SANDS CHINA LTD.
金沙中國有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1928)

PRELIMINARY ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2019

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Unless otherwise indicated, capitalized terms used but not defined herein shall have the meanings ascribed to them in our 2018 annual report and/or 2019 interim report.

1. FINANCIAL HIGHLIGHTS

- Net revenues were US$8.81 billion (HK$68.60 billion) for the year ended December 31, 2019, an increase of 1.7%, compared to US$8.67 billion (HK$67.85 billion) for the year ended December 31, 2018.

- Operating expenses were US$6.53 billion (HK$50.88 billion) for the year ended December 31, 2019, remained largely consistent compared to US$6.51 billion (HK$50.99 billion) for the year ended December 31, 2018.

- Profit for the year ended December 31, 2019 was US$2.03 billion (HK$15.83 billion), an increase of 8.4%, compared to US$1.87 billion (HK$14.68 billion) for the year ended December 31, 2018.

- Adjusted property EBITDA for the year ended December 31, 2019 increased 3.7% to US$3.19 billion (HK$24.87 billion), compared to US$3.08 billion (HK$24.11 billion) for the year ended December 31, 2018.

Note: The translation of US$ amounts into HK$ amounts or vice versa has been made at the rate of US$1.00 to HK$7.7879 (2018: US$1.00 to HK$7.8306) for the purposes of illustration only.

2. CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors of Sands China Ltd., I am pleased to report that the Company delivered strong financial and operating results in 2019. We also extended our industry-leading contributions to Macao's diversification in support of Macao's long-term development objectives as the leading leisure and business tourism destination in Asia.

Macao's development and tourism growth continued during the year, with market-wide visitation from China reaching a record 27.9 million visits, an increase of 11% compared to last year.

The Company experienced growth across our operations in Macao and generated a market-leading adjusted property EBITDA of US$3.19 billion, an increase of 3.7% compared to last year. EBITDA margins also expanded to a market-leading 36.3%.

Total net revenues for the Company increased 1.7% to US$8.81 billion. Profit for the year increased 8.4% to US$2.03 billion. The continuing strong cash flow generation of the Company enabled it to pay dividends per share of HK$1.99 in 2019.

We extended our industry leadership in the important non-gaming segments of our business by delivering growth in MICE, hotel, retail and entertainment revenues during the year.

Sands China has now invested nearly US$14 billion to deliver on our promise to help Macao in its economic diversification and its continued evolution into the world's leading leisure and business tourism destination. Our investment includes over 12,000 hotel rooms and suites, 2.0 million square feet (approximately 186,000 square meters) of retail-mall offerings and 2.0 million square feet (approximately 186,000 square meters) of MICE capacity.

Over the next two years, we will increase our total investment to over US$15 billion as we make additional investments to expand the market-leading scale of our hotel room, retail and entertainment offerings on Cotai. These investments include the addition of approximately 600 new luxury suites at The Londoner Macao and The Grand Suites at Four Seasons. In addition, we are expanding, renovating and transforming Sands Cotai Central into a new destination integrated resort, The Londoner Macao. The Londoner Macao will feature additional MICE, retail, and entertainment offerings that will contribute to Macao's appeal as a leisure and business tourism destination.

We believe the Macao market will benefit from the meaningful infrastructure investments being made in Macao and throughout the Greater Bay Area. The opening of the Hong Kong-Zhuhai-Macao Bridge in 2018 was a major milestone that will help Macao grow tourism and MICE business in the years ahead. It is an engineering feat of unprecedented scale and creates a direct connection between the Hong Kong International Airport, one of the largest and most important transportation hubs in all of Asia, and Macao.

We regard it as a privilege to contribute to Macao's success in realizing its important objectives of diversifying its economy, supporting the growth of local businesses, providing meaningful career development opportunities for its citizens, including through our Sands China Academy, and reaching its full potential as Asia's leading leisure and business tourism destination.

We could not have achieved our many successes this year without the hard work and dedication of Sands China's nearly 29,000 team members. I thank all our team members for their efforts and I look forward to their continued contributions in the years ahead.

Our Sands China business strategy remains straightforward: continue the execution of our Cotai Strip development initiatives by leveraging our convention-based integrated resort business model and world-class amenities to contribute to Macao's diversification. These efforts drive Sands China's market-leading revenue and cash flow generation.

In January of 2020, the outbreak of the COVID-19 coronavirus naturally shifted our near-term priorities to focus directly on the health and safety of our team members and guests. We are doing everything we can to support the government in both Macao and China. We are in close consultation with the relevant healthcare and public safety authorities in Macao, and we have implemented significant procedures and safeguards. In coordination with the Macao Government, we have temporarily closed all our gaming areas from February 5, 2020 until February 19, 2020. We will continue to implement measures in line with government direction and hope for a swift containment of the virus.

Despite the current impact from the COVID-19 coronavirus, we look to the future with confidence. We have a strong organic growth outlook that will benefit from our industry-leading investments and unmatched scale as economic growth, wealth creation and increased demand for travel and entertainment continues in Asia.

We look forward to sharing the Company's continued success with you and other stakeholders at the upcoming Sands China Annual General Meeting.

I thank you again for the confidence that you have placed in us.

Sheldon G. Adelson
Chairman of the Board and Chief Executive Officer

February 21, 2020

3. MANAGEMENT DISCUSSION AND ANALYSIS

OUR EXISTING OPERATIONS

Our operations consist of The Venetian Macao, Sands Cotai Central, The Parisian Macao, The Plaza Macao, Sands Macao and other operations that support these properties, including our high-speed Cotai Water Jet ferry service operating between Hong Kong and Macao. The following table sets forth data on our existing operations as at December 31, 2019:

	The Venetian Macao	Sands Cotai Central	The Parisian Macao	The Plaza Macao	Sands Macao	Total
Opening date	August 2007	April 2012[(i)]	September 2016	August 2008	May 2004	
Hotel rooms and suites	2,841	5,621	2,333	360	238	11,393
Paiza suites	64	—	208	—	51	323
Paiza mansions	—	—	—	19	—	19
MICE *(square feet)*	1,200,000	369,000	63,000	28,000	—	1,660,000
Theater *(seats)*	1,800	1,701	1,200	—	650	5,351
Arena *(seats)*	15,000	—	—	—	—	15,000
Total retail *(square feet)*	943,000	525,000	296,000	242,000	50,000	2,056,000
Number of shops	362	152	147	138	12	811
Number of restaurants and food outlets	61	55	24	8	10	158
Total gaming facility *(square feet)*	374,000	367,000	253,000	105,000	213,000	1,312,000
Gaming Units:						
Tables[(ii)]	656	399	304	128	198	1,685
Slots	1,668	1,374	1,278	248	782	5,350

Notes:

(i) Sands Cotai Central consists of the Conrad tower, the first Sheraton tower, the second Sheraton tower and the St. Regis tower, which opened in April 2012, September 2012, January 2013 and December 2015, respectively. Sands Cotai Central will be rebranded as The Londoner Macao to be completed in phases throughout 2020 and 2021. The hotel rooms above reflect approximately 600 suites in The Londoner Macao Hotel upon completion of The Londoner Macao room conversion program.

