added, resulting in indication of value.

**VALUATION CERTIFICATE (CONT'D)****Sales Comparison Approach**

The Sales Comparison Approach compares sales of similar properties with the Subject Property. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the Subject Property. A gross income multiplier and / or effective gross income multiplier may also be analyzed. By process of correlation and analysis, a final indicated value is derived.

**Income Approach**

In the Income Capitalization Approach the income-producing capacity of a property is estimated by using contract rents on existing leases and by estimating market rent from rental activity at competing properties for the vacant space. Deductions are then made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalization rate to derive an opinion of value for the Subject Property. The capitalization rate represents the relationship between net operating income and value. This method is referred to as Direct Capitalization.

Related to the Direct Capitalization Method is the Yield Capitalization Method. In this method periodic cash flows (which consist of net operating income less capital costs) and a reversionary value are developed and discounted to a present value using a discount rate or an internal rate of return.

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and or a discounting process.

**Final Reconciliation**

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.

**Analyses Applied**

Applicability and utilization of the approaches in this assignment is described as follows:

<b>Approaches to Value</b>	<b>Applicable</b>	<b>Used</b>
Cost Approach	Not applicable	Not utilized
Sales Comparison Approach	Applicable	Utilized
Income Approach	Applicable	Utilized in respect of 1401 Biscayne Blvd (retail building/component)

The cost approach was not developed in this appraisal. Buyers of retail properties in this marketplace little credence in the cost approach for properties that are older than 5 to 10 years. The estimation of depreciation may be difficult to do with any precision, especially for older buildings, given the lack of comparables with available information to derive credible evidence of depreciation. Thus, the cost approach was not developed in this instance.

We have employed income capitalization approach and sale comparison approach for the analysis of the retail component situated at 1401 Biscayne Blvd. 1401 Biscayne Blvd is underutilized based on the existing zoning and as-of-right allowable buildable regulations.

As remaining land is vacant, we have employed sale comparison approach in our analysis. Further, we have analyzed payments associated with the lease and development agreement at 9947 Omni Station Bus Loop.

Residual land analysis was not employed in the report as we have not been provided with development parameters and guidelines needed to provide a credible opinion of value using a residual analysis. Further, investors seeking to purchase land in the submarket review as-of-right allowable buildable area and land sales that occurred in the submarket with the same as-of-right bulk requirements.

**VALUATION CERTIFICATE (CONT'D)**

**Land Valuation – Sales Comparison Approach**

The following is a sales comparison grid displaying the comparables (all within City of Miami, County of Miami-Dade, State of Florida) and adjustments applied. Comparable were verified by speaking to listing brokers, parties to the transaction and reviewing public record.

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6
Address	1670 & 1690 NW N River Dr	533 NW 2 <sup>nd</sup> Ave	2699 Biscayne Blvd	234 NE 34 <sup>th</sup> St	2121 N Bayshore Dr	Not Disclosed
City	Miami, FL	Miami, FL	Miami, FL	Miami, FL	Miami, FL	Miami, FL
Transaction Date	Listing	February 06, 2023	December 20, 2022	October 06, 2022	May 24, 2022	March 22, 2022
Price	\$36,000,000	\$39,500,000	\$33,000,000	\$16,500,000	\$152,000,000	\$106,461,417
Size (acres)	2.25	1.03	1.69	0.85	3.43	5.10
Buildable units	338	301	253	127	514	440
Price per unit	\$106,528	\$131,229	\$130,436	\$129,921	\$295,720	\$241,958
Flood zone	Yes	No	Yes	Yes	Yes	Yes
Zoning	T6-36B-O w/ OMNI Overlay	T6-8-O	T6-36A-O w/ South East Overtown Overlay	T6-36A-O	T6-36A-L	RM-70
Shape	Flag	Rectangular	Rectangular	Rectangular	Irregular	Irregular
Topography	Level	Level	Level	Level	Slightly Sloping	Level
Tenure/property rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Condition of Sale	Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Expenditure after sales	\$49,048	\$0	\$118,930	\$0	\$1,337,000	\$5,300,000
Entitlements	No	Yes	No	No	No	No
Adjustment Considered	Condition of sale, tenure/property rights, market condition/trend, expenditure after sales, location, waterview, size, shape/topography, zoning, flood zone, utilities and entitlements.					
	<b>Waterfront development site – 1 Herald Plaza</b>			<b>Inland Development Site – 425 NE 13<sup>th</sup> St</b>		
Summary Indicators	Range	Average	Median	Range	Average	Median
Unadjusted	\$106,509-\$295,720	\$172,629	\$130,833	\$106,509-\$295,720	\$172,629	\$130,833
Adjusted	\$116,528-\$298,321	\$191,930	\$159,769	\$98,422-\$208,825	\$142,178	\$120,645
	<b>Inland development site – 1401 Biscayne Blvd</b>			<b>Inland development site – 9947 OMNI Station Bus Loop</b>		
Summary Indicators	Range	Average	Median	Range	Average	Median
Unadjusted	\$106,509-\$295,720	\$172,629	\$130,833	\$106,509-\$295,720	\$172,629	\$130,833
Adjusted	\$111,545-\$253,573	\$165,110	\$140,207	\$111,545-\$268,489	\$170,558	\$140,207
Reconciled Unit Value	<p>Comparables 5 and 6 were given additional weight in the analysis as both are waterfront parcels with the widest linear frontage along their respective bodies of water.</p> <p>Comparable 4 is the most proximate to the subject. Comparable 2 and 4 required the least net and gross adjustments. Comparable 2 featured similar proposed unit size. Balancing comparables, our value conclusion is \$245,000 per land/buildable units.</p>			<p>1401 Biscayne is a 1.971 acre parcel with all rights attached and we weighted comparables 1, 2 and 4 in our value conclusion. Specifically, comparable 4 required the least net adjustments, while comparable 2 required the least gross adjustments. Comparable 1 is the most recent sale and similar to the subject's 1401 Biscayne in site area.</p> <p>We have discounted the value at 20% for the Omni Station Bus Loop parcel due to inferior utility of the site due to existing public transit system on it.</p> <p>Finally, 425 NE 13th St is a 6.27-acre parcel. It is a larger parcel that allows for a significantly greater development potential. While recognizing economies of scale, we have concluded at \$122,500 since larger sites with a great development potential in this immediate area would attract superior demand from developers.</p>		

Details on Zoning: Comparables 1 through 5 are within T6 Urban Core zoning district as defined by the City of Miami. Permitted uses for T6 Urban Core include multi-family, commercial, office, retail, civic, civil support, educations, and lodging; while mixed-use projects with ground floor retail are permissible. Comparable 6 is within RM zoning district, which allows for residential multi-family development. Further description can be found on the following pages and the Appendix.



**VALUATION CERTIFICATE (CONT'D)**

Summary of values (land component) is as follows.

Tax identification	01-3231-075-0010	01-3231-054-0010	01-3231-080-0020	01-3231-080-0010
Address	1 Herald Plaza	425 NE 13th St	1401 Biscayne Blvd & 360 NE 14th Terrace	9947 Omni Station Bus Loop
As-Of-Right buildable unit	2,828	3,135	985	784
Waterfront/Inland site	Waterfront site	Inland site	Inland site	Inland site
Reconciled unit value	\$245,000	\$122,500	\$122,500	\$98,000
As Is Market value (fee simple)	\$690,000,000	\$380,000,000	\$120,000,000 <sup>9</sup>	\$75,000,000
Less ground rent value	-	-	-	\$50,967,038 <sup>10</sup>
As Is Market value (interest appraised)	\$690,000,000	\$380,000,000	\$120,000,000 <sup>9</sup>	\$25,000,000

<sup>9</sup>Not including the value of retail building/component.

<sup>10</sup>Ground rent value was computed based on the following parameters.

Parameter	Rate Adopted
Annual payment	\$300,000
Growth rate per period	4.10%
Discount rate per period	3.25%
Number of periods	109

The information has not been provided on the development that is suited for the parcel subject to lease and development agreement, and the information on the allocated space for the retail component was not available as well. We are operating under the extraordinary assumption that \$300,000/year in annual payment is due for the duration of the lease with the exception of inflation increases during the remaining 84 years in the original lease with one renewal option.

According to the PWC Q1 20232, "investors agree that higher interest rates have hurt the market. Inferior financing conditions are making investors be more selective with their acquisition volume. The reported discount rate for net lease and ground lease properties ranged between 6.00%-10.00% with the average of 7.75%.

Ground leases have lower risk profiles than most other income producing assets and thus trade at lower capitalization rates than most other asset classes. We have also reviewed the investor survey prepared by the Realty Rates on land leases, with the cap rates ranging from 3.99% to 10.77% and averaging 8.15% and discount rates ranging from 6.59% to 11.27% with an average of 9.15%.

### **Retail Building/Component – Sales Comparison Approach**

The following is a sales comparison grid displaying the comparables (all within City of Miami, County of Miami-Dade, State of Florida) and adjustments applied. Comparable were verified by speaking to listing brokers, parties to the transaction and reviewing public record.

VALUATION CERTIFICATE (CONT'D)

Sales Grid

	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7
Name	The Shrine Building	7200 Biscayne Boulevard	The Shops at Mary Brickell Village	Paramount Bay Commercial Center	124 Northeast 2nd Avenue	235 Northeast 29th Street	Nolan House	315 South Biscayne Boulevard
Address	1401 Biscayne Boulevard	7200 Biscayne Boulevard	901 South Miami Avenue	2063 Biscayne Boulevard	124 Northeast 2nd Avenue	235 Northeast 29th Street	1548 Brickell Avenue	315 South Biscayne Boulevard
City	Miami	Miami	Miami	Miami	Miami	Miami	Miami	Miami
County	Miami-Dade	Miami-Dade	Miami-Dade	Miami-Dade	Miami-Dade	Miami-Dade	Miami-Dade	Miami-Dade
State	FL	FL	FL	FL	FL	FL	FL	FL
Date	Apr-2023	Feb-2023	Jul-2022	Jun-2022	Dec-2021	Oct-2021	Oct-2021	Jul-2021
Price		\$4,730,000	\$30,269,024	\$10,750,000	\$4,968,121	\$5,600,000	\$7,000,000	\$24,080,000
Rentable Area	20,139	6,685	54,049	15,933	7,200	12,075	10,535	42,701
Rentable Area Unit Price		\$707.55	\$560.03	\$674.70	\$690.02	\$463.77	\$664.45	\$563.92
Building Class	B	B	B	B	B	B	B	B
Year Built	1930	1948	2006	2011	1950	2018	1925	2006
Renovations		2009	-	-	-	-	-	-
TOS Occupancy Rate	-	100.00%	100.00%	100.00%	100.00%	-	-	-
TOS Cap Rate	8.50%	7.07%	-	5.79%	-	-	-	-
Median HH Income		\$37,355	\$37,283	\$36,738	\$36,738	\$37,117	\$39,704	\$37,117
Population Counts	-	4,654	4,037	4,128	4,055	4,147	3,938	4,055
NOI/SF	\$58.29	\$50.02	N/A	\$39.07	N/A	N/A	N/A	N/A
Land SF	26,751	14,375	48,352	118,048	3,920	6,098	17,860	43,996
Land to Building Ratio	1.33	2.15	0.89	7.41	0.54	0.51	1.70	1.03

Adjustment Considered: Condition of sale, tenure/property rights, market condition/trend, expenditure after sales, location, size, building quality, age/condition, land to building ratio and economic characteristics.

Reconciled Unit Value: Reconciled Unit Value All of the value indications have been considered, and in the final analysis, Comparables 1 and 3 required the least adjustment overall. Furthermore, Comparables 1, 3, 6, and 7 fall into the relatively narrow range of values from \$656.41 to \$687.60 and average \$676.47 after adjustments. As such, Comparables 1, 3, 6, and 7 have been given most weight in arriving at our final reconciled unit value at \$680.00.

The retail component is currently vacant. The retail property is not considered to be at stabilized occupancy because the percentage of leased space is not typical of the market. We deduct outstanding TI and free rent (amounting \$4,350,000) from the stabilized value conclusion.

The value of the retail building/component using the Sales Comparison Approach is \$9,160,000.

**Retail Building/Component – Income Approach**

We have also adopted Income Approach by Direct Capitalization Method to arrive at the value of the retail building/component. Details of parameters adopted are as follows.

Parameter	Rate Adopted	Explanatory Notes																		
Monthly effective gross income	<u>Rental:</u> \$65.00 per square foot ("psf")  <u>Expense Reimbursements:</u> \$10.14 psf	We have considered the following rental comparables of retail space available within the City of Miami:																		
		<table border="1"> <thead> <tr> <th>Building</th> <th>Net Rentable Area (sq. ft.) / Commencement Date / Term</th> <th>Concluded Monthly Rental Rate</th> </tr> </thead> <tbody> <tr> <td>The Wyncatcher</td> <td>38,428 / Jan-2023 / 84 months</td> <td>\$65.00 psf</td> </tr> <tr> <td>Opera Tower</td> <td>1,801 / Mar-2023 / 12 months</td> <td>\$65.00 psf</td> </tr> <tr> <td>Wynwood Jungle Arcade</td> <td>7,751 / Jan-2023 / 120 months</td> <td>\$72.50 psf</td> </tr> <tr> <td>Miami Centra</td> <td>9,564 / Nov-2022 / 120 months</td> <td>\$65.00 psf</td> </tr> <tr> <td>2601 Biscayne Boulevard</td> <td>3,273 / Jul-2022 / 36 months</td> <td>\$59.00 psf</td> </tr> </tbody> </table>	Building	Net Rentable Area (sq. ft.) / Commencement Date / Term	Concluded Monthly Rental Rate	The Wyncatcher	38,428 / Jan-2023 / 84 months	\$65.00 psf	Opera Tower	1,801 / Mar-2023 / 12 months	\$65.00 psf	Wynwood Jungle Arcade	7,751 / Jan-2023 / 120 months	\$72.50 psf	Miami Centra	9,564 / Nov-2022 / 120 months	\$65.00 psf	2601 Biscayne Boulevard	3,273 / Jul-2022 / 36 months	\$59.00 psf
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Miami Centra	9,564 / Nov-2022 / 120 months	\$65.00 psf																		
2601 Biscayne Boulevard	3,273 / Jul-2022 / 36 months	\$59.00 psf																		
Source of information: Comparables included are of properties for which JLL, Valuation & Advisory, LLC has direct data. We are unable to disclose addresses due to confidentiality.																				
Adjustments have been made for market condition/trend, location, size, building quality, age/condition and economic characteristics to arrive at the rental of \$65.00 psf per month.																				
We have further considered the expense reimbursements which are estimated based on full recovery of projected property tax, insurance, and CAM expenses.																				
Vacancy & collection loss	5.00% of gross income	The current retail submarket vacancy rate is 3.0%, and the current office submarket vacancy rate is 9.1%. Based on a review of market conditions we have projected vacancy and collection loss at 5.0%.																		
Monthly expenses	\$13.09 psf	To develop projections of stabilized operating expenses, we analyze the Subject Property's expenses and comparable data:																		

## VALUATION CERTIFICATE (CONT'D)

Parameter	Rate Adopted	Explanatory Notes	
		Component	Explanatory Notes
		Taxes	This expense category includes all local, county, and state property tax levies, including special assessments. We have analysed the expenses of similar properties and project taxes based on stabilized occupancy in our income capitalization approach at \$6.89 psf per month.
		Insurance	Coverage for loss or damage to the property caused by the perils of fire, lightning, extended coverage perils, vandalism and malicious mischief, and additional perils. We have analysed the expenses of similar properties and estimate this expense at \$1.25 psf per month.
		CAM	Utilities for common area spaces, building and parking lot maintenance, landscaping, trash removal, and security are included in this item. We have analysed the expenses of similar properties and estimate this expense at \$2.00 psf per month.
		Management	Management fees are considered an expense of operation, whether the services are contracted or provided by the property owner. We have analysed the expenses of similar properties and estimate this expense at 3.5% of effective gross income.
		General and Administrative	General and Administrative may include staff wages and benefits, consulting expenses, miscellaneous insurance, office supplies, audit fees, subscriptions, etc. We have analysed the expenses of similar properties and estimate this expense at \$0.45 psf per month.
Capitalization rate	8.50%	Balancing market expert interviews, investor surveys and reported cap rates at comparable properties.	
Lease-up cost	\$4,350,000	<p>When a property has a below market income stream due to high vacancy and/or below market rents, an adjustment to value is often necessary for lost income over the lease-up period, leasing commissions associated with lease-up and perhaps tenant fit-up and additional operating expenses associated with the vacant space over the lease-up period.</p> <p>The retail building/component's interior will likely need to be renovated and/or demised to meet prospective tenant needs. Based on discussions with market participants, we project tenant improvements of \$80.00 psf. The table below details the stabilization calculations for the retail building/component.</p>	

The value of the retail building/component using the Income Approach is \$9,280,000.

