Maybank Kim Eng

Gaming

Singapore

Genting Singapore (GENS SP)

Receives a major lifeline

BUY

Share Price	SGD 0.62
12m Price Target	SGD 0.84 (+44%)
Previous Price Target	*SGD 0.84*

Maintain BUY and SGD0.84 TP

RWS will receive property tax rebates and be paid wage setoffs. We estimate that GENS stands to save SGD83m-SGD203m in FY20. These account for a very helpful 22%-54% of our FY20 earnings estimates which were lowered recently (link) to impute weak revenue due to the Covid-19 pandemic. Our earnings estimates, BUY call and SGD0.84 EV/EBITDA based TP are unchanged for now. We continue to like GENS for its high dividend yields (6.5% p.a.) and cheap valuations (0.9x FY20E P/BV).

To receive property tax rebates and wage setoffs

Today, Deputy Prime Minister of Singapore Heng Swee Keat delivered a 'Resilience Budget' to aid those affected by the Covid-19 pandemic. Two measures impact RWS:- i) property tax rebate for integrated resorts will be raised to 60% from 10%; and ii) Government Of Singapore will pay companies 25% (general) or 75% (tourism) of monthly wages for every local worker capped at SGD4.6k each for 9 months till end-2020. We estimate the 60% property tax rebate will save GENS SGD22.9m in FY20.

Treatment of wage set off unclear at this juncture

In FY18, GENS paid salaries of SGD456.7m to ~13k employees. This translates into average salary per employee of ~SGD2.9k/month. That said, 'Integrated Resort' does not appear to be categorized under 'tourism' in the relevant annexure of the Resilience Budget (link). Thus, GENS may receive 75% wage set off for its hotels and theme park workers but just 25% for its casino workers. We understand that locals account for ~70% of GENS' ~13k employees (legal minimum: 65%).

FY20 cost savings will be substantial, nonetheless

Assuming GENS receives the minimum 25% wage set off for ~70% of its ~13k employees, we estimate this will save GENS SGD60m in FY20. Coupled with the 60% property tax rebate, the total cost savings of ~SGD83m is a punchy 22% of our FY20 core net profit forecast. Assuming GENS receives the maximum 75% wage set off for ~70% of its ~13k employees, we estimate that this will save GENS a whopping SGD180m in FY20. Coupled with the 60% property tax rebate, the total cost savings of ~SGD203m is a whopping 54% of our FY20 core net profit forecast.

FYE Dec (SGD m)	FY18A	FY19A	FY20E	FY21E	FY22E
Revenue	2,539	2,480	1,909	2,407	2,500
EBITDA	1,230	1,190	791	1,145	1,144
Core net profit	765	705	374	674	675
Core FDEPS (cts)	6.3	5.8	3.1	5.6	5.6
Core FDEPS growth(%)	19.4	(8.0)	(46.9)	80.0	0.2
Net DPS (cts)	3.5	4.0	4.0	4.0	4.0
Core FD P/E (x)	15.4	15.7	19.8	11.0	11.0
P/BV (x)	1.5	1.4	0.9	0.9	0.9
Net dividend yield (%)	3.6	4.3	6.5	6.5	6.5
ROAE (%)	9.9	8.7	4.7	8.4	8.2
ROAA (%)	7.9	7.4	4.1	7.4	7.2
EV/EBITDA (x)	6.7	6.0	4.3	2.5	2.1
Net gearing (%) (incl perps)	net cash	net cash	net cash	net cash	net cash
Consensus net profit	-	-	719	666	na
MKE vs. Consensus (%)	-	-	(47.9)	1.1	na

Yin Shao Yang
samuel.y@maybank-ib.com
(603) 2297 8916

Company Description

Owns and operates Resorts World Sentosa, one of two integrated resorts in Singapore.

Statistics

52w high/low (SGD)	1.07/0.51
3m avg turnover (USDm)	18.8
Free float (%)	47.0
Issued shares (m)	12,094
Market capitalisation	SGD7.4B
	USD5.1B

Major shareholders:

Genting Bhd.	52.5%
The Vanguard Group, Inc.	1.4%
Norges Bank Investment Management	0.9%

Price Performance

	-1M	-3M	-12M
Absolute (%)	(27)	(34)	(40)
Relative to index (%)	(9)	(15)	(23)

Source: FactSet

Maintaining earnings estimates for now

That said, we leave our earnings estimates unchanged for now pending confirmation regarding treatment of the aforementioned wage setoff (i.e. 25%, 75% or combination of both). Furthermore, RWS has been directed to only admit Genting Rewards members and annual levy holders from tomorrow onwards to maintain 'social distancing'. We are afraid that this will exert further downward pressure on RWS gross gaming revenue. Our earnings estimates for FY20 assume that gross gaming revenue will fall 30% YoY (-60% YoY for 6 months).

Valuation and recommendation

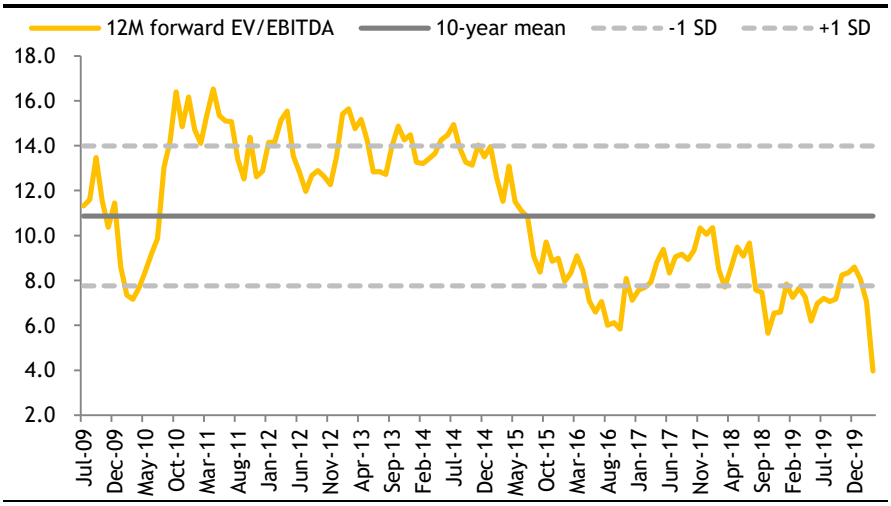
We ascribe an unchanged 7.8x FY20 EV/EBITDA multiple which is in-line with -1 SD to GENS' 10-year 12M forward EV/EBITDA mean. Despite our below consensus FY20 EBITDA estimates, GENS is trading at <5x FY20 EV/EBITDA. It is also trading at 0.9x FY20E P/BV, a new trough since RWS opened in 1Q10. If operations recover, which we believe they will, there will be a lot of room for GENS' valuations to re-rate.

Figure 1: GENS EV/EBITDA valuation

	EBITDA	EV/EBITDA	EV	EV/sh	Comments
Resorts World Sentosa	834.7	7.8	6,510.9	0.54	FY20E
Others	(44.0)	7.8	(343.3)	(0.03)	FY20E
Net cash/(debt)			3,779.7	0.31	End-FY20E
AFS financial assets			233.3	0.02	Cost
SOP			**10,180.5**	**0.84**	

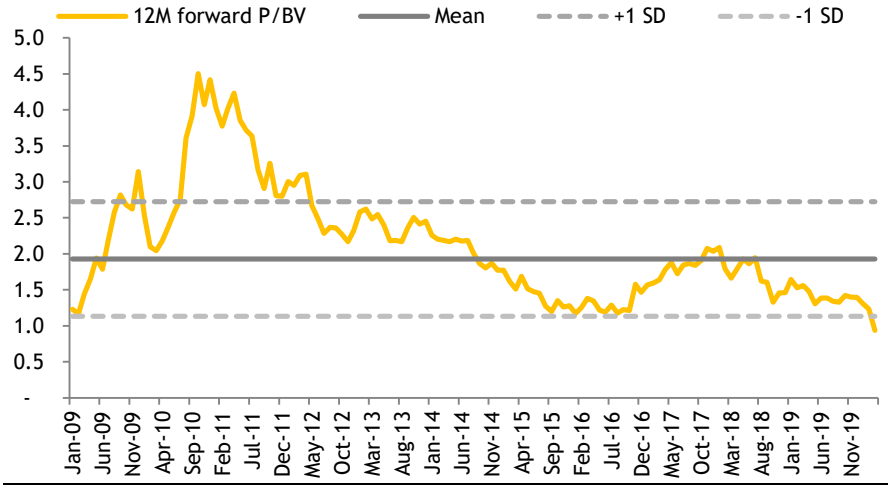
Source: Maybank Kim Eng

Figure 2: GENS rolling 12M forward EV/EBITDA (x)



Source: Company, Maybank Kim Eng, Bloomberg

Figure 3: GENS rolling 12M forward P/BV (x)

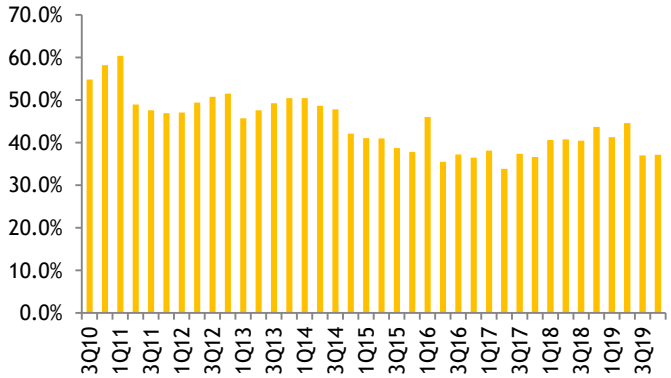


Source: Company, Maybank Kim Eng, Bloomberg

Value Proposition

- Owns and operates Resorts World Sentosa, one of two integrated resorts in Singapore.
- ROE<WACC due to VIP market slowdown driven by Chinese economic slowdown.
- That said, confident of declaring annual DPS of SGD0.04 p.a. going forward.
- Will consider expanding into other markets (e.g. Japan) if projected IRR>15% and group ROEs return to >10%.
- Redeemed SGD2.3b perpetual securities in Sep/Oct 2017 but raising JPY bonds to finance a potential Japanese casino license.

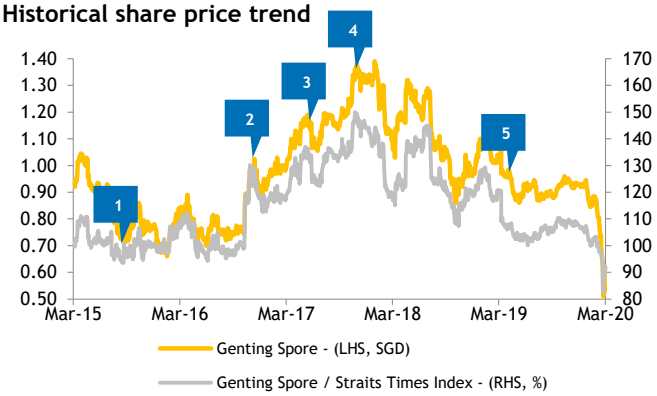
Share of Singapore gross gaming revenue



Source: Company, Las Vegas Sands, Maybank Kim Eng

Price Drivers

Historical share price trend



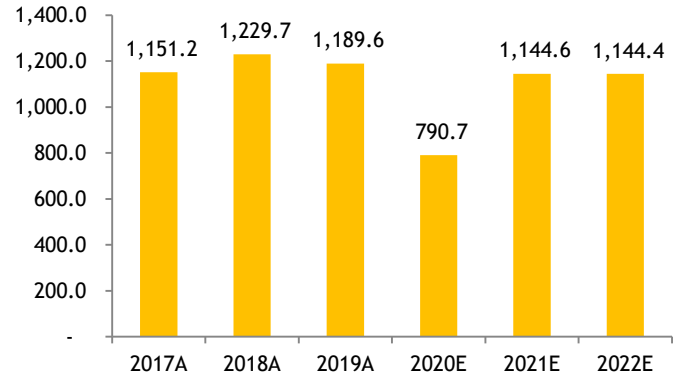
Source: Company, Maybank Kim Eng

1. Reported 2Q15 net loss due to derivative and foreign exchange losses.
2. Declared maiden interim DPS of 1.5cents/Japanese Diet passed the IR Promotion Bill.
3. Reported 1Q17 core net profit of >SGD150m due to lower than expected direct VIP rebate rates.
4. Reported 3Q17 core net profit of >SGD175m due to higher than expected VIP volume.
5. Casino entry levy hiked by 50% and casino tax rates will be hiked by 3-7ppts in Mar 2022.

Financial Metrics

- Key financial metric is EBITDA. Most casino operators are valued on EV/EBITDA basis.
- Forecast FY20E EBITDA to fall 34% YoY on the 50% casino entry levy hike of 4 Apr 2019 and Covid-19 outbreak.
- Forecast FY21E EBITDA to recover 45% YoY as we expect the Covid-19 outbreak will have dissipated by then.
- Assuming normalised VIP win rate of 2.85% in the long run, forecast steady state EBITDA of SGD1.1b.
- Balance sheet in net cash position of SGD3.7b or SGD0.31/share as at end-4Q19.

EBITDA (SGDm)



Source: Company, Maybank Kim Eng

Swing Factors

Upside

- VIP win rate - if VIP win rate is above theoretical levels, it can positively influence earnings.
- VIP: mass market mix - tilt towards mass market will expand margins due to less commissions and rebates.
- SGD4.5b RWS expansion - dubbed 'RWS2.0', this will expand gaming and non-gaming capacity starting 2021.

Downside

- VIP win rate - if VIP win rate is below theoretical levels, it can negatively influence earnings.
- Bad debts - Chinese account for the majority of VIPs but gambling debts are not enforceable in China.
- Regional expansion - new jurisdictions often require high capex commitments without guaranteeing returns.
- Covid-19 pandemic lingers longer than our base case of a tapering by Aug 2020.

samuel.y@maybank-ib.com

FYE 31 Dec	FY18A	FY19A	FY20E	FY21E	FY22E
Key Metrics					
P/E (reported) (x)	18.1	16.7	19.8	11.0	11.0
Core P/E (x)	15.3	15.7	19.8	11.0	11.0
Core FD P/E (x)	15.4	15.7	19.8	11.0	11.0
P/BV (x)	1.5	1.4	0.9	0.9	0.9
P/NTA (x)	1.5	1.4	1.0	0.9	0.9
Net dividend yield (%)	3.6	4.3	6.5	6.5	6.5
FCF yield (%)	8.7	7.6	7.9	14.1	13.3
EV/EBITDA (x)	6.7	6.0	4.3	2.5	2.1
EV/EBIT (x)	9.0	9.0	8.7	3.8	3.2
INCOME STATEMENT (SGD m)					
Revenue	2,539.2	2,480.3	1,908.9	2,407.4	2,499.9
EBITDA	1,229.7	1,189.6	790.7	1,144.6	1,144.4
Depreciation	(315.5)	(389.8)	(400.1)	(400.1)	(400.1)
EBIT	914.2	799.8	390.6	744.5	744.3
Net interest income /(exp)	36.4	59.6	67.8	71.8	75.8
Associates & JV	4.0	4.0	4.0	4.0	4.0
Exceptionals	(11.3)	(16.5)	0.0	0.0	0.0
Pretax profit	943.2	846.9	462.4	820.3	824.1
Income tax	(187.8)	(158.3)	(88.1)	(146.4)	(149.2)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Reported net profit	755.4	688.6	374.3	673.8	674.9
Core net profit	765.5	705.1	374.3	673.8	674.9
BALANCE SHEET (SGD m)					
Cash & Short Term Investments	4,333.1	3,947.3	4,028.3	4,582.1	5,076.6
Accounts receivable	143.8	137.5	89.8	125.7	132.0
Inventory	48.8	48.7	37.5	47.3	49.1
Property, Plant & Equip (net)	4,857.0	4,667.1	4,362.4	4,082.7	3,807.6
Intangible assets	103.3	152.9	152.9	152.9	152.9
Investment in Associates & JVs	58.3	62.2	66.2	70.2	74.1
Other assets	222.8	234.5	234.5	234.5	234.5
Total assets	**9,767.1**	**9,250.1**	**8,971.6**	**9,295.4**	**9,526.8**
ST interest bearing debt	206.4	4.0	2.8	2.8	2.8
Accounts payable	454.8	489.5	424.0	478.9	514.0
LT interest bearing debt	832.2	256.7	245.8	245.8	245.8
Other liabilities	492.0	442.0	349.0	427.0	430.0
Total Liabilities	**1,985.8**	**1,192.5**	**1,022.0**	**1,154.2**	**1,192.9**
Shareholders Equity	7,781.3	8,057.6	7,949.6	8,141.2	8,333.8
Minority Interest	0.0	0.0	0.0	0.0	0.0
Total shareholder equity	**7,781.3**	**8,057.6**	**7,949.6**	**8,141.2**	**8,333.8**
Total liabilities and equity	**9,767.1**	**9,250.1**	**8,971.6**	**9,295.4**	**9,526.8**
CASH FLOW (SGD m)					
Pretax profit	943.2	846.9	462.4	820.3	824.1
Depreciation & amortisation	315.5	389.8	400.1	400.1	400.1
Adj net interest (income)/exp	(36.4)	(59.6)	(67.8)	(71.8)	(75.8)
Change in working capital	(8.4)	(66.8)	(6.6)	9.2	27.0
Cash taxes paid	(181.3)	(207.4)	(181.2)	(69.1)	(145.6)
Other operating cash flow	113.8	182.9	72.0	75.8	79.8
Cash flow from operations	1,146.4	1,085.9	678.9	1,164.4	1,109.6
Capex	(122.1)	(247.2)	(95.4)	(120.4)	(125.0)
Free cash flow	1,024.3	838.6	583.5	1,044.0	984.6
Dividends paid	(421.6)	(422.0)	(482.3)	(482.3)	(482.3)
Equity raised / (purchased)	0.0	0.0	0.0	0.0	0.0
Change in Debt	(215.1)	(671.0)	(12.0)	0.0	0.0
Other invest/financing cash flow	(10.1)	(11.7)	(8.1)	(7.9)	(7.9)
Effect of exch rate changes	2.9	(1.0)	0.0	0.0	0.0
Net cash flow	380.3	(267.0)	81.1	553.8	494.4

FYE 31 Dec	FY18A	FY19A	FY20E	FY21E	FY22E
Key Ratios					
Growth ratios (%)					
Revenue growth	6.1	(2.3)	(23.0)	26.1	3.8
EBITDA growth	6.8	(3.3)	(33.5)	44.7	(0.0)
EBIT growth	5.3	(12.5)	(51.2)	90.6	(0.0)
Pretax growth	9.7	(10.2)	(45.4)	77.4	0.5
Reported net profit growth	25.7	(8.8)	(45.6)	80.0	0.2
Core net profit growth	19.4	(7.9)	(46.9)	80.0	0.2
Profitability ratios (%)					
EBITDA margin	48.4	48.0	41.4	47.5	45.8
EBIT margin	36.0	32.2	20.5	30.9	29.8
Pretax profit margin	37.1	34.1	24.2	34.1	33.0
Payout ratio	55.8	70.0	128.8	71.6	71.5
DuPont analysis					
Net profit margin (%)	29.7	27.8	19.6	28.0	27.0
Revenue/Assets (x)	0.3	0.3	0.2	0.3	0.3
Assets/Equity (x)	1.3	1.1	1.1	1.1	1.1
ROAE (%)	9.9	8.7	4.7	8.4	8.2
ROAA (%)	7.9	7.4	4.1	7.4	7.2
Liquidity & Efficiency					
Cash conversion cycle	(93.5)	(97.7)	(111.8)	(100.5)	(100.5)
Days receivable outstanding	19.2	20.4	21.4	16.1	18.6
Days inventory outstanding	13.4	13.6	13.9	12.1	12.8
Days payables outstanding	126.1	131.7	147.1	128.7	131.9
Dividend cover (x)	1.8	1.4	0.8	1.4	1.4
Current ratio (x)	5.2	5.9	7.6	7.0	7.4
Leverage & Expense Analysis					
Asset/Liability (x)	4.9	7.8	8.8	8.1	8.0
Net gearing (%) (incl perps)	net cash	net cash	net cash	net cash	net cash
Net gearing (%) (excl. perps)	net cash	net cash	net cash	net cash	net cash
Net interest cover (x)	na	na	na	na	na
Debt/EBITDA (x)	0.8	0.2	0.3	0.2	0.2
Capex/revenue (%)	4.8	10.0	5.0	5.0	5.0
Net debt/ (net cash)	(3,294.5)	(3,686.6)	(3,779.7)	(4,333.5)	(4,827.9)

Source: Company; Maybank

Research Offices

MACRO

Sadiq CURRIMBHOY
Head of Regional Macro Research
(65) 6231 5836
sadiq@maybank-ke.com.sg

ECONOMICS

Suhaimi ILIAS
Chief Economist
Malaysia | Philippines | Global
(603) 2297 8682
suhaimi_ilias@maybank-ib.com

CHUA Hak Bin
Regional Thematic Macroeconomist
(65) 6231 5830
chuahb@maybank-ke.com.sg

LEE Ju Ye
Singapore | Thailand
(65) 6231 5844
leejuye@maybank-ke.com.sg

Linda LIU
Singapore | Vietnam
(65) 6231 5847
lindaliu@maybank-ke.com.sg

Dr Zamros DZULKAFLI
(603) 2082 6818
zamros.d@maybank-ib.com

Ramesh LANKANATHAN
(603) 2297 8685
ramesh@maybank-ib.com

William POH
(603) 2297 8683
william.poh@maybank-ib.com

FX

Saktiandi SUPAAT
Head of FX Research
(65) 6320 1379
saktiandi@maybank.com.sg

Christopher WONG
(65) 6320 1347
wongkl@maybank.com.sg

TAN Yanxi
(65) 6320 1378
tanyx@maybank.com.sg

Fiona LIM
(65) 6320 1374
fionalim@maybank.com.sg

STRATEGY

Willie CHAN
Regional
(852) 2268 0631
williechan@kimeng.com.hk

Anand PATHMAKANTHAN
ASEAN
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com

FIXED INCOME

Winson PHOON, ACA
(65) 6812 8807
winsonphoon@maybank-ke.com.sg

SE THO Mun Yi
(603) 2074 7606
munyi.st@maybank-ib.com

REGIONAL EQUITIES

Anand PATHMAKANTHAN
Head of Regional Equity Research
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com

WONG Chew Hann, CA
Head of ASEAN Equity Research
(603) 2297 8686
wchewh@maybank-ib.com

ONG Seng Yeow
Research, Technology & Innovation
(65) 6231 5839
ongsengyeow@maybank-ke.com.sg

MALAYSIA

Anand PATHMAKANTHAN, *Head of Research*
(603) 2297 8783
anand.pathmakanthan@maybank-ib.com
• Strategy

Desmond CH'NG, BFP, FCA
(603) 2297 8680
desmond.chng@maybank-ib.com
• Banking & Finance

LIAW Thong Jung
(603) 2297 8688 tjliaw@maybank-ib.com
• Oil & Gas Services- Regional
• Automotive

ONG Chee Ting, CA
(603) 2297 8678 ct.ong@maybank-ib.com
• Plantations - Regional

YIN Shao Yang, CPA
(603) 2297 8916 samuel.y@maybank-ib.com
• Gaming – Regional • Media

TAN Chi Wei, CFA
(603) 2297 8690 chiwei.t@maybank-ib.com
• Power • Telcos

WONG Wei Sum, CFA
(603) 2297 8679 weisum@maybank-ib.com
• Property

LEE Yen Ling
(603) 2297 8691 lee.yl@maybank-ib.com
• Glove • Ports • Shipping • Healthcare
• Petrochem

Kevin WONG
(603) 2082 6824 kevin.wong@maybank-ib.com
• REITs • Consumer Discretionary • Technology

Jade TAM
(603) 2297 8687 jade.tam@maybank-ib.com
• Consumer Staples

TEE Sze Chiah *Head of Retail Research*
(603) 2082 6858 szechiah.t@maybank-ib.com

Nik Ihsan RAJA ABDULLAH, MSTA, CFTe
(603) 2297 8694
nikmohdihsan.ra@maybank-ib.com
• Chartist

Amirah AZMI
(603) 2082 8769 amirah.azmi@maybank-ib.com
• Retail Research

SINGAPORE

CHUA Su Tye
(65) 6231 5842 chuasutye@maybank-ke.com.sg
• REITs

LAI Gene Lih, CFA
(65) 6231 5832 laigenelih@maybank-ke.com.sg
• Technology • Healthcare

Thilan WICKRAMASINGHE
(65) 6231 5840 thilanw@maybank-ke.com.sg
• Banks • Consumer

TAN Chin Poh *Head of Retail Research*
(65) 6231 5928 chinpoh@maybank-ke.com.sg

Eric ONG
(65) 6231 5924 ericong@maybank-ke.com.sg
• Retail Research

Matthew SHIM
(65) 6231 5929
matthewshim@maybank-ke.com.sg
• Retail Research

Kareen CHAN
(65) 6231 5926 kareenchan@maybank-ke.com.sg
• Retail Research

INDIA

Jigar SHAH *Head of Research*
(91) 22 4223 2632 jigar@maybank-ke.co.in
• Strategy • Oil & Gas • Automobile • Cement

Neerav DALAL
(91) 22 4223 2606 neerav@maybank-ke.co.in
• Software Technology • Telcos

Kshitiz PRASAD
(91) 22 4223 2607
kshitiz@maybank-ke.co.in
• Banks

INDONESIA

Isnaputra ISKANDAR *Head of Research*
(62) 21 8066 8680
isnaputra.iskandar@maybank-ke.co.id
• Strategy • Metals & Mining • Cement
• Autos • Consumer • Utility