(ii) Permanent table count as at December 31, 2019.

RESULTS OF OPERATIONS

Year Ended December 31, 2019 Compared to the Year Ended December 31, 2018

Net Revenues

Our net revenues consisted of the following:

	Year ended December 31,		
	2019	2018	Percent change
	US$ in millions		
Casino	**7,018**	6,816	3.0%
Rooms	**731**	734	(0.4)%
Mall	**531**	507	4.7%
Food and beverage	**298**	304	(2.0)%
Convention, ferry, retail and other	**230**	304	(24.3)%
Total net revenues	**8,808**	8,665	1.7%

Net revenues were US$8.81 billion for the year ended December 31, 2019, an increase of 1.7%, compared to US$8.67 billion for the year ended December 31, 2018. Net revenues increased in the casino and mall business categories as we continued to enjoy market-leading visitation in Macao and focused on driving the high-margin mass market gaming business, while providing luxury amenities and high service levels to our VIP and premium players.

Our net casino revenues for the year ended December 31, 2019 were US$7.02 billion, an increase of 3.0%, compared to US$6.82 billion for the year ended December 31, 2018. The increase was primarily attributable to an increase of US$148 million at The Plaza Macao driven by higher win percentage in VIP gaming as well as higher business volume in both VIP and mass gaming, and an increase of US$111 million at The Parisian Macao driven by higher win percentage and business volume in mass gaming.

The following table summarizes the results of our casino activity:

	Year ended December 31, 2019	2018	Change
	US$ in millions		
The Venetian Macao			
Total net casino revenues	**2,875**	2,829	1.6%
Non-Rolling Chip drop	**9,275**	9,068	2.3%
Non-Rolling Chip win percentage	**26.2%**	24.7%	1.5 pts
Rolling Chip volume	**25,715**	32,148	(20.0)%
Rolling Chip win percentage(i)	**3.29%**	3.55%	(0.26) pts
Slot handle	**3,952**	3,303	19.6%
Slot hold percentage	**4.8%**	4.6%	0.2 pts
Sands Cotai Central			
Total net casino revenues	**1,541**	1,622	(5.0)%
Non-Rolling Chip drop	**6,586**	6,722	(2.0)%
Non-Rolling Chip win percentage	**22.7%**	21.4%	1.3 pts
Rolling Chip volume	**5,364**	10,439	(48.6)%
Rolling Chip win percentage(i)	**3.36%**	3.59%	(0.23) pts
Slot handle	**4,107**	4,811	(14.6)%
Slot hold percentage	**4.2%**	3.9%	0.3 pts
The Parisian Macao			
Total net casino revenues	**1,376**	1,265	8.8%
Non-Rolling Chip drop	**4,522**	4,323	4.6%
Non-Rolling Chip win percentage	**23.1%**	21.1%	2.0 pts
Rolling Chip volume	**16,121**	19,049	(15.4)%
Rolling Chip win percentage(i)	**3.43%**	3.19%	0.24 pts
Slot handle	**4,217**	4,837	(12.8)%
Slot hold percentage	**3.7%**	2.9%	0.8 pts
The Plaza Macao			
Total net casino revenues	**650**	502	29.5%
Non-Rolling Chip drop	**1,473**	1,365	7.9%
Non-Rolling Chip win percentage	**24.4%**	24.9%	(0.5) pts
Rolling Chip volume	**13,368**	13,100	2.0%
Rolling Chip win percentage(i)	**3.88%**	2.95%	0.93 pts
Slot handle	**518**	565	(8.3)%
Slot hold percentage	**6.0%**	6.1%	(0.1) pts
Sands Macao			
Total net casino revenues	**576**	598	(3.7)%
Non-Rolling Chip drop	**2,634**	2,565	2.7%
Non-Rolling Chip win percentage	**18.3%**	18.4%	(0.1) pts
Rolling Chip volume	**4,605**	5,705	(19.3)%
Rolling Chip win percentage(i)	**2.52%**	3.12%	(0.60) pts
Slot handle	**2,596**	2,569	1.1%
Slot hold percentage	**3.3%**	3.1%	0.2 pts

(i) This compares to our expected Rolling Chip win percentage of 3.0% to 3.3% (calculated before discounts, commissions, deferring revenue associated with our loyalty programs and allocating casino revenues related to goods and services provided to patrons on a complimentary basis).

Room revenues for the year ended December 31, 2019 were US$731 million, a decrease of 0.4%, compared to US$734 million for the year ended December 31, 2018. The decrease was primarily driven by fewer rooms available at Sands Cotai Central due to the construction work related to The Londoner Macao room conversion program.

The following table summarizes the results of our room activity:

	Year ended December 31,		
	2019	2018	Change
	US$ in millions, except average daily rate and revenue per available room		
The Venetian Macao			
Total room revenues	**222**	223	(0.4)%
Occupancy rate	**95.9%**	95.9%	— pts
Average daily rate *(in US$)*	**227**	225	0.9%
Revenue per available room *(in US$)*	**217**	216	0.5%
Sands Cotai Central			
Total room revenues	**320**	331	(3.3)%
Occupancy rate	**96.8%**	94.8%	2.0 pts
Average daily rate *(in US$)*	**160**	157	1.9%
Revenue per available room *(in US$)*	**155**	149	4.0%
The Parisian Macao			
Total room revenues	**130**	124	4.8%
Occupancy rate	**97.2%**	96.3%	0.9 pts
Average daily rate *(in US$)*	**159**	155	2.6%
Revenue per available room *(in US$)*	**155**	149	4.0%
The Plaza Macao			
Total room revenues	**41**	39	5.1%
Occupancy rate	**91.3%**	88.7%	2.6 pts
Average daily rate *(in US$)*	**332**	323	2.8%
Revenue per available room *(in US$)*	**303**	286	5.9%
Sands Macao			
Total room revenues	**18**	17	5.9%
Occupancy rate	**99.8%**	98.6%	1.2 pts
Average daily rate *(in US$)*	**175**	164	6.7%
Revenue per available room *(in US$)*	**175**	162	8.0%

Mall revenues for the year ended December 31, 2019 were US$531 million, an increase of 4.7%, compared to US$507 million for the year ended December 31, 2018. The increase was primarily driven by increased base rent from Shoppes at Venetian and increased turnover rent from Shoppes at Four Seasons.