## 9. Summary of Values

Tax identification	Address	Component	Valuation Methodology employed		As Is Market Value
			Sales Comparison Approach	Income Approach by Direct Capitalization	
01-3231-075-0010	1 Herald Plaza	Land	\$690,000,000	Not utilized	\$690,000,000
01-3231-054-0010	425 NE 13th St	Land	\$380,000,000	Not utilized	\$380,000,000
01-3231-080-0020	1401 Biscayne Blvd & 360 NE 14th Terrace	Land	\$120,000,000	Not utilized	\$129,280,000
		Retail Building	\$9,160,000	\$9,280,000	
01-3231-080-0010	9947 Omni Station Bus Loop	Land	\$24,000,000	Not utilized	\$24,000,000

The sales comparison approach is most reliable in an active market when an adequate quantity and quality of comparable sales data are available. In addition, it is typically the most relevant method for owner-user properties, because it directly considers the prices of alternative properties with similar utility for which potential buyers would be competing. We have primarily relied on the Sales Comparison Approach to develop an underlying site value of the Subject Property.

We have employed income capitalization approach and sale comparison approach for the analysis of the retail component situated at 1401 Biscayne Blvd. Further, we have analyzed payments associated with the lease and development agreement at 9947 Omni Station Bus Loop. The income capitalization approach is usually given greatest weight when evaluating investment properties. The value indication from the income capitalization approach is supported by market

## VALUATION CERTIFICATE (CONT'D)

data regarding income, expenses and required rates of return. An investor is the most likely purchaser of the appraised property, and a typical investor would place greatest reliance on the income capitalization approach.

### 10. Opinion of Value

Based on the appraisal as of April 18, 2023, described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions, we have made the following value conclusion(s):

Tax identification	Address	Interest Appraised	As Is Market Value	
01-3231-075-0010	1 Herald Plaza	Fee simple estate	\$690,000,000	RM 3,057,735,000
01-3231-054-0010	425 NE 13th St	Fee simple estate	\$380,000,000	RM 1,683,970,000
01-3231-080-0020	1401 Biscayne Blvd & 360 NE 14th Terrace	Fee simple estate	\$129,280,000	RM 572,904,320
01-3231-080-0010	9947 Omni Station Bus Loop	Leasehold right	\$24,000,000	RM 106,356,000

#### Value Conclusions - USD

Address	Folio #	JLL Conclusions	
		USD	
1 Herald Plz	01-3231-075-0010	Six Hundred Ninety Million Dollars	
425 NE 13 St	01-3231-054-0010	Three Hundred Eighty Million Dollars	
1401 Biscayne Blvd & 360 NE 14 Ter	01-3231-080-0020	One Hundred Twenty Nine Million Two Hundred Eighty Thousand Dollars	
9947 OMNI Station Bus Loop	01-3231-080-0010	Twenty Four Million Dollars	
Total		One Billion Two Hundred Twenty Three Million Two Hundred Eighty Thousand Dollars	

The exchange rate is 4.4315 RM to 1 USD effective as of April 18, 2023, according to the Exchange Rates published by the Bank Negara Malaysia.

#### Value Conclusions - RM

Address	Folio #	JLL Conclusions	
		RM	Ringgit Malaysia
1 Herald Plz	01-3231-075-0010	Ringgit Malaysia Three Billion Fifty Seven Million Seven Hundred Thirty Five Thousand	
425 NE 13 St	01-3231-054-0010	Ringgit Malaysia One Billion Six Hundred Eighty Three Million Nine Hundred Seventy Thousand	
1401 Biscayne Blvd & 360 NE 14 Ter	01-3231-080-0020	Ringgit Malaysia Five Hundred Seventy Two Million Nine Hundred Four Thousand Three Hundred Twenty	
9947 OMNI Station Bus Loop	01-3231-080-0010	Ringgit Malaysia One Hundred Six Million Three Hundred Fifty Six Thousand	
Total		Ringgit Malaysia Five Billion Four Hundred Twenty Million Nine Hundred Sixty Five Thousand Three Hundred Twenty	

Your attention is directed to the Limiting Conditions and Assumptions section of this report. Further, the property is subject to Extraordinary Assumptions, as listed below. Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, we note the following:

#### Extraordinary Assumptions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in the analysis which, if found to be false, could alter the appraiser's opinions of conclusions.

- Folio #:01-3231-080-0010 is subject to a Lease and Development Agreement between Miami Dade County Miami Dade Transit ("MDT", i.e. "Landlord") and Resorts World Miami LLC ("Tenant") executed as of May 8, 2017 with the initial commencement date of May 10, 2017 for a 90-year term expiring on May 9, 2107 with one 25-year renewal option. Tenant subject to the agreement is responsible for meeting certain obligations in addition to paying the rent. Specifically, the tenant is responsible for 1) completing the construction of a new Interim Bus Terminal across N BayShore Drive, (2) developing a new OMNI bus terminal on the Land, and (3) performing the agreed-to renovations to the Adrienne Arsht Metromover Station. Based on the initial agreement, the above noted development should have taken place within 48 months from the initial commencement date. However, since the lease commencement date no construction has taken place. During the first 48 months from the lease commencement, the tenant was responsible for development period rent of \$100,000/year. We spoke with Eric Singer, a partner with the legal firm Bilzin Sumberg, who was involved in the preparation of the lease and development agreement and represented the Resorts World Miami LLC in the agreement. He has informed that the tenant made those payments even without completing construction. Further, we have confirmed that going forward, the tenant will not be obligated to make development rent payments even if the construction obligations to which the tenant is subject to will take place in the future. Going forward, the tenant will be responsible for participation rent only. We are operating under the assumption that the tenant to the agreement will be responsible for (1) participation rent payments only; (2) and completing construction terms as advised earlier in the paragraph.

**VALUATION CERTIFICATE (CONT'D)**

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The contents of this Valuation Certificate are in compliance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia.

Respectfully submitted,

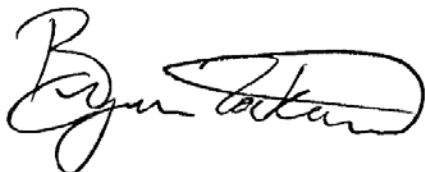
JLL Valuation & Advisory Services, LLC



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## INFORMATION ON RW MIAMI

### 1. Background information of RW Miami

RW Miami is a Delaware limited liability company formed on 31 March 2011 in Delaware, US, under the Delaware Limited Liability Company Act and commenced operations in May 2011 when it acquired the Miami Herald Land.

The principal activities of RW Miami is property investment. There were no changes in the principal activities of RW Miami for the past 3 FYEs from FYE 31 December 2020 to FYE 31 December 2022.

### 2. Member's capital

As at the LPD, RW Miami's equity consists of 70,000,100 authorised units with a unit value of USD1.00 each.

### 3. Directors and members

As at the LPD, RW Miami does not have any directors and is managed by its sole member, being Genting Florida LLC, a Delaware limited liability company.

RW Miami is an indirect wholly-owned subsidiary of GENM.

### 4. Subsidiaries and associate companies

As at the LPD, RW Miami does not have any subsidiaries or associate companies.

### 5. Financial Information

A summary of the financial information of RW Miami based on its audited financial statements for the past 3 FYEs from FYE 31 December 2020 to FYE 31 December 2022 as well as for the 3-month financial period ended ("FPE") 31 March 2022 and 31 March 2023 is as follows:

	Audited for the FYE 31 December			Unaudited for the FPE 31 March	
	2020	2021	2022	2022	2023
	(USD'000)	(USD'000)	(USD'000)	(USD'000)	(USD'000)
Revenue	630	881	1,622	619	857
Profit before tax / (Loss before tax)	(15,768)	(14,752)	(20,888)	(3,545)	(7,293)
Profit after tax / (Loss after tax)	(15,768)	(14,752)	(20,888)	(3,545)	(7,293)
Member's capital	70,000	70,000	70,000	70,000	70,000
Members' deficit	(99,701)	(114,454)	(135,342)	(117,998)	(142,635)
Total borrowings from affiliates	285,595	317,678	332,822	320,156	344,368
Number of authorised units in issue ('000)	70,000	70,000	70,000	70,000	70,000
(Net loss after tax) per authorised unit (USD) <sup>(1)</sup>	(0.23)	(0.21)	(0.30)	(0.05)	(0.10)
Member's deficit per authorised unit (USD) <sup>(2)</sup>	(1.42)	(1.63)	(1.93)	(1.69)	(2.04)
Gearing ratio (times) <sup>(3)</sup>	N/A	N/A	N/A	N/A	N/A
Current ratio (times) <sup>(4)</sup>	0.23	0.30	0.26	0.30	0.28

**INFORMATION ON RW MIAMI (CONT'D)**


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**Notes:-**

- (1) *Computed based on net loss after tax over total number of RW Miami's authorised units in issue.*
- (2) *Computed based on Member's deficit over total number of RW Miami's authorised units in issue.*
- (3) *Not applicable due to the Member's deficit position as at the respective financial years.*
- (4) *Computed based on total current assets over total current liabilities.*

**(i) Commentaries on financial performance for the FPE 31 March 2023 compared to the FPE 31 March 2022**

RW Miami's revenue which comprised solely lease rental income was USD0.9 million for the FPE 31 March 2023, which represents an increase of 38.4% compared to USD0.6 million for FPE 31 March 2022 due to increase in rental activities during the period.

