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, 2024

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, 2024 compared to the six months ended June 30, 2023.

1. FINANCIAL RESULTS SUMMARY

- All business categories saw ongoing improvement during the six months ended June 30, 2024.
- Adjusted property EBITDA for the Group was US$1.17 billion (HK$9.14 billion) in the first half of 2024, an increase of 24.7%, compared to US$939 million (HK$7.36 billion) in the first half of 2023.
- Total net revenues for the Group were US$3.55 billion (HK$27.73 billion) in the first half of 2024, an increase of 22.7%, compared to US$2.90 billion (HK$22.69 billion) in the first half of 2023.
- Profit for the Group was US$541 million (HK$4.22 billion) in the first half of 2024, an increase of 209.1%, compared to US$175 million (HK$1.37 billion) in the first half of 2023.

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$7.8089 (six months ended June 30, 2023: US$1.00 to HK$7.8384) for illustration only.

Unless otherwise indicated, capitalized terms used but not defined herein shall have the meanings ascribed to them in our 2023 annual report.

2. BUSINESS OVERVIEW AND OUTLOOK

Overview and Outlook

From 2020 through the beginning of 2023, our operations were negatively impacted by the reduction in travel and tourism related to the COVID-19 Pandemic. The Macao government's policy regarding the management of COVID-19 and general travel restrictions was eliminated in late December 2022 and early January 2023. Since then, visitation to our integrated resorts and operations has improved.

The Macao government announced total visitation from mainland China to Macao was 11.5 million during the six months ended June 30, 2024, an increase of approximately 52.9% compared to the same period in 2023. The Macao government also announced gross gaming revenue was 113.8 billion patacas (approximately US$14.14 billion) during the six months ended June 30, 2024, an increase of approximately 41.9% compared to the same period in 2023.

Development Projects

Pursuant to the Concession, VML has a financial commitment to spend 35.80 billion patacas (approximately US$4.45 billion) through 2032 on both capital and operating projects, including 33.36 billion patacas (approximately US$4.15 billion) in non-gaming projects.

The Group continues work on Phase II of The Londoner Macao, which includes the renovation of the rooms in the Sheraton and Conrad hotel towers, an upgrade of the gaming areas and the addition of new attractions, dining, retail and entertainment offerings. These projects have a total estimated cost of US$1.2 billion and are expected to be substantially completed in early 2025.

3. MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS OF OPERATIONS

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023

Net Revenues

Our net revenues consisted of the following:

	Six months ended June 30,		
	2024	2023	Percent change
	US$ in millions		
Casino	**2,698**	2,161	24.8%
Rooms	**393**	338	16.3%
Mall	**231**	224	3.1%
Food and beverage	**135**	104	29.8%
Convention, ferry, retail and other	**94**	68	38.2%
Total net revenues	**3,551**	2,895	22.7%

Total net revenues were US$3.55 billion for the six months ended June 30, 2024, an increase of 22.7%, compared to US$2.90 billion for the six months ended June 30, 2023. Net revenues increased across all business categories, mainly driven by continued recovery in visitation and tourism spending in Macao.

Our net casino revenues for the six months ended June 30, 2024 were US$2.70 billion, an increase of 24.8%, compared to US$2.16 billion for the six months ended June 30, 2023. The increase was primarily attributable to higher visitation across our properties resulting in increased table games and slot volumes, partially offset by decreases in rolling chip win and slot hold percentages.

The following table summarizes the results of our casino activity:

