



**GENTING**

**MALAYSIA**

No. 58019-U

# **Corporate Presentation**

**CLSA IF2018**

**Hong Kong**

September 2018

# AGENDA

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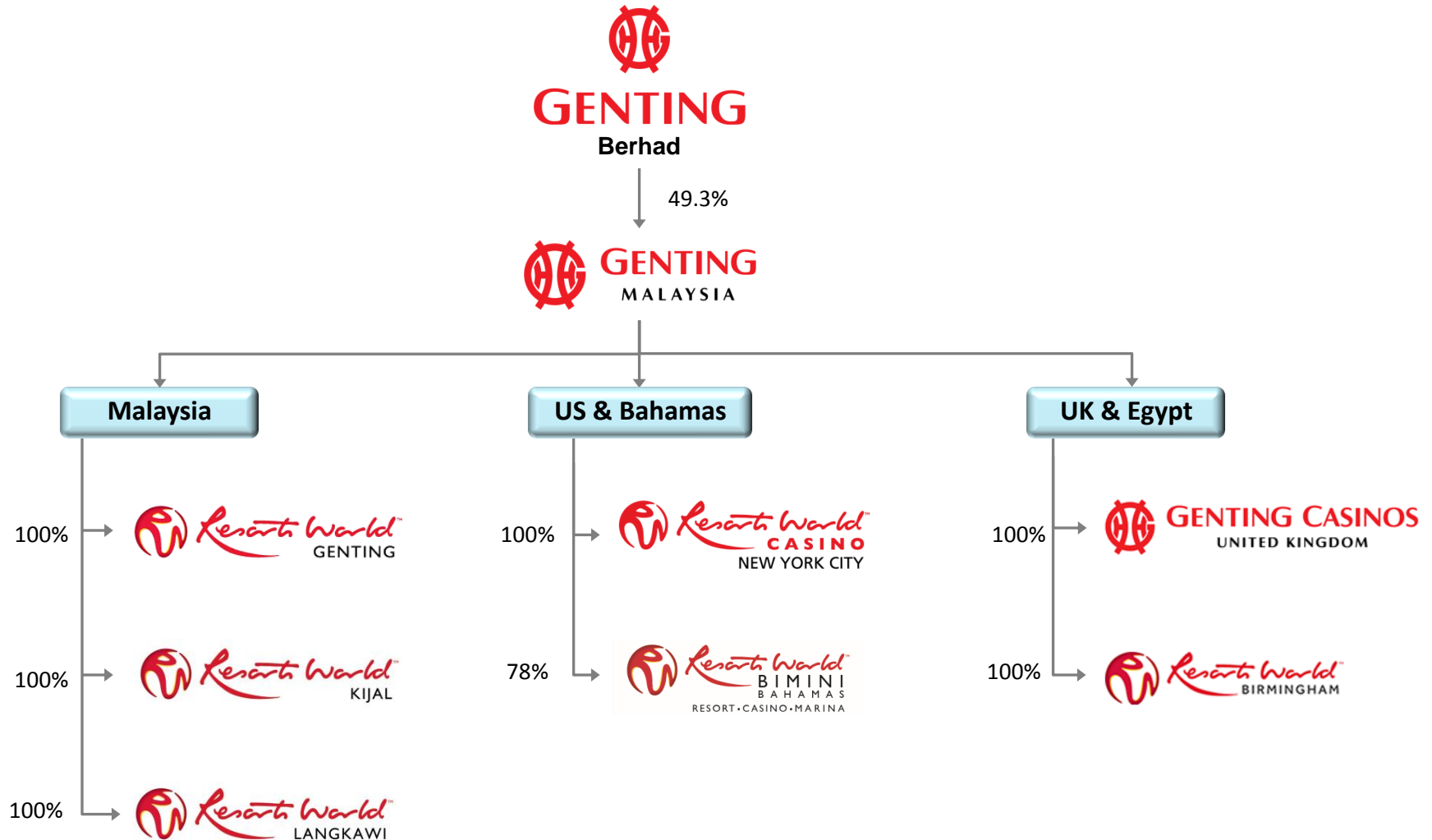
**5** OVERSEAS OPERATIONS

- UNITED KINGDOM & EGYPT
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# OVERVIEW

## GROUP CORPORATE STRUCTURE



# OVERVIEW

## GROUP'S KEY PROPERTIES

### Resorts World Genting (RWG)

- Malaysia's largest integrated resort destination
- ~23.6m visitors in FY2017
- ~10,500 rooms across 7 hotels
- ~13,600 employees

### Resorts World Casino New York City

- Market leader in the Northeast US region
- ~7.6m visitors in FY2017
- ~1,000 employees

### Genting UK

- ~4.2m visitors in FY2017
- Operates 43 casinos
  - 6 casinos in London
  - 37 casinos outside London
- ~3,600 employees

### RW Bimini

- 78 : 22 joint venture
- Offers gaming, accommodation, leisure and entertainment in the resort
- ~550 employees

