



***Q4 and Annual Results for the period end December 31, 2020***

25 February, 2021

# Letter from the Chairman of GEG



I wish to take this opportunity to update you on the status of Macau and the performance of GEG in 2020. COVID-19 has continued to impact the community and businesses globally including Macau and GEG. In Q4 2020, Mainland China, Hong Kong and Macau continued to experience travel restrictions and social distancing measures as they continued to effectively contain the pandemic. Given the subdued revenue the Group's Adjusted EBITDA was \$1.0 billion for the fourth quarter. This represents a 207% improvement compared to the Adjusted EBITDA loss of \$0.9 billion reported in Q3. This improvement was largely driven by an increase in visitation which translated into increased revenue and continuing cost control. The full year Adjusted EBITDA was \$(1.0) billion versus \$16.5 billion in 2019.

We again applaud the Macau Government for their proactive leadership during the challenging pandemic crisis. Their focus is not only to ensure the health and safety of the community, but also ensuring that Macau is well positioned to attract visitors, support economic recovery and maintain the social stability of Macau.

We continue to make good progress with our development projects including Cotai Phases 3 & 4. In the meanwhile, we renovate, reconfigure and introduce new products to our resorts. In addition, we remain engaged in our international expansion plans including Japan, which is also being impacted by the pandemic.

Due to our conservative financial management, the Group's net cash as at year end provides us with valuable flexibility in managing our ongoing operations and allows us to continue with our longer term development plans.

In the Macau Policy Address for 2021, Chief Executive Mr. Ho Iat Seng stated that the Government will promote the stable and healthy development of the gaming industry, and to commence preparatory and preliminary work for the new gaming concessions. We are looking forward to the launching of the public consultation in the 2H 2021.

# Letter from the Chairman of GEG



Upholding the philosophy of “what is taken from the community is to be used for the good of the community”, we have been proactively supporting Macau and the Mainland during this epidemic. GEG has been working with the community to combat the outbreak through an array of practical initiatives, including: offering cash donations, donating hygiene & essential supplies, supporting local SMEs and providing timely assistance to numerous non-profit welfare and social service organizations and schools. In addition, GEG also adopted and supported all protective measures laid out by the Health Bureau of the Macau SAR Government and strengthened the epidemic prevention measures within our resorts.

In the medium to longer term, we have great confidence in the future of Macau. We have seen signs of early recovery post the reinstatement of the IVS in late September 2020 and it may take a few more quarters for business volumes to ramp up. However, we do acknowledge the ongoing difficulties associated with COVID-19 and potential future flare ups of COVID-19 could have a material adverse impact on our financial performance. Given the uncertainty caused by the COVID-19 pandemic, today the Board of Directors has decided not to declare a dividend.

We are pleased to hear that Macau and other locations are proceeding with their COVID-19 vaccination rollout plans. We believe that when Mainland and international tourists make future travel plans, health and safety will be foremost in their minds.

Finally, I would again like to acknowledge and thank the health and emergency personnel who have worked so hard to ensure the safety of Macau. I would also like to thank our staff, management team and Board of Directors who voluntarily contributed to the various cost savings programs and for being so supportive of our Company during this period of time. Thank you.

**Dr. Lui Che Woo**

*GBM, MBE, JP, LLD, DSSc, DBA*  
*Chairman*

# Executive Summary

## GEG: Well Capitalized to Weather the Storm

### ***Q4 2020***

- Q4 Group Net Revenue of \$5.1 billion, down 61% year-on-year and up 229% quarter-on-quarter
- Q4 Group Adjusted EBITDA of \$1.0 billion, down 75% year-on-year and up 207% quarter-on-quarter
- Played unlucky in Q4 which decreased Adjusted EBITDA by approximately \$59 million, normalized Q4 Adjusted EBITDA of \$1.1 billion, down 73% year-on-year and up 214% quarter-on-quarter

### ***Fiscal 2020***

- Full Year Group Net Revenue of \$12.9 billion, down 75% year-on-year
- Full Year Group Adjusted EBITDA of \$(1.0) billion versus \$16.5 billion in 2019
- Full Year Group net profit attributable to shareholders (“NPAS”) of \$(4.0) billion, down 130% year-on-year including \$746 million of non-recurring and other charges
- Full year Adjusted NPAS of \$(3.2) billion, down 123% year-on-year after adjusting for non-recurring and other charges

# Executive Summary

## Galaxy Macau™: Adjusting Operations to the Current Business Environment

### ***Q4 2020***

- Q4 Net Revenue of \$3.3 billion, down 64% year-on-year and up 430% quarter-on-quarter
- Q4 Adjusted EBITDA of \$0.7 billion, down 77% year-on-year and up 193% quarter-on-quarter
- Played unlucky in Q4 which decreased Adjusted EBITDA by approximately \$41 million, normalized Q4 Adjusted EBITDA of \$0.8 billion, down 74% year-on-year and up 199% quarter-on-quarter
- Hotel occupancy for Q4 across the five hotels was 49%