RW Miami recorded a net loss of USD7.3 million in FPE 31 March 2023, which represents 105.7% increase as compared to net loss of USD3.5 million for FPE 31 March 2022 mainly due to higher interest expense of USD3.8 mil, as a result of higher effective interest rates of 7.3% on its variable rate borrowings from affiliates (FPE 31 March 2022: 3.1%).

**(ii) Commentaries on financial performance for FYE 31 December 2022 compared to FYE 31 December 2021**

RW Miami's revenue which comprised solely lease rental income was USD1.6 million for the FYE 31 December 2022, which represents an increase of 84.1% as compared to USD0.88 million for FYE 31 December 2021 due to increase in rental activities during the year.

RW Miami recorded a net loss of USD20.89 million in FYE 31 December 2022, which represents a 41.6% increase as compared to net loss of USD14.75 million for FYE 31 December 2021 mainly due to higher interest expense of USD6.95 million, as a result of higher effective interest rates of 4.91% on its variable rate borrowings from affiliates (FYE 31 December 2021: 2.89%).

**(iii) Commentaries on financial performance for FYE 31 December 2021 compared to FYE 31 December 2020**

RW Miami's revenue which comprised solely lease rental income was USD0.88 million for the FYE 31 December 2021, which represents an increase of 39.7% or USD0.25 million as compared to USD0.63 million for FYE 31 December 2020 due to increase in rental activities during the year as rental activities in FYE 31 December 2020 were impacted due to the COVID-19 pandemic.

**INFORMATION ON RW MIAMI (CONT'D)**

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RW Miami recorded a net loss of USD14.75 million in FYE 31 December 2021, which represents a 6.4% decrease or USD1.02 million as compared to net loss of USD15.77 million for FYE 31 December 2020 mainly due to lower interest expense of USD0.58 million, as a result of lower effective interest rates of 2.89% on its borrowings from affiliates (FYE 31 December 2020: 3.32%) and lower real estate taxes of USD0.2 million.

There were no peculiar accounting policies adopted by RW Miami. Accounting policies adopted by RW Miami are consistent with the GENM Group.

There have been no audit qualifications reported in the audited financial statement of RW Miami for the past 3 FYEs from 31 December 2020 to FYE 31 December 2022.

**6. Material contracts**

Save for the SPA, RW Miami has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within 2 years preceding the LPD.

**7. Material litigation**

As at the LPD, RW Miami is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the sole member of RW Miami is not aware of any proceedings pending or threatened against RW Miami or of any facts likely to give rise to any proceedings, which might materially or adversely affect the business or financial position of RW Miami.

**8. Material commitments**

As at the LPD, there are no material commitments incurred or known to be incurred by RW Miami which, upon becoming enforceable, may have a material impact on the financial results or position of RW Miami.

**9. Contingent liabilities**

As at the LPD, there are no contingent liabilities incurred or known to be incurred by RW Miami, which, upon becoming enforceable, may have a material impact on the financial results or position of RW Miami.

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# Resorts World Miami, LLC

Financial Report  
December 31, 2022

**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)****Contents**

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**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)****Independent Auditor's Report**

Board of Directors  
Resorts World Miami, LLC  
c/o Genting Americas Inc.

RSM US LLP

**Opinion**

We have audited the financial statements of Resorts World Miami, LLC (the Company), which comprise the balance sheets as of December 31, 2022 and 2021, the related statements of operations, member's deficit and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)**

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

*RSM US LLP*

New York, New York  
March 2, 2023

AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)

## Resorts World Miami, LLC

## Balance Sheets

December 31, 2022 and 2021

	2022	2021
<b>Assets</b>		
Current assets:		
Cash	\$ 30,734	\$ 947,075
Prepaid and other current assets	52,900	75,525
Due from affiliates	18,216,448	18,166,625
<b>Total current assets</b>	<b>18,300,082</b>	<b>19,189,225</b>
Right of use asset, operating lease, net	12,556,030	12,704,915
Right of use asset, finance lease, net	4,375,111	4,537,153
Real property, net	239,544,639	238,396,559
<b>Total assets</b>	<b>\$ 274,775,862</b>	<b>\$ 274,827,852</b>
<b>Liabilities and Member's Deficit</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 5,221,385	\$ 615,944
Lease liability, operating lease, current portion	496,234	196,011
Lease liability, financing lease, current portion	1,020,706	617,100
Due to affiliates	62,705,577	61,672,982
<b>Total current liabilities</b>	<b>69,443,902</b>	<b>63,102,037</b>
Lease liability, operating lease, less current portion	5,906,168	5,910,735
Lease liability, financing lease, less current portion	1,945,037	2,590,743
Borrowings from affiliates	332,822,487	317,677,920
<b>Total liabilities</b>	<b>410,117,594</b>	<b>389,281,435</b>
Member's deficit:		
Member's capital	70,000,100	70,000,100
Accumulated deficit	(205,341,832)	(184,453,683)
<b>Total member's deficit</b>	<b>(135,341,732)</b>	<b>(114,453,583)</b>
<b>Total liabilities and member's deficit</b>	<b>\$ 274,775,862</b>	<b>\$ 274,827,852</b>

See notes to financial statements.

AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)

## Resorts World Miami, LLC

## Statements of Operations

Years Ended December 31, 2022 and 2021

	2022	2021
Revenue—rental revenue	\$ 1,622,465	\$ 880,742
Operating expenses:		
Operating expenses	1,261,572	1,344,769
Real estate taxes	4,100,755	3,964,870
Depreciation and amortization	674,285	673,442
<b>Total operating expenses</b>	<b>6,036,612</b>	<b>5,983,081</b>
<b>Total operating loss</b>	<b>(4,414,147)</b>	<b>(5,102,339)</b>
Other income (expense):		
Interest income on property tax refund	131,242	2,626
Interest expense	(16,605,244)	(9,652,697)
<b>Total other expense</b>	<b>(16,474,002)</b>	<b>(9,650,071)</b>
<b>Net loss</b>	<b>\$ (20,888,149)</b>	<b>\$ (14,752,410)</b>

See notes to financial statements.

AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)

## Resorts World Miami, LLC

Statements of Member's Deficit  
Years Ended December 31, 2022 and 2021

	Member's Capital	Accumulated Deficit	Total
Balance, December 31, 2020	\$ 70,000,100	\$ (169,701,273)	\$ (99,701,173)
Net loss	-	(14,752,410)	(14,752,410)
Balance, December 31, 2021	70,000,100	(184,453,683)	(114,453,583)
Net loss	-	(20,888,149)	(20,888,149)
<b>Balance, December 31, 2022</b>	<b>\$ 70,000,100</b>	<b>\$ (205,341,832)</b>	<b>\$ (135,341,732)</b>

See notes to financial statements.

AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)

## Resorts World Miami, LLC

## Statements of Cash Flows

Years Ended December 31, 2022 and 2021

	2022	2021
Cash flows from operating activities:		
Net loss	\$ (20,888,149)	\$ (14,752,410)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Interest expense added to intercompany borrowing	16,605,244	9,652,697
Depreciation	363,358	362,515
Amortization of right of use asset, operating lease	148,885	148,886
Amortization of right of use asset, financing lease	162,042	162,041
Changes in operating assets and liabilities:		
Prepaid and other current assets	22,625	(44,125)
Due from affiliates	(49,823)	(47,686)
Right of use asset, operating lease	-	(10,041,668)
Due to affiliates	1,032,595	610,017
Accounts payable and accrued expenses	4,605,441	(6,594,590)
<b>Net cash provided by (used in) operating activities</b>	<b>2,002,218</b>	<b>(20,544,323)</b>
Cash flows from investing activities—purchase of real property	<b>(1,343,559)</b>	<b>(696,249)</b>
Cash flows from financing activities:		
Payments for financing lease obligation	(375,000)	(750,000)
Proceeds from borrowings from affiliates	-	23,200,000
Repayment of interest on borrowings from affiliates	(1,200,000)	(300,000)
<b>Net cash (used in) provided by financing activities</b>	<b>(1,575,000)</b>	<b>22,150,000</b>
<b>Net (decrease) increase in cash</b>	<b>(916,341)</b>	<b>909,428</b>
Cash:		
Beginning of year	947,075	37,647
End of year	<b>\$ 30,734</b>	<b>\$ 947,075</b>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<b>\$ 1,200,000</b>	<b>\$ 300,000</b>

See notes to financial statements.



