SANDS CHINA LTD.
金沙中國有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1928)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2021

The Board of Directors (the "**Board**") of Sands China Ltd. ("**we**" or our "**Company**") is announcing the unaudited consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended June 30, 2021 compared to the six months ended June 30, 2020.

1. FINANCIAL RESULTS SUMMARY

- All of our operating segments and business categories in the first half of 2021 saw a modest recovery from the impact of the COVID-19 Pandemic due to relaxed travel restrictions during the period resulting in increased visitation to our properties.

- Adjusted property EBITDA for the Group was US$234 million (HK$1.82 billion) in the first half of 2021, compared to an adjusted property EBITDA loss of US$243 million (HK$1.90 billion) in the first half of 2020.

- Total net revenues for the Group were US$1.62 billion (HK$12.58 billion) in the first half of 2021, an increase of 91.0%, compared to US$848 million (HK$6.57 billion) in the first half of 2020.

- Loss for the Group was US$381 million (HK$2.96 billion) in the first half of 2021, compared to US$716 million (HK$5.55 billion) in the first half of 2020.

Note: The translation of US$ amounts into HK$ amounts or vice versa has been made at the exchange rate of US$1.00 to HK$7.7634 (six months ended June 30, 2020: US$1.00 to HK$7.7504) for illustration only.

Unless otherwise indicated, capitalized terms used but not defined herein shall have the meanings ascribed to them in our 2020 annual report.

2. BUSINESS OVERVIEW AND OUTLOOK

COVID-19 Pandemic update

In early January 2020, an outbreak of a respiratory illness caused by a novel coronavirus ("**COVID-19**") was identified and spread rapidly across the world causing the World Health Organization to declare the outbreak of a pandemic on March 12, 2020 (the "**COVID-19 Pandemic**"). Governments around the world mandated actions to contain the spread of the virus that included stay-at-home orders, quarantines, capacity limits, closures of non-essential businesses, including entertainment activities, and significant restrictions on travel. The government actions varied based upon a number of factors, including the extent and severity of the COVID-19 Pandemic within their respective countries and jurisdictions.

Visitation to Macao has decreased substantially, as a result of various government policies limiting or discouraging travel. As of the date of this announcement, other than individuals from mainland China who may enter Macao without quarantine subject to them holding the appropriate travel documents, a negative COVID-19 test result and a green health-code, there remains in place a complete ban on entry or a need to undergo various quarantine requirements depending on the person's residency and recent travel history. The Group's operations will continue to be impacted and subject to changes in the government policies of Macao, China, Hong Kong and other jurisdictions in Asia addressing travel and public health measures associated with COVID-19.

Macao began administering the COVID-19 vaccine to front-line health workers on February 9, 2021, and to the general population on March 3, 2021.

On March 3, 2021, the negative COVID-19 test requirement to enter casinos was removed. Various other health safeguards implemented by the Macao government remain in place, including mandatory mask protection, social distancing, limitation on the number of seats per table game, slot machine spacing and temperature checks. Management is currently unable to determine when these measures will be eased or cease to be necessary or whether additional measures may be required.

In support of the Macao government's initiatives to fight the COVID-19 Pandemic, the Group provided one tower (approximately 2,000 hotel rooms) at the Sheraton Grand Macao to the Macao government to house individuals who returned to Macao for quarantine purposes. This tower has been utilized for quarantine purposes on several occasions during 2020 and 2021.

The Group's gaming operations remained open during the six months ended June 30, 2021, compared to the same period in 2020 when the Group's gaming operations were suspended from February 5, 2020 to February 19, 2020 due to a government mandate, except for operations at The Londoner Macao, which resumed on February 27, 2020. Some of the Group's hotel facilities were also closed during the casino suspension in response to the decrease in visitation and were gradually reopened from February 20, 2020, with the exception of the Conrad Macao at The Londoner Macao, which reopened on June 13, 2020.

Operating hours at restaurants across the Group's properties are continuously being adjusted in line with fluctuations in guest visitation. The majority of retail outlets in the Group's various shopping malls are open with reduced operating hours. The timing and manner in which these areas will return to full operation are currently unknown.

The Group's ferry operations between Macao and Hong Kong remain suspended. The timing and manner in which the Group's ferry operations will be able to resume are currently unknown.

The Group's operations have been significantly impacted by the reduced visitation to Macao. The Macao government announced total visitation from mainland China to Macao decreased to 1.6 million visits during the quarter ended March 31, 2021, from 2.3 million visits during the quarter ended March 31, 2020, and increased to a total of 2.0 million visits during the quarter ended June 30, 2021, from approximately 46,000 visits during the quarter ended June 30, 2020. The Macao government also announced gross gaming revenue increased by 45.4% in the six months ended June 30, 2021, as compared to the same period in 2020.

The Group is adhering to social distancing requirements, which include reduced seating at table games and a decreased number of active slot machines on the casino floor. Additionally, there is uncertainty around the impact the COVID-19 Pandemic will continue to have on operations in future periods. If the Group's integrated resorts are not permitted to resume normal operations, travel restrictions such as those related to inbound travel from other countries are not modified or eliminated, there is a resumption of the suspension of the China Individual Visit Scheme, or the global response to contain the COVID-19 Pandemic escalates or is unsuccessful, the Group's operations, cash flows and financial condition will be further materially impacted.

While each of the Group's properties were open and operating at reduced levels due to lower visitation and the implementation of required safety measures during the six months ended June 30, 2021, the current economic and regulatory environment on a global basis and in Macao continues to evolve. The Group cannot predict the manner in which governments will react as the global and regional impact of the COVID-19 Pandemic changes over time, which could significantly alter the Group's current operations.

The Group has a strong balance sheet and sufficient liquidity in place, including total cash and cash equivalents balance, excluding restricted cash and cash equivalents, of US$861 million and access to US$2.0 billion of available borrowing capacity from our 2018 SCL Revolving Facility. The Group believes it is able to support continuing operations, complete the major construction projects that are underway and respond to the current COVID-19 Pandemic challenges. The Group has taken various mitigating measures to manage through the current environment, including a cost and capital expenditure reduction program to minimize cash outflow for non-essential items.

Macao Subconcession

Gaming in Macao is administered by the government through concessions awarded to three different Concessionaires and three Subconcessionaires, of which Venetian Macau Limited ("**VML**", a subsidiary of Sands China Ltd.) is one. These concession agreements expire on June 26, 2022. If VML's Subconcession is not extended or renewed, VML may be prohibited from conducting gaming operations in Macao, and could result in the casino and gaming-related equipment being automatically transferred to the Macao government without any compensation to VML.

Under the Company's Senior Notes indenture, upon the occurrence of any event resulting from any change in Gaming Law (as defined in the indenture) after which none of the Company and its subsidiaries own or manage casino or gaming areas or operate casino games of fortune and chance in Macao in substantially the same manner as they are owning or managing casino or gaming areas or operating casino games as of the issue date of the Senior Notes, for a period of 30 consecutive days or more, and such event has a material adverse effect on the financial condition, business, properties or results of operations of the Company and its subsidiaries, taken as a whole, holders of the Senior Notes can require the Company to repurchase all or any part of the Senior Notes at par, plus any accrued and unpaid interest (the "**Investor Put Option**").