### ***Fiscal 2020***

- Full Year Net Revenue of \$7.8 billion, down 79% year-on-year
- Full Year Adjusted EBITDA of \$(0.9) billion versus \$12.6 billion in 2019

# Executive Summary

## StarWorld Macau: Adjusting Operations to the Current Business Environment

### ***Q4 2020***

- Q4 Net Revenue of \$1.0 billion, down 64% year-on-year and up 380% quarter-on-quarter
- Q4 Adjusted EBITDA of \$0.2 billion, down 81% year-on-year and up 167% quarter-on-quarter
- Played unlucky in Q4 which decreased Adjusted EBITDA by approximately \$18 million, normalized Q4 Adjusted EBITDA of \$0.2 billion, down 79% year-on-year and up 176% quarter-on-quarter
- Hotel occupancy for Q4 was 57%

### ***Fiscal 2020***

- Full Year Net Revenue of \$2.2 billion, down 80% year-on-year
- Full Year Adjusted EBITDA of \$(0.3) billion versus \$3.5 billion in 2019

# Executive Summary

## Broadway Macau™: A Unique Family Friendly Resort, Strongly Supported By Macau SMEs

### ***Q4 2020***

- Q4 Net Revenue of \$16 million, down 90% year-on-year, up 23% quarter-on-quarter
- Q4 Adjusted EBITDA of \$(28) million, versus \$(37) million in Q3 2020 and \$16 million in Q4 2019
- There was no luck impact on Q4 Adjusted EBITDA
- Hotel occupancy for Q4 was 22%

### ***Fiscal 2020***

- Full Year Net Revenue of \$94 million, down 84% year-on-year
- Full Year Adjusted EBITDA of \$(0.2) billion, versus \$39.0 million in 2019

# Executive Summary

## Balance Sheet: Healthy and Liquid Balance Sheet

- As at 31 December 2020, cash and liquid investments were \$46.0 billion and net cash was \$36.8 billion
- As at 31 December 2020, debt was \$9.2 billion, including \$8.7 billion associated with our yield enhancement program and \$0.5 billion of core debt

## GEG Special Dividends

- Given the uncertainty caused by the COVID-19 pandemic, today the Board of Directors has decided not to declare a dividend



# Executive Summary

## Development Update: Continuing to Pursue Development Opportunities

- Continue to make ongoing progressive enhancements to our resorts to ensure that they remain competitive and appealing to our guests
- Cotai Phases 3 & 4 – Continue with development works for Phases 3 & 4, with a strong focus on non-gaming, primarily targeting MICE, entertainment, family facilities and also including gaming, given COVID-19, timelines may be impacted
- Hengqin – Encouraged by recent strengthening of the relationship between Hengqin and Macau, continue with planning of our Hengqin project. We are also expanding our focus beyond Hengqin and Macau to potentially include opportunities within the rapidly expanding Greater Bay Area
- International – Continuously exploring opportunities in overseas markets, including Japan