	Six months ended June 30, 2024	2023	Change
	US$ in millions		
The Venetian Macao			
Total net casino revenues	**1,194**	969	23.2%
Non-Rolling Chip drop	**4,738**	3,943	20.2%
Non-Rolling Chip win percentage	**24.9%**	23.7%	1.2pts
Rolling Chip volume	**1,829**	2,346	(22.0)%
Rolling Chip win percentage(i)	**5.91%**	4.42%	1.49pts
Slot handle	**3,038**	2,380	27.6%
Slot hold percentage	**3.7%**	4.3%	(0.6)pts
The Londoner Macao			
Total net casino revenues	**737**	479	53.9%
Non-Rolling Chip drop	**3,562**	2,252	58.2%
Non-Rolling Chip win percentage	**20.7%**	21.0%	(0.3)pts
Rolling Chip volume	**4,236**	3,451	22.7%
Rolling Chip win percentage(i)	**3.06%**	2.54%	0.52pts
Slot handle	**3,170**	2,087	51.9%
Slot hold percentage	**3.8%**	4.0%	(0.2)pts
The Parisian Macao			
Total net casino revenues	**380**	311	22.2%
Non-Rolling Chip drop	**1,893**	1,360	39.2%
Non-Rolling Chip win percentage	**21.0%**	20.9%	0.1pts
Rolling Chip volume(ii)	**16**	660	(97.6)%
Rolling Chip win percentage(i)	**4.58%**	7.35%	(2.77)pts
Slot handle	**1,606**	1,218	31.9%
Slot hold percentage	**4.3%**	4.0%	0.3pts
The Plaza Macao			
Total net casino revenues	**248**	259	(4.2)%
Non-Rolling Chip drop	**1,340**	993	34.9%
Non-Rolling Chip win percentage	**24.6%**	25.8%	(1.2)pts
Rolling Chip volume	**4,949**	2,405	105.8%
Rolling Chip win percentage(i)	**1.35%**	3.87%	(2.52)pts
Slot handle(iii)	**2**	74	(97.3)%
Slot hold percentage	**20.7%**	6.9%	13.8pts
Sands Macao			
Total net casino revenues	**139**	143	(2.8)%
Non-Rolling Chip drop	**801**	751	6.7%
Non-Rolling Chip win percentage	**16.5%**	17.4%	(0.9)pts
Rolling Chip volume	**35**	66	(47.0)%
Rolling Chip win percentage(i)	**4.25%**	5.17%	(0.92)pts
Slot handle	**1,065**	904	17.8%
Slot hold percentage	**3.1%**	3.2%	(0.1)pts

(i) This compares to our expected Rolling Chip win percentage of 3.30% (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).

(ii) All rolling chip gaming activity was relocated to other properties at the beginning of the second quarter of 2024.

(iii) During the six months ended June 30, 2024, a majority of the slot machines were relocated to other properties, with the remaining slot machines reserved for high-end patrons.

Room revenues for the six months ended June 30, 2024 were US$393 million, an increase of 16.3%, compared to US$338 million for the six months ended June 30, 2023. The increase was mainly driven by increased occupancy rates, partially offset by a decrease in average daily rate due to increased hotel room inventory across the Macao market and a decrease in available rooms as a result of the renovations related to Phase II of The Londoner Macao.

The following table summarizes the results of our room activity:

	Six months ended June 30,		
	2024	2023	Change
	US$ in millions, except average daily rate and revenue per available room		
The Venetian Macao			
Total room revenues	**102**	87	17.2%
Occupancy rate	**97.0%**	90.4%	6.6pts
Average daily rate *(in US$)*	**200**	208	(3.8)%
Revenue per available room *(in US$)*	**194**	188	3.2%
The Londoner Macao[(i)]			
Total room revenues	**166**	135	23.0%
Occupancy rate	**95.5%**	64.1%	31.4pts
Average daily rate *(in US$)*	**191**	209	(8.6)%
Revenue per available room *(in US$)*	**183**	134	36.6%
The Parisian Macao			
Total room revenues	**66**	63	4.8%
Occupancy rate	**95.5%**	87.9%	7.6pts
Average daily rate *(in US$)*	**151**	156	(3.2)%
Revenue per available room *(in US$)*	**145**	137	5.8%
The Plaza Macao			
Total room revenues	**50**	45	11.1%
Occupancy rate	**86.8%**	75.7%	11.1pts
Average daily rate *(in US$)*	**486**	501	(3.0)%
Revenue per available room *(in US$)*	**422**	379	11.3%
Sands Macao			
Total room revenues	**9**	8	12.5%
Occupancy rate	**98.8%**	92.8%	6.0pts
Average daily rate *(in US$)*	**174**	168	3.6%
Revenue per available room *(in US$)*	**172**	156	10.3%

(i) During the six months ended June 30, 2024, a daily average of approximately 850 rooms were excluded from available rooms in connection with the renovation of the rooms in the Sheraton towers related to Phase II of The Londoner Macao.

Mall revenues for the six months ended June 30, 2024 were US$231 million, an increase of 3.1%, compared to US$224 million for the six months ended June 30, 2023. The increase was primarily driven by increases in occupancy and base rent, partially offset by a decrease in overage rent.