# KEY PROPERTIES

**MALAYSIA**

**RESORTS WORLD GENTING**



UK

# GENTING UK RESORTS WORLD BIRMINGHAM



US

# RESORTS WORLD CASINO NEW YORK CITY



.....Market leader by gaming revenue in the Northeast US region



**BAHAMAS**

**RESORTS WORLD BIMINI**



# FINANCIAL HIGHLIGHTS



# OVERVIEW

## FINANCIAL HIGHLIGHTS – 2Q18 & 1H18

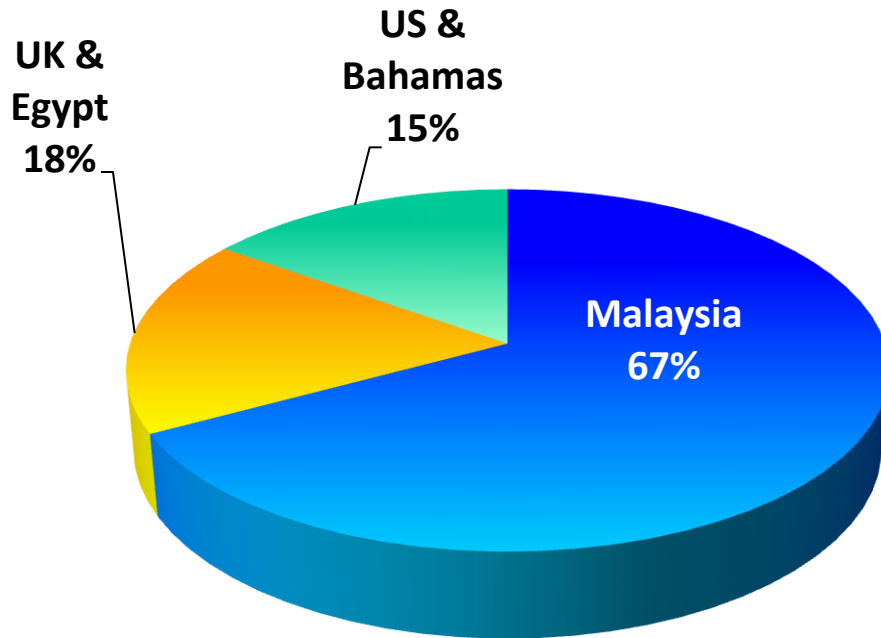
In RM'mil	2Q18	2Q17	% Change	1H18	1H17	% Change
Revenue	<b>2,422</b>	2,292	↑6%	<b>4,822</b>	4,516	↑7%
Adjusted EBITDA	<b>702</b>	536	↑31%	<b>1,310</b>	1,101	↑19%
<i>Adjusted EBITDA Margin</i>	<b>29%</b>	23%		<b>27%</b>	24%	
Net Profit	<b>378</b>	174	↑>100%	<b>720</b>	469	↑54%

- Improved performance aided by Malaysian operations
- New GITP facilities and attractions at RWG have been well received
- Aided by lower foreign exchange translation losses in 1H18