Additionally, under the 2018 SCL Credit Facility, the events that trigger an Investor Put Option under the Senior Notes (as described above) would be an event of default, which may result in commitments being immediately cancelled, in whole or in part, and the related outstanding balances and accrued interest, if any, becoming immediately due and payable.

The Subconcession not being extended or renewed and the potential impact if holders of the notes and the agent have the ability to, and make the election to, accelerate the repayment of the Company's debt would have a material adverse effect on the Group's business, financial condition, results of operations and cash flows. The Company is actively monitoring the renewal process and continues to believe its Subconcession will be extended or renewed; however, it is possible the Macao government could change or interpret the associated gaming laws in a manner that could negatively impact the Group.

Outlook

The Group is encouraged by the ease of travel restrictions between mainland China and Macao since August 2020, which continued through the six months ended June 30, 2021. This led to an increased visitation to our properties and resulted in positive adjusted property EBITDA during the period. The Group remains enthusiastic about the opportunity to welcome more guests back to our properties as greater volumes of visitors are eventually able to travel to Macao. Demand for our offerings from customers who have been able to visit remains robust, but pandemic-related travel restrictions and the evolving COVID-19 situation in Macao and mainland China continue to limit visitation and hinder the Group's current financial performance.

The Group remains unwavering in its commitment to long-term investment in Macao. The scale of its existing and ongoing investments enables the Group to play its part in supporting the local economy in Macao, including its support of local employment and for small and medium-sized businesses.

The Group also remains deeply committed to supporting our team members and to helping those in need in each of our local communities as they recover from the impact of the COVID-19 Pandemic.

The Londoner Macao project continues to progress with its first phase opening in early 2021. The Group believes the capital investment programs will strengthen its leadership position in the market and will provide a larger platform for future growth as these travel restrictions eventually subside and the recovery comes to fruition.

3. MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS OF OPERATIONS

Net Revenues

Our net revenues consisted of the following:

	Six months ended June 30,		
	2021	2020	Percent change
	US$ in millions		
Casino	**1,182**	625	89.1%
Rooms	**147**	71	107.0%
Mall	**218**	99	120.2%
Food and beverage	**49**	27	81.5%
Convention, ferry, retail and other	**24**	26	(7.7)%
Total net revenues	**1,620**	848	91.0%

Total net revenues were US$1.62 billion for the six months ended June 30, 2021, an increase of 91.0%, compared to US$848 million for the six months ended June 30, 2020. Net revenues increased across most of the business categories, mainly driven by an increase in visitation due to a modest relaxation of travel restrictions between mainland China and Macao during the six months ended June 30, 2021.

Our net casino revenues for the six months ended June 30, 2021 were US$1.18 billion, an increase of 89.1%, compared to US$625 million for the six months ended June 30, 2020. Net casino revenues increased across all properties except for Sands Macao. The increase was primarily attributable to increases of US$317 million at The Venetian Macao and US$100 million at The Londoner Macao driven by increased volume in both VIP and mass segments, and an increase of US$98 million at The Plaza Macao driven by increased volume in mass gaming.

The following table summarizes the results of our casino activity:

	Six months ended June 30,		
	2021	2020	Change
	US$ in millions		
The Venetian Macao			
Total net casino revenues	**573**	256	123.8%
Non-Rolling Chip drop	**1,907**	832	129.2%
Non-Rolling Chip win percentage	**27.5%**	26.9%	0.6pts
Rolling Chip volume	**2,740**	2,378	15.2%
Rolling Chip win percentage(i)	**4.70%**	2.96%	1.74pts
Slot handle	**1,013**	497	103.8%
Slot hold percentage	**3.8%**	4.2%	(0.4)pts
The Londoner Macao			
Total net casino revenues	**224**	124	80.6%
Non-Rolling Chip drop	**959**	561	70.9%
Non-Rolling Chip win percentage	**21.3%**	21.8%	(0.5)pts
Rolling Chip volume	**1,648**	167	886.8%
Rolling Chip win percentage(i)	**4.43%**	5.85%	(1.42)pts
Slot handle	**483**	377	28.1%
Slot hold percentage	**3.8%**	4.4%	(0.6)pts
The Parisian Macao			
Total net casino revenues	**128**	85	50.6%
Non-Rolling Chip drop	**657**	396	65.9%
Non-Rolling Chip win percentage	**21.7%**	23.7%	(2.0)pts
Rolling Chip volume	**146**	2,272	(93.6)%
Rolling Chip win percentage(i)	**(0.53)%**	0.99%	(1.52)pts
Slot handle	**467**	451	3.5%
Slot hold percentage	**3.2%**	3.5%	(0.3)pts
The Plaza Macao			
Total net casino revenues	**189**	91	107.7%
Non-Rolling Chip drop	**606**	229	164.6%
Non-Rolling Chip win percentage	**22.5%**	28.0%	(5.5)pts
Rolling Chip volume	**1,965**	2,189	(10.2)%
Rolling Chip win percentage(i)	**5.52%**	2.73%	2.79pts
Slot handle	**22**	37	(40.5)%
Slot hold percentage	**4.8%**	4.7%	0.1pts
Sands Macao			
Total net casino revenues	**68**	69	(1.4)%
Non-Rolling Chip drop	**253**	278	(9.0)%
Non-Rolling Chip win percentage	**16.1%**	19.1%	(3.0)pts
Rolling Chip volume	**816**	726	12.4%
Rolling Chip win percentage(i)	**5.22%**	3.29%	1.93pts
Slot handle	**319**	353	(9.6)%
Slot hold percentage	**3.4%**	3.1%	0.3pts

Note: As a result of the COVID-19 Pandemic, gaming operations were closed from February 5 to 19, 2020, except for The Londoner Macao which was closed from February 5 to 26, 2020.

(i) This compares to our expected Rolling Chip win percentage of 3.15% to 3.45% (calculated before discounts, commissions, deferring revenue associated with our loyalty program and allocating casino revenues related to goods and services provided to patrons on a complimentary basis).

Room revenues for the six months ended June 30, 2021 were US$147 million, an increase of 107.0%, compared to US$71 million for the six months ended June 30, 2020. The increase was mainly driven by increased occupancy rates and increased revenue per available room driven by higher visitation across our properties.