**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)****Resorts World Miami, LLC****Notes to Financial Statements**

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**Note 1. Nature of Business**

Resorts World Miami, LLC (the Company), a Delaware limited liability company, was formed on March 31, 2011. The Company is wholly owned by Genting Florida LLC (Parent), which is 100% owned by Genting Americas, Inc. (GAI). The ultimate parent company is Genting Malaysia Berhad, a public limited liability company, incorporated and domiciled in Malaysia.

**Note 2. Summary of Significant Accounting Policies**

**Basis of presentation and estimates:** The preparation of the financial statements is in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and related disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Liquidity:** Realization of amounts due from affiliates and the Company's ability to repay amounts and borrowings due to affiliates is predicated upon continued parent financial support to the affiliated group. GAI has provided management a letter of financial support dated through March 2, 2023, to enable it to meet all its obligations.

**Cash:** The Company maintains its cash in bank deposit accounts which, at times, may exceed federally-insured limits. The Company has not experienced any such losses on these accounts.

**Real property:** Real property stated at cost, less accumulated depreciation. Major additions or improvements are capitalized while repairs and maintenance are charged to expense. Building and improvements are depreciated on a straight-line basis over the estimated useful life of 25 to 30 years.

Upon sale or disposition of an asset, the cost and related accumulated depreciation is removed from the accounts and any gain or loss is recognized in the statements of operations.

**Impairment of long-lived assets:** Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The carrying amount of a long-lived asset may not be recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposal of the asset. If it were determined that the carrying amount of an asset was not recoverable, an impairment loss would be recorded. The Company determines the fair value of its long-lived assets based upon the market value of similar assets, if available, or independent appraisals, if necessary. Long-lived assets to be disposed of and/or held for sale are reported at the lower of carrying amount or fair value, less costs to sell. The fair value of assets held for sale is determined in the same manner as described for assets held and used. Management determined there was no impairment for the years ended December 31, 2022 and 2021.

**Revenue recognition:** The Company generates revenues from short- and long-term leases of existing space within its investment property. Revenue is recognized when an agreement between the Company and a customer exists, the services have been completed, the revenue is fixed and determinable and collection is reasonably assured. The Company recognizes rental revenue on lease agreements on a straight-line basis over the term of the lease in accordance with Accounting Standards Codification (ASC) 842, Leases.

**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)****Resorts World Miami, LLC****Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Lessee accounting:** The Company determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Company also considers whether its service arrangements include the right to control the use of an asset.

The Company recognizes most leases on its balance sheets as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the income statement.

The Company made an accounting policy election available not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives received. To determine the present value of lease payments, the Company uses its incremental borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed-rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

**Lessor accounting:** The Company leases office units and land to commercial tenants. These leases may contain extension and termination options that are predominantly at the sole discretion of the lessee, provided certain conditions are satisfied.

Lease components are elements of an arrangement that provide the customer with the right to use an identified asset. Nonlease components are distinct elements of a contract that are not related to securing the use of the leased asset and revenue is recognized in accordance with ASC Topic 606, Revenue from Contracts with Customers. The Company considers tenant reimbursements to be nonlease components because they represent delivery of a separate service but are not considered a cost of securing the identified asset. In the case of the Company's business, the identified asset would be the leased office units and land.

The Company assessed and concluded that the timing and pattern of transfer for nonlease components and the associated lease component are the same. The Company determined that the predominant component was the lease component and as such its leases will continue to be accounted for as operating leases and the Company has made a policy election to account for and present the lease component and the nonlease component as a single component in the revenue section of the statements of operations within rental revenue.

The Company capitalizes incremental direct leasing costs and expenses non-incremental direct costs, which are included within general and administrative expense on the statements of operations.

**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)****Resorts World Miami, LLC****Notes to Financial Statements****Note 2. Summary of Significant Accounting Policies (Continued)**

Due to the nature and timing of the Company's identified revenue streams, there are no material amounts of outstanding or unsatisfied performance obligations as of December 31, 2022 and 2021, respectively.

Due to the nature and timing of the Company's identified revenue streams, there are no variable payments for the years ended December 31, 2022 and 2021.

**Income taxes:** The Company is treated as a partnership for tax purposes and is not subject to federal, state or local income taxes and, accordingly, no provision for income taxes is made in the financial statements. Taxable income and losses of the Company is the responsibility of the member and is allocated to and reported on the income tax returns of the Company's member.

The Company follows the provisions of ASC Topic 740, which clarifies the accounting for uncertainties in income taxes recognized in an enterprise's financial statements. ASC Topic 740 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return. ASC Topic 740 provides guidance on derecognition, classification, interest and penalties, disclosures and transition. As required by the uncertain tax position guidance in ASC Topic 740, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit.

For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority. The Company did not identify any material uncertain tax positions as a result of the application of this standard for the years ended December 31, 2022 and 2021.

**Note 3. Real Property**

Real property at December 31, 2022 and 2021, consisted of:

	2022	2021
Investment property	\$ 234,296,594	\$ 234,287,735
Building and improvements	2,217,832	2,217,832
Bus terminal under construction	6,500,090	4,997,511
Less accumulated depreciation	(3,469,877)	(3,106,519)
Total real property	<u>\$ 239,544,639</u>	<u>\$ 238,396,559</u>

Depreciation expense for the years ended December 31, 2022 and 2021, was \$363,358 and \$362,515, respectively.

The Company has capitalized interest in 2022 and 2021 of \$167,879 and \$150,616, respectively.

The Company was renovating The Boulevard Shops, a historic building purchased in 2011. The building has approximately 24,000 square feet of space and a 70-car parking lot. The renovation created new retail and restaurant space. The project provided a Tenant White Box which included a general structural enhancement, replacement of the exterior stone façade and new windows. The project began in June of 2015 with an estimated cost of approximately \$4,000,000. The project was completed in 2021.

**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)****Resorts World Miami, LLC****Notes to Financial Statements****Note 3. Real Property (Continued)**

The Company owns and leases certain outdoor advertising signage and condo space expiring in 2030 and 2023, respectively. The Company also owns and leases outdoor space for special events on an annual basis. Rental income from all leases for the years ended December 31, 2022 and 2021, was \$1,622,465 and \$880,742, respectively.

All leases are accounted for as operating leases.

As of December 31, 2022, the minimum future lease rentals under the operating lease are as follows:

For the years ending:

2023	\$ 591,227
2024	462,793
2025	275,000
2026	275,000
2027	275,000
Thereafter	1,191,667
	<u>\$ 3,070,687</u>

**Note 4. Due From/To Affiliates**

In the normal course of business, the Company transacts with companies, which are considered affiliated entities for various operating support services.

The Company had amounts due from the following affiliated companies as of December 31, 2022 and 2021:

	2022	2021
Ocean Front Acquisitions LLC (OFAL)	\$ 16,747,935	\$ 16,747,935
BB Entertainment Ltd. (BBE)	1,468,513	1,418,690
Due from affiliates	<u>\$ 18,216,448</u>	<u>\$ 18,166,625</u>

Amounts due from OFAL were to fund acquisitions made by OFAL. Amounts due from all other entities are the result of providing working capital needs to those entities or the payment of expenses on behalf of those entities.

The Company had amounts due to the following affiliated companies as of December 31, 2022 and 2021:

	2022	2021
Genting Florida LLC (GFL)	\$ 62,487,243	\$ 61,454,647
Genting Malaysia Berhad (Berhad)	218,334	218,335
Due to affiliates	<u>\$ 62,705,577</u>	<u>\$ 61,672,982</u>

Amounts due to Berhad and a portion of the GFL balance were incurred to acquire the land.

All amounts due to and from affiliates are interest-free, unsecured, have no stated repayment dates and are due on demand.

**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)****Resorts World Miami, LLC****Notes to Financial Statements****Note 5. Borrowings From Affiliate**

On December 27, 2017, the Company entered into a loan agreement with Genting Americas, Inc. (GAI), an affiliated company. The initial limit on the loan facility was \$45,000,000 for a period of up to 10 years from the date of the initial draw on the loan. The purpose of this loan was to pay amounts owed to Genting Worldwide Services. The variable interest rate for the facility is 3.25% above the applicable one-month London Interbank Offered Rate (LIBOR) rate (7.60% as of December 31, 2022) and accrued interest is included in the balance due to GAI. The Company had outstanding principal of \$91,710,180 on the loan and recorded accrued interest of \$15,029,212 and \$10,661,409 and interest expense of \$5,567,803 and \$3,039,915 for the years ended December 31, 2022 and 2021, respectively.

