



# 44<sup>TH</sup> ANNUAL GENERAL MEETING

Wednesday, 12 June 2024, 10:00am





# AGENDA

**01 KEY PROPERTIES**

**02 HIGHLIGHTS**

**03 MALAYSIAN OPERATIONS**

**04 OVERSEAS OPERATIONS**

- UK & EGYPT
- US & BAHAMAS

**05 SUSTAINABILITY INITIATIVES**



# KEY PROPERTIES

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# HIGHLIGHTS

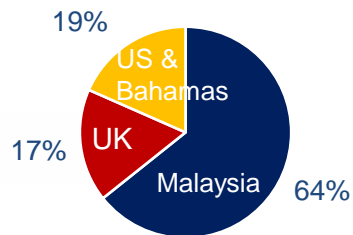
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# HIGHLIGHTS

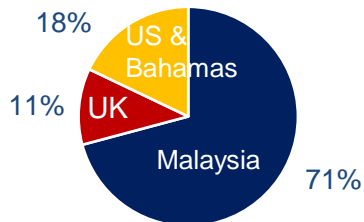
# 2023 FINANCIAL OVERVIEW

In RM'mil	FY23	FY22
Revenue	10,189	8,603
<i>% of 2019</i>	<b>98%</b>	83%
Adjusted EBITDA	2,632	2,117
<i>% of 2019</i>	<b>100%</b>	80%
Adjusted EBITDA Margin	26%	25%
Net Profit/(Loss)	361	(667)

Revenue – FY23



Adjusted EBITDA – FY23



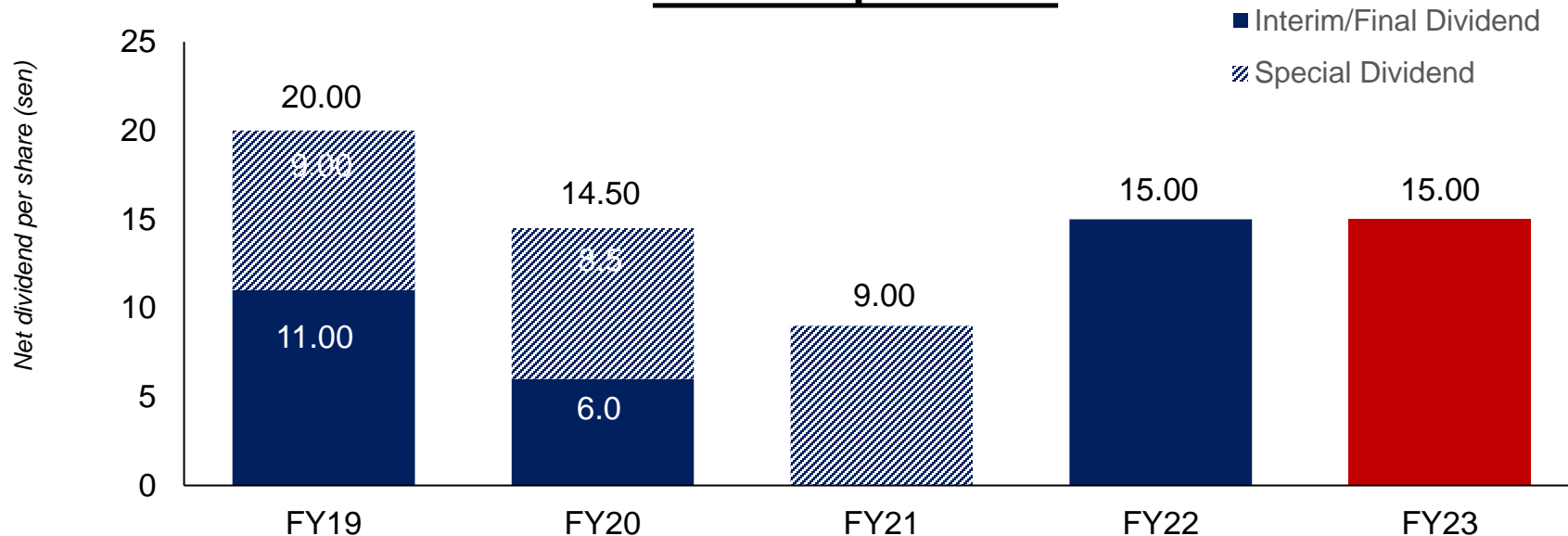
Continued growth in business volumes worldwide