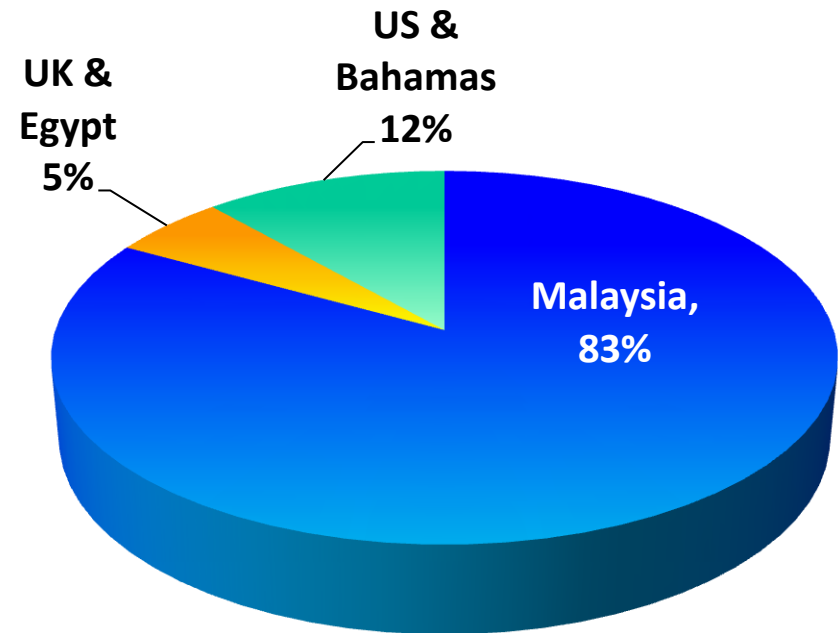
# OVERVIEW

## REVENUE & ADJUSTED EBITDA BY GEOGRAPHY – 1H18

Revenue



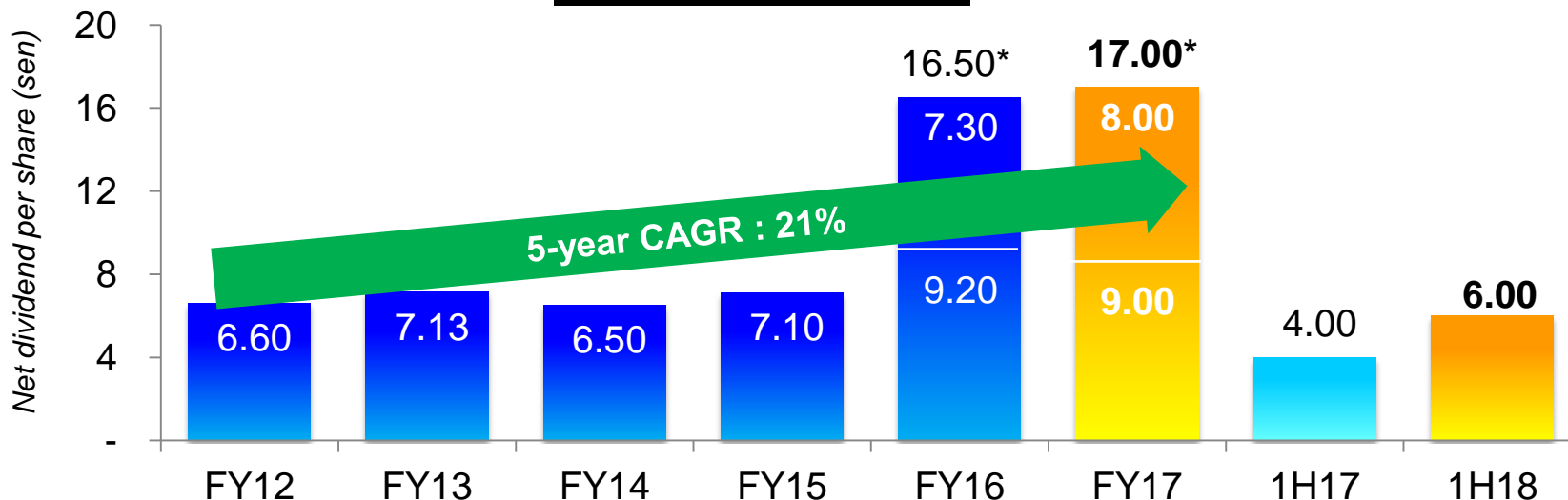
Adjusted EBITDA



# OVERVIEW

## CAPITAL MANAGEMENT STRATEGY

### Dividend per Share



\*Includes a special dividend of 8.0 sen (FY16: 7.3 sen) per share

### Dividend

- FY17 net dividend grew 3% yoy to 17.0 sen
- 1H18 interim dividend of 6.0 sen (Payout ratio: 45%)

### Share Buyback

- Bought back 288 million shares to-date (4.74% of total issued capital)

# MALAYSIA OPERATIONS



# MALAYSIA – LEISURE & HOSPITALITY

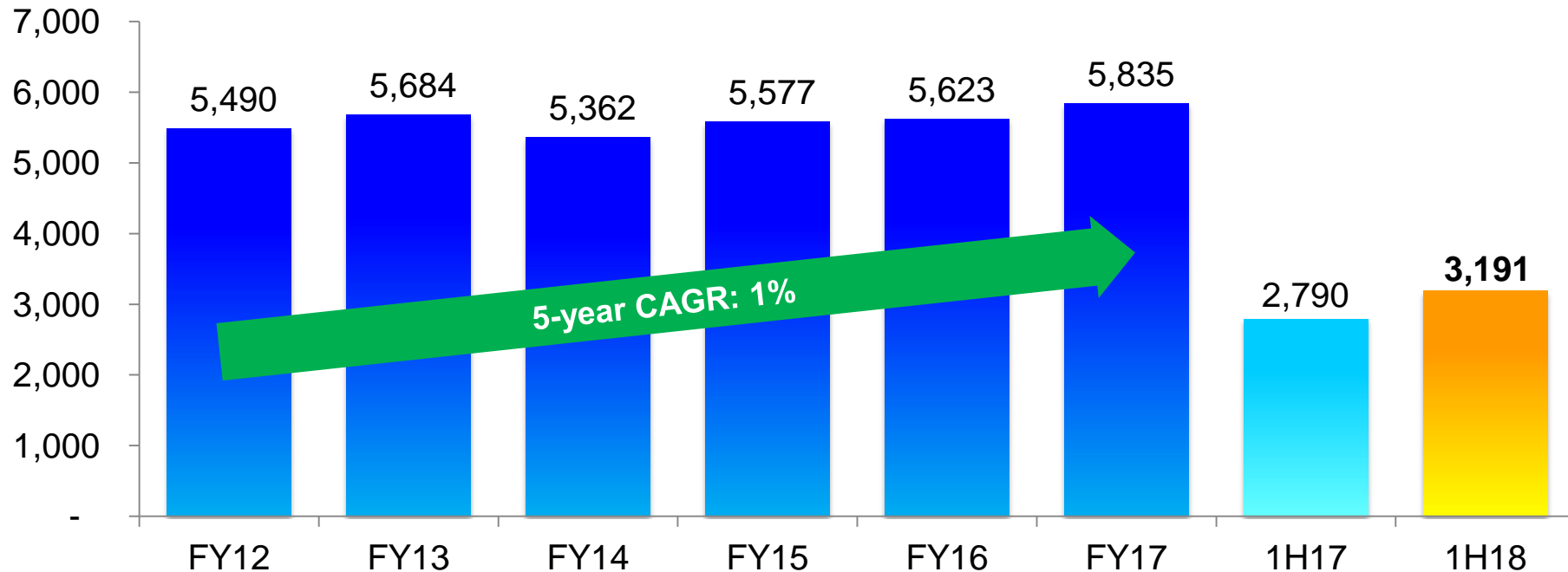
## PERFORMANCE REVIEW – 2Q18 & 1H18

In RM'mil	2Q18	2Q17	% Change	1H18	1H17	% Change
Revenue	<b>1,591.9</b>	1,445.4	↑10%	<b>3,191.4</b>	2,789.7	↑14%
Adjusted EBITDA	<b>540.2</b>	434.7	↑24%	<b>1,073.9</b>	872.1	↑23%
<i>Adjusted EBITDA Margin</i>	<b>34%</b>	30%		<b>34%</b>	31%	