Rahmi MARINA
(62) 21 8066 8689
rahmi.marina@maybank-ke.co.id
• Banking & Finance

Aurellia SETIABUDI
(62) 21 8066 8691
aurellia.setiabudi@maybank-ke.co.id
• Property

Arnanto JANURI
(62) 21 8066 8683
arnanto.januri @maybank-ke.co.id
• Construction

PHILIPPINES

Katherine TAN
(63) 2 8849 8843
kat_tan@maybank-atrke.com
• Banks • Conglomerates • Ports

Romel LIBO-ON
(63) 2 8849 8844
romel_libo-on@maybank-atrke.com
• Property

Kayzer LLANDA
(63) 2 8849 8839
Kayzer_llanda@maybank-atrke.com
• Utilities

Fredrick De GUZMAN
(63) 2 8849 8847
fredrickdaniel.deguzman@maybank.com
• Consumer

THAILAND

Maria LAPIZ *Head of Institutional Research*
Dir (66) 2257 0250 | (66) 2658 6300 ext 1399
Maria.L@maybank-ke.co.th
• Strategy • Consumer • Materials • Services

Teerapol UDOMVEJ, CFA
(66) 2658 6300 ext 1394
teerapol.U@maybank-ke.co.th
• Healthcare

Jesada TECHAHUSDIN, CFA
(66) 2658 6300 ext 1395
jesada.t@maybank-ke.co.th
• Banking & Finance

Kaushal LADHA, CFA
(66) 2658 6300 ext 1392
Kaushal.l@maybank-ke.co.th
• Oil & Gas

Ekachai TARAPORNTIP *Head of Retail Research*
(66) 2658 5000 ext 1530
Ekachai.t@maybank-ke.co.th

Surachai PRAMUALCHAROENKIT
(66) 2658 5000 ext 1470
Surachai.p@maybank-ke.co.th
• Auto • Conmat • Contractor • Steel

Suttatip PEERASUB
(66) 2658 5000 ext 1430
suttatip.p@maybank-ke.co.th
• Media • Commerce

Jaroonpan WATTANAWONG
(66) 2658 5000 ext 1404
jaroonpan.w@maybank-ke.co.th
• Transportation • Small cap

Thanatphat SUKSRICHAVALIT
(66) 2658 5000 ext 1401
thanaphat.s@maybank-ke.co.th
• Media • Electronics

Wijit ARAYAPISIT
(66) 2658 5000 ext 1450
wijit.a@maybank-ke.co.th
• Strategist

Kritsapong PATAN
(66) 2658 5000 ext 1310
kritsapong.p@maybank-ke.co.th
• Chartist

VIETNAM

LE Hong Lien, ACCA
Head of Institutional Research
(84 28) 44 555 888 ext 8181
lien.le@maybank-kimeng.com.vn
• Strategy • Consumer • Diversified

LE Nguyen Nhat Chuyen
(84 28) 44 555 888 ext 8082
chuyen.le@maybank-kimeng.com.vn
• Oil & Gas

QUAN Trong Thanh
(84 28) 44 555 888 ext 8184
thanh.quan@maybank-kimeng.com.vn
• Banks

NGUYEN Thi Sony Tra Mi
(84 28) 44 555 888 ext 8084
mi.nguyen@maybank-kimeng.com.vn
• Consumer

Tyler Manh Dung Nguyen
(84 28) 44 555 888 ext 8180
dung.nguyen@maybank-kimeng.com.vn
• Utilities

NGUYEN Thi Ngan Tuyen
Head of Retail Research
(84 28) 44 555 888 ext 8081
tuyen.nguyen@maybank-kimeng.com.vn
• Food & Beverage • Oil & Gas • Banking

NGUYEN Thanh Lam
(84 28) 44 555 888 ext 8086
thanhlam.nguyen@maybank-kimeng.com.vn
• Technical Analysis

APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES

DISCLAIMERS

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "MKE") and consequently no representation is made as to the accuracy or completeness of this report by MKE and it should not be relied upon as such. Accordingly, MKE and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward-looking statements. MKE expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

MKE and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. One or more directors, officers and/or employees of MKE may be a director of the issuers of the securities mentioned in this report to the extent permitted by law.

This report is prepared for the use of MKE's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of MKE and MKE and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

Malaysia

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

Singapore

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Kim Eng Research Pte. Ltd. ("Maybank KERPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact Maybank KERPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), Maybank KERPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

Thailand

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of Maybank Kim Eng Securities (Thailand) Public Company Limited. Maybank Kim Eng Securities (Thailand) Public Company Limited ("MBKET") accepts no liability whatsoever for the actions of third parties in this respect.

Due to different characteristics, objectives and strategies of institutional and retail investors, the research products of MBKET Institutional and Retail Research departments may differ in either recommendation or target price, or both. MBKET reserves the rights to disseminate MBKET Retail Research reports to institutional investors who have requested to receive it. If you are an authorised recipient, you hereby tacitly acknowledge that the research reports from MBKET Retail Research are first produced in Thai and there is a time lag in the release of the translated English version.

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey may be changed after that date. MBKET does not confirm nor certify the accuracy of such survey result.

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, MBKET does not confirm, verify, or certify the accuracy and completeness of the assessment result.

US

This third-party research report is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by Maybank Kim Eng Securities USA Inc ("Maybank KESUSA"), a broker-dealer registered in the US (registered under Section 15 of the Securities Exchange Act of 1934, as amended). All responsibility for the distribution of this report by Maybank KESUSA in the US shall be borne by Maybank KESUSA. This report is not directed at you if MKE is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that Maybank KESUSA is permitted to provide research material concerning investments to you under relevant legislation and regulations. All U.S. persons receiving and/or accessing this report and wishing to effect transactions in any security mentioned within must do so with: Maybank Kim Eng Securities USA Inc. 400 Park Avenue, 11th Floor, New York, New York 10022, 1-(212) 688-8886 and not with, the issuer of this report.

UK

This document is being distributed by Maybank Kim Eng Securities (London) Ltd ("Maybank KESL") which is authorized and regulated, by the Financial Conduct Authority and is for Informational Purposes only. This document is not intended for distribution to anyone defined as a Retail Client under the Financial Services and Markets Act 2000 within the UK. Any inclusion of a third party link is for the recipients convenience only, and that the firm does not take any responsibility for its comments or accuracy, and that access to such links is at the individuals own risk. Nothing in this report should be considered as constituting legal, accounting or tax advice, and that for accurate guidance recipients should consult with their own independent tax advisers.

DISCLOSURES

Legal Entities Disclosures

Malaysia: This report is issued and distributed in Malaysia by Maybank Investment Bank Berhad (15938- H) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets and Services License issued by the Securities Commission in Malaysia. **Singapore:** This report is distributed in Singapore by Maybank KERPL (Co. Reg No 198700034E) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Maybank Kim Eng Securities ("PTMKES") (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the Financial Services Authority (Indonesia). **Thailand:** MBKET (Reg. No.0107545000314) is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Philippines:** Maybank ATRKES (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Kim Eng Securities Limited (License Number: 117/GP-UBCK) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** KESHK (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** Kim Eng Securities India Private Limited ("KESI") is a participant of the National Stock Exchange of India Limited and the Bombay Stock Exchange and is regulated by Securities and Exchange Board of India ("SEBI") (Reg. No. INZ000010538). KESI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) and as Research Analyst (Reg No: INH000000057) **US:** Maybank KESUSA is a member of/ and is authorized and regulated by the FINRA – Broker ID 27861. **UK:** Maybank KESL (Reg No 2377538) is authorized and regulated by the Financial Conduct Authority.

Disclosure of Interest

Malaysia: MKE and its Representatives may from time to time have positions or be materially interested in the securities referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such securities and may also perform or seek to perform investment banking services, advisory and other services for or relating to those companies.

Singapore: As of 26 March 2020, Maybank KERPL and the covering analyst do not have any interest in any companies recommended in this research report.

Thailand: MBKET may have a business relationship with or may possibly be an issuer of derivative warrants on the securities /companies mentioned in the research report. Therefore, Investors should exercise their own judgment before making any investment decisions. MBKET, its associates, directors, connected parties and/or employees may from time to time have interests and/or underwriting commitments in the securities mentioned in this report.

Hong Kong: As of 26 March 2020, KESHK and the authoring analyst do not have any interest in any companies recommended in this research report.

India: As of 26 March 2020, and at the end of the month immediately preceding the date of publication of the research report, KESI, authoring analyst or their associate / relative does not hold any financial interest or any actual or beneficial ownership in any shares or having any conflict of interest in the subject companies except as otherwise disclosed in the research report.

In the past twelve months KESI and authoring analyst or their associate did not receive any compensation or other benefits from the subject companies or third party in connection with the research report on any account what so ever except as otherwise disclosed in the research report.

MKE may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment and may receive compensation for the services provided from the companies covered in this report.

OTHERS

Analyst Certification of Independence

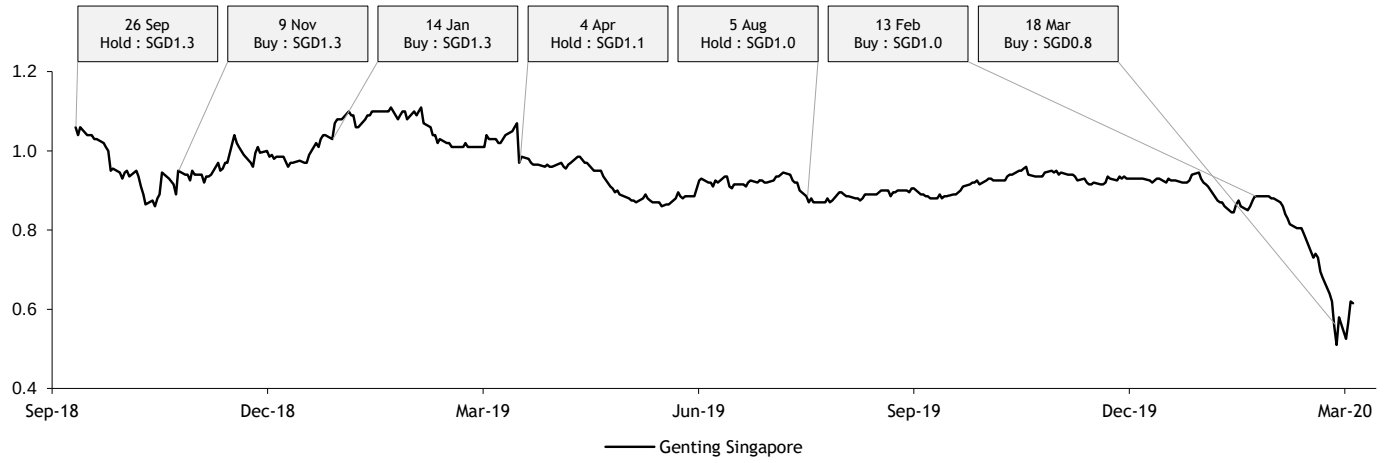
The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Reminder