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

	Six months ended June 30,		
	2024	2023	Change
	US$ in millions, except per square foot amount		
Shoppes at Venetian			
Total mall revenues	**108**	103	4.9%
Mall gross leasable area *(in square feet)*	**822,308**	818,684	0.4%
Occupancy	**83.0%**	79.5%	3.5pts
Base rent per square foot *(in US$)*	**284**	271	4.8%
Tenant sales per square foot *(in US$)*[(i)]	**1,737**	1,430	21.5%
Shoppes at Londoner			
Total mall revenues	**33**	30	10.0%
Mall gross leasable area *(in square feet)*	**566,515**	610,273	(7.2)%
Occupancy	**70.8%**	53.3%	17.5pts
Base rent per square foot *(in US$)*	**150**	147	2.0%
Tenant sales per square foot *(in US$)*[(i)]	**1,575**	1,355	16.2%
Shoppes at Parisian			
Total mall revenues	**14**	16	(12.5)%
Mall gross leasable area *(in square feet)*	**296,352**	296,371	—
Occupancy	**66.4%**	63.9%	2.5pts
Base rent per square foot *(in US$)*	**111**	115	(3.5)%
Tenant sales per square foot *(in US$)*[(i)]	**592**	541	9.4%
Shoppes at Four Seasons			
Total mall revenues	**76**	75	1.3%
Mall gross leasable area *(in square feet)*	**263,785**	248,814	6.0%
Occupancy	**90.5%**	87.4%	3.1pts
Base rent per square foot *(in US$)*	**621**	590	5.3%
Tenant sales per square foot *(in US$)*[(i)]	**6,166**	5,825	5.9%

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

(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.

Food and beverage revenues for the six months ended June 30, 2024 were US$135 million, an increase of 29.8%, compared to US$104 million for the six months ended June 30, 2023. The increase was primarily driven by increased business volume at food outlets and banquet operations.

Convention, ferry, retail and other revenues for the six months ended June 30, 2024 were US$94 million, an increase of 38.2%, compared to US$68 million for the six months ended June 30, 2023. The increase was primarily driven by increases of US$10 million in ferry operations resulting from increased sailings due to higher visitation demand, US$7 million in entertainment revenue as well as increases in other business categories of US$9 million, such as limousines, convention and other operating revenues.

Operating Expenses

Operating expenses were US$2.86 billion for the six months ended June 30, 2024, an increase of 16.3%, compared to US$2.46 billion for the six months ended June 30, 2023. The increase in operating expenses was primarily due to a US$329 million increase in casino expenses primarily attributable to US$291 million increase in gaming taxes consistent with the increase in casino revenue. Operating expenses for the non-gaming businesses also increased by US$59 million as a result of increase in business volume in the first half of 2024.

Adjusted Property EBITDA(i)

The following table summarizes information related to our segments:

	Six months ended June 30,		
	2024	2023	Percent change
	US$ in millions		
The Venetian Macao	**576**	462	24.7%
The Londoner Macao	**275**	159	73.0%
The Parisian Macao	**154**	120	28.3%
The Plaza Macao	**136**	166	(18.1)%
Sands Macao	**22**	25	(12.0)%
Ferry and other operations	**8**	7	14.3%
Total adjusted property EBITDA	**1,171**	939	24.7%

(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 income, finance costs, gain or loss on modification or early retirement of debt, fair value gain or loss on derivative financial instruments 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.

Adjusted property EBITDA for the six months ended June 30, 2024 increased by 24.7% to US$1.17 billion, compared to US$939 million for the six months ended June 30, 2023. The increase was driven by increased revenue across gaming and non-gaming operations driven by increased visitation at our integrated resorts.

Finance Costs

The following table summarizes information related to finance costs:

	Six months ended June 30,		
	2024	2023	Percent change
	US$ in millions		
Interest and other finance costs	**223**	288	(22.6)%
Less: interest capitalized	**(3)**	(1)	200.0%
Finance costs, net	**220**	287	(23.3)%

Finance costs, net of amounts capitalized, were US$220 million for the six months ended June 30, 2024, compared to US$287 million for the six months ended June 30, 2023. The decrease in interest and other finance costs of US$65 million was primarily due to a full repayment of US$1.95 billion on the 2018 SCL Credit Facility by October 2023 and lower interest rates on the Senior Notes as a result of the credit rating upgrades in July 2023 and February 2024. The weighted average interest rate reduced from 6.0% for the six months ended June 30, 2023 to 5.0% for the six months ended June 30, 2024.

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 Period

Profit for the six months ended June 30, 2024 was US$541 million, an increase of 209.1%, compared to US$175 million for the six months ended June 30, 2023.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

We fund our operations through cash generated from our operations and our debt financing. As at June 30, 2024, we held total cash and cash equivalents of US$1.79 billion. Such cash and cash equivalents were primarily held in HK$, US$ and MOP.

Our 2018 SCL Credit Facility, as amended, contains various financial covenants, which include maintaining a maximum leverage ratio, as defined.

As at June 30, 2024, the Company was in compliance with all debt covenants of the 2018 SCL Credit Facility.

During the six months ended June 30, 2024, the Company repurchased US$175 million of the outstanding principal amount of US$1.80 billion of its 5.125% Senior Notes due August 8, 2025 ("**2025 Senior Notes**"), resulting in a gain on early retirement of debt of approximately US$1 million. As at June 30, 2024, the 2025 Senior Notes had a remaining aggregate principal amount of US$1.63 billion.

We believe our cash and cash equivalents of US$1.79 billion as well as the US$2.50 billion available under our 2018 SCL Credit Facility as at June 30, 2024, together with the cash flows to be generated from our operations, will be sufficient to maintain compliance with the financial covenants of the 2018 SCL Credit Facility and fund our working capital needs, committed and planned capital expenditures, including fulfilling the obligations and commitments under the Concession Contract.

Cash Flows — Summary

Our cash flows consisted of the following:

	Six months ended June 30,	
	2024	2023
	US$ in millions	
Net cash generated from operating activities	**1,037**	1,046
Net cash used in investing activities	**(192)**	(51)
Net cash used in financing activities	**(419)**	(1,463)
Net increase/(decrease) in cash and cash equivalents	**426**	(468)
Cash and cash equivalents at beginning of period[(i)]	**1,361**	1,702
Effect of exchange rate on cash and cash equivalents	**—**	(6)
Cash and cash equivalents at end of period	**1,787**	1,228

(i) Cash and cash equivalents of US$1.70 billion as at December 31, 2022 includes cash and cash equivalents of US$912 million that became unrestricted in early January 2023.

Cash Flows — Operating Activities

Net cash generated from operating activities for the six months ended June 30, 2024 was US$1.04 billion, compared to US$1.05 billion for the six months ended June 30, 2023. We derive most of our operating cash flows from our casino, mall and hotel operations. Net cash generated from operating activities of US$1.04 billion was primarily attributable to the US$1.09 billion operating cash flows before changes in working capital driven by increased visitation to Macao, partially offset by a US$39 million cash outflow impact from changes in working capital and a US$10 million payment in income tax during the period.

Cash Flows — Investing Activities

Net cash used in investing activities for the six months ended June 30, 2024 was US$192 million primarily attributable to capital expenditures of US$218 million, partially offset by US$27 million interest received. Capital expenditure for the six months ended June 30, 2024 included US$123 million for The Londoner Macao, US$77 million for The Venetian Macao, and US$18 million for our other operations, mainly at The Parisian Macao, Sands Macao and The Plaza Macao.

Cash Flows — Financing Activities

Net cash used in financing activities for the six months ended June 30, 2024 was US$419 million, primarily attributable to the repurchase of US$175 million outstanding principal of 2025 Senior Notes for US$174 million, US$212 million interest payments and US$23 million payments related to the gaming license liability during the first half of 2024.

CAPITAL EXPENDITURES

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

	Six months ended June 30,	
	2024	2023
	US$ in millions	
The Venetian Macao	**77**	28
The Londoner Macao	**123**	44
The Parisian Macao	**6**	1
The Plaza Macao	**5**	4
Sands Macao	**6**	2
Ferry and other operations	**1**	—
Total capital expenditures	**218**	79

CAPITAL COMMITMENTS

Capital expenditure on property and equipment contracted for at the end of the reporting period but not recognized as liabilities is as follows:

	June 30, 2024	December 31, 2023
	US$ in millions	
Contracted but not provided for	**710**	510

Development projects

The Concession requires VML to spend 35.80 billion patacas (approximately US$4.45 billion) through 2032 on both capital and operating projects, including 33.36 billion patacas (approximately US$4.15 billion) in non-gaming projects.

We continue work on Phase II of The Londoner Macao, which includes the renovation of the rooms in the Sheraton and Conrad hotel towers, an upgrade of the gaming areas and the addition of new attractions, dining, retail and entertainment offerings. These projects have a total estimated cost of US$1.2 billion and are expected to be substantially completed in early 2025.

DIVIDENDS

The Board does not recommend the payment of an interim dividend in respect of the six months ended June 30, 2024.

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. Total capital is calculated as equity, as shown in the consolidated balance sheet, plus net debt.

	June 30, 2024	December 31, 2023
	US$ in millions	
Interest bearing borrowings, net of deferred financing costs	**8,000**	8,170
Less: cash and cash equivalents	**(1,787)**	(1,361)
Net debt	**6,213**	6,809
Total equity/(deficit)	**527**	(4)
Total capital	**6,740**	6,805
Gearing ratio	**92.2%**	100.1%

The decrease in gearing ratio during the six months ended June 30, 2024 was primarily due to a repurchase of US$175 million outstanding principal to the 2025 Senior Notes during the six months ended June 30, 2024 and an increase in total equity of US$531 million as a result of the net profit earned during the six months ended June 30, 2024.

4. 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, 2024	2023
		US$ in millions, except per share data	
		(Unaudited)	
Net revenues	*3*	**3,551**	2,895
Gaming tax		**(1,365)**	(1,074)
Employee benefit expenses		**(602)**	(566)
Depreciation and amortization	*3*	**(383)**	(383)
Inventories consumed		**(45)**	(34)
Other expenses, gains and losses		**(468)**	(405)
Operating profit		**688**	433
Interest income		**29**	27
Finance costs, net of amounts capitalized		**(220)**	(287)
Gain on early retirement of debt	*9*	**1**	—
Profit before income tax		**498**	173
Income tax benefit	*4*	**43**	2
Profit for the period attributable to equity holders of the Company		**541**	175
Earnings per share			
— Basic	*5*	**US6.69 cents**	US2.16 cents
— Diluted	*5*	**US6.69 cents**	US2.16 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended June 30,	
	2024	2023
	US$ in millions	
	(Unaudited)	
Profit for the period attributable to equity holders of the Company	**541**	175
Other comprehensive (expense)/income		
Item that will be reclassified subsequently to profit or loss:		
Fair value adjustment on cash flow hedge	**(14)**	(6)
Item that will not be reclassified subsequently to profit or loss:		
Currency translation differences	**—**	2
Total comprehensive income for the period attributable to equity holders of the Company	**527**	171

CONSOLIDATED BALANCE SHEET

	Note	**June 30, 2024**	December 31, 2023
		US$ in millions	
		(Unaudited)	*(Audited)*
ASSETS			
Non-current assets			
Investment properties, net		**545**	566
Property and equipment, net		**7,324**	7,339
Intangible assets, net		**453**	476
Other assets, net		**29**	36
Other receivables and prepayments, net		**33**	34
Restricted bank deposit		**125**	124
Total non-current assets		**8,509**	8,575
Current assets			
Inventories		**26**	26
Trade and other receivables and prepayments, net	*7*	**233**	296
Cash and cash equivalents		**1,787**	1,361
Total current assets		**2,046**	1,683
Total assets		**10,555**	10,258

	Notes	June 30, 2024	December 31, 2023
		US$ in millions	
		(Unaudited)	*(Audited)*
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**81**	81
Reserves		**446**	(85)
Total equity/(deficit)		**527**	(4)
LIABILITIES			
Non-current liabilities			
Trade and other payables	*8*	**541**	541
Borrowings	*9*	**8,136**	8,312
Deferred income tax liabilities		**34**	37
Total non-current liabilities		**8,711**	8,890
Current liabilities			
Trade and other payables	*8*	**1,294**	1,299
Current income tax liabilities		**6**	57
Borrowings	*9*	**17**	16
Total current liabilities		**1,317**	1,372
Total liabilities		**10,028**	10,262
Total equity and liabilities		**10,555**	10,258
Net current assets		**729**	311
Total assets less current liabilities		**9,238**	8,886

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 16, 2024.