- Improved hold percentage in the mid to premium players segment
- Visitations grew by 21% in 1H18, boosted by new GITP attractions

# MALAYSIA – LEISURE & HOSPITALITY PERFORMANCE REVIEW IN 1H18

## Revenue (RM'mil)



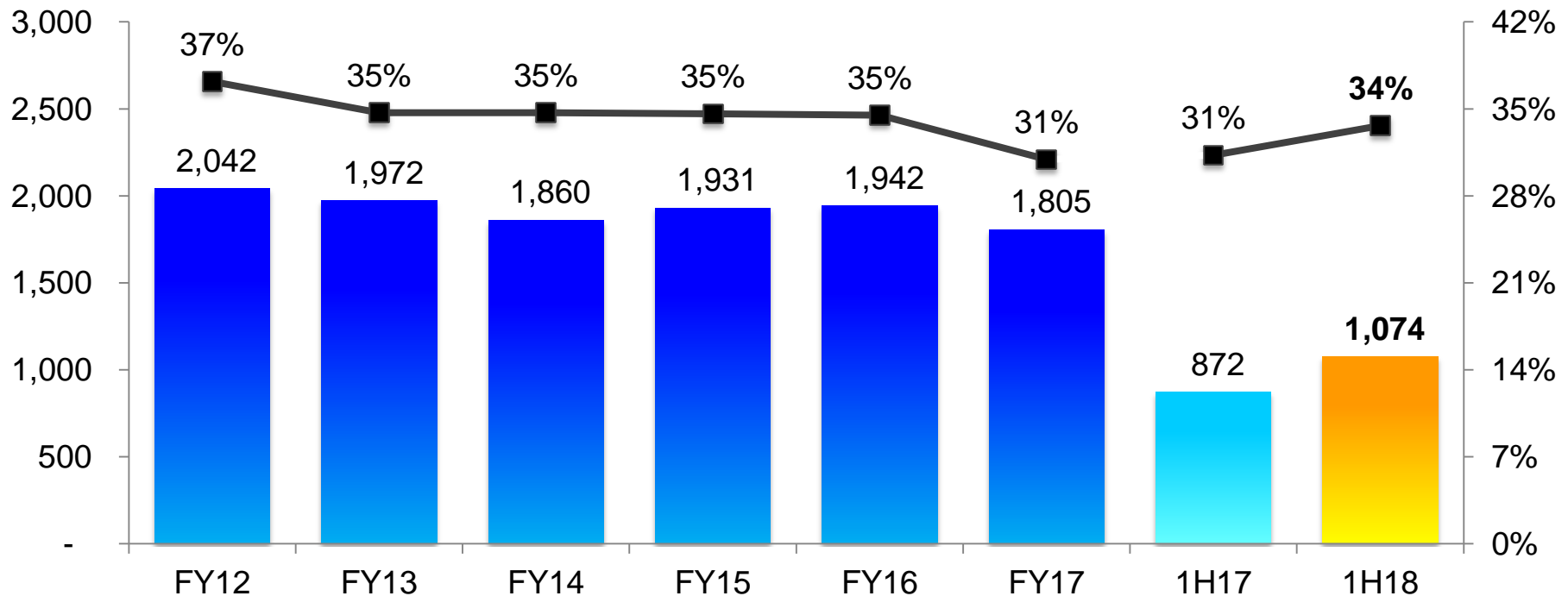
- Higher business volumes following the roll out of new GTP attractions
- Higher hold percentage in the mid to premium players segment



# MALAYSIA – LEISURE & HOSPITALITY

## PERFORMANCE REVIEW IN 1H18

### Adjusted EBITDA (RM'mil) / Margin (%)



- Improving adjusted EBITDA margins primarily attributable to:
  - Lower costs incurred in the VIP segment
  - Lower GITP ramp up costs compared to 1H17

# MALAYSIA

## RWG KEY STATISTICS IN 1H18



**12.8m**  
VISITORS

(1H17: 10.6m)

↑21%



**73%**  
DAY-TRIPPERS

(1H17: 70%)

**4.4m**  
MEMBERS

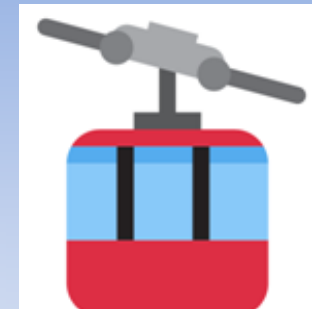
↑10%



(1H17 : 4.0mil)

**4.7m**  
TICKETS SOLD

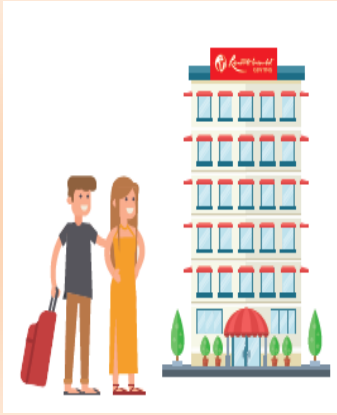
↑26%



(1H17: 3.7mil)

# MALAYSIA

## RWG HOTEL PERFORMANCE IN 1H18



**10,500**

ROOMS

**7 HOTELS**



(1H17: 1.6m)

**1.7m**

ROOM NIGHTS  
SOLD

**↑9%**

**RM105**

AVRG ROOM RATE

**↑15%**



(1H17: RM91)

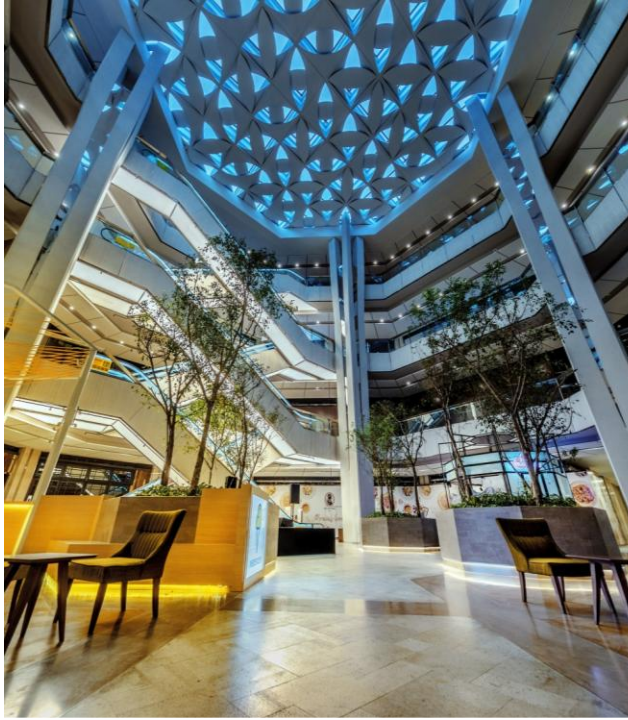
**96%**

OCCUPANCY



(1H17: 93%)

# GENTING INTEGRATED TOURISM PLAN (GITP)



- ❖ A 10-year master plan launched in Dec 2013
- ❖ RM10.4 billion capital investment
- ❖ Invested RM7.0 billion as at 30 June 2018



\*A property of Genting Simon Sdn Bhd, a JV between Genting Plantations Berhad and Simon Property Group

# GITP

# AWANA SKYWAY



Awana SkyWay cable car system



Genting Highlands Premium Outlets



GITP

SKYAVENUE





GITP

# SKYAVENUE – F&B OUTLETS



Burger & Lobster



Red Tail



Malaysian Food Street



Motorino

GITP

# THEME PARK HOTEL



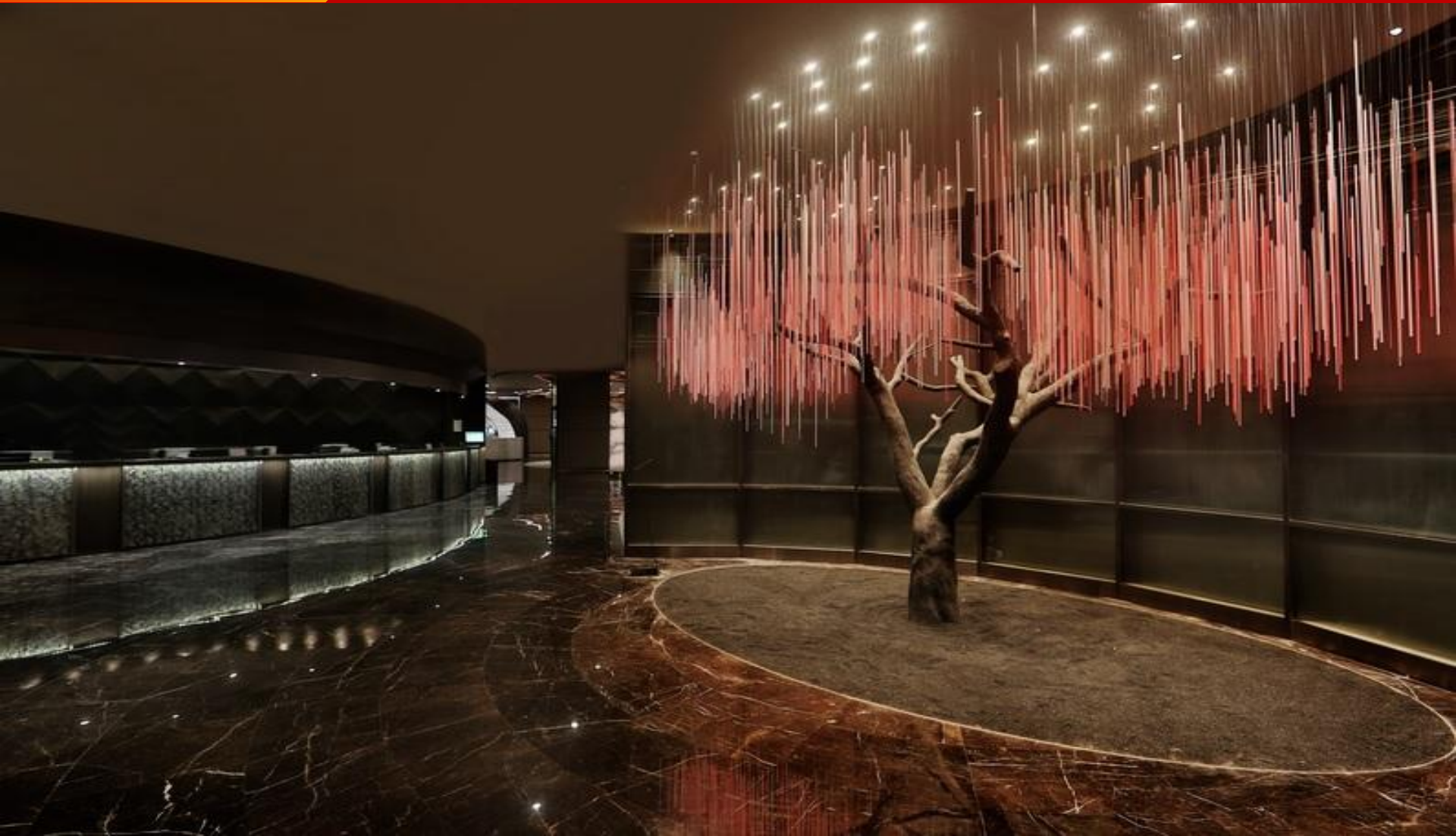
GITP

SKYSYMPHONY



GITP

# CROCKFORDS PLATINUM CLUB



GITP

# CROCKFORDS HOTEL



GITP

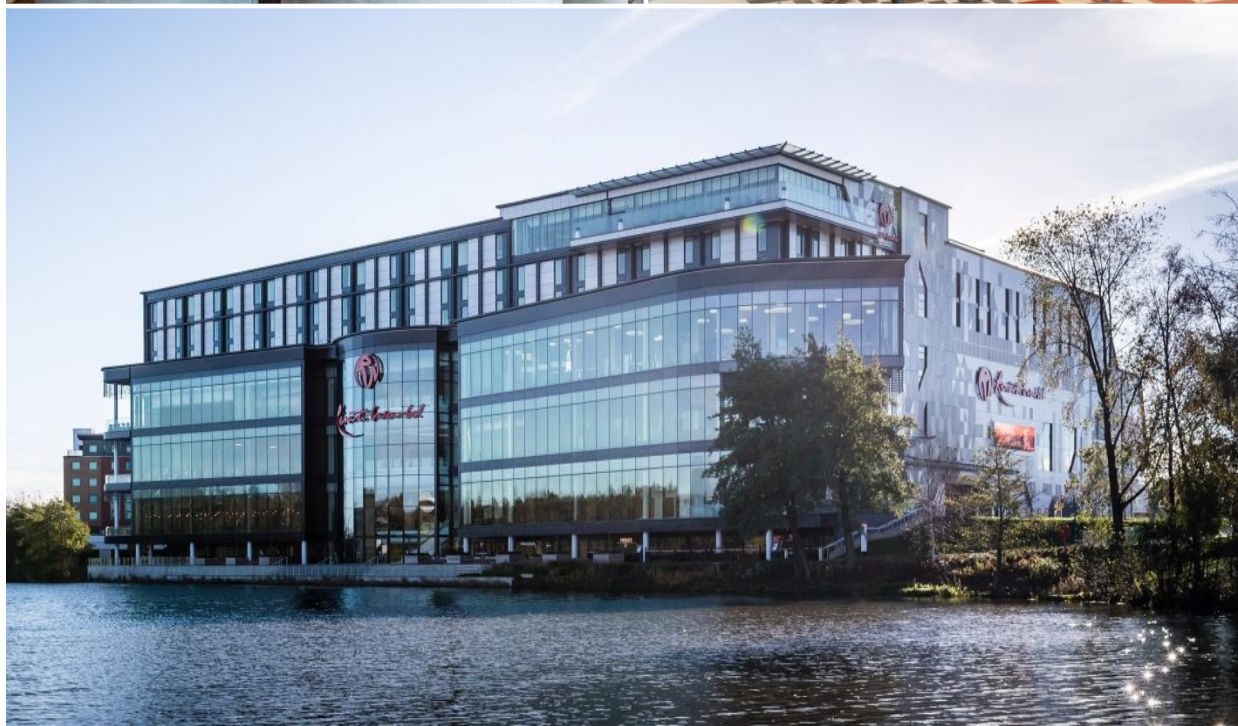
# FOX WORLD STUDIO STORE



# OVERSEAS OPERATIONS



# UNITED KINGDOM & EGYPT