The following table summarizes the results of our mall activity on Cotai:

	Year ended December 31,		
	2019	2018	Change
	US$ in millions, except per square foot amount		
The Venetian Macao			
Total mall revenues	**254**	233	9.0%
Mall gross leasable area *(in square feet)*	**812,938**	813,376	(0.1)%
Occupancy	**91.4%**	90.3%	1.1 pts
Base rent per square foot *(in US$)*	**277**	263	5.3%
Tenant sales per square foot *(in US$)*[(i)]	**1,709**	1,746	(2.1)%
Sands Cotai Central[(ii)]			
Total mall revenues	**71**	69	2.9%
Mall gross leasable area *(in square feet)*	**525,222**	519,681	1.1%
Occupancy	**90.1%**	91.5%	(1.4) pts
Base rent per square foot *(in US$)*	**107**	108	(0.9)%
Tenant sales per square foot *(in US$)*[(i)]	**934**	892	4.7%
The Parisian Macao			
Total mall revenues	**53**	57	(7.0)%
Mall gross leasable area *(in square feet)*	**295,920**	295,915	—%
Occupancy	**86.2%**	89.8%	(3.6) pts
Base rent per square foot *(in US$)*	**149**	156	(4.5)%
Tenant sales per square foot *(in US$)*[(i)]	**785**	649	21.0%
The Plaza Macao			
Total mall revenues	**151**	145	4.1%
Mall gross leasable area *(in square feet)*	**242,425**	241,548	0.4%
Occupancy	**95.0%**	99.0%	(4.0) pts
Base rent per square foot *(in US$)*	**544**	460	18.3%
Tenant sales per square foot *(in US$)*[(i)]	**5,478**	4,373	25.3%

Note: This table excludes the results of our mall operations at Sands Macao.

(i) Tenant sales per square foot reflects sales from tenants only after the tenant has been opened for a period of 12 months.

(ii) The Shoppes at Cotai Central will be rebranded to the Shoppes at Londoner and feature up to approximately 600,000 square feet of gross leasable area upon completion of all phases of Sands Cotai Central's renovation, rebranding and expansion to The Londoner Macao.

Food and beverage revenues for the year ended December 31, 2019 were US$298 million, a decrease of 2.0%, compared to US$304 million for the year ended December 31, 2018. The decrease was primarily driven by lower business volume at banquet and beverage operations.

Convention, ferry, retail and other revenues for the year ended December 31, 2019 were US$230 million, a decrease of 24.3%, compared to US$304 million for the year ended December 31, 2018. The decrease was primarily driven by decreased business volume in ferry operation impacted by the Hong Kong-Zhuhai-Macao Bridge opening in October 2018 and the ongoing situation in Hong Kong since June 2019, as well as the receipt of insurance proceeds during the year ended December 31, 2018, related to Typhoon Hato and Typhoon Mangkhut.

Operating Expenses

Operating expenses were US$6.53 billion for the year ended December 31, 2019, remained largely consistent compared to US$6.51 billion for the year ended December 31, 2018.

Depreciation and amortization expense was US$706 million for the year ended December 31, 2019, an increase of 7.8%, compared to US$655 million for the year ended December 31, 2018. The increase was primarily due to an increase of US$20 million from the acceleration of depreciation on certain assets to be replaced in conjunction with The Londoner Macao project, as well as driven by the addition of gaming equipment.

Adjusted Property EBITDA[(i)]

The following table summarizes information related to our segments:

	Year ended December 31,		
	2019	2018	Percent change
		US$ in millions	
The Venetian Macao	**1,407**	1,378	2.1%
Sands Cotai Central	**726**	759	(4.3)%
The Parisian Macao	**544**	484	12.4%
The Plaza Macao	**345**	262	31.7%
Sands Macao	**175**	178	(1.7)%
Ferry and other operations	**(4)**	18	(122.2)%
Total adjusted property EBITDA	**3,193**	3,079	3.7%

Adjusted property EBITDA for the year ended December 31, 2019 increased 3.7% to US$3.19 billion, compared to US$3.08 billion for the year ended December 31, 2018. The increase was driven by the revenue increases in casino and mall business categories. The management team continues to focus on operational efficiencies and cost control measures throughout both the gaming and non-gaming areas of the business, maintaining a market-leading adjusted property EBITDA.

(i) Adjusted property EBITDA, which is a non-IFRS financial measure, is profit attributable to equity holders of the Company before share-based compensation, corporate expense, pre-opening expense, depreciation and amortization, net foreign exchange gains/(losses), impairment loss on property and equipment, gain/(loss) on disposal of property and equipment, investment properties and intangible assets, interest, gain/(loss) on modification or early retirement of debt and income tax benefit/(expense). Management utilizes adjusted property EBITDA to compare the operating profitability of its operations with those of its competitors, as well as a basis for determining certain incentive compensation. Gaming companies have historically reported adjusted property EBITDA as a supplemental performance measure to IFRS financial measures. In order to view the operations of their casinos on a more stand-alone basis, gaming companies, including the Group, have historically excluded certain expenses that do not relate to the management of specific casino properties, such as pre-opening expense and corporate expense, from their adjusted property EBITDA calculations. Adjusted property EBITDA should not be interpreted as an alternative to profit or operating profit (as an indicator of operating performance) or to cash flows from operations (as a measure of liquidity), in each case, as determined in accordance with IFRS. The Group has significant uses of cash flow, including capital expenditures, dividend payments, interest payments and debt principal repayments, which are not reflected in adjusted property EBITDA. Not all companies calculate adjusted property EBITDA in the same manner. As a result, adjusted property EBITDA as presented by the Group may not be directly comparable to other similarly titled measures presented by other companies.

Interest Expense

The following table summarizes information related to interest expense:

	Year ended December 31,		
	2019	2018	Percent change
	US$ in millions		
Interest and other finance costs	**289**	229	26.2%
Less: interest capitalized	**(9)**	(4)	125.0%
Interest expense, net	**280**	225	24.4%

Interest expense, net of amounts capitalized, was US$280 million for the year ended December 31, 2019, compared to US$225 million for the year ended December 31, 2018. The increase was primarily due to a US$60 million increase in interest and other finance costs, primarily driven by a US$168 million increase in interest expense of Senior Notes issued in August 2018, partially offset by an US$18 million increase in net interest income related to interest rate swaps and an US$85 million decrease in interest expense for the 2016 VML Credit Facility repaid in August 2018. Our weighted average interest rate for the year ended December 31, 2019 was approximately 5.1%, compared to 4.6% for the year ended December 31, 2018. The weighted average interest rates are calculated based on total interest expense (including amortization of deferred financing costs, standby fees and other financing costs and interest capitalized) and total weighted average borrowings.

Profit for the Year

Profit for the year ended December 31, 2019 was US$2.03 billion, an increase of 8.4%, compared to US$1.87 billion for the year ended December 31, 2018.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

We fund our operations through cash generated from our operations and our debt financing. As at December 31, 2019, we held cash and cash equivalents of US$2.47 billion, which was primarily generated from our operations. Such cash and cash equivalents were primarily held in HK$ and MOP.

As at December 31, 2019, we had US$2.0 billion of available borrowing capacity under the 2018 SCL Revolving Facility.

Cash Flows — Summary

Our cash flows consisted of the following:

	Year ended December 31,	
	2019	2018
	US$ in millions	
Net cash generated from operating activities	**2,812**	3,049
Net cash used in investing activities	**(715)**	(513)
Net cash used in financing activities	**(2,312)**	(1,099)
Net (decrease)/increase in cash and cash equivalents	**(215)**	1,437
Cash and cash equivalents at beginning of year	**2,676**	1,239
Effect of exchange rate on cash and cash equivalents	**10**	—
Cash and cash equivalents at end of year	**2,471**	2,676

Cash Flows — Operating Activities

We derive most of our operating cash flows from our casino, mall and hotel operations. Net cash generated from operating activities for the year ended December 31, 2019 decreased 7.8% to US$2.81 billion, compared to US$3.05 billion for the year ended December 31, 2018. The decrease in net cash generated from operating activities was primarily attributable a lower benefit from our working capital accounts, partially offset by an increase in operating income.

Cash Flows — Investing Activities

Net cash used in investing activities for the year ended December 31, 2019 was US$715 million and was primarily attributable to capital expenditures for development projects, as well as maintenance capital spending. Capital expenditures for the year ended December 31, 2019, totaled US$754 million, including US$296 million for The Plaza Macao, primarily related to The Grand Suites at Four Seasons, US$276 million for Sands Cotai Central, primarily related to The Londoner Macao project, US$131 million for The Venetian Macao and US$51 million for our other operations, mainly at The Parisian Macao and Sands Macao.

Cash Flows — Financing Activities

Net cash used in financing activities for the year ended December 31, 2019 was US$2.31 billion, which was primarily attributable to US$2.05 billion in dividend payments and US$274 million in interest payments, partially offset by proceeds from the exercise of share options amounting to US$28 million.

CAPITAL EXPENDITURES

The following table sets forth our capital expenditures, excluding capitalized interest and construction payables:

	Year ended December 31,	
	2019	2018
	US$ in millions	
The Venetian Macao	**131**	179
Sands Cotai Central	**276**	130
The Parisian Macao	**32**	130
The Plaza Macao	**296**	63
Sands Macao	**16**	29
Ferry and other operations	**3**	1
Total capital expenditures	**754**	532

Capital expenditures are used primarily for new projects and to renovate, upgrade and maintain existing properties.

We previously announced the renovation, expansion and rebranding of the Sands Cotai Central into a new destination integrated resort, The Londoner Macao, by adding extensive thematic elements both externally and internally. The Londoner Macao will feature new attractions and features from London, including some of London's most recognizable landmarks, such as the Houses of Parliament and Big Ben. Our retail offerings will be expanded and rebranded as the Shoppes at Londoner and we will add a number of new restaurants and bars. We will add approximately 370 luxury suites at The Londoner Tower Suites and the prior Holiday Inn-branded rooms and suites are being converted to approximately 600 London-themed suites, referred to as The Londoner Macao Hotel. We are utilizing suites as they are completed on a simulation basis for trial and feedback purposes. Construction has commenced and is being phased to minimize disruption during the property's peak periods. We expect The Londoner Tower Suites to be completed in late 2020 and The Londoner Macao project to be completed in phases throughout 2020 and 2021.

We also previously announced The Grand Suites at Four Seasons, which will feature approximately 290 additional premium quality suites. We have initiated approved gaming operations in this space and are utilizing suites as they are completed on a simulation basis for trial and feedback purposes. We expect the project to be completed in the first half of 2020.

We anticipate the total costs associated with these development projects to be approximately US$2.2 billion. The ultimate costs and completion dates for these projects are subject to change as we finalize our planning and design work and complete the projects. We expect to fund our developments through a combination of the remaining balance of the net proceeds from the issuance of the Senior Notes, borrowings from the 2018 SCL Credit Facility and operating cash flows.

CAPITAL COMMITMENTS

Future commitments for property and equipment that are not recorded in the financial statements herein are as follows:

	December 31,	
	2019	2018
	US$ in millions	
Contracted but not provided for	**1,001**	507

DIVIDENDS

On January 17, 2020, the Board declared an interim dividend of HK$0.99 (equivalent to US$0.127) per share, payable to Shareholders of the Company whose names appeared on the register of members of the Company on February 5, 2020. The interim dividend, amounting in aggregate to HK$8.01 billion (equivalent to US$1.03 billion), was paid on February 21, 2020.

CONTINGENT LIABILITIES AND RISK FACTORS

The Group has contingent liabilities arising in the ordinary course of business. Management has made estimates for potential litigation costs based upon consultation with legal counsel. Actual results could differ from these estimates; however, in the opinion of management, such litigation and claims will not have a material adverse effect on our financial position, results of operations or cash flows.

EVENTS AFTER REPORTING PERIOD

In early January 2020, an outbreak of a respiratory illness caused by the COVID-19 coronavirus was identified in Wuhan, Hubei Province, China. On February 4, 2020, the Macao Government announced the suspension of all Macao casino operations, including our Group's casino operations, from February 5, 2020. On February 17, 2020, the Macao Government announced the resumption of Macao casino operations, including our Group's casino operations, from February 20, 2020. Our Group's casino operations resumed on February 20, 2020, except for our casino operations at Sands Cotai Central, which is currently expected to resume operations on February 27, 2020. Our Macao operations, including some of our hotel facilities that had been temporarily closed, are now being gradually reopened in accordance with certain limitations imposed by the Macao Government to safeguard public health and in line with demand. A number of travel restrictions remain in place, which are significantly affecting the number of visitors to Macao, such as those related to the China Individual Visit Scheme to Macao, the Hong Kong Macao Ferry Terminal closure and other restrictions on inbound travel from mainland China. The Macao Government Tourism Office disclosed total visitation from mainland China to Macao declined 83% over the first seven days of Chinese New Year in January 2020 as compared to the same period for Chinese New Year in 2019. The duration and intensity of this global health emergency and related disruptions is uncertain, including potential broader impacts outside of China if travel and visitation continue to be restricted. Given the dynamic nature of these circumstances, the related impact on our Group's consolidated results of operations, cash flows and financial condition will be material, but cannot be reasonably estimated at the time of this announcement.

4. FINANCIAL RESULTS

The Board is pleased to announce the consolidated results of the Group for the year ended December 31, 2019, together with the comparative figures for the corresponding year as follows:

CONSOLIDATED INCOME STATEMENT

	Note	Year ended December 31, **2019**	2018
		US$ in millions except per share data	
Net revenues	3	**8,808**	8,665
Gaming tax		**(3,421)**	(3,430)
Employee benefit expenses		**(1,292)**	(1,238)
Depreciation and amortization	3	**(706)**	(655)
Inventories consumed		**(97)**	(99)
Other expenses, gains and losses	4	**(1,017)**	(1,089)
Operating profit		**2,275**	2,154
Interest income		**38**	20
Interest expense, net of amounts capitalized	5	**(280)**	(225)
Loss on modification or early retirement of debt		**—**	(81)
Profit before income tax		**2,033**	1,868
Income tax benefit	6	**—**	7
Profit for the year attributable to equity holders of the Company		**2,033**	1,875
Earnings per share for profit attributable to equity holders of the Company			
— Basic	7	**US25.14 cents**	US23.21 cents
— Diluted	7	**US25.13 cents**	US23.19 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended December 31,	
	2019	2018
	US$ in millions	
Profit for the year attributable to equity holders of the Company	**2,033**	1,875
Other comprehensive income/(expense), net of tax		
Item that will not be reclassified subsequently to profit or loss:		
Currency translation differences	**16**	(12)
Total comprehensive income for the year attributable to equity holders of the Company	**2,049**	1,863

CONSOLIDATED BALANCE SHEET

	Note	December 31, **2019**	2018
		US$ in millions	
ASSETS			
Non-current assets			
Investment properties, net		**587**	629
Property and equipment, net		**8,361**	8,134
Intangible assets, net		**48**	46
Other assets, net		**34**	47
Trade and other receivables and prepayments, net		**23**	22
Total non-current assets		**9,053**	8,878
Current assets			
Inventories		**16**	14
Other assets		**35**	—
Trade and other receivables and prepayments, net	9	**510**	477
Restricted cash and cash equivalents		**15**	13
Cash and cash equivalents		**2,471**	2,676
Total current assets		**3,047**	3,180
Total assets		**12,100**	12,058

Note: Certain reclassifications have been made to the prior year to conform to the current year presentation.

	Note	December 31, 2019	2018
		US$ in millions	
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**81**	81
Reserves		**4,365**	4,328
Total equity		**4,446**	4,409
LIABILITIES			
Non-current liabilities			
Trade and other payables	10	**122**	104
Borrowings	11	**5,589**	5,552
Deferred income tax liabilities		**45**	50
Total non-current liabilities		**5,756**	5,706
Current liabilities			
Trade and other payables	10	**1,874**	1,928
Current income tax liabilities		**5**	5
Borrowings	11	**19**	10
Total current liabilities		**1,898**	1,943
Total liabilities		**7,654**	7,649
Total equity and liabilities		**12,100**	12,058
Net current assets		**1,149**	1,237
Total assets less current liabilities		**10,202**	10,115

NOTES TO THE FINANCIAL INFORMATION

1. General Information

The Company was incorporated in the Cayman Islands on July 15, 2009 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands. The Company's principal place of business is Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Las Vegas Sands Corp. ("**LVS**"), a company incorporated in the United States of America and listed on the New York Stock Exchange, is the Company's ultimate holding company.

The Company's shares were listed on the Main Board of the Stock Exchange on November 30, 2009.

The consolidated financial statements are presented in millions of units of US$ ("**US$ in millions**"), unless otherwise stated.

Subsequent events

In early January 2020, an outbreak of a respiratory illness caused by the COVID-19 coronavirus was identified in Wuhan, Hubei Province, China. On February 4, 2020, the Macao Government announced the suspension of all Macao casino operations, including our Group's casino operations, from February 5, 2020. On February 17, 2020, the Macao Government announced the resumption of Macao casino operations, including our Group's casino operations, from February 20, 2020. Our Group's casino operations resumed on February 20, 2020, except for our casino operations at Sands Cotai Central, which is currently expected to resume operations on February 27, 2020. Our Macao operations, including some of our hotel facilities that had been temporarily closed, are now being gradually reopened in accordance with certain limitations imposed by the Macao Government to safeguard public health and in line with demand. A number of travel restrictions remain in place, which are significantly affecting the number of visitors to Macao, such as those related to the China Individual Visit Scheme to Macao, the Hong Kong Macao Ferry Terminal closure and other restrictions on inbound travel from mainland China. The Macao Government Tourism Office disclosed total visitation from mainland China to Macao declined 83% over the first seven days of Chinese New Year in January 2020 as compared to the same period for Chinese New Year in 2019. The duration and intensity of this global health emergency and related disruptions is uncertain, including potential broader impacts outside of China if travel and visitation continue to be restricted. Given the dynamic nature of these circumstances, the related impact on our Group's consolidated results of operations, cash flows and financial condition will be material, but cannot be reasonably estimated at the time of this announcement.

2. Significant accounting policies and changes in accounting policies and disclosures

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") on the historical cost basis except for financial liabilities for cash-settled share-based payment transactions and derivative financial instruments that are measured at fair value.

Certain reclassifications have been made to the prior year to conform to the current year presentation.

During the year, there have been a number of new standards and new amendments to standards that have come into effect, which the Group has adopted at their respective dates. The adoption of these new standards and new amendments to standards had no material impact on the results of operations and financial position of the Group, except for the adoption of IFRS 16 Leases ("**IFRS 16**").

IFRS 16 Leases

The accounting standard superseded the requirements in IAS 17 "Leases" ("**IAS 17**") and the related interpretations to introduce a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. The Group adopted the new standard on January 1, 2019.

IFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognized for all leases by lessees, except for short-term leases and leases of low-value assets.

Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control over the use of the identified asset means the lessee has both (a) the right to obtain substantially all of the economic benefits from the use of the asset and (b) the right to direct the use of the asset.

The Group's lease arrangements have lease and non-lease components. The Group applies the practical expedient to account for the lease components and any associated non-lease components as a single lease component for all classes of underlying assets.

The Group applies the recognition exemption for leases with an expected term of 12 months or less and leases of low-value assets. These leases are not accounted for on the balance sheet and the related lease expense is recognized on a straight-line basis over the expected lease term.

The lease liability is initially measured at the present value of fixed lease payments over the expected lease term at commencement date. As the implicit rate is not determinable in most of the Group's leases, management uses the incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. The expected lease terms include options to extend the lease when it is reasonably certain the Group will exercise such extension option or to terminate the lease when it is reasonably certain the Group will not exercise such termination option.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is initially measured at cost comprising the amount of the initial measurement of lease liability with adjustments, if any, at commencement date, any lease payments made at or before the commencement date less any lease incentives received, any initial indirect costs, and restoration costs. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. It is subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liabilities.

Lessor accounting remains largely unchanged under the new standard.

On transition to IFRS 16, the Group elected to apply the practical expedient for lease definition. The Group applied IFRS 16 only to contracts previously identified as leases applying IAS 17 and IFRIC-Int 4 "Determining Whether an Arrangement Contains a Lease" ("**IFRIC-Int 4**"). Contracts that were not identified as leases under IAS 17 and IFRIC-Int 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or modified on or after January 1, 2019.

Further, the Group elected the modified retrospective approach for the application of IFRS 16, under which the effect of initial application was recognized at January 1, 2019. Accordingly, the comparative information presented as at December 31, 2018 and for the year ended December 31, 2018 was presented as previously reported under IAS 17 and was not restated. The lease liability was measured at the present value of the remaining lease payments at the date of initial application and the right-of-use asset was measured at an amount equal to the lease liability immediately before the date of initial application. The adoption of this standard did not have an impact on net income.

The impact on transition is summarized below:

	December 31, 2018	**Impact on transition**	**January 1, 2019**
		US$ in millions	
Right-of-use assets comprise of:			
Investment properties, net			
— Leasehold interests in land	44	—	44
Property and equipment, net			
— Leasehold interests in land	552	—	552
Property and equipment, net			
— Other	4	6	10
Lease liabilities comprise of:			
Current liabilities — Borrowings	10	4	14
Non-current liabilities — Borrowings	125	2	127

The Group has already recognized an asset and a related finance lease liability for finance lease arrangements and prepaid lease payments for leasehold interests in land where the Group was a lessee under IAS 17, therefore the additional right-of-use assets and lease liabilities recognized upon adoption for leases previously classified as operating leases were US$6 million.

The weighted average incremental borrowing rate applied to lease liabilities recognized in the consolidated balance sheet at January 1, 2019 was 3.9%.

	US$ in millions
Operating lease commitments disclosed as at December 31, 2018	7
Discounted using the incremental borrowing rate as at January 1, 2019	7
Add: Finance lease liabilities recognized as at December 31, 2018	135
Recognition exemption for:	
Short-term leases and leases of low-value assets	(1)
Lease liabilities recognized as at January 1, 2019	141

In the consolidated balance sheet, the Group presents right-of-use assets that do not meet the definition of "investment property" in "property and equipment." Right-of-use assets that meet the definition of "investment property" are presented within "investment properties" and lease liabilities are presented within "borrowings." Right-of-use assets are included within the same category under "property and equipment," which the corresponding underlying assets would be presented if they were owned.

In the consolidated statement of cash flows, the Group has previously presented operating lease payments under cash flows from operating activities. Upon the adoption of IFRS 16, lease payments and any associated interest paid are presented under cash flows from financing activities except for leases with an expected term of 12 months or less and leases of low-value assets which are presented under cash flows from operating activities.

New standards and amendments to IFRS issued but not yet effective

The Group has not early adopted the new or revised standards, amendments and interpretations that have been issued, but are not effective for the year ended December 31, 2019. The Group has commenced the assessment of the impact of the new or revised standards, amendments and interpretations to the Group, but is not yet in a position to state whether their adoption would have a significant impact on the results of operations and financial position of the Group.

3. Segment information

Management has determined the operating segments based on the reports reviewed by a group of senior management which is the chief operating decision-maker of the Group that makes strategic decisions. The Group considers the business from a property and service perspective.

The Group's principal operating and developmental activities occur in Macao, which is the sole geographic area in which the Group is domiciled. The Group reviews the results of operations for each of its key operating segments, which are also the reportable segments: The Venetian Macao, Sands Cotai Central, The Parisian Macao, The Plaza Macao and Sands Macao. The Group also reviews construction and development activities for each of its primary projects currently under development, in addition to its reportable segments noted above, which include the renovation, expansion and rebranding of Sands Cotai Central to The Londoner Macao, The Grand Suites at Four Seasons and The Londoner Tower Suites. The Group has included ferry and other operations (comprised primarily of the Group's ferry operations and various other operations that are ancillary to its properties) to reconcile to consolidated results of operations and financial condition.

The Venetian Macao, Sands Cotai Central, The Parisian Macao, The Plaza Macao and Sands Macao derive their revenues primarily from casino wagers, room sales, rental income from the Group's mall tenants, food and beverage transactions, convention sales and entertainment. Ferry and other operations mainly derive their revenues from the sale of ferry tickets for transportation between Hong Kong and Macao.

The Group's segment information is as follows:

	Casino	Rooms	Mall[ii]	Food and beverage	Convention, ferry, retail and other	Net revenues
			US$ in millions			
For the year ended December 31, 2019						
The Venetian Macao	**2,875**	**222**	**254**	**73**	**86**	**3,510**
Sands Cotai Central	**1,541**	**320**	**71**	**97**	**23**	**2,052**
The Parisian Macao	**1,376**	**130**	**53**	**70**	**21**	**1,650**
The Plaza Macao	**650**	**41**	**151**	**31**	**4**	**877**
Sands Macao	**576**	**18**	**3**	**27**	**4**	**628**
Ferry and other operations	**—**	**—**	**—**	**—**	**106**	**106**
Inter-segment revenues[i]	**—**	**—**	**(1)**	**—**	**(14)**	**(15)**
	7,018	**731**	**531**	**298**	**230**	**8,808**
For the year ended December 31, 2018						
The Venetian Macao	2,829	223	234	81	107	3,474
Sands Cotai Central	1,622	331	69	102	29	2,153
The Parisian Macao	1,265	124	57	65	22	1,533
The Plaza Macao	502	39	145	29	4	719
Sands Macao	598	17	3	27	5	650
Ferry and other operations	—	—	—	—	151	151
Inter-segment revenues[i]	—	—	(1)	—	(14)	(15)
	6,816	734	507	304	304	8,665

(i) Inter-segment revenues are charged at prevailing market rates.

(ii) Of this amount, US$456 million and US$75 million (2018: US$436 million and US$71 million) are related to income from right of use and management fee and other, respectively. Income from right of use is recognized in accordance with IFRS 16 (2018: IAS 17).

The following is a reconciliation of adjusted property EBITDA to profit for the year attributable to equity holders of the Company:

	Year ended December 31,	
	2019	2018
	US$ in millions	
Adjusted property EBITDA (Unaudited)[(i)]		
The Venetian Macao	**1,407**	1,378
Sands Cotai Central	**726**	759
The Parisian Macao	**544**	484
The Plaza Macao	**345**	262
Sands Macao	**175**	178
Ferry and other operations	**(4)**	18
Total adjusted property EBITDA	**3,193**	3,079
Share-based compensation, net of amount capitalized	**(14)**	(13)
Corporate expense	**(129)**	(125)
Pre-opening expense	**(23)**	(5)
Depreciation and amortization	**(706)**	(655)
Net foreign exchange gains	**35**	4
Impairment loss on property and equipment	**(65)**	—
Loss on disposal of property and equipment, investment properties and intangible assets	**(16)**	(131)
Operating profit	**2,275**	2,154
Interest income	**38**	20
Interest expense, net of amounts capitalized	**(280)**	(225)
Loss on modification or early retirement of debt	**—**	(81)
Profit before income tax	**2,033**	1,868
Income tax benefit	**—**	7
Profit for the year attributable to equity holders of the Company	**2,033**	1,875

(i) Adjusted property EBITDA, which is a non-IFRS financial measure, is profit attributable to equity holders of the Company before share-based compensation, corporate expense, pre-opening expense, depreciation and amortization, net foreign exchange gains or losses, impairment loss on property and equipment, gain or loss on disposal of property and equipment, investment properties and intangible assets, interest, gain or loss on modification or early retirement of debt and income tax benefit or expense. Management utilizes adjusted property EBITDA to compare the operating profitability of its operations with those of its competitors, as well as a basis for determining certain incentive compensation. Gaming companies have historically reported adjusted property EBITDA as a supplemental performance measure to IFRS financial measures. In order to view the operations of their casinos on a more stand-alone basis, gaming companies, including the Group, have historically excluded certain expenses that do not relate to the management of specific casino properties, such as pre-opening expense and corporate expense, from their adjusted property EBITDA calculations. Adjusted property EBITDA should not be interpreted as an alternative to profit or operating profit (as an indicator of operating performance) or to cash flows from operations (as a measure of liquidity), in each case, as determined in accordance with IFRS. The Group has significant uses of cash flow, including capital expenditures, dividend payments, interest payments and debt principal repayments, which are not reflected in adjusted property EBITDA. Not all companies calculate adjusted property EBITDA in the same manner. As a result, adjusted property EBITDA as presented by the Group may not be directly comparable to other similarly titled measures presented by other companies.

	Year ended December 31,	
	2019	2018
	US$ in millions	
Depreciation and amortization		
The Venetian Macao	**159**	146
Sands Cotai Central	**299**	274
The Parisian Macao	**161**	163
The Plaza Macao	**40**	33
Sands Macao	**27**	24
Ferry and other operations	**20**	15
	706	655

	Year ended December 31,	
	2019	2018
	US$ in millions	
Capital expenditures		
The Venetian Macao	**131**	179
Sands Cotai Central	**276**	130
The Parisian Macao	**32**	130
The Plaza Macao	**296**	63
Sands Macao	**16**	29
Ferry and other operations	**3**	1
	754	532

	December 31,	
	2019	2018
	US$ in millions	
Total assets		
The Venetian Macao	**3,236**	3,447
Sands Cotai Central	**4,531**	4,378
The Parisian Macao	**2,372**	2,489
The Plaza Macao	**1,255**	913
Sands Macao	**323**	328
Ferry and other operations	**383**	503
	12,100	12,058

Almost all of the non-current assets of the Group are located in Macao.

4. Other expenses, gains and losses

	Year ended December 31, **2019**	2018
	US$ in millions	
Utilities and operating supplies	**195**	207
Contract labor and services	**152**	151
Advertising and promotions	**129**	124
Royalty fees	**113**	112
Repairs and maintenance	**85**	93
Management fees	**47**	50
Provision for expected credit losses, net	**24**	9
Lease payments for which the recognition exemption is applied and variable lease payments not included in lease liabilities	**8**	—
Operating lease expense	**—**	15
Auditor's remuneration	**2**	2
Impairment loss on property and equipment	**65**	—
Loss on disposal of property and equipment, investment properties and intangible assets	**16**	131
Net foreign exchange gains	**(35)**	(4)
Other support services	**101**	100
Other operating expenses	**115**	99
	1,017	1,089

The impairment loss for the year ended December 31, 2019 resulted from the decrease in volume of passengers in our ferry operations.

The decrease in loss on disposal of property and equipment, investment properties and intangible assets was primarily due to a loss on asset disposals related to the preparation of the construction site for The Grand Suites at Four Seasons in 2018.

5. Interest expense, net of amounts capitalized

	Year ended December 31, **2019**	2018
	US$ in millions	
Senior Notes	**253**	103
Amortization of deferred financing costs	**15**	22
Lease liabilities	**8**	—
Bank borrowings	**—**	85
Finance lease liabilities	**—**	8
Standby fee and other financing costs	**13**	11
	289	229
Less: interest capitalized	**(9)**	(4)
Interest expense, net of amounts capitalized	**280**	225

6. Income tax benefit

	Year ended December 31, **2019**	2018
	US$ in millions	
Current income tax		
Lump sum in lieu of Macao complementary tax on dividends	**5**	5
Deferred income tax benefit	**(5)**	(12)
Income tax benefit	**—**	(7)

Deferred income tax benefit was US$5 million for the year ended December 31, 2019, compared to US$12 million for the year ended December 31, 2018. The deferred income tax benefit in 2019 was primarily due to the reversal of deferred tax liabilities related to accelerated tax depreciation allowance (2018: same).

7. Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the year ended December 31, 2019, the Company had outstanding share options that would potentially dilute the ordinary shares (2018: same).

The calculation of basic and diluted earnings per share is based on the following:

	Year ended December 31, **2019**	2018
Profit attributable to equity holders of the Company *(US$ in millions)*	**2,033**	1,875
Weighted average number of shares for basic earnings per share *(thousand shares)*	**8,085,149**	8,078,946
Adjustment for share options *(thousand shares)*	**5,057**	7,328
Weighted average number of shares for diluted earnings per share *(thousand shares)*	**8,090,206**	8,086,274
Earnings per share, basic	**US25.14 cents**	US23.21 cents
Earnings per share, basic(i)	**HK195.79 cents**	HK181.75 cents
Earnings per share, diluted	**US25.13 cents**	US23.19 cents
Earnings per share, diluted(i)	**HK195.71 cents**	HK181.59 cents

(i) The translation of US$ amounts into HK$ amounts has been made at the exchange rate on December 31, 2019 of US$1.00 to HK$7.7879 (2018: US$1.00 to HK$7.8306).

8. Dividends

On January 18, 2019, the Board declared an interim dividend of HK$0.99 (equivalent to US$0.127) per share for the year ended December 31, 2018. The interim dividend, amounting in aggregate to HK$8.00 billion (equivalent to US$1.02 billion), was paid on February 22, 2019.

On May 24, 2019, the Shareholders approved a final dividend of HK$1.00 (equivalent to US$0.127) per share for the year ended December 31, 2018. The final dividend, amounting in aggregate to HK$8.09 billion (equivalent to US$1.03 billion), was paid on June 21, 2019.

On January 17, 2020, the Board declared an interim dividend of HK$0.99 (equivalent to US$0.127) per share, payable to Shareholders of the Company whose names appeared on the register of members of the Company on February 5, 2020. The interim dividend, amounting in aggregate to HK$8.01 billion (equivalent to US$1.03 billion), was paid on February 21, 2020. The interim dividend has not been recognized as a liability as at December 31, 2019 and will be reflected as an appropriation of reserves during 2020.

9. Trade receivables, net

The aging analysis of trade receivables, net of provision for expected credit losses, is as follows:

	December 31,	
	2019	2018
	US$ in millions	
0–30 days	**259**	236
31–60 days	**42**	39
61–90 days	**26**	28
Over 90 days	**73**	64
	400	367

Trade receivables mainly consist of casino receivables. The Group generally does not charge interest for credit granted, but requires a personal check or other acceptable forms of security. The Group currently has a legally enforceable right to offset the commissions payable and front money deposits against the casino receivables and intends to settle on a net basis. Absent special approval, the credit period granted to selected premium and mass market players is typically 7–15 days, while for gaming promoters, the receivables are typically repayable within one month following the granting of the credit, subject to terms of the relevant credit agreement.