The following table summarizes the results of our room activity:

	Six months ended June 30,		
	2021	2020	Change
	US$ in millions, except average daily rate and revenue per available room		
The Venetian Macao			
Total room revenues	**43**	22	95.5%
Occupancy rate	**52.9%**	22.3%	30.6pts
Average daily rate *(in US$)*	**158**	237	(33.3)%
Revenue per available room *(in US$)*	**84**	53	58.5%
The Londoner Macao			
Total room revenues	**47**	27	74.1%
Occupancy rate	**40.4%**	23.0%	17.4pts
Average daily rate *(in US$)*	**160**	174	(8.0)%
Revenue per available room *(in US$)*	**65**	40	62.5%
The Parisian Macao			
Total room revenues	**29**	14	107.1%
Occupancy rate	**52.6%**	21.9%	30.7pts
Average daily rate *(in US$)*	**119**	167	(28.7)%
Revenue per available room *(in US$)*	**62**	37	67.6%
The Plaza Macao			
Total room revenues	**23**	5	360.0%
Occupancy rate	**46.1%**	26.4%	19.7pts
Average daily rate *(in US$)*	**439**	332	32.2%
Revenue per available room *(in US$)*	**202**	88	129.5%
Sands Macao			
Total room revenues	**5**	3	66.7%
Occupancy rate	**71.3%**	35.9%	35.4pts
Average daily rate *(in US$)*	**140**	176	(20.5)%
Revenue per available room *(in US$)*	**100**	63	58.7%

Note: As a result of the COVID-19 Pandemic, some of our hotel operations were closed for a period in the first half of 2020, with a number of rooms utilized for government quarantine purposes and to provide lodging for team members restricted from traveling between their residences and Macao in the first half of 2021 and 2020, respectively. These rooms were excluded from the calculation of hotel statistics above.

Mall revenues for the six months ended June 30, 2021 were US$218 million, an increase of 120.2%, compared to US$99 million for the six months ended June 30, 2020. The increase was primarily due to a US$112 million reduction in rent concessions granted to our mall tenants compared to the six months ended June 30, 2020.

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

	Six months ended June 30,		
	2021	2020	Change
	US$ in millions, except per square foot amount		
Shoppes at Venetian			
Total mall revenues	**95**	47	102.1%
Mall gross leasable area *(in square feet)*	**814,731**	812,934	0.2%
Occupancy	**79.2%**	85.6%	(6.4)pts
Base rent per square foot *(in US$)*	**297**	292	1.7%
Tenant sales per square foot *(in US$)*(i)	**1,227**	1,224	0.2%
Shoppes at Londoner(ii)			
Total mall revenues	**30**	16	87.5%
Mall gross leasable area *(in square feet)*	**520,941**	525,497	(0.9)%
Occupancy	**60.9%**	87.6%	(26.7)pts
Base rent per square foot *(in US$)*	**136**	102	33.3%
Tenant sales per square foot *(in US$)*(i)	**1,058**	603	75.5%
Shoppes at Parisian			
Total mall revenues	**20**	10	100.0%
Mall gross leasable area *(in square feet)*	**296,145**	295,963	0.1%
Occupancy	**78.1%**	86.8%	(8.7)pts
Base rent per square foot *(in US$)*	**147**	150	(2.0)%
Tenant sales per square foot *(in US$)*(i)	**593**	561	5.7%
Shoppes at Four Seasons			
Total mall revenues	**73**	26	180.8%
Mall gross leasable area *(in square feet)*	**244,104**	242,425	0.7%
Occupancy	**93.9%**	94.6%	(0.7)pts
Base rent per square foot *(in US$)*	**548**	544	0.7%
Tenant sales per square foot *(in US$)*(i)	**5,389**	3,775	42.8%

Note: This table excludes the results of our mall operations at Sands Macao. As a result of the COVID-19 Pandemic, tenants were provided rent concessions during the six months ended June 30, 2021 and 2020. Base rent per square foot presented above excludes the impact of these rent concessions.

(i) Tenant sales per square foot is the sum of reported comparable sales for the trailing 12 months divided by the comparable square footage for the same period.

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

Food and beverage revenues for the six months ended June 30, 2021 were US$49 million, an increase of 81.5%, compared to US$27 million for the six months ended June 30, 2020. The increase was primarily driven by an increase in property visitation as our business recovers from the effects of the COVID-19 Pandemic as described above.

Convention, ferry, retail and other revenues for the six months ended June 30, 2021 were US$24 million, a decrease of 7.7%, compared to US$26 million for the six months ended June 30, 2020. The decrease was primarily driven by a decrease in revenue in our ferry operations resulting from the suspension of ferry operations between Macao and Hong Kong, which began on January 30, 2020 and continues to remain suspended in response to the COVID-19 Pandemic.

Operating Expenses

Operating expenses were US$1.81 billion for the six months ended June 30, 2021, an increase of 24.2%, compared to US$1.46 billion for the six months ended June 30, 2020. The increase in operating expenses was primarily driven by increased levels of business as we recover from the effects of the COVID-19 Pandemic.

Depreciation and amortization expenses were US$358 million for the six months ended June 30, 2021, an increase of 5.9%, compared to US$338 million for the six months ended June 30, 2020. The increase was primarily due to additions of The Grand Suites at Four Seasons in 2020 and The Londoner Macao for those areas that were completed.

Adjusted Property EBITDA(i)

The following table summarizes information related to our segments:

	Six months ended June 30,		
	2021	2020	Percent change
		US$ in millions	
The Venetian Macao	**190**	(48)	N.M.
The Londoner Macao	**(28)**	(79)	N.M.
The Parisian Macao	**(8)**	(84)	N.M.
The Plaza Macao	**114**	10	1,040.0%
Sands Macao	**(31)**	(32)	N.M.
Ferry and other operations	**(3)**	(10)	N.M.
Total adjusted property EBITDA	**234**	(243)	N.M.

Adjusted property EBITDA for the six months ended June 30, 2021 increased to US$234 million compared to a loss of US$243 million for the six months ended June 30, 2020. The increase was driven by the increases across most of the business categories. Management continues to focus on operational efficiencies and cost control measures throughout the gaming and non-gaming areas of the business.

N.M. — not meaningful

(i) Adjusted property EBITDA, which is a non-IFRS financial measure, is profit or loss 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. Integrated resort companies have historically reported adjusted property EBITDA as a supplemental performance measure to IFRS financial measures. In order to view the operations of their properties on a more stand-alone basis, integrated resort companies, including the Group, have historically excluded certain expenses that do not relate to the management of specific 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, debt principal repayments and income taxes, 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.

Finance Costs

The following table summarizes information related to finance costs:

	Six months ended June 30,		
	2021	2020	Percent change
	US$ in millions		
Interest and other finance costs	**196**	124	58.1%
Less: interest capitalized	**(7)**	(8)	(12.5)%
Finance costs, net	**189**	116	62.9%

Finance costs, net of amounts capitalized, was US$189 million for the six months ended June 30, 2021, compared to US$116 million for the six months ended June 30, 2020. The increase was primarily driven by a decrease of US$40 million in net benefit from the interest rate swaps as the agreements expired in August 2020, an increase of US$26 million in interest expense from US$1.5 billion of Senior Notes issued in June 2020, an increase of US$3 million in interest expense from the drawn balance under the 2018 SCL Credit Facility during the first quarter of 2021 and an increase of US$3 million in amortization of deferred financing costs.

Our weighted average interest rate for the six months ended June 30, 2021 was approximately 5.2%, compared to 4.1% for the six months ended June 30, 2020. As noted above, the increase in the weighted average interest rate was due to the impact of the interest rate swaps and increased interest from the Senior Notes issued in June 2020. The weighted average interest rates are calculated based on total interest expense (including the impact of the interest rate swaps, amortization of deferred financing costs, standby fees and other financing costs and interest capitalized) and total weighted average borrowings.

Loss for the Period

Loss for the six months ended June 30, 2021 was US$381 million, compared to US$716 million for the six months ended June 30, 2020.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

We fund our operations through cash generated from our operations and our debt financing. As at June 30, 2021, we held total cash and cash equivalents of US$877 million. Such cash and cash equivalents were primarily held in HK$ and US$.

On January 25, 2021, the Company entered into an agreement with lenders to increase commitments under the 2018 SCL Credit Facility by HK$3.83 billion (approximately US$493 million at exchange rates in effect on June 30, 2021). During the six months ended June 30, 2021, the Company drew down US$48 million and HK$3.54 billion (approximately US$456 million at exchange rates in effect on June 30, 2021) under the facility for general corporate purposes.

As at June 30, 2021, the Company had US$2.0 billion of available borrowing capacity under the 2018 SCL Revolving Facility comprised of commitments of HK$14.09 billion (approximately US$1.81 billion at exchange rates in effect on June 30, 2021) and commitments of US$189 million.

On July 7, 2021, the Company entered into a further waiver extension and amendment request letter with respect to certain provisions of the 2018 SCL Credit Facility, pursuant to which lenders, among other things, extended the waiver period to end on and including January 1, 2023. Refer to Note 9 of the condensed consolidated financial statements for more details.

Cash Flows — Summary

Our cash flows consisted of the following:

	Six months ended June 30,	
	2021	2020
	US$ in millions	
Net cash generated from/(used in) operating activities	**71**	(644)
Net cash used in investing activities	**(385)**	(561)
Net cash from financing activities	**315**	328
Net increase/(decrease) in cash and cash equivalents	**1**	(877)
Cash and cash equivalents at beginning of period	**861**	2,471
Effect of exchange rate on cash and cash equivalents	**(1)**	(2)
Cash and cash equivalents at end of period	**861**	1,592

Cash Flows — Operating Activities

Net cash generated from operating activities for the six months ended June 30, 2021 was US$71 million, compared to US$644 million of net cash used in operating activities for the six months ended June 30, 2020. We derive most of our operating cash flows from our casino, mall and hotel operations. The net cash generated from operating activities of US$71 million was primarily attributable to the increase in operating income resulting from increased visitation as the travel restrictions eased during the six months ended June 30, 2021. This was partially offset by the cash outflow from our working capital during the six months ended June 30, 2021 as the amount of receivables collected was less than the settlement of operating accrued liabilities and a reduction to outstanding chips.

Cash Flows — Investing Activities

Net cash used in investing activities for the six months ended June 30, 2021 was US$385 million and was primarily attributable to capital expenditures for the major development projects. Capital expenditures for the six months ended June 30, 2021, totaled US$389 million, include US$340 million for The Londoner Macao, US$38 million for The Venetian Macao, US$6 million for The Plaza Macao, and US$5 million for our other operations, mainly at The Parisian Macao and Sands Macao.

Cash Flows — Financing Activities

Net cash generated from financing activities for the six months ended June 30, 2021 was US$315 million, which was primarily attributable to US$505 million drawn down under the 2018 SCL Credit Facility during the first quarter of 2021, partially offset by US$184 million in interest payments.

CAPITAL EXPENDITURES

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

	Six months ended June 30,	
	2021	2020
	US$ in millions	
The Venetian Macao	**38**	66
The Londoner Macao	**340**	368
The Parisian Macao	**2**	7
The Plaza Macao	**6**	127
Sands Macao	**3**	3
Total capital expenditures	**389**	571

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

Our construction work on the conversion of Sands Cotai Central into the new destination integrated resort, The Londoner Macao, is progressing. This project is being delivered in phases, which started in 2020 and will continue throughout 2021. Upon completion, The Londoner Macao will feature new attractions and features internally and externally from London, including some of London's most recognizable landmarks, such as the Houses of Parliament and the Elizabeth Tower (commonly known as "Big Ben"). The Londoner Macao Hotel opened in January 2021 with 594 London-themed suites, including 14 exclusive Suites by David Beckham. The integrated resort will also feature The Londoner Court with approximately 370 luxury suites; construction of The Londoner Court is now complete and is expected to open in the second half of 2021. The expansion of our retail offerings, which have been rebranded as Shoppes at Londoner, is progressing.

We anticipate the total costs associated with The Londoner Macao development project described above and the completed The Grand Suites at Four Seasons to be approximately US$2.2 billion. The ultimate costs and completion dates for The Londoner Macao development are subject to change as we complete the project. We expect to fund our developments through a combination of borrowings from the 2018 SCL Revolving Facility and surplus from operating cash flows.

CAPITAL COMMITMENTS

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

	June 30, 2021	December 31, 2020
	US$ in millions	
Contracted but not provided for	**222**	385

DIVIDENDS

On February 19, 2021, the Board did not recommend the payment of a final dividend in respect of the year ended December 31, 2020.

The Board does not recommend the payment of an interim dividend for the six months ended June 30, 2021.

CONTINGENT LIABILITIES

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.

CAPITAL RISK MANAGEMENT

The Group's primary objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk.

The capital structure of the Group consists of debt (including current and non-current interest-bearing borrowings as shown in Note 9 to the condensed consolidated financial statements), net of cash and cash equivalents, and equity attributable to Shareholders, comprising issued share capital and reserves.

The Group actively and regularly reviews and manages its capital structure to maintain the net debt-to-capital ratio (gearing ratio) at an appropriate level based on its assessment of the current risk and circumstances. This ratio is calculated as net debt divided by total capital. Net debt is calculated as interest bearing borrowings, net of deferred financing costs, less cash and cash equivalents and restricted cash and cash equivalents. Total capital is calculated as equity, as shown in the consolidated balance sheet, plus net debt.

	June 30, 2021	December 31, 2020
	US$ in millions	
Interest bearing borrowings, net of deferred financing costs	**7,427**	6,920
Less: cash and cash equivalents	**(861)**	(861)
restricted cash and cash equivalents	**(16)**	(16)
Net debt	**6,550**	6,043
Total equity	**1,562**	1,929
Total capital	**8,112**	7,972
Gearing ratio	**80.7%**	75.8%

The increase in the gearing ratio during the six months ended June 30, 2021 was primarily due to a draw down of US$505 million under the 2018 SCL Credit Facility during the six months ended June 30, 2021 and reduction in total equity of US$367 million as a result of the net loss during the six months ended June 30, 2021.