In February 2012, the Company entered into a loan agreement with Resorts World Capital Limited (RCAP), an affiliated company. The limit on the loan facility was \$200,500,000 for a period of up to 10 years from the date of the initial draw on the loan. The purpose of this loan was to acquire land parcels. In December 2016, Genting Berhad completed a global restructuring whereby the loan agreement with Resorts World Capital Limited was transferred to a new United Kingdom (UK) private limited company organized under the name Genting Worldwide Services Limited (GWSL). The variable interest rate for the facility is 2.8% above the applicable one-month LIBOR rate (7.15% as of December 31, 2022). As of December 31, 2022 and 2021, the Company had \$200,181,624 of outstanding principal, \$25,901,470 and \$15,124,707 of accrued interest on the loan and \$10,776,763 and \$6,143,036 of interest expense for the years ended December 31, 2022 and 2021. In December 2021, the Company amended the GWSL loan agreement to extend the maturity date to December 31, 2031.

The Company is required to make a repayment of the principal under the agreement within 10 years since the last drawdown or upon request of GWSL. GWSL has the right to terminate the loan at any time. The loan agreement requires compliance with certain covenants.

The Company has borrowings from the following affiliates companies:

	2022	2021
Genting Americas Inc. (GAI)	\$ 106,739,393	\$ 102,371,589
Genting Worldwide Services Limited (GWSL)	226,083,094	215,306,331
Borrowings from affiliates	<u>\$ 332,822,487</u>	<u>\$ 317,677,920</u>

In July 2017, the U.K.'s Financial Conduct Authority, which regulates LIBOR, announced that it intends to stop persuading or compelling banks to submit LIBOR rates after 2021. It is unclear what reference rate will replace LIBOR. If future rates based upon the successor reference rate or a new method of calculating LIBOR are higher than LIBOR rates as currently determined, it may have an adverse effect on Company's business operations, financial condition and/or cash flows. On the other hand, if future rates based upon the successor reference rate (or a new method of calculating LIBOR) are lower than LIBOR rates as currently determined, the lenders under such credit agreements may seek amendments to increase the applicable interest rate margins or invoke their right to require the use of the alternate base rate in place of LIBOR, which could result in an increase to the Company's interest expense.

**Note 6. Member's Capital**

The Company's equity consists of 70,000,100 authorized units with a unit value of \$1.00 each.

**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)****Resorts World Miami, LLC****Notes to Financial Statements**

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**Note 7. Lease Agreements**

As described in Note 2, the Company early adopted the lease standard as of January 1, 2019. Renewal or termination options that the Company believed were likely to be exercised were included in the Company's lease calculations. The discount rate to value the lease liabilities was calculated using an incremental borrowing rate based on financing rates on secured comparable notes with comparable terms and a synthetic credit rating calculated by a third-party.

In May 2017, the Company entered into the Omni Bus Terminal Development and Lease Agreement (the Lease Agreement) with Miami/Dade County (the County) to lease land and air rights at the existing bus terminal location (the Bus Terminal) and to relocate and renovate the Bus Terminal for a term of 90 years. The Company also proposed a phased development project on the site with an estimated cost of \$230,200,000 to include improvements to the Bus Terminal, over 100,000 square feet of meeting space, new retail outlets and a 300-room limited service hotel. The terms of the Lease Agreement are as follows:

- Payment of \$400,000 in rent, payable each year in the amount of \$100,000 during renovation of the Bus Terminal (effective the date the Lease Agreement was executed)
- \$10,000,000 lump-sum payment for the 90-year lease term payable on the earlier of (a) four years from the effective date of the Lease Agreement or (b) completion of the renovation of the Bus Terminal
- After completion of the Bus Terminal, the Company will pay the greater of 50% of the gross revenues realized from the developed retail space or \$300,000

The Company made the \$10,000,000 lump sum payment in May of 2021, and has made \$400,000 in rental payments during the renovation period through December 31, 2021. As the Company has reached the \$400,000 threshold established during the renovation period, the Company and County have suspended payments while terms are renegotiated.

In December 2019, the Company entered into an agreement with an affiliate, Crystal Cruises (Crystal), to purchase \$5,576,365 of building improvements Crystal has made to space in the building on the Miami Herald property owned by the Company. A payment of \$500,000 was made upon signing the agreement. Subsequent payments will be made annually through 2024. The agreement will be accounted for as a lease in accordance with ASC 842 and resulted in the Company recording a right of use asset of \$5,025,774 recorded in right of use asset on the balance sheets and a lease liability of \$4,525,774 recorded in lease liability on the balance sheets. In 2022, Crystal's parent, Genting Hong Kong Limited (GHK), declared bankruptcy. With GHK's declaration of bankruptcy, the Company suspended payments to Crystal pending resolution of the bankruptcy.

**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)****Resorts World Miami, LLC****Notes to Financial Statements****Note 7. Lease Agreements (Continued)**

Supplemental balance sheet information related to leases at December 31, 2022 and 2021, is as follows:

	2022	2021
Assets:		
Right of use asset, operating lease, gross	\$ 13,399,714	\$ 13,399,714
Right of use asset, operating lease, accumulated amortization	(843,685)	(694,800)
Right of use asset, finance lease, gross	4,861,235	4,861,235
Right of use asset, finance lease, accumulated amortization	(486,123)	(324,081)
Net right of use assets	<u>\$ 16,931,141</u>	<u>\$ 17,242,068</u>
	2022	2021
Liabilities:		
Lease liability, operating lease, current portion	\$ 496,234	\$ 196,011
Lease liability, financing lease, current portion	1,020,706	617,100
Lease liability, operating lease, less current portion	5,906,168	5,910,735
Lease liability, financing lease, less current portion	1,945,037	2,590,743
Net right of use liability	<u>\$ 9,368,145</u>	<u>\$ 9,314,589</u>

The Company's estimated minimum future lease obligations under the leases are as follows:

	Operating	Financing
For the years ending:		
2023	\$ 791,667	\$ 1,125,000
2024	300,000	750,000
2025	300,000	750,000
2026	300,000	576,365
2027	300,000	-
Thereafter	23,800,000	-
Total future minimum lease payments	<u>25,791,667</u>	<u>3,201,365</u>
Less amount of lease payments representing interest	<u>(19,389,265)</u>	<u>(235,622)</u>
Present value of future minimum lease payments	6,402,402	2,965,743
Less current portion	<u>(496,234)</u>	<u>(1,020,706)</u>
Long-term lease obligations	<u>\$ 5,906,168</u>	<u>\$ 1,945,037</u>

**AUDITED FINANCIAL STATEMENTS OF RW MIAMI FOR THE FYE 31 DECEMBER 2022 (CONT'D)****Resorts World Miami, LLC****Notes to Financial Statements**

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**Note 7. Lease Agreements (Continued)**

Components of lease costs and other information related to the Company's leases was as follows for the years ended December 31, 2022 and 2021:

	2022	2021
Interest expense on lease liabilities	\$ 428,556	\$ 620,363
Amortization expense of right-of-use assets	310,927	310,927
Total lease costs	\$ 739,483	\$ 931,290
	Operating	Financing
Weighted-average remaining lease term (years)	85	4
Weighted-average discount rate (%)	5.00%	4.54%

**Note 8. Commitments and Contingencies**

From time to time, the Company is subject to certain legal proceedings and claims that arise in the normal course of business. The Company was engaged in the ongoing settlement with the Miami-Dade County Value Adjustments Board (VAB) over ad valorem assessments of land for the tax years 2012-2016. In September of 2018, the Company settled its dispute with VAB for \$5,349,070 and has recorded a liability in that amount in accounts payable and accrued expenses on the balance sheets. Full payment of this liability was made in July 2021.

**Note 9. Subsequent Events**

The Company has evaluated subsequent events through March 2, 2023, the date the financial statements were available to be issued.



## FURTHER INFORMATION

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### 1. RESPONSIBILITY STATEMENT

Our Directors have seen and approved this Circular and they collectively and individually accept full responsibility for the accuracy of the information contained in this Circular. They confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement in this Circular misleading.

The information on the Purchaser and affiliates was obtained from the management of the Purchaser and the responsibility of our Board is limited to ensuring that such information is accurately reproduced in this Circular.

### 2. CONSENTS AND CONFLICT OF INTERESTS

#### 2.1 AmInvestment Bank

AmInvestment Bank has given and has not subsequently withdrawn its consent to the inclusion in this Circular of its name and all references thereto in the form and context in which it appears in this Circular.

AmInvestment Bank is a wholly-owned subsidiary of AMMB Holdings Berhad. AMMB Holdings Berhad and its group of companies (collectively, “**AmBank Group**”) forms a diversified financial group and are engaged in a wide range of transactions related to amongst others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. AmBank Group’s securities business is primarily in the areas of securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trade.

In the ordinary course of their businesses, any member of AmBank Group may at any time extend services to any company as well as hold long or short positions, and trade or otherwise effect transactions, for its own account or the account of its other client, in debt or equity securities or senior loans of any company. Accordingly, there may be situations where parts of the AmBank Group and/or its clients now have or in the future, may have interests or take actions that may conflict with the interests of GENM Group.

As at the LPD, AmBank Group has extended certain credit facilities amounting to approximately RM615 million to GENM Group. The said facilities represent, in aggregate, less than 1% as compared to the audited consolidated loans, advances and financing of AMMB Holdings Berhad as at 31 March 2022.

Notwithstanding the above, AmInvestment Bank is of the opinion that its role as the Principal Adviser for the Proposed Disposal does not give rise to a conflict of interest or potential conflict of interest situation in view that:-

- (i) AmBank Group forms a diversified financial group and are engaged in a wide range of transactions as highlighted above. AmInvestment Bank is a licensed investment bank and its appointment as the Principal Adviser in respect of the Proposed Disposal is in the ordinary course of business; and

**FURTHER INFORMATION (CONT'D)**

- (ii) Each of the entities and departments of the AmBank Group are also subject to internal control and checks, which regulate the sharing of information between entities and departments. Additionally, each department and entity within AmBank Group have separate and distinct operations and decisions are made independent of each other. In addition, the conduct of AmInvestment Bank is also regulated by BNM.

**2.2 JLL**

JLL, being the Independent Valuer for the Proposed Disposal, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, the Valuation Report and Valuation Certificate and all references thereto in the form and context in which they appear in this Circular.

JLL confirms that there is no situation of conflict of interest that exists or likely to exist in relation to its role as the Independent Valuer for the Proposed Disposal.

**3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES****3.1 Material commitments**

Save as disclosed below, as at the LPD, our Board is not aware of any other material commitments incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the financial results of our Group:

	<b>RM million</b>
Contracted	357.7
Not contracted	1,951.8
<b>Total</b>	<b>2,309.5</b>

**Analysed as follows:**

Property, plant and equipment	<b>2,309.5</b>
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**3.2 Contingent liabilities**

As at the LPD, our Board is not aware of any contingent liabilities which upon becoming enforceable, may have a material adverse impact on the financial position of our Group.

**4. MATERIAL LITIGATION**

As at the LPD, there is no material litigation, claims and/or arbitration involving the Miami Herald Land. Further, as at the LPD, neither GENM nor any of its subsidiaries is involved in any material litigation, claim or arbitration involving the Miami Herald Land, either as plaintiff or defendant, that may materially affect the financial position or business of the Group, and the Board is not aware of any proceedings involving the Miami Herald Land that are pending or threatened against the Company or any of its subsidiaries, or any facts that are likely to give rise to any proceedings against the Company or any of its subsidiaries which may materially affect the financial position or business of the Group.

**FURTHER INFORMATION (CONT'D)**

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**5. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents or copies of them are available for inspection during normal business hours at our Registered Office at 14<sup>th</sup> Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia, from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the EGM:

- (i) Constitution of GENM,
- (ii) the Limited Liability Company Agreement of RW Miami and the amendments thereto;
- (iii) the Initial SPA and Amendment SPA;
- (iv) the Valuation Certificate referred to in Appendix II of this Circular, together with the Valuation Report of the Miami Herald Land, both prepared by JLL;
- (v) our audited financial statements for the FYE 31 December 2022 and 31 December 2021, and our unaudited quarterly report on consolidated results for the first quarter ended 31 March 2023;
- (vi) audited financial statements of RW Miami for the FYE 31 December 2022 and 31 December 2021; and
- (vii) the letters of consent and declarations of conflict of interest referred to in Section 2 of this Appendix V.

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# GENTING

MALAYSIA

GENTING MALAYSIA BERHAD

198001004236 (58019-U)

(Incorporated in Malaysia)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting of Genting Malaysia Berhad (the “**Company**”) will be held on a virtual basis through live streaming and online remote voting at the Broadcast Venue, 25th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia via TIIH Online website at <https://tiih.online> on Thursday, 15 June 2023 at 2.30 p.m., or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

### ORDINARY RESOLUTION

**PROPOSED DISPOSAL OF FOUR PARCELS OF LAND IN MIAMI MEASURING AN AGGREGATE LAND AREA OF APPROXIMATELY 673,691 SQUARE FEET OR 15.47 ACRES (COLLECTIVELY KNOWN AS “MIAMI HERALD LAND”) FOR A TOTAL CASH CONSIDERATION OF UNITED STATES DOLLARS 1.225 BILLION (EQUIVALENT TO APPROXIMATELY RM5.482 BILLION) (“DISPOSAL CONSIDERATION”) EITHER BY (1) GENTING FLORIDA LLC (“GENTING FLORIDA”) (AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF THE COMPANY) TO SMART CITY MIAMI, LLC (“PURCHASER”) OF 100% OF THE ISSUED AND OUTSTANDING MEMBERSHIP INTERESTS IN RESORTS WORLD MIAMI LLC (“RW MIAMI”) WHICH HOLDS THE MIAMI HERALD LAND OR; (2) RW MIAMI OF THE MIAMI HERALD LAND TO THE PURCHASER (“PROPOSED DISPOSAL”)**

“**THAT** contingent upon the fulfilment of all other conditions precedent under the conditional purchase and sale agreement dated 26 April 2023 (United States Eastern date/time) between the Purchaser and RW Miami (“**Initial SPA**”) as amended by an amendment agreement dated 17 May 2023 (United States Eastern date/time) entered into by RW Miami, Genting Florida and the Purchaser (“**Amendment SPA**”) and the Initial SPA, as amended by the Amendment SPA, shall hereinafter be referred to as the “**SPA**”), and subject to all approvals being obtained from the relevant authorities and parties (if required), approval be and is hereby given to Genting Florida to dispose of 100% of the issued and outstanding membership interests in RW Miami (“**Membership Interests**”) (which at the time of Closing of the Proposed Disposal, will hold only the Miami Herald Land) for the Disposal Consideration to the Purchaser, to be satisfied entirely in cash in accordance with the terms of the SPA;

**THAT** in the event that the transaction reverts to a direct sale of the Miami Herald Land by RW Miami in accordance with the SPA (such as if Amendment SPA is terminated (without terminating the Initial SPA) or if Genting Florida, RW Miami and the Purchaser cannot agree on the terms on any remaining outstanding matters relating to the purchase of the Membership Interests contemplated by the Amendment SPA resulting in the Amendment SPA becoming void), approval be and is hereby given for RW Miami to dispose of the Miami Herald Land to the Purchaser in accordance with the terms of the Initial SPA for the Disposal Consideration;

**THAT** the proceeds arising from the Proposed Disposal be utilised for the purposes as set out in Section 2.6 of the Company's circular to shareholders dated 31 May 2023, and the Directors of the Company ("**Directors**") be authorised with full powers to vary the manner and/or purposes of utilisation of such proceeds in such manner as the Directors may deem fit, necessary and/or expedient in the best interest of the Company;

**THAT** the Directors be and are hereby authorised to do all such acts and things, take steps, acts and to deal with all matters incidental, ancillary to and/or relating thereto (including to execute such documents, agreements, undertakings and confirmations as may be required), as they may consider necessary or expedient in the best interest of the Company with full power to negotiate, approve, agree and/or assent to any conditions, variations, revaluations, modifications and/or amendments in any manner as may be required/permitted by the relevant authorities and/or as the Board may deem necessary or expedient to implement, finalise and give full effect to the Proposed Disposal;

**AND THAT** all previous acts made and/or done by the Board of Directors of the Company in connection with the Proposed Disposal be and are hereby approved, confirmed and ratified."

By Order of the Board

**LOH BEE HONG**

MAICSA 7001361

SSM Practicing Certificate No. 202008000906

Secretary

Kuala Lumpur

31 May 2023

**Notes:-**

- 1. The Extraordinary General Meeting ("EGM") will be held on a virtual basis through live streaming and online remote voting at the Broadcast Venue using Remote Participating and Voting Facilities ("RPV") to be provided by the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") via TIIH Online website at <https://tiih.online>. All the EGM related documents of the Company can be viewed and downloaded from the Company's website at <https://www.gentingmalaysia.com/egm/>. Please follow the procedures set out in the Administrative Guide for the EGM which is available on the Company's website at <https://www.gentingmalaysia.com/egm/> to register, participate, speak and vote remotely via the RPV.*
- 2. The Broadcast Venue of the EGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which stipulates that the Chairman shall be at the main venue of the EGM. Members will not be allowed to attend the EGM in person at the Broadcast Venue on the day of the EGM.*
- 3. A member who is entitled to attend, participate, speak and vote at the EGM via the RPV is entitled to appoint a proxy or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her/its place. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless the member specifies the proportions of his/her/its shareholding to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. In the case of a corporation, the proxy form must be either under seal or signed by a duly authorised officer or attorney.*

4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholdings to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*
5. *The appointment of a proxy may be made in a hard copy form or by electronic means. Proxy forms must be submitted in the following manner, not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof:*
  - (i) *In hard copy form*

*The original signed proxy form must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.*
  - (ii) *By Tricor Online System (TIIH Online)*

*The proxy form can be electronically submitted via TIIH Online at <https://tiih.online>. Please follow the procedures set out in the Administrative Guide.*
6. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the ordinary resolution set out in the Notice of EGM will be put to vote by poll.*
7. *For the purposes of determining members who shall be entitled to attend the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 7 June 2023. Only depositors whose names appear on the Record of Depositors as at 7 June 2023 shall be entitled to attend the said meeting or appoint proxies to attend and vote on their behalf.*



**GENTING**  
**MALAYSIA**  
**GENTING MALAYSIA BERHAD**  
198001004236 (58019-U)  
(Incorporated in Malaysia)

**FORM OF PROXY**

(Before completing the form, please refer to the notes overleaf)

I/We \_\_\_\_\_  
(FULL NAME IN BLOCK CAPITALS)

NRIC No./Passport No./Co. No.: \_\_\_\_\_

of \_\_\_\_\_

being a member of GENTING MALAYSIA BERHAD hereby appoint

<b>Name of Proxy</b> (Full name)	<b>NRIC No./Passport No.</b>	<b>% of shareholding to be represented</b> (Refer to Note 3)
<b>Address</b>		<b>Proxy's Contact No.</b>

\*and/or failing him/her

<b>Name of Proxy</b> (Full name)	<b>NRIC No./Passport No.</b>	<b>% of shareholding to be represented</b> (Refer to Note 3)
<b>Address</b>		<b>Proxy's Contact No.</b>

or failing him/her, \*the CHAIRMAN OF THE MEETING as \*my/our proxy(ies) to attend and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company which will be held on a virtual basis through live streaming and online remote voting at the Broadcast Venue, 25th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur on Thursday, 15 June 2023 at 2.30 p.m. or at any adjournment thereof.

\* Delete if inapplicable



My/our proxy(ies) shall vote as follows:

ORDINARY RESOLUTION	FOR	AGAINST
To approve the Proposed Disposal		

(Please indicate with an “X” or “√” in the space provided how you wish your votes to be cast. If you do not do so, the proxy/proxies will vote or abstain from voting at his/her/their discretion.)

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

No. of Shares held	CDS Account No.	Shareholder’s Contact No.

\_\_\_\_\_  
Signature of Member

**Notes:-**

- The Extraordinary General Meeting (“EGM”) will be held on a virtual basis through live streaming and online remote voting at the Broadcast Venue using Remote Participating and Voting Facilities (“RPV”) to be provided by the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) via TIIH Online website at <https://tiih.online>. All the EGM related documents of the Company can be viewed and downloaded from the Company’s website at <https://www.gentingmalaysia.com/egm/>. Please follow the procedures set out in the Administrative Guide for the EGM which is available on the Company’s website at <https://www.gentingmalaysia.com/egm/> to register, participate, speak and vote remotely via the RPV.*
- The Broadcast Venue of the EGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which stipulates that the Chairman shall be at the main venue of the EGM. Members will not be allowed to attend the EGM in person at the Broadcast Venue on the day of the EGM.*
- A member who is entitled to attend, participate, speak and vote at the EGM via the RPV is entitled to appoint a proxy or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her/its place. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless the member specifies the proportions of his/her/its shareholding to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. In the case of a corporation, the proxy form must be either under seal or signed by a duly authorised officer or attorney.*
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“Omnibus Account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholdings to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 (“SICDA”) which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*
- The appointment of a proxy may be made in a hard copy form or by electronic means. Proxy forms must be submitted in the following manner, not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof:*
  - In hard copy form*

*The original signed proxy form must be deposited with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at Tricor’s Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.*
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*The proxy form can be electronically submitted via TIIH Online at <https://tiih.online>. Please follow the procedures set out in the Administrative Guide.*
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the ordinary resolution set out in the Notice of EGM will be put to vote by poll.*
- For the purposes of determining members who shall be entitled to attend the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 7 June 2023. Only depositors whose names appear on the Record of Depositors as at 7 June 2023 shall be entitled to attend the said meeting or appoint proxies to attend and vote on their behalf.*



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AFFIX  
STAMP

The Share Registrar of

**GENTING MALAYSIA BERHAD**

c/o Tricor Investor & Issuing House Services Sdn. Bhd.  
Unit 32-01, Level 32, Tower A,  
Vertical Business Suite, Avenue 3,  
Bangsar South,  
No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur,  
Wilayah Persekutuan, Malaysia

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**GENTING**  
**MALAYSIA**  
**GENTING MALAYSIA BERHAD**  
198001004236 (58019-U)  
(Incorporated in Malaysia)

**Personal Data Notice**

The Personal Data Protection Act 2010 (“Act”) regulates the processing and use of personal data in commercial transactions and applies to Genting Malaysia Berhad (“the Company”).

Personal data including but not limited to your (or your proxies’, if appointed) name, NRIC number or passport number, CDS account number, contact details, mailing address and any other personal data furnished or made available to the Company will be used or disclosed for the purpose of the Company’s Extraordinary General Meeting as well as for disclosure requirements imposed by law or any relevant regulatory authorities from time to time including but not limited to stock exchanges, companies commissions and securities commissions (“Purpose”). The Company shall retain personal data for so long as it is necessary for the fulfilment of the Purpose or for compliance with any law or legal obligations.

If you would like to make any enquiries regarding this Notice or any personal data disclosed, please contact the Company at:

Mailing address : **Genting Malaysia Berhad**  
14th Floor, Wisma Genting  
Jalan Sultan Ismail  
50250 Kuala Lumpur  
Attn: Secretarial Department

Telephone No. : +603 2178 2288/2333 2288 (Secretarial Department)

Please ensure that your proxies consent to the disclosure of their personal data for the Purpose. In the event of inconsistencies between the English version and the Bahasa Malaysia version of this Notice, the English version shall prevail.

Date: 31 May 2023

**Notis Data Peribadi**

*Akta Perlindungan Data Peribadi 2010 (“Akta”) mengawal selia pemprosesan dan penggunaan data peribadi dalam transaksi komersil dan diaplikasikan kepada Genting Malaysia Berhad (“Syarikat”).*

*Data peribadi termasuk tetapi tidak terhad kepada nama, nombor NRIC atau nombor pasport, nombor akaun CDS, butiran perhubungan, alamat surat-menyurat dan apa-apa data peribadi lain anda (atau proksi anda, jika dilantik) yang diberikan atau tersedia kepada Syarikat untuk tujuan Mesyuarat Agung Luar Biasa Syarikat dan juga untuk keperluan pendedahan oleh undang-undang atau mana-mana pihak berkuasa yang berkaitan dari semasa ke semasa termasuk tetapi tidak terhad kepada bursa saham, suruhanjaya syarikat dan suruhanjaya sekuriti (“Tujuan”). Syarikat akan menyimpan data peribadi selagi perlu untuk memenuhi Tujuan atau bagi pematuhan mana-mana undang-undang atau obligasi undang-undang.*

*Sekiranya anda ingin membuat sebarang pertanyaan mengenai Notis ini atau mana-mana data peribadi anda, sila hubungi Syarikat di:*

Alamat Surat-menyurat : **Genting Malaysia Berhad**  
Tingkat 14, Wisma Genting  
Jalan Sultan Ismail  
50250 Kuala Lumpur  
Untuk Perhatian: Jabatan Setiausaha

No. Telefon : +603 2178 2288/2333 2288 (Jabatan Setiausaha)

*Sila pastikan bahawa proksi anda bersetuju dengan pendedahan data peribadi mereka untuk Tujuan tersebut. Sekiranya ada percanggahan antara versi Bahasa Inggeris dan versi Bahasa Malaysia Notis ini, versi Bahasa Inggeris akan diguna pakai.*

Tarikh : 31 Mei 2023