The condensed consolidated financial statements for the six months ended June 30, 2024 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 D2 to the Listing Rules. They should be read in conjunction with the Group's annual financial statements for the year ended December 31, 2023, 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 and derivatives that are measured at fair value.

Recent developments

From 2020 through the beginning of 2023, the Group's operations were negatively impacted by the reduction in travel and tourism related to the COVID-19 Pandemic. The Macao government's policy regarding the management of COVID-19 and general travel restrictions was eliminated in late December 2022 and early January 2023. Since then, visitation to the Group's integrated resorts and operations has improved.

The Macao government announced total visitation from mainland China to Macao was 11.5 million during the six months ended June 30, 2024, an increase of approximately 52.9% compared to the same period in 2023. The Macao government also announced gross gaming revenue was 113.8 billion patacas (approximately US$14.14 billion) during the six months ended June 30, 2024, an increase of approximately 41.9% compared to the same period in 2023.

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, 2024 are consistent with those adopted and as described in the Group's annual financial statements for the year ended December 31, 2023.

For the amendments to standards in IFRS that are effective for the period, the Group has adopted such amendments 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, 2023.

The Group is exposed 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, 2023. There have been no significant changes in any risk management policies since the year ended December 31, 2023.

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 the consolidated income statement and consolidated balance sheet.

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 transportation services.

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

	Casino	Rooms	Mall(ii)	Food and beverage	Convention, ferry, retail and other	Total net revenues
			US$ in millions			
			(Unaudited)			
Six months ended June 30, 2024						
The Venetian Macao	**1,194**	**102**	**109**	**33**	**19**	**1,457**
The Londoner Macao	**737**	**166**	**33**	**49**	**21**	**1,006**
The Parisian Macao	**380**	**66**	**14**	**31**	**4**	**495**
The Plaza Macao	**248**	**50**	**76**	**16**	**2**	**392**
Sands Macao	**139**	**9**	**—**	**6**	**1**	**155**
Ferry and other operations	**—**	**—**	**—**	**—**	**55**	**55**
Inter-segment revenues(i)	**—**	**—**	**(1)**	**—**	**(8)**	**(9)**
	2,698	**393**	**231**	**135**	**94**	**3,551**
Six months ended June 30, 2023						
The Venetian Macao	969	87	104	30	21	1,211
The Londoner Macao	479	135	30	34	7	685
The Parisian Macao	311	63	16	20	3	413
The Plaza Macao	259	45	75	14	2	395
Sands Macao	143	8	—	6	1	158
Ferry and other operations	—	—	—	—	41	41
Inter-segment revenues(i)	—	—	(1)	—	(7)	(8)
	2,161	338	224	104	68	2,895

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

(ii) Of this amount, US$197 million (six months ended June 30, 2023: US$193 million) was related to income from right-of-use and US$34 million (six months ended June 30, 2023: US$31 million) was related to management fee and other. 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 contracts with customers*.

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

	Six months ended June 30, **2024**	2023
	US$ in millions *(Unaudited)*	
Adjusted property EBITDA[i]		
The Venetian Macao	**576**	462
The Londoner Macao	**275**	159
The Parisian Macao	**154**	120
The Plaza Macao	**136**	166
Sands Macao	**22**	25
Ferry and other operations	**8**	7
Total adjusted property EBITDA	**1,171**	939
Share-based compensation, net of amount capitalized[ii]	**(8)**	(22)
Corporate expense[iii]	**(75)**	(57)
Pre-opening expense	**(1)**	(6)
Depreciation and amortization	**(383)**	(383)
Net foreign exchange gains/(losses)	**1**	(35)
Fair value gain on derivative financial instruments	**—**	4
Loss on disposal of property and equipment and investment properties	**(17)**	(7)
Operating profit	**688**	433
Interest income	**29**	27
Finance costs, net of amounts capitalized	**(220)**	(287)
Gain on early retirement of debt	**1**	—
Profit before income tax	**498**	173
Income tax benefit	**43**	2
Profit for the period attributable to equity holders of the Company	**541**	175

(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 income, finance costs, gain or loss on modification or early retirement of debt, fair value gain or loss on derivative financial instruments 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) Includes equity-settled share-based payment expense, net of amount capitalized of US$4 million and cash-settled share-based payment expense, net of amount capitalized of US$4 million (six months ended June 30, 2023: US$2 million and US$20 million, respectively).

(iii) The amount excludes share-based payment expense of US$1 million (six months ended June 30, 2023: US$3 million).

	Six months ended June 30,	
	2024	2023
	US$ in millions	
	(Unaudited)	
Depreciation and amortization		
The Venetian Macao	**69**	79
The Londoner Macao	**196**	169
The Parisian Macao	**65**	66
The Plaza Macao	**36**	52
Sands Macao	**11**	11
Ferry and other operations	**6**	6
	383	383

	Six months ended June 30,	
	2024	2023
	US$ in millions	
	(Unaudited)	
Capital expenditures		
The Venetian Macao	**77**	28
The Londoner Macao	**123**	44
The Parisian Macao	**6**	1
The Plaza Macao	**5**	4
Sands Macao	**6**	2
Ferry and other operations	**1**	—
	218	79

	June 30, 2024	December 31, 2023
	US$ in millions	
	(Unaudited)	*(Audited)*
Total assets		
The Venetian Macao	**2,934**	2,538
The Londoner Macao	**4,299**	4,213
The Parisian Macao	**1,760**	1,819
The Plaza Macao	**996**	1,073
Sands Macao	**254**	286
Ferry and other operations	**312**	329
	10,555	10,258

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

4. Income tax benefit

	Six months ended June 30, 2024	2023
	US$ in millions	
	(Unaudited)	
Current income tax		
Payment in lieu of Macao complementary tax on deemed dividends		
— Current period	**(6)**	(2)
— Over-provision in prior year	**47**	—
Deferred income tax benefit	**2**	4
Income tax benefit	**43**	2

The income tax provision for the six months ended June 30, 2023 was determined on the presumption VML would obtain the tax exemption regarding Macao complementary tax on its gaming activities and the Shareholder Dividend Tax Agreement effective from the tax year 2023.

Pursuant to Dispatch No. 19/2024 from the Chief Executive of Macao dated January 29, 2024, VML was granted tax exemption regarding Macao complementary tax on its gaming activities effective for the tax year 2023 until the tax year 2027.

On February 7, 2024, VML entered into a new Shareholder Dividend Tax Agreement with the Macao government effective from the tax year 2023 through the tax year 2025. The new agreement stipulates payments in lieu of Macao complementary tax otherwise due by VML's shareholders on deemed dividend distributions to them from gaming profits, due within 30 days upon issuance of tax demand notices from the Macao government for each of the tax years 2023, 2024 and 2025. According to the new agreement, the recognized anticipated payment in lieu of Macao complementary tax on deemed dividends recorded for the year ended December 31, 2023 was reduced by US$47 million in 2024.

5. Earnings per share

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

	Six months ended June 30,	
	2024	2023
	(Unaudited)	
Profit attributable to equity holders of the Company *(US$ in millions)*	**541**	175
Weighted average number of shares for basic earnings per share *(thousand shares)*	**8,093,380**	8,093,291
Adjustment for share options *(thousand shares)*	**—**	341
Weighted average number of shares for diluted earnings per share *(thousand shares)*	**8,093,380**	8,093,632
Earnings per share, basic	**US6.69 cents**	US2.16 cents
Earnings per share, basic(i)	**HK52.24 cents**	HK16.93 cents
Earnings per share, diluted	**US6.69 cents**	US2.16 cents
Earnings per share, diluted(i)	**HK52.24 cents**	HK16.93 cents

(i) The translation of US$ amounts into HK$ amounts has been made at the exchange rate of US$1.00 to HK$7.8089 (six months ended June 30, 2023: US$1.00 to HK$7.8384).

6. Dividends

The Board did not recommend the payment of a final dividend in respect of the year ended December 31, 2023.

The Board does not recommend the payment of an interim dividend in respect of the six months ended June 30, 2024.

7. Trade receivables, net

The following is the aging analysis of trade receivables, net of provision for expected credit losses of US$99 million (December 31, 2023: US$101 million) based on date of credit granted or invoice date:

	June 30, 2024	December 31, 2023
	US$ in millions	
	(Unaudited)	*(Audited)*
0–30 days	**78**	155
31–60 days	**17**	17
61–90 days	**17**	8
Over 90 days	**48**	42
	160	222

Trade receivables mainly consist of casino, mall and hotel receivables.

Absent special approval, the credit period granted to selected premium and mass market players is typically 7–15 days.

8. Trade and other payables

	June 30, 2024	December 31, 2023
	US$ in millions	
	(Unaudited)	*(Audited)*
Trade payables	**47**	47
Gaming license liability(i)	**464**	481
Customer deposits and other deferred revenue(ii)	**416**	403
Other tax payables	**239**	267
Construction payables and accruals	**152**	54
Accrued employee benefit expenses	**131**	178
Interest payables	**112**	122
Outstanding chip liability(ii)	**82**	97
Interest payable related to LVS term loan	**25**	25
Loyalty program liability(ii)	**21**	21
Casino liabilities	**19**	22
Payables to related companies	**14**	24
Other payables and accruals	**113**	99
	1,835	1,840
Less: non-current portion	**(541)**	(541)
Current portion	**1,294**	1,299

(i) The balance represents the present value of future contractual payments under the Concession relating to the right to operate the gaming equipment and the gaming areas and the right to conduct games of chance in Macao, consisting of non-current liability of US$430 million and current liability of US$34 million as at June 30, 2024 (December 31, 2023: US$448 million and US$33 million respectively).

(ii) 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, 2024	December 31, 2023
	US$ in millions	
	(Unaudited)	*(Audited)*
0–30 days	**40**	39
31–60 days	**3**	4
61–90 days	**3**	3
Over 90 days	**1**	1
	47	47

9. Borrowings

	June 30, 2024	December 31, 2023
	US$ in millions	
	(Unaudited)	*(Audited)*
Non-current portion		
Senior Notes	**6,975**	7,150
LVS Term Loan	**1,061**	1,061
Lease liabilities	**136**	142
	8,172	8,353
Less: deferred financing costs	**(36)**	(41)
	8,136	8,312
Current portion		
Lease liabilities	**17**	15
Other borrowings	**—**	1
	17	16
Total borrowings	**8,153**	8,328

Senior Notes

During the six months ended June 30, 2024, the Company repurchased US$175 million of the outstanding principal amount of US$1.80 billion of its 5.125% Senior Notes due August 8, 2025, resulting in a gain on early retirement of debt of approximately US$1 million. As at June 30, 2024, the 2025 Senior Notes had a remaining aggregate principal amount of US$1.63 billion.

On February 1, 2024, Fitch upgraded the credit rating for the Company to BBB-. As a result of the upgrade, the coupon on each series of the outstanding Senior Notes decreased by 0.25% per annum effective on the first interest payment date after February 1, 2024.

2018 SCL Credit Facility

As at June 30, 2024, the Company had US$2.50 billion of available borrowing capacity under the 2018 SCL Credit Facility comprised of HK$ commitments of HK$17.63 billion (approximately US$2.26 billion) and US$ commitments of US$237 million (December 31, 2023: US$2.49 billion available borrowing capacity comprised of HK$ commitments of HK$17.63 billion (approximately US$2.26 billion at exchange rates in effect on December 31, 2023) and US$ commitments of US$237 million).

As at June 30, 2024, the Company was in compliance with all debt covenants of the 2018 SCL Credit Facility.

5. 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 that 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, 2024, save as disclosed below and in our 2023 annual report, the Company complied with all code provisions and, where appropriate, adopted certain recommended best practices set out in the Code.

Code Provision F.2.2 — Annual General Meeting attendance

Mr. Robert Glen Goldstein ("**Mr. Goldstein**") was unable to attend the annual general meeting of the Company held on May 17, 2024 due to other business commitments. 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 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, 2024 and up to the date of this announcement.

BOARD AND BOARD COMMITTEES COMPOSITION

Saved as disclosed in our 2023 annual report, there were no changes to the composition of the Board and the Board Committees of the Company during the six months ended June 30, 2024 and up to the date of this announcement.

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, 2024 and was of the opinion, the preparation of such interim 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.

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, 2024.

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, 2024 will be 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 16, 2024

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

Executive Directors:
Wong Ying Wai
Chum Kwan Lock, Grant

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.