



Direct Line: [Personal Information]
E-mail: [Personal Information]

1 July 2021

Ms Catherine Myers
Chief Executive Officer
Victorian Commission for Gambling and Liquor Regulation (VCGLR)
Level 3/12 Shelley St
Richmond VIC 3121

Via email: [Personal Information]

Dear Ms Myers,

Re: Casino Gaming Tax

Thank you for taking the time to meet with Helen Coonan, Steve Blackburn and me recently.

At that meeting we reaffirmed our commitment to continuing to foster the open and transparent relationship between Crown Resorts and the VCGLR.

As such, I write regarding recent media reports relating to Victorian Gaming Taxes.

Following the media reports on Monday 7 June 2021 regarding the potential underpayment of Victorian Gaming taxes related to bonus jackpots, immediate enquiries were made, and I am now in a position to provide you with the preliminary outcome.

In short, we have received preliminary advice that there has been an under-reporting of casino tax liability of approximately \$8.8 million over the period FY2013 to date related to the incorrect deduction of certain bonus rewards referable to free accommodation and car parking provided to patrons.

This represents approximately 3% of the \$272.6 million suggested in the media to have been underpaid.

I am informed the balance relates to amounts which should not be recognised as revenue to begin with and have therefore been validly offset, with the vast majority relating to bonuses involving "free" bets (as represented by non-redeemable Pokie Credits).

Crown Resorts Limited

ABN 39 125 709 953

Crown Towers
8 Whiteman Street Southbank 3006
Victoria Australia

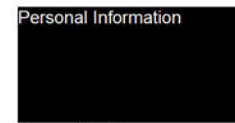
I have also written to Mr David Martine, Secretary – Department of Treasury and Finance (copy attached) and have proposed a meeting to discuss the aforementioned matter with officials from his department and the Department of Justice and Community Safety. It is Crown's intention to pay our estimation of the amount owing, together with penalty interest, once we have had the chance to explain to Treasury our calculations.

May I similarly propose a meeting between Crown representatives and relevant officials from the VCGLR – when appropriate to do so, so as to provide you further information.

I look forward to hearing from you soon.

Yours sincerely,

Personal Information



Steve McCann
Chief Executive Officer
Crown Resorts Limited