



Genting Singapore Limited (Company Registration No. 201818581G)
10 Sentosa Gateway, Resorts World Sentosa, Singapore 098270

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Genting Singapore Limited (the “**Company**”) refers to the queries raised by Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 22 February 2021, in relation to the financial statements of the Company and its subsidiaries (the “**Group**”) for the financial year ended 31 December 2020 announced on 9 February 2021 (the “**Announcement**”), and sets out its response as follows:

Query 1

Please provide a breakdown of other operating expenses amounting to \$25.6 million for the year ended 31 December 2020, and explain why there was such a significant difference as compared to the FY2019 results.

Response by the Company:

The breakdown of other operating expenses was disclosed in Note 1(a) (ii) of the Announcement and is reproduced as follows:

	Financial year ended 31 December	
	2020	2019
	\$'million	\$'million
Write-off of property, plant and equipment	4.5	1.3
Impairment of property, plant and equipment	20.1	0.3
Net foreign exchange loss	1.0	3.0

For explanation of significant difference, please refer to response to Query 3.

Query 2

Please explain why interest income amounted to only \$45.5 million during the financial year ended 31 December 2020 when the Group has significant cash and cash equivalents amounting to \$3,994.1 million.

Response by the Company:

The lower interest income arose from the low interest rate environment in 2020.



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Query 3

It is disclosed on page 2 that an amount of \$4.6 million was recognised as write-off and an amount of S\$20.1 million was recognised as impairment losses on property, plant and equipment ("PPE") for the year ended 31 December 2020. Please disclose the following information:

- a. how the amount of write-off and impairment was determined;
- b. the reasons or basis for the significant increase in write-off and impairment losses as compared to FY2019 results;
- c. whether any valuation was conducted in determining the write-off and impairment; and
- d. the Board's confirmation as to whether it is satisfied with the reasonableness of the methodologies used to determine amount of write-off and impairment including the recommendations of the external auditors where applicable.

Response by the Company:

The Group has performed an internal assessment and review of the Group's PPE. Where an indication of impairment exists, the Group will write-down the carrying amount of the PPE to its recoverable amount. PPE are written off when they have been assessed to have no future economic benefits expected from its use. The negative effects of the COVID-19 pandemic contributed to the increase in write-off and impairment losses. The Board is of the view that the methodologies used to determine amount of write-off and impairment are reasonable.

Query 4

It is disclosed on page 2 that an amount of S\$3.4 million was recognised as inventory write-down for the year ended 31 December 2020. Please disclose the following information:

- a. a breakdown of the Company's inventory write-down by product line / types;
- b. reasons for a significant increase in inventory write-down as compared to the FY2019 results.

Response by the Company:

The Group's inventory write-down pertains mainly to retail stocks and technical spares, and the increase is due to the business of Resorts World Sentosa ("**RWS**") being negatively impacted by the COVID-19 pandemic in 2020.



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Query 5

Please disclose:

- a. the breakdown of the Group's non-current trade and other receivables amounting to \$7.4 million;
- b. the nature of these non-current trade and other receivables; and
- c. the Board's assessment of the recoverability of the non-current trade and other receivables.

Response by the Company:

The Group's non-current trade and other receivables comprised mainly \$7.1 million relating to prepayments which will be amortised over the applicable period.

Query 6

Please disclose a breakdown of the trade and other payables amounting to \$343.1 million as at 31 December 2020. For other payables, please disclose the aging and nature of these other payables and whether the counterparties are related parties.

- a. Please provide the reason(s) for the trade and other payables of S\$343.1 million when the Group recorded a cash and cash equivalent of S\$3,994.1 million.

Response by the Company:

The Group's trade and other payables is mainly made up of accruals for operating liabilities and contract liabilities (which include performance obligations relating to customer deposits, deferred revenue and loyalty program liabilities). The amounts arose from the ordinary course of business and are payable within a year.

Included in trade and other payables are amounts due from related parties of \$14.7 million which are mainly trade in nature and payable within a year.

Query 7

Please provide the reason(s) for the Group's borrowings of \$266.8 million when the Group recorded a cash and cash equivalent of S\$3,994.1 million.

Response by the Company:

The Group's borrowings of \$266.8 million relate mainly to the unsecured and unsubordinated Japanese Yen-denominated bonds issued on 24 October 2017, which are due for repayment in October 2022.

By Order of the Board
Genting Singapore Limited

Liew Lan Hing
Company Secretary
24 February 2021