# UK & EGYPT – LEISURE & HOSPITALITY

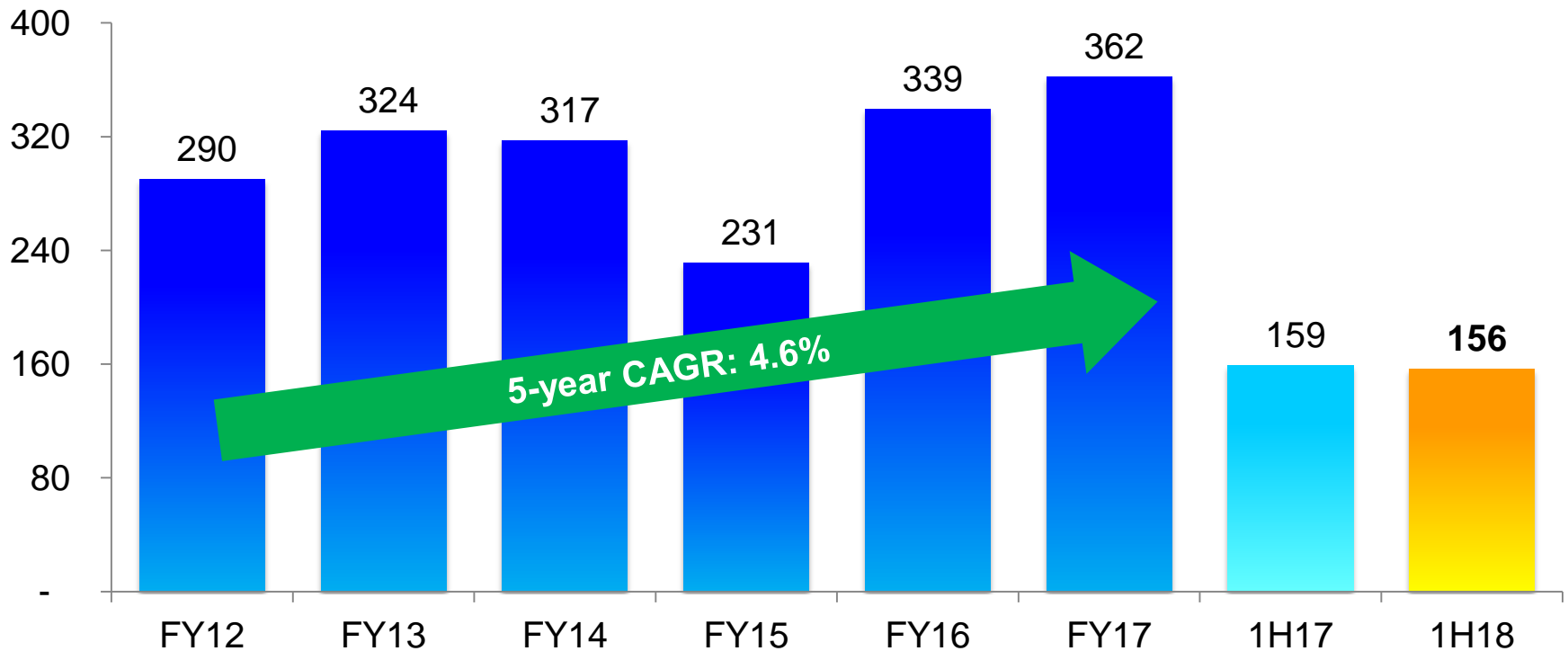
## PERFORMANCE REVIEW IN 2Q18 & 1H18

In £'mil	2Q18	2Q17	% Change	1H18	1H17	% Change
Revenue	<b>81.0</b>	74.3	↑9%	<b>156.4</b>	159.1	↓2%
Adjusted EBITDA	<b>5.5</b>	6.4	↓15%	<b>11.1</b>	20.5	↓46%
<i>Adjusted EBITDA Margin</i>	<b>7%</b>	9%		<b>7%</b>	13%	

- 2Q18 adjusted EBITDA impacted by:
  - Overall lower business volumes from UK land based casinos
  - Higher debts written off
- Visitors ↓ 5% to 2.0m in 1H18 (1H17: 2.2m)

# UK & EGYPT – LEISURE & HOSPITALITY PERFORMANCE REVIEW – 1H18

## Revenue (£'mil)



- 1H18 revenues impacted by lower business volumes in the premium gaming segment

# UNITED STATES & BAHAMAS



# US & BAHAMAS – LEISURE & HOSPITALITY

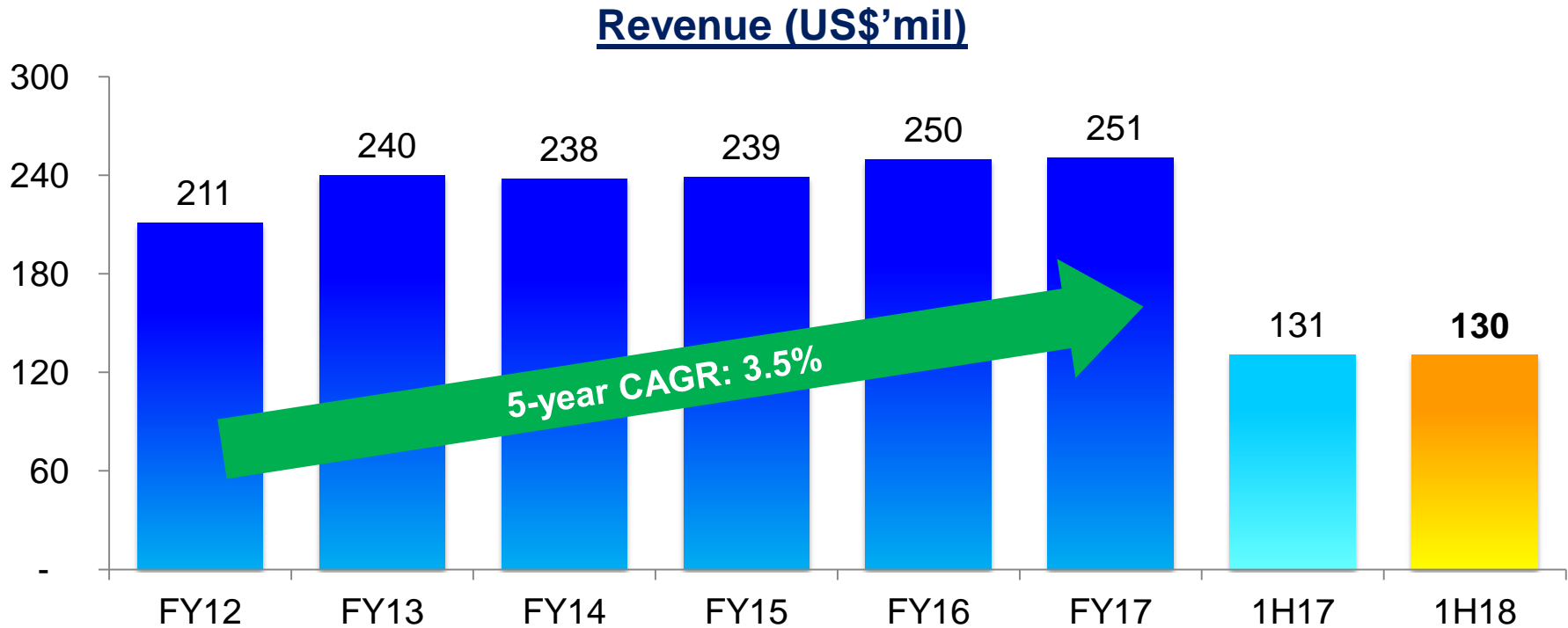
## PERFORMANCE REVIEW IN 2Q18 & 1H18

In US\$'mil	2Q18	2Q17	% Change	1H18	1H17	% Change
<b><u>Revenue*</u></b>						
RWNYC and RW Omni	<b>75.3</b>	74.4	↑1%	<b>152.3</b>	146.9	↑4%
RW Bimini	<b>6.8</b>	8.4	↓19%	<b>13.1</b>	12.6	↑4%
Total	<b>82.1</b>	82.8	↓1%	<b>165.4</b>	159.5	↑4%
<b><u>Adjusted EBITDA*</u></b>						
RWNYC and RW Omni	<b>28.1</b>	30.6	↓1%	<b>51.5</b>	57.1	↓10%
RW Bimini	<b>(8.4)</b>	(9.4)	↑10%	<b>(15.4)</b>	(26.6)	↑42%
Total	<b>19.7</b>	21.2	↓7%	<b>36.1</b>	30.5	↑18%
<i>Margin</i>	<b>24%</b>	26%		<b>22%</b>	19%	

- RW Omni: Improved performance following the refurbishment of Hilton Miami Downtown
- RWNYC: Lower business volumes and higher operating expenses
- RW Bimini: Narrowing losses from improved operational efficiencies

# RWNYC – LEISURE & HOSPITALITY

## PERFORMANCE REVIEW – 1H18



- Continues to lead the Northeast US region at approx. 41.1%<sup>1</sup> market share in 1H18
- ~6,000 machines in operation at the facility (1H17: ~5,500 machines)
- Average WPU at US\$391 in 1H18 (1H17: US\$431)

US

# RESORTS WORLD OMNI HILTON MIAMI DOWNTOWN



# US

# RWNYC EXPANSION

- Broke ground on a USD400 million expansion in July 2017
- New attractions include a new 400-room hotel, additional gaming space and a variety of dining, entertainment and retail experiences
- Scheduled to open in phases from end of 2019



Artist Impression

# US

# FIRST LIGHT RESORT & CASINO

- Invested approx. US\$426.3 million\* in interest bearing promissory notes
- Development of the project is currently stalled pending further court developments and/or actions by relevant governmental authorities\*\*
- The Group is working closely with the Tribe to review all options available

\* As at 30 June 2018. Includes accrued interest.

\*\*Refer to Press Release by GENM on Bursa Malaysia dated 27 February 2018



Artist Impression



# LOOKING AHEAD



# LOOKING AHEAD

## PROSPECTS AND FOCUS

### Resorts World Genting

- Leverage on new facilities and attractions
- Improve yield contribution
- Expand into regional markets
- Enhance digital and strategic marketing efforts
- Intensify database marketing



# LOOKING AHEAD

## PROSPECTS AND FOCUS

### UK & Egypt

- Premium Players Segment: Manage business volatility
- Non-premium Players Segment: Improve business efficiency and grow market share
- RW Birmingham: Grow volume of business



# LOOKING AHEAD

## PROSPECTS AND FOCUS

### US & Bahamas

- RWNYC: Continue to boost direct marketing efforts and focus on RWNYC's USD400 million expansion
- RW Omni: Leverage on the newly renovated Hilton Miami Downtown
- RW Bimini: Improve operational efficiency and focus marketing efforts on leisure markets



RWNYC



Resorts World Bimini

# THANK YOU

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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.*