LEGAL PROCEEDINGS

On January 19, 2012, Asian American Entertainment Corporation, Limited ("**AAEC**") filed a claim with the Macao Judicial Court (Tribunal Judicial de Base) against VML, LVS Nevada, LVS LLC and Venetian Casino (collectively, the "**Defendants**"). The claim was for 3.0 billion patacas (approximately US$375 million at exchange rates in effect on June 30, 2021) as compensation for damages resulting from the alleged breach of agreements entered into between AAEC and the Defendants for their joint presentation of a bid in response to the public tender held by the Macao government for the award of gaming concessions at the end of 2001. On April 24, 2014, the Macao Judicial Court issued a decision holding that AAEC's claim against VML is unfounded and that VML be removed as a party to the proceedings, and that the claim should proceed exclusively against the three U.S. Defendants. On May 8, 2014, AAEC lodged an appeal against that decision and the appeal is currently pending. On July 15, 2019, AAEC submitted a request to the Macao Judicial Court to increase the amount of its claim to 96.45 billion patacas (approximately US$12.06 billion at exchange rates in effect on June 30, 2021), allegedly representing lost profits from 2004 to 2018 and reserving its right to claim for lost profits up to 2022 in due course at the enforcement stage. On September 4, 2019, the Macao Judicial Court allowed AAEC's request to increase the claim, and on September 17, 2019, the U.S. Defendants appealed this decision, which appeal is currently pending. On June 18, 2020, the U.S. Defendants moved to reschedule the trial, which had been scheduled to begin on September 16, 2020, due to travel disruptions and other extraordinary circumstances resulting from the ongoing COVID-19 Pandemic. The Macao Judicial Court granted that motion and rescheduled the trial to begin on June 16, 2021. On April 16, 2021, the Defendants again moved to reschedule the trial because continued travel disruptions resulting from the COVID-19 Pandemic prevented the representatives of the Defendants and certain witnesses from attending the trial as scheduled. Plaintiff opposed that motion on April 29, 2021. The Macao Judicial Court denied the Defendants' motion on May 28, 2021, concluding that, under Macao law, it lacked the power to reschedule the trial absent agreement of the parties. The Defendants appealed that ruling on June 16, 2021, and that appeal is currently pending. Trial in this action began as scheduled on June 16, 2021. The Macao Judicial Court heard testimony on June 16, 17, 23, and July 1. By order dated June 17, 2021, the Macao Judicial Court scheduled additional trial dates in September, October and December 2021 to hear witnesses who are currently subject to COVID-19 travel restrictions that prevent or severely limit their ability to enter Macao. That order also provided a procedure for the parties to request written testimony from witnesses who are not able to travel to Macao on those dates. The Defendants sought clarification of certain aspects of that ruling and appealed other aspects of that ruling on June 28, 2021. Trial in this action is scheduled to resume on September 20, 2021. Management has determined based on proceedings to date that it is currently unable to determine the probability of the outcome of this matter or the range of reasonably possible loss, if any. The Company intends to defend this matter vigorously.

The Company is involved in other litigation in addition to the one described above, arising in the ordinary course of business. Management has made certain 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 the Company's financial condition, results of operations and cash flows.

4. 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 six months ended June 30, 2021, save as disclosed below, the Board considers the Company fully complied with all the code provisions and certain recommended best practices as 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. Robert Glen Goldstein since January 2021. The Company believes the combined roles of Mr. Goldstein provide for better leadership of the Board and management and allow for more focus on developing strategies and implementation of policies and objectives. The Company notes the presence of five Non-Executive Directors (of whom four are independent) on the Board who bring their independent judgement to bear on issues of strategy, policy, performance, accountability, resources, appointments and standards of conduct. Furthermore, the Company's President (Dr. Wong Ying Wai) and Chief Operating Officer (Mr. Chum Kwan Lock, Grant) are also Executive Directors and assist Mr. Goldstein in his role as the bridge between the Board and the senior management and executive team on business issues. The Company believes the balance of power and authority on the Board is adequately ensured.

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. Robert Glen Goldstein was unable to attend the annual general meeting held on May 21, 2021 due to the travel restrictions in place as a result of the COVID-19 Pandemic. In his absence, the annual general meeting was chaired by Dr. Wong Ying Wai, who liaised with Mr. Goldstein on all key matters prior to the meeting. Mr. Goldstein 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 six months ended June 30, 2021 and up to the date of this announcement.

BOARD AND BOARD COMMITTEES COMPOSITION

Save as disclosed in our 2020 annual report, the following changes were made to the composition of the Board and the Board Committees of the Company during the six months ended June 30, 2021 and up to the date of this announcement:

On April 16, 2021:
- Mr. Chum Kwan Lock, Grant was appointed to replace Mr. Robert Glen Goldstein as the Chairman of the Capex Committee;
- Mr. Robert Glen Goldstein ceased as a member of the Capex Committee;
- An Environmental, Social and Governance Committee (the "**ESG Committee**") was established; and
- Ms. Chiang Yun was appointed as the Chairman of the ESG Committee, and Dr. Wong Ying Wai and Mr. Kenneth Patrick Chung were appointed as members of the ESG Committee.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed the accounting policies adopted by the Group and the unaudited condensed consolidated financial statements for the six months ended June 30, 2021 and was of the opinion that the preparation of such interim results complied with the applicable accounting standards and requirements and that 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.

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 six months ended June 30, 2021.

5. FINANCIAL RESULTS

The financial information set out below in this announcement represents the condensed consolidated financial statements, which is unaudited but has been reviewed by the Company's independent auditor, Deloitte Touche Tohmatsu, in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity," and by our Audit Committee.

CONSOLIDATED INCOME STATEMENT

	Notes	**Six months ended June 30, 2021**	2020
		US$ in millions except per share data	
		(Unaudited)	
Net revenues	*3*	**1,620**	848
Gaming tax		**(600)**	(336)
Employee benefit expenses		**(548)**	(554)
Depreciation and amortization	*3*	**(358)**	(338)
Inventories consumed		**(17)**	(11)
Other expenses and losses		**(286)**	(218)
Operating loss		**(189)**	(609)
Interest income		**1**	9
Finance costs, net of amounts capitalized		**(189)**	(116)
Loss before income tax		**(377)**	(716)
Income tax expense	*4*	**(4)**	—
Loss for the period attributable to equity holders of the Company		**(381)**	(716)
Loss per share for loss attributable to equity holders of the Company			
— Basic	*5*	**(US4.71 cents)**	(US8.85 cents)
— Diluted	*5*	**(US4.71 cents)**	(US8.85 cents)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended June 30, 2021	2020
	US$ in millions	
	(Unaudited)	
Loss for the period attributable to equity holders of the Company	**(381)**	(716)
Other comprehensive (expense)/income		
Item that will not be reclassified subsequently to profit or loss:		
Currency translation differences	**(2)**	15
Total comprehensive expense for the period attributable to equity holders of the Company	**(383)**	(701)

CONSOLIDATED BALANCE SHEET

	Notes	**June 30, 2021**	December 31, 2020
		US$ in millions	
		(Unaudited)	*(Audited)*
ASSETS			
Non-current assets			
Investment properties, net		**530**	543
Property and equipment, net		**8,743**	8,832
Intangible assets, net		**42**	41
Other assets, net		**27**	32
Other receivables and prepayments, net		**23**	18
Total non-current assets		**9,365**	9,466
Current assets			
Inventories		**15**	15
Trade and other receivables and prepayments, net	*7*	**158**	190
Restricted cash and cash equivalents		**16**	16
Cash and cash equivalents		**861**	861
Total current assets		**1,050**	1,082
Total assets		**10,415**	10,548