10. Trade and other payables

	December 31, 2019	2018
	US$ in millions	
Trade payables	**47**	33
Outstanding chips liability[(i)]	**485**	514
Customer deposits and other deferred revenue[(i)]	**395**	497
Other tax payables	**302**	325
Construction payables and accruals	**278**	147
Accrued employee benefit expenses	**174**	155
Interest payables	**130**	125
Casino liabilities	**41**	67
Loyalty program liability[(i)]	**31**	33
Payables to related companies — non-trade	**9**	9
Other payables and accruals	**104**	127
	1,996	2,032
Less: non-current portion	**(122)**	(104)
Current portion	**1,874**	1,928

(i) These balances represent the Group's main types of liabilities associated with contracts with customers. With the exception of mall deposits, which typically extend beyond a year based on the terms of the lease, these liabilities are generally expected to be recognized as revenue or redeemed for cash within one year of being purchased, earned or deposited.

The aging analysis of trade payables based on invoice date is as follows:

	December 31, 2019	2018
	US$ in millions	
0–30 days	**33**	27
31–60 days	**6**	3
61–90 days	**6**	2
Over 90 days	**2**	1
	47	33

11. Borrowings

	December 31, 2019	2018
	US$ in millions	
Non-current portion		
Senior Notes, unsecured	**5,535**	5,515
Lease liabilities	**128**	—
Finance lease liabilities on leasehold interests in land	**—**	122
Other finance lease liabilities	**—**	3
	5,663	5,640
Less: deferred financing costs	**(74)**	(88)
	5,589	5,552
Current portion		
Lease liabilities	**19**	—
Finance lease liabilities on leasehold interests in land	**—**	8
Other finance lease liabilities	**—**	2
	19	10
Total borrowings	**5,608**	5,562

As of December 31, 2019, the Group had US$2.0 billion of available borrowing capacity under the 2018 SCL Revolving Facility (2018: same).

5. DISCLOSURE OF FINANCIAL RESULTS IN MACAO

VML, our subsidiary and the holder of our gaming Subconcession, will file its financial statements in accordance with the Macao Financial Reporting Standards ("**MFRS**") for the year ended December 31, 2019 ("**MFRS Financial Statements**") to the Gaming Inspection and Coordination Bureau of Macao in February 2020. This is a statutory filing requirement mandated by Macao law and our gaming Subconcession contract. In addition, VML has a statutory and contractual obligation to publish its consolidated financial statements prepared in accordance with MFRS for the year ended December 31, 2019 ("**MFRS Consolidated Statements**") in the Macao Official Gazette and local newspapers in Macao before the end of April 2020. The MFRS Financial Statements and the MFRS Consolidated Statements may not be directly comparable with the Company's financial results disclosed herein, which are prepared under IFRS.

6. SCOPE OF WORK OF DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended December 31, 2019 as set out in this preliminary announcement have been agreed by the Company's auditor, Deloitte Touche Tohmatsu (the "**Auditor**"), to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by the Auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Auditor on this preliminary announcement.

7. CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRACTICES

Corporate governance is the collective responsibility of the Board. The Directors firmly believe good corporate governance is key to creating Shareholder value and ensuring proper management of the Company in the interests of all stakeholders. An effective system of corporate governance requires that our Board approves strategic direction, monitors performance, oversees effective risk management and internal control systems, and leads the creation of the right compliant culture across the organization. It also gives our investors confidence we are exercising our stewardship responsibilities with due skill and care.

To ensure we adhere to high standards of corporate governance, we have developed our own principles and guidelines that set out how corporate governance operates in practice within the Company. This is based on the policies, principles and practices set out in the Code and draws on other best practices.

Throughout the year ended December 31, 2019, save as disclosed below, the Board considers the Company fully complied with all the code provisions and certain recommended best practices set out in the Code.

Code Provision A.2.1 — Chairman and Chief Executive Officer roles

Code Provision A.2.1 provides the roles of Chairman and Chief Executive Officer should be separate and not performed by the same individual. At Sands China, both roles have been performed by Mr. Sheldon Gary Adelson since March 2015. The Company believes the combined roles of Mr. Adelson provide for better leadership of the Board and management and allow for more focus on developing strategies and implementation of policies and objectives.

Code Provision E.1.2 — Annual General Meeting attendance

Code Provision E.1.2 provides the Chairman of the Board should attend the annual general meeting of the Company. Mr. Sheldon Gary Adelson was unable to attend the annual general meeting held on May 24, 2019 as he was receiving medical treatment at that time, which restricted his availability to travel or keep regular office hours. In his absence, the annual general meeting was chaired by Dr. Wong Ying Wai, who liaised with Mr. Adelson on all key matters prior to the meeting. Mr. Adelson was also debriefed on the meeting and any matters arising to ensure any matters raised at the annual general meeting were followed up and considered by the Board.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has developed the Company Code for securities transactions by the Directors and relevant employees who are likely to be in possession of unpublished inside information of the Company on terms no less exacting than the Model Code. Following specific enquiry by the Company, all Directors have confirmed they have complied with the Company Code and, therefore, with the Model Code throughout the year 2019 and up to the date of this announcement.

BOARD AND BOARD COMMITTEES COMPOSITION

There were no changes to the composition of the Board and the Board Committees of the Company during the year 2019 and up to the date of this announcement.

AUDIT COMMITTEE

The Audit Committee provides an important link between the Board and the Auditor in matters falling within the scope of the audit of the Company and the Group. The Audit Committee is tasked with reviewing the effectiveness of the external audit and the risk management and internal control systems, evaluating risks and providing advice and guidance to the Board. Our annual results for the year ended December 31, 2019 were reviewed by our Audit Committee, which was of the opinion, the preparation of such annual results complied with the applicable accounting standards and requirements and adequate disclosures have been made. All Audit Committee members are Independent Non-Executive Directors, with Mr. Victor Patrick Hoog Antink (Chairman of the Audit Committee) and Mr. Kenneth Patrick Chung possessing the appropriate professional qualifications and accounting and related financial management expertise.

8. PUBLICATION OF ANNUAL RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.sandschina.com). The annual report for the year ended December 31, 2019 containing the information required by Appendix 16 of the Listing Rules will be dispatched to Shareholders and published on the websites of the Stock Exchange and the Company in due course.

9. PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the listed shares of the Company during the year ended December 31, 2019.

By order of the Board
SANDS CHINA LTD.
Dylan James Williams
Company Secretary

Macao, February 21, 2020

As at the date of this announcement, the directors of the Company are:

Executive Directors:
Sheldon Gary Adelson
Wong Ying Wai

Non-Executive Directors:
Robert Glen Goldstein
Charles Daniel Forman

Independent Non-Executive Directors:
Chiang Yun
Victor Patrick Hoog Antink
Steven Zygmunt Strasser
Kenneth Patrick Chung

In case of any inconsistency between the English version and the Chinese version of this announcement, the English version shall prevail.