Operational leverage drives Group adj. EBITDA to pre-pandemic levels

Profitability turnaround of RM1.0b

Business agility is cornerstone of Group's resilience

## Dividend per Share



- FY23 dividend yield: 5.6%<sup>#</sup>



# MALAYSIAN OPERATIONS

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**MALAYSIA**

# LEISURE & HOSPITALITY RWG KEY STATISTICS – FY23

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



**6.0m**  
MEMBERS

(FY22: 5.5m)



**25m**  
VISITORS

(FY22: 22m)



**72%**  
DAY-TRIPPERS

(FY22: 79%)



**3.5m**  
ROOM NIGHTS  
SOLD

(FY22: 2.4m)



**97%**  
OCCUPANCY

(FY22: 95%)



**RM221**  
AVG ROOM RATE

(FY22: RM213)



In RM'mil	FY23	FY22	% Change
Revenue	<b>6,416</b>	5,213	↑23%
<i>% of 2019</i>	<b>91%</b>	74%	
Adjusted EBITDA	<b>2,062</b>	1,634	↑26%
<i>% of 2019</i>	<b>&gt;100%</b>	80%	
<i>Adjusted EBITDA Margin</i>	<b>32%</b>	31%	

- Improvement in results mainly driven by higher business volume at RWG, aided by the continued recovery in travel demand from the wider region and domestically
- FY23 adjusted EBITDA margin improved to 32% despite higher operating expenses

## World Travel Awards 2023



**Resorts World Genting**

Malaysia's Leading Resort

## 2023 Forbes Travel Guide



**Crockfords Hotel**

Winner for 5 consecutive  
years (since 2019)

## Malaysia Tourism Quality Assurance (MyTQA)



**Genting SkyWorlds**

Platinum Class

## Launch of “Welcome to My World” Campaign



## HAPA Awards Malaysia Series 2023-2024



# RESORTS WORLD GENTING HIGHLIGHTS IN 2023





# OVERSEAS OPERATIONS





# **OVERSEAS OPERATIONS**

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## **UK & EGYPT**

In £'mil	FY23	FY22	% Change
Revenue	<b>294.0</b>	276.4	↑6%
<i>% of 2019</i>	<b>93%</b>	87%	
Adjusted EBITDA	<b>51.3</b>	55.1	↓7%
<i>% of 2019</i>	<b>&gt;100%</b>	>100%	
<i>Adjusted EBITDA Margin</i>	<b>17%</b>	20%	

- Improvement in revenue mainly driven by higher volume of business
- FY23 adjusted EBITDA impacted by higher payroll and related costs



# OVERSEAS OPERATIONS

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## US & BAHAMAS



In US\$'mil	FY23	FY22	% Change
<b><u>Revenue*</u></b>			
RWNYC	333.9	309.7	↑8%
RW Bimini and RW Omni	77.3	67.6	↑14%
Total	411.2	377.3	↑9%
% of 2019	>100%	>100%	
<b><u>Adjusted EBITDA/(LBITDA)*</u></b>			
RWNYC	127.5	124.3	↑3%
RW Bimini and RW Omni	(6.8)	(15.7)	↑57%
Total	120.7	108.6	↑11%
% of 2019	>100%	>100%	
Margin	29%	29%	

- RWNYC: Higher revenues attributable to overall higher volume of business. Adj EBITDA impacted by higher payroll and related expenses
- RW Bimini: Benefitted from cruise strategy which improved operating trends

US

# EMPIRE RESORTS, INC.

## PERFORMANCE REVIEW

In US\$'mil	FY23	FY22	% Change
Revenue*	278.8	262.9	↑6%
% of 2019	>100%	>100%	
Adjusted EBITDA*	29.5	37.2	↓21%
% of 2019	N/A	N/A	
Adjusted EBITDA Margin	11%	14%	

\* Based on IFRS

- Empire recorded higher revenue in FY23, primarily attributable to the opening of Resorts World Hudson Valley in Dec 2022
- Adjusted EBITDA impacted by higher payroll costs and operating expenses



# **SUSTAINABILITY INITIATIVES**

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



FTSE4Good

### FTSE4GOOD INDEX SERIES

- A constituent of the FTSE4Good Index Series since June 2018

**ASEAN Corporate Governance  
Scorecard Award**

**Asiamoney 2023 Asia's  
Outstanding Companies Poll**

**RG Check (RWG)  
GamCare Safer Gambling  
Standard (UK)**

**Recipient of "ASEAN Asset  
Class" Award**

**Most Outstanding Company in  
Malaysia – Casinos & Gaming  
Sector**

**Gaming operations in Malaysia  
and the UK have responsible  
gaming accreditation**

- GENM's commitment to sustainable operations is demonstrated by balancing economic aspirations with being a valuable contributor to the local economies in which it operates





# **44<sup>TH</sup> ANNUAL GENERAL MEETING**

12 June 2024

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

**ADMINISTRATIVE MATTERS**

**Question 1:**

Why are there no door gifts/digital vouchers given to shareholders attending the 44th AGM?  
Will the Board consider this request?

**Reply to Question 1:**

- As this meeting is being conducted on a fully virtual basis, there will be no distribution of door gifts or digital vouchers for the 44th AGM.
- The Group's main method of delivering returns to shareholders is through the payment of dividends.

**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

**Question 2:**

When will GENM's share price increase again?

**Reply to Question 2:**

- We do not comment on share price movements as these are subject to market forces and other external factors which are beyond our control.

**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

**Question 3:**

Based on the latest 1Q24 results, GENM's Malaysia operations does not seem to have benefitted much from the visa-free scheme that was introduced in December 2023, as compared to regional peers. What is the cause for this?



**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

**Reply to Question 3:**

- As mentioned earlier, revenue from the Malaysian leisure and hospitality business improved by 25% to RM1.7 billion in 1Q24 as compared to 1Q23, mainly driven by the increase in business volumes at RWG.
- RWG's improved operational leverage has also enabled it to register a 34% increase in adjusted EBITDA to RM583.6 million.
- RWG benefitted from the visa-free scheme introduced since December 2023, with foreign visitor hotel room guests at RWG increasing by 30% in 1Q24 as compared to 1Q23. These improvements included guests from Singapore, Indonesia, China and India.
- The Group will continue to capitalize on the acceleration of regional flight capacities and friendly policies that promote international tourism to drive visitation and spend at RWG.

**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

**Question 4:**

Whilst the Group's global operations are registering improved performance, there is heightened exposure to higher funding and financing costs, as well as exchange rate fluctuations.

Is GENM hedging against the USD to mitigate such risk? Will the appreciation of USD against the RM affect the interest payment on GENM's USD1.0 billion bond?

**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

**Reply to Question 4:**

- The Group's US dollar-denominated loans are long-dated and due in 2031.
- The net foreign exchange translation losses that the Group registered in FY2023 are accounting entries and are unrealised.
- The appreciation of the USD against the RM will affect the interest payment on GENM's USD1.0 billion bond.
- As such, the Group's Malaysian operations enters into forward foreign currency exchange contracts to hedge its exposure to foreign currency risk on interest payable and principal repayments on US dollar-denominated loans which are due and payable within the next 12 months.

**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

**Question 5:**

What are management's plans to introduce more creative and premium offerings at RWG, such as expanding Crockfords hotel and hosting more internationally renowned artistes, in view of increasing demand for such products?

**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

***Reply to Question 5:***

- The Group is in the midst of upgrading its assets, in addition to developing new product offerings and attractions at RWG to meet evolving customer preferences.
- These include new ecotourism attractions at the mid-hill as well as the introduction of more lifestyle events and experiences at RWG.



**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

**Question 6:**

Does RWG plan to introduce multiple e-wallet payment options? Certain attractions at RWG (e.g. Awana) only accept Touch 'n Go eWallet and credit/debit cards.

Will GENM consider offering instalment payment schemes for its high value services and products?

**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

***Reply to Question 6:***

- We accept all major payment methods at RWG, including credit and debit cards and e-wallets such as Maybank QR pay, Boost Pay, WeChat Pay, Alipay, and Touch 'n Go.
- We continue to explore other forms of payment solutions to provide more convenience to customers.

**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

**Question 7:**

Does GENM plan to introduce an annual pass for Genting SkyWorlds?

**Reply to Question 7:**

- We will launch an annual pass for Genting SkyWorlds by end of August this year.

**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

**Question 8:**

What are management's plans to develop the Genting app into a more holistic travel app involving other merchants?

**Reply to Question 8:**

- The Group is continuously enhancing its Resorts World Genting app to improve the guest experience and provide greater convenience to customers.
- We continue to explore opportunities to collaborate with strategic partners to expand offerings on our app and incorporate various on-demand services to provide a more holistic travel experience for guests.

**BUSINESS OUTLOOK / STRATEGY / OPERATIONS**

**Question 9:**

Can shareholders expect a better dividend payout going forward?

**Reply to Question 9:**

- When deciding on dividend payouts, the Group will ensure there is a good balance between delivering returns to shareholders with dividends and prudent capital management for ensuring business needs, meeting debt obligations and driving growth.



**US OPERATIONS AND EMPIRE RESORTS, INC.**

**Question 10:**

“In the US, GENM continued to focus on fortifying its market position and expanding its footprint in New York State to effectively compete in the northeastern region. The Group continued to actively grow its customer database while leveraging synergies between RWNYC and Empire's assets to enhance overall business returns. Close monitoring of developments related to the New York Gaming Facility Board's Request for Application remained paramount, with the aim of capitalising on potential opportunities presented by the solicitation of proposals for up to three commercial casinos in the state.” (Page 52 of Integrated Annual Report 2023 “IAR2023”)

**US OPERATIONS AND EMPIRE RESORTS, INC.**

**Question 10 (Cont'd):**

The gaming and casino business in New York State is highly competitive, with established casinos and new projects vying for market share.

- a) How does Genting Malaysia plan to fortify its market position in New York State, especially against established competitors like MGM and Caesars?
- b) Please provide specific examples of how synergies between RWNYC and Empire's assets are being leveraged to enhance overall business returns.
- c) Please justify GENM's continued investment in Empire Resorts, Inc. ("Empire") despite its ongoing losses. When can we anticipate a turnaround for Empire and expect it to become profitable?

**US OPERATIONS AND EMPIRE RESORTS, INC.**

***Reply to Question 10:***

- GENM is committed to solidifying its market position in the northeast US region by, amongst others, growing its customer database, enhance product offerings and leveraging operating synergies via cross marketing and shared resources between its properties in the New York State, which will realise cost savings and improve overall returns to our US operations. In response to the question on Empire, the company has been reporting EBITDA since May 2021 and registered adjusted EBITDA of USD29.5 million in FY2023.
- Empire's loss before tax is mainly due to depreciation and amortization and interest expense.

**US OPERATIONS AND EMPIRE RESORTS, INC.**

***Reply to Question 10:***

- GENM's continued support has enabled Empire to further optimise its capital structure, thereby reducing its financial leverage and correspondingly lowering its interest expenses. This also enables Empire to continue its focus on strengthening its operating performance.
- Our experience from operating Resorts World Catskills will also provide us with a competitive advantage in our ongoing bid for a full commercial casino licence for RWNYC.

**US OPERATIONS AND EMPIRE RESORTS, INC.**

**Question 11:**

How does RW Catskills' Monster Golf Club position itself in the market as compared to other golf courses in the US?

Would the management consider hosting more shows and/or large-scale events to increase footprint at RW Catskills?



**US OPERATIONS AND EMPIRE RESORTS, INC.**

***Reply to Question 11:***

- The Monster Golf Club, an 18-hole championship golf course, complements RW Catskills' other amenities and attractions as an integrated resort, and should not be viewed as a standalone offering.
- We continue to explore various events and promotional activities to drive footfall to RW Catskills.

**US & BAHAMAS OPERATIONS AND EMPIRE RESORTS, INC.**

**Question 12:**

What is the status of the sale of Miami Herald Land?

**Reply to Question 12:**

- As announced on 22 June 2023, the purchaser of the Miami Herald Land has elected to end its bid.
- We continue to review other opportunities to close on the sale of the Miami Herald Land as-is.

**US & BAHAMAS OPERATIONS AND EMPIRE RESORTS, INC.**

**Question 13:**

In the Bahamas, the occupancy rate at the Hilton Hotel at RW Bimini increased to 38% in 2023 (2022: 31%) (Page 58 of IAR2023)

Based on the current operating conditions, what is the overall occupancy rate required for the Hilton Hotel at RW Bimini to break even?

**US & BAHAMAS OPERATIONS AND EMPIRE RESORTS, INC.**

**Reply to Question 13:**

- Operating trends at RW Bimini are showing signs of improvement with losses at RW Bimini progressively narrowing, aided by the higher number of cruise calls and visitations at the resort throughout the period.
- Effective cost management has also improve overall yields at the resort.
- Whilst hotel occupancy contributes to RW Bimini's profitability, it is not RW Bimini's core revenue and earnings component.
- The Group's current focus on RW Bimini is on its cruise strategy of increasing number of port calls by international cruise operators at the resort to drive visitation and earnings.

**MTN PROGRAMME**

**Question 14:**

What is the rationale for GENM issuing RM1.3 billion Medium-Term Notes (“MTNs”) given that the Group has a strong cash position of nearly RM4.0 billion? Are there any near-term debts that need to be repaid?



**MTN PROGRAMME**

**Reply to Question 14:**

- The next debt maturity for the GENM Group in Malaysia will be its MTN of RM1.3 billion due in August 2025.
- The proceeds from the new issuance of RM1.3 billion MTNs will be used for early redemption of the MTNs due in August 2025.
- The Company capitalised on the opportunity to raise funds when the local debt capital markets are conducive to term out short-term debt whilst freeing up capital to support business growth and investment opportunities.

**OTHERS**

**Question 15:**

How does management intend to address the ongoing issue of numerous illegal online casinos using the GENTING branding, and what measures are in place to prevent such misuse? What are GENM's plans for an online casino?

In 2023, New York generated more than \$861 million in tax revenue from online sports betting, with the total amount wagered reaching \$19 billion. Further, the New York State Senator is advocating for legislation to legalise online casinos. How does GENM view the impact of online casinos on its traditional brick-and-mortar operations in New York?

### **OTHERS**

#### **Reply to Question 15:**

- Currently, online gambling is illegal in Malaysia.
- Whenever formally requested, the Group will render assistance to the relevant authorities and enforcement agencies to help them address the issue of illegal online gambling in Malaysia
- The Group has taken all reasonable steps in managing the illegal use of GENM's information, including posting alerts and warnings on the Group's websites.
- The Group has also reported the illegal use of its information to the relevant authorities, including the police and the Malaysian Communications and Multimedia Commission.
- In addition, the Group will take legal action against those infringing on its corporate identity and exploiting the use of its brands without authorisation.

**OTHERS**

**Reply to Question 15 (Cont'd):**

- The Group would again like to take this opportunity to stress that GENM is not involved or associated in any way or manner to these online gambling sites or postings and to approach such websites with caution.
- The Group is supportive of stronger legislation and stricter enforcement to combat against all forms of illegal gambling activities.

**OTHERS**

**Reply to Question 15 (Cont'd):**

- Currently, only mobile sports betting is legalised while online casino games are not permitted in New York State.
- The Group currently has online presence in New York State via Resorts World Bet, which offers only sports betting.
- If legislation is passed to allow online casino gaming in either Malaysia or New York, the Group is open to exploring such opportunities.

**CORPORATE GOVERNANCE**

**Question 16:**

The Company has not adopted Practice 5.2 of the Malaysian Code on Corporate Governance (“MCCG”), which states that at least half of the board should comprise independent directors. For large companies, the board comprises a majority of independent directors.

Only four of the Company's eleven directors are currently independent. It was also mentioned that the Company shall comply with Practice 5.2 of MCCG within three years.

What challenges does the Company face in appointing independent directors?

**CORPORATE GOVERNANCE**

**Reply to Question 16:**

- Implementation of this recommendation under the Malaysian Code on Corporate Governance needs to be considered taking into account the complexities of a multi-jurisdiction and highly regulated environment which the Company operates in.
- The Group holds gambling licences in multiple jurisdictions, such as the US, the UK, the Bahamas and Egypt.
- Our Board members are also subject to complex probity checks.
- The Company will strive to work towards applying this Practice in a pragmatic and meaningful way as soon as possible within the proposed time periods.



**CORPORATE GOVERNANCE**

**Question 17:**

Practice 5.9 of the MCCG stipulates that the Board comprises at least 30% women directors.

The Board currently comprises nine (9) male Directors and two (2) female Directors.

On 3 December 2018, the Company appointed Madam Chong Kwai Ying as the first female Director on the Board.

On 1 July 2022, the Company appointed a second female Director, namely Dato' Dr. Lee Bee Phang, as an Independent Non-Executive Director. However, Dato' Dr. Lee Bee Phang resigned on 6 April 2023.

**CORPORATE GOVERNANCE**

**Question 17 (Cont'd):**

On 19 January 2024, the Company appointed another female Director, namely Puan Norazilla binti Md Tahir, as an Independent Non-Executive Director.

(a) What benefits has the Board experienced from increased gender diversity among its members?  
How has the Board's performance been impacted by these benefits?

(b) It was mentioned that the Company will adopt Practice 5.9 within six years. (2022: seven years).  
In the response to MSWG's questions for AGM in 2022, it was mentioned that implementation of this recommendation under the MCCG requires consideration of the complexities of the multi jurisdiction and highly regulated environment in which the Company operates. For example, directors of the Company are subject to complex licensing requirements in several jurisdictions for gaming licenses. The Company will strive to work towards applying this Practice in a pragmatic and meaningful way as soon as possible within the proposed time periods.

**CORPORATE GOVERNANCE**

**Question 17 (b) (Cont'd):**

What steps has the Company taken to engage with regulatory bodies in the various jurisdictions to facilitate the appointment of women directors?

### **CORPORATE GOVERNANCE**

#### **Reply to Question 17 (a):**

- An effective Board comprises individuals (regardless of gender) with relevant experience, strong credentials and high caliber to provide clear oversight and insight, and focused on creating long-term shareholder value.
- With the addition of new members with experiences in various relevant industries (regardless of gender), the Board has benefitted from better insights, and a different perspective in addressing issues and matters brought to the Board.

**CORPORATE GOVERNANCE**

**Reply to Question 17 (b):**

- We wish to reiterate that the complexities of the multi jurisdiction and highly regulated environment, in which the Company operates, for example, directors of the Company being subject to complex licensing requirements, apply to all directors, regardless of gender.
- Therefore, this makes it challenging for the Company to source suitably qualified candidates and consequently, the Company will require more time to meet MCCG's Practice 5.9.

**CORPORATE GOVERNANCE**

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

- Typically, we engage with regulators only after such candidates are identified, wherein application will be made to regulators for clearance.
- As part of the Nomination Committee's ongoing efforts to refresh the composition of the Board, the Board and the Company when sourcing for suitable candidates for any vacant Board and senior management position in future, takes into consideration suitably qualified female candidates, in line with the recommendation of the MCCG.

**SUSTAINABILITY**

**Question 18:**

“As part of the Group’s ongoing efforts in reducing its environmental impact, the Group is reviewing and finalising plans to introduce new energy management initiatives at RWG, which include the installation of solar rooftops at viable properties and the implementation of a district cooling system for the resort.” (Page 43 of Sustainability Report 2023)

Please provide an overview of the Group's current energy portfolio, specifying the proportion of renewable energy sources compared to grid electricity. Has the Group established any specific targets and timelines for future energy mix objectives?



### **SUSTAINABILITY**

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

- GENM does not currently consume energy from renewable sources but plans to implement such initiatives in the future.
- GENM will comply to the requirements of the Energy Efficient and Conservation Bill 2023, which includes the requirement of developing and implementing an energy management system that encompasses energy policy, objectives and the processes and procedures to achieve the energy objectives.

# END OF CFO PRESENTATION

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## **Disclaimer**

*Some of the statements made in this presentation which are not statements of historical facts are forward-looking statements and are based on the current beliefs, assumptions, expectations, estimates, objectives and projections of the directors and management of the Genting Malaysia Group ("Group") about its business and the industry and markets in which it operates.*

*These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors some of which are beyond the control of the Group and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward looking statements as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risks. The Group does not undertake to update these forward-looking statements to reflect events or circumstances that may arise after publication.*