	Notes	**June 30, 2021**	December 31, 2020
		US$ in millions	
		(Unaudited)	*(Audited)*
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**81**	81
Reserves		**1,481**	1,848
Total equity		**1,562**	1,929
LIABILITIES			
Non-current liabilities			
Trade and other payables	*8*	**107**	105
Borrowings	*9*	**7,553**	7,044
Deferred income tax liabilities		**57**	56
Total non-current liabilities		**7,717**	7,205
Current liabilities			
Trade and other payables	*8*	**1,113**	1,388
Current income tax liabilities		**3**	5
Borrowings	*9*	**20**	21
Total current liabilities		**1,136**	1,414
Total liabilities		**8,853**	8,619
Total equity and liabilities		**10,415**	10,548
Net current liabilities		**(86)**	(332)
Total assets less current liabilities		**9,279**	9,134

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information

The unaudited condensed consolidated financial statements are presented in millions of United States dollars ("**US$ in millions**"), unless otherwise stated. The condensed consolidated financial statements were approved for issue by the Board of Directors of the Company on August 13, 2021.

The condensed consolidated financial statements for the six months ended June 30, 2021 have been prepared in accordance with International Accounting Standard ("**IAS**") 34 Interim Financial Reporting issued by the International Accounting Standards Board ("**IASB**") and the applicable disclosure requirements of Appendix 16 to the Listing Rules. They should be read in conjunction with the Group's annual financial statements for the year ended December 31, 2020, which were prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The condensed consolidated financial statements have been prepared on the historical cost basis except for financial liabilities for cash-settled share-based payment transactions that are measured at fair value.

Recent developments

COVID-19 Pandemic update

In early January 2020, an outbreak of a respiratory illness caused by a novel coronavirus ("**COVID-19**") was identified and spread rapidly across the world causing the World Health Organization to declare the outbreak of a pandemic on March 12, 2020 (the "**COVID-19 Pandemic**"). Governments around the world mandated actions to contain the spread of the virus that included stay-at-home orders, quarantines, capacity limits, closures of non-essential businesses, including entertainment activities, and significant restrictions on travel. The government actions varied based upon a number of factors, including the extent and severity of the COVID-19 Pandemic within their respective countries and jurisdictions.

Visitation to Macao has decreased substantially, as a result of various government policies limiting or discouraging travel. As of the date of this announcement, other than individuals from mainland China who may enter Macao without quarantine subject to them holding the appropriate travel documents, a negative COVID-19 test result and a green health-code, there remains in place a complete ban on entry or a need to undergo various quarantine requirements depending on the person's residency and recent travel history. The Group's operations will continue to be impacted and subject to changes in the government policies of Macao, China, Hong Kong and other jurisdictions in Asia addressing travel and public health measures associated with COVID-19.

Macao began administering the COVID-19 vaccine to front-line health workers on February 9, 2021, and to the general population on March 3, 2021.

On March 3, 2021, the negative COVID-19 test requirement to enter casinos was removed. Various other health safeguards implemented by the Macao government remain in place, including mandatory mask protection, social distancing, limitation on the number of seats per table game, slot machine spacing and temperature checks. Management is currently unable to determine when these measures will be eased or cease to be necessary or whether additional measures may be required.

In support of the Macao government's initiatives to fight the COVID-19 Pandemic, the Group provided one tower (approximately 2,000 hotel rooms) at the Sheraton Grand Macao to the Macao government to house individuals who returned to Macao for quarantine purposes. This tower has been utilized for quarantine purposes on several occasions during 2020 and 2021.

The Group's gaming operations remained open during the six months ended June 30, 2021, compared to the same period in 2020 when the Group's gaming operations were suspended from February 5, 2020 to February 19, 2020 due to a government mandate, except for operations at The Londoner Macao, which resumed on February 27, 2020. Some of the Group's hotel facilities were also closed during the casino suspension in response to the decrease in visitation and were gradually reopened from February 20, 2020, with the exception of the Conrad Macao at The Londoner Macao, which reopened on June 13, 2020.

Operating hours at restaurants across the Group's properties are continuously being adjusted in line with fluctuations in guest visitation. The majority of retail outlets in the Group's various shopping malls are open with reduced operating hours. The timing and manner in which these areas will return to full operation are currently unknown.

The Group's ferry operations between Macao and Hong Kong remain suspended. The timing and manner in which the Group's ferry operations will be able to resume are currently unknown.

The Group's operations have been significantly impacted by the reduced visitation to Macao. The Macao government announced total visitation from mainland China to Macao decreased to 1.6 million visits during the quarter ended March 31, 2021, from 2.3 million visits during the quarter ended March 31, 2020, and increased to a total of 2.0 million visits during the quarter ended June 30, 2021, from approximately 46,000 visits during the quarter ended June 30, 2020. The Macao government also announced gross gaming revenue increased by 45.4% in the six months ended June 30, 2021, as compared to the same period in 2020.

The disruptions arising from the COVID-19 Pandemic continued to have a significant adverse impact on the Group's financial condition and operations during the six months ended June 30, 2021. The duration and intensity of this global health emergency and related disruptions are uncertain. Given the dynamic nature of these circumstances, the impact on the Group's consolidated results of operations, cash flows and financial condition in 2021 will be material, but cannot be reasonably estimated at this time as it is unknown when the impact of the COVID-19 Pandemic will end, when or how quickly the current travel and operational restrictions will be modified or cease to be necessary and the resulting impact on the Group's business and the willingness of tourism patrons to spend on travel and entertainment and business patrons to spend on MICE.

While each of the Group's properties were open and operating at reduced levels due to lower visitation and the implementation of required safety measures during the six months ended June 30, 2021, the current economic and regulatory environment on a global basis and in Macao continues to evolve. The Group cannot predict the manner in which governments will react as the global and regional impact of the COVID-19 Pandemic changes over time, which could significantly alter the Group's current operations.

The Group has a strong balance sheet and sufficient liquidity in place, including total cash and cash equivalents balance, excluding restricted cash and cash equivalents, of US$861 million and access to US$2.0 billion of available borrowing capacity from our 2018 SCL Revolving Facility. The Group believes it is able to support continuing operations, complete the major construction projects that are underway and respond to the current COVID-19 Pandemic challenges. The Group has taken various mitigating measures to manage through the current environment, including a cost and capital expenditure reduction program to minimize cash outflow for non-essential items.

Macao Subconcession

Gaming in Macao is administered by the government through concessions awarded to three different Concessionaires and three Subconcessionaires, of which VML is one. These concession agreements expire on June 26, 2022. If VML's Subconcession is not extended or renewed, VML may be prohibited from conducting gaming operations in Macao, and could result in the casino and gaming-related equipment being automatically transferred to the Macao government without any compensation to VML.

Under the Company's Senior Notes indenture, upon the occurrence of any event resulting from any change in Gaming Law (as defined in the indenture) after which none of the Company and its subsidiaries own or manage casino or gaming areas or operate casino games of fortune and chance in Macao in substantially the same manner as they are owning or managing casino or gaming areas or operating casino games as of the issue date of the Senior Notes, for a period of 30 consecutive days or more, and such event has a material adverse effect on the financial condition, business, properties or results of operations of the Company and its subsidiaries, taken as a whole, holders of the Senior Notes can require the Company to repurchase all or any part of the Senior Notes at par, plus any accrued and unpaid interest (the "**Investor Put Option**").

Additionally, under the 2018 SCL Credit Facility, the events that trigger an Investor Put Option under the Senior Notes (as described above) would be an event of default, which may result in commitments being immediately cancelled, in whole or in part, and the related outstanding balances and accrued interest, if any, becoming immediately due and payable.

The Subconcession not being extended or renewed and the potential impact if holders of the notes and the agent have the ability to, and make the election to, accelerate the repayment of the Company's debt would have a material adverse effect on the Group's business, financial condition, results of operations and cash flows. The Company is actively monitoring the renewal process and continues to believe its Subconcession will be extended or renewed; however, it is possible the Macao government could change or interpret the associated gaming laws in a manner that could negatively impact the Group.

2. Changes in accounting policies and disclosures

The accounting policies adopted and methods of computation used in the preparation of the condensed consolidated financial statements for the six months ended June 30, 2021 are consistent with those adopted and as described in the Group's annual financial statements for the year ended December 31, 2020.

For the amendments to standards in IFRSs that are effective for the period, the Group has adopted at their respective effective dates and the adoption had no material impact on the results of operations and financial position of the Group.

The preparation of condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed consolidated financial statements, the significant judgments made by management in the process of applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended December 31, 2020.

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended December 31, 2020. There have been no significant changes in any risk management policies since the year ended December 31, 2020.

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, The Londoner Macao, The Parisian Macao, The Plaza Macao and Sands Macao. 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, The Londoner Macao, 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.

Revenue disaggregated by type of revenue and property is as follows:

	Casino	Rooms	Mall(ii), (iii)	Food and beverage	Convention, ferry, retail and other	Total net revenues
			US$ in millions *(Unaudited)*			
Six months ended June 30, 2021						
The Venetian Macao	**573**	**43**	**95**	**13**	**7**	**731**
The Londoner Macao	**224**	**47**	**30**	**16**	**9**	**326**
The Parisian Macao	**128**	**29**	**20**	**9**	**2**	**188**
The Plaza Macao	**189**	**23**	**73**	**9**	**1**	**295**
Sands Macao	**68**	**5**	**1**	**2**	**1**	**77**
Ferry and other operations	**—**	**—**	**—**	**—**	**11**	**11**
Inter-segment revenues(i)	**—**	**—**	**(1)**	**—**	**(7)**	**(8)**
	1,182	**147**	**218**	**49**	**24**	**1,620**
Six months ended June 30, 2020						
The Venetian Macao	256	22	47	6	12	343
The Londoner Macao	124	27	16	9	4	180
The Parisian Macao	85	14	10	6	3	118
The Plaza Macao	91	5	26	4	—	126
Sands Macao	69	3	1	2	1	76
Ferry and other operations	—	—	—	—	13	13
Inter-segment revenues(i)	—	—	(1)	—	(7)	(8)
	625	71	99	27	26	848

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

(ii) Of this amount, US$186 million and US$32 million (six months ended June 30, 2020: US$64 million and US$35 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 *Leases* and all other revenues are recognized in accordance with IFRS 15 *Revenue from contract with customers*.

(iii) For the six months ended June 30, 2021, rent concessions of US$23 million (six months ended June 30, 2020: US$135 million) were provided to tenants as a result of the COVID-19 Pandemic and the impact on mall operations.

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

	Six months ended June 30, 2021	2020
	US$ in millions	
	(Unaudited)	
Adjusted property EBITDA[(i)]		
The Venetian Macao	**190**	(48)
The Londoner Macao	**(28)**	(79)
The Parisian Macao	**(8)**	(84)
The Plaza Macao	**114**	10
Sands Macao	**(31)**	(32)
Ferry and other operations	**(3)**	(10)
Total adjusted property EBITDA	**234**	(243)
Share-based compensation, net of amount capitalized[(ii)]	**(9)**	(8)
Corporate expense[(iii)]	**(34)**	(28)
Pre-opening expense	**(5)**	(5)
Depreciation and amortization	**(358)**	(338)
Net foreign exchange (losses)/gains	**(10)**	20
Loss on disposal of property and equipment, investment properties and intangible assets	**(7)**	(7)
Operating loss	**(189)**	(609)
Interest income	**1**	9
Finance costs, net of amounts capitalized	**(189)**	(116)
Loss before income tax	**(377)**	(716)
Income tax expense	**(4)**	—
Loss for the period attributable to equity holders of the Company	**(381)**	(716)

(i) Adjusted property EBITDA, which is a non-IFRS financial measure, is profit or loss 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. Integrated resort companies have historically reported adjusted property EBITDA as a supplemental performance measure to IFRS financial measures. In order to view the operations of their properties on a more stand-alone basis, integrated resort companies, including the Group, have historically excluded certain expenses that do not relate to the management of specific 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, debt principal repayments and income taxes, 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.

(ii) The amount comprises of US$4 million equity-settled share-based payment expense, net of amounts capitalized and US$5 million cash-settled share-based payment expense, net of amounts capitalized (six months ended June 30, 2020: US$6 million and US$2 million, respectively).

(iii) The amount excludes share-based payment expense of US$1 million (six months ended June 30, 2020: US$1 million).

	Six months ended June 30,	
	2021	2020
	US$ in millions	
	(Unaudited)	
Depreciation and amortization		
The Venetian Macao	**95**	87
The Londoner Macao	**126**	118
The Parisian Macao	**75**	84
The Plaza Macao	**41**	30
Sands Macao	**13**	13
Ferry and other operations	**8**	6
	358	338

	Six months ended June 30,	
	2021	2020
	US$ in millions	
	(Unaudited)	
Capital expenditures		
The Venetian Macao	**38**	66
The Londoner Macao	**340**	368
The Parisian Macao	**2**	7
The Plaza Macao	**6**	127
Sands Macao	**3**	3
	389	571

	June 30, 2021	December 31, 2020
	US$ in millions	
	(Unaudited)	*(Audited)*
Total assets		
The Venetian Macao	**2,281**	2,438
The Londoner Macao	**4,524**	4,324
The Parisian Macao	**2,042**	2,138
The Plaza Macao	**1,160**	1,219
Sands Macao	**273**	319
Ferry and other operations	**135**	110
	10,415	10,548

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

4. Income tax expense

	Six months ended June 30,	
	2021	2020
	US$ in millions	
	(Unaudited)	
Current income tax		
Lump sum in lieu of Macao complementary tax on dividends	**2**	2
Deferred income tax expense/(benefit)	**2**	(2)
Income tax expense	**4**	—

5. Loss per share

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

	Six months ended June 30,	
	2021	2020
	(Unaudited)	
Loss attributable to equity holders of the Company *(US$ in millions)*	**(381)**	(716)
Weighted average number of shares for basic loss per share *(thousand shares)*	**8,091,995**	8,088,743
Adjustment for share options *(thousand shares)*[(i)]	**—**	—
Weighted average number of shares for diluted loss per share *(thousand shares)*	**8,091,995**	8,088,743
Loss per share, basic	**(US4.71 cents)**	(US8.85 cents)
Loss per share, basic[(ii)]	**(HK36.57 cents)**	(HK68.59 cents)
Loss per share, diluted	**(US4.71 cents)**	(US8.85 cents)
Loss per share, diluted[(ii)]	**(HK36.57 cents)**	(HK68.59 cents)

(i) The computation of the diluted loss per share for the six months ended June 30, 2021 and 2020 did not assume the exercise of the Company's share options because the exercise would result in a decrease in loss per share.

(ii) The translation of US$ amounts into HK$ amounts has been made at the exchange rate of US$1.00 to HK$7.7634 (six months ended June 30, 2020: US$1.00 to HK$7.7504).

6. Dividends

On February 19, 2021, the Board did not recommend the payment of a final dividend in respect of the year ended December 31, 2020.

The Board does not recommend the payment of an interim dividend for the six months ended June 30, 2021.

7. Trade receivables, net

The following is the aging analysis of trade receivables, net of provision for expected credit losses of US$134 million (as at December 31, 2020: US$137 million) based on date of credit granted or invoice date:

	June 30, 2021	December 31, 2020
	US$ in millions	
	(Unaudited)	*(Audited)*
0–30 days	**45**	89
31–60 days	**18**	9
61–90 days	**11**	5
Over 90 days	**18**	17
	92	120

Trade receivables mainly consist of casino receivables. Absent special approval, the credit period granted to selected premium and mass market players is typically 7–15 days, while for gaming promoters, the receivable is typically repayable within one month following the granting of the credit, subject to terms of the relevant credit agreement.

8. Trade and other payables

	June 30, 2021	December 31, 2020
	US$ in millions	
	(Unaudited)	*(Audited)*
Trade payables	**34**	51
Customer deposits and other deferred revenue(i)	**395**	412
Construction payables and accruals	**183**	316
Interest payables	**156**	156
Outstanding chip liability(i)	**133**	189
Accrued employee benefit expenses	**107**	136
Other tax payables	**97**	118
Loyalty program liability(i)	**29**	28
Casino liabilities	**21**	22
Payables to related companies	**8**	3
Other payables and accruals	**57**	62
	1,220	1,493
Less: non-current portion	**(107)**	(105)
Current portion	**1,113**	1,388

(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:

	June 30, 2021	December 31, 2020
	US$ in millions	
	(Unaudited)	*(Audited)*
0–30 days	**25**	31
31–60 days	**6**	15
61–90 days	**1**	3
Over 90 days	**2**	2
	34	51

9. Borrowings

	June 30, 2021	December 31, 2020
	US$ in millions	
	(Unaudited)	*(Audited)*
Non-current portion		
Senior Notes	**7,000**	7,000
Bank loans	**504**	—
Lease liabilities	**125**	124
Other borrowings	**1**	—
	7,630	7,124
Less: deferred financing costs	**(77)**	(80)
	7,553	7,044
Current portion		
Lease liabilities	**19**	21
Other borrowings	**1**	—
	20	21
Total borrowings	**7,573**	7,065

Senior Notes

Under the Senior Notes indenture, upon the occurrence of any event resulting from any change in Gaming Law (as defined in the indenture) after which none of the Company and its subsidiaries own or manage casino or gaming areas or operate casino games of fortune and chance in Macao in substantially the same manner as they are owning or managing casino or gaming areas or operating casino games as of the issue date of the Senior Notes, for a period of 30 consecutive days or more, and such event has a material adverse effect on the financial condition, business, properties or results of operations of the Company and its subsidiaries, taken as a whole, holders of the Senior Notes can require the Company to repurchase all or any part of the Senior Notes at par, plus any accrued and unpaid interest. Refer to Note 1 for further information related to the Macao Subconcession.

2018 SCL Credit Facility

On January 25, 2021, the Company entered into an agreement with lenders to increase commitments under the 2018 SCL Credit Facility by HK$3.83 billion (approximately US$493 million at exchange rates in effect on June 30, 2021). During the six months ended June 30, 2021, the Company drew down US$48 million and HK$3.54 billion (approximately US$456 million at exchange rates in effect on June 30, 2021) under the facility for general corporate purposes.

As at June 30, 2021, the Company had US$2.0 billion of available borrowing capacity under the 2018 SCL Revolving Facility comprised of commitments of HK$14.09 billion (approximately US$1.81 billion at exchange rates in effect on June 30, 2021) and US$189 million.

On July 7, 2021, the Company entered into a further waiver extension and amendment request letter (the "**Third Waiver Letter**") with respect to certain provisions of the 2018 SCL Credit Facility, pursuant to which lenders agreed to (a) extend by one year to (and including) January 1, 2023, the waiver period for the requirement for the Company to comply with the requirements that the Company ensures the consolidated leverage ratio does not exceed 4.00x and the consolidated interest coverage ratio is not less than 2.50x as at the last day of the financial quarter; (b) extend the period of time during which the Company may supply the agent with its audited consolidated financial statements for the financial year ending on December 31, 2021 to April 30, 2022; and (c) extend by one year to (and including) January 1, 2023, the period during which the Company's ability to declare or make any dividend payment or similar distribution is restricted if at such time (x) the Total Commitments (as defined in the 2018 SCL Credit Facility) exceed US$2.0 billion by the Company's exercise of the option to increase the Total Commitments by an aggregate amount of up to US$1.0 billion; and (y) the consolidated leverage ratio is greater than 4.00x, unless, after giving effect to such payment, the sum of (i) the aggregate amount of cash and cash equivalents of the Company on such date; and (ii) the aggregate amount of the undrawn facility under the 2018 SCL Credit Facility and unused commitments under other credit facilities of the Company is greater than US$2.0 billion. Pursuant to the Third Waiver Letter, SCL paid a customary fee to the lenders that consented.

Under the 2018 SCL Credit Facility, the events that trigger an Investor Put Option under the Senior Notes (as described above) would be an event of default, which may result in commitments being immediately cancelled, in whole or in part, and the related outstanding balances and accrued interest, if any, may becoming immediately due and payable. Refer to Note 1 for further information related to the Macao Subconcession.

6. PUBLICATION OF INTERIM 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 interim report for the six months ended June 30, 2021 will be dispatched to Shareholders and published on the websites of the Stock Exchange and the Company in due course.

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

Macao, August 13, 2021

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

Executive Directors:
Robert Glen Goldstein
Wong Ying Wai
Chum Kwan Lock, Grant

Non-Executive Director:
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.