Structured securities are complex instruments, typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. The market value of any structured security may be affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility and the credit quality of any issuer or reference issuer. Any investor interested in purchasing a structured product should conduct its own analysis of the product and consult with its own professional advisers as to the risks involved in making such a purchase.

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior consent of MKE.

Historical recommendations and target price: Genting Singapore (GENS SP)



Definition of Ratings

Maybank Kim Eng Research uses the following rating system

BUY	Return is expected to be above 10% in the next 12 months (including dividends)
HOLD	Return is expected to be between 0% to 10% in the next 12 months (including dividends)
SELL	Return is expected to be below 0% in the next 12 months (including dividends)

Applicability of Ratings

The respective analyst maintains a coverage universe of stocks, the list of which may be adjusted according to needs. Investment ratings are only applicable to the stocks which form part of the coverage universe. Reports on companies which are not part of the coverage do not carry investment ratings as we do not actively follow developments in these companies.

Malaysia
Maybank Investment Bank Berhad
(A Participating Organisation of
Bursa Malaysia Securities Berhad)
33rd Floor, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur
Tel: (603) 2059 1888;
Fax: (603) 2078 4194

Stockbroking Business:
Level 8, Tower C, Dataran Maybank,
No.1, Jalan Maarof
59000 Kuala Lumpur
Tel: (603) 2297 8888
Fax: (603) 2282 5136

Singapore
Maybank Kim Eng Securities Pte Ltd
Maybank Kim Eng Research Pte Ltd
50 North Canal Road
Singapore 059304

Tel: (65) 6336 9090

Hong Kong
Kim Eng Securities (HK) Ltd
28/F, Lee Garden Three,
1 Sunning Road, Causeway Bay,
Hong Kong

Tel: (852) 2268 0800
Fax: (852) 2877 0104

London
Maybank Kim Eng Securities (London) Ltd
PNB House
77 Queen Victoria Street
London EC4V 4AY, UK

Tel: (44) 20 7332 0221
Fax: (44) 20 7332 0302

Indonesia
PT Maybank Kim Eng Securities
Sentral Senayan III, 22nd Floor
Jl. Asia Afrika No. 8
Gelora Bung Karno, Senayan
Jakarta 10270, Indonesia

Tel: (62) 21 2557 1188
Fax: (62) 21 2557 1189

New York
Maybank Kim Eng Securities USA Inc
400 Park Avenue, 11th Floor
New York, New York 10022,
U.S.A.

Tel: (212) 688 8886
Fax: (212) 688 3500

India
Kim Eng Securities India Pvt Ltd
1101, 11th floor, A Wing, Kanakia
Wall Street, Chakala, Andheri -
Kurla Road, Andheri East,
Mumbai City - 400 093, India

Tel: (91) 22 6623 2600
Fax: (91) 22 6623 2604

Philippines
Maybank ATR Kim Eng Securities Inc.
17/F, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines 1200

Tel: (63) 2 8849 8888
Fax: (63) 2 8848 5738

Thailand
Maybank Kim Eng Securities (Thailand) Public Company Limited
999/9 The Offices at Central World,
20th - 21st Floor,
Rama 1 Road Pathumwan,
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)
Tel: (66) 2 658 6801 (research)

Vietnam
Maybank Kim Eng Securities Limited
4A-15+16 Floor Vincom Center Dong
Khoi, 72 Le Thanh Ton St. District 1
Ho Chi Minh City, Vietnam

Tel : (84) 844 555 888
Fax : (84) 8 38 271 030

Saudi Arabia
In association with
Anfaal Capital
Ground Floor, KANOO Building
No.1 - Al-Faisaliyah,Madina Road,
P.O.Box 126575 Jeddah 21352
Kingdom of Saudi Arabia

Tel: (966) 920023423

South Asia Sales Trading
Kevin Foy
Regional Head Sales Trading
kevinfoy@maybank-ke.com.sg
Tel: (65) 6636-3620
US Toll Free: 1-866-406-7447

Indonesia
Iwan Atmadjaja
iatmadjaja2@bloomberg.net
(62) 21 8066 8555

New York
James Lynch
jlynch@maybank-keusa.com
Tel: (212) 688 8886

Philippines
Keith Roy
keith_roy@maybank-atrke.com
Tel: (63) 2 848-5288

North Asia Sales Trading
Andrew Lee
andrewlee@kimeng.com.hk
Tel: (852) 2268 0283
US Toll Free: 1 877 837 7635

London
Greg Smith
gsmith@maybank-ke.co.uk
Tel: (44) 207-332-0221

India
Sanjay Makhija
sanjaymakhija@maybank-ke.co.in
Tel: (91)-22-6623-2629

www.maybank-ke.com | www.maybank-keresearch.com