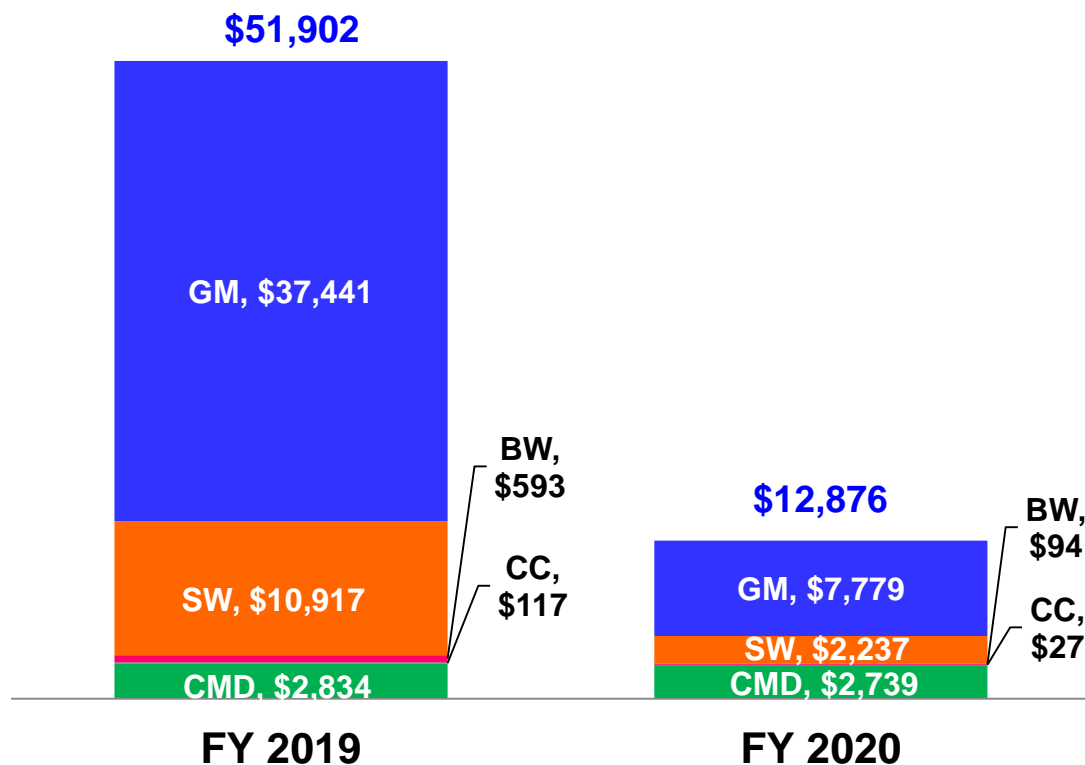
銀娛 GEG

# 2020 Annual Results

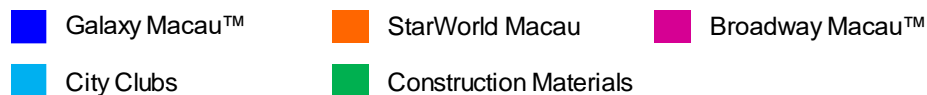
# GEG Revenue Summary FY2020

Fiscal 2020 Net Revenue decreased 75% YoY to \$12.9 billion

## GEG Net Revenue (HK\$'m)



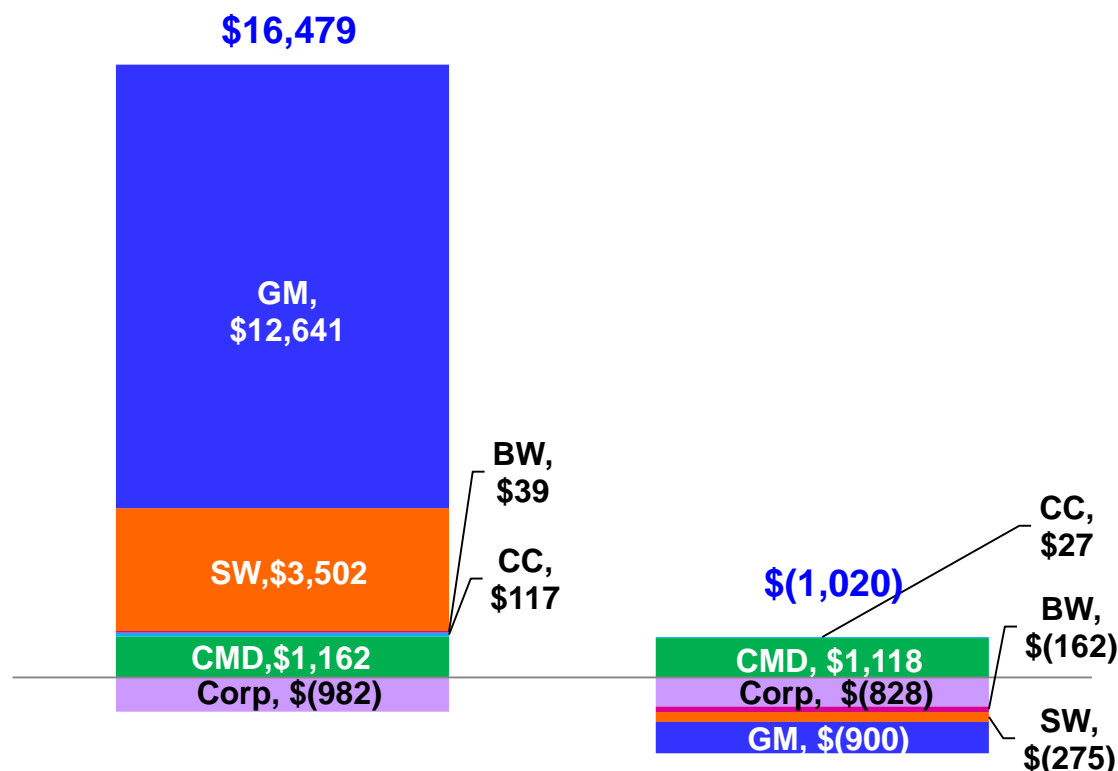
	Net Revenue YoY
GEG Total	(75)%
Galaxy Macau™	(79)%
StarWorld Macau	(80)%
Broadway Macau™	(84)%
City Clubs	(77)%
Construction Materials	(3)%



# GEG Adjusted EBITDA FY2020

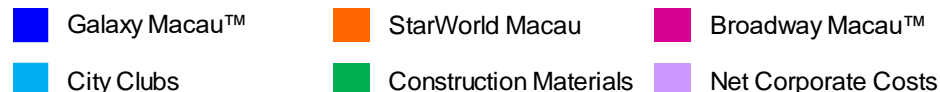
Group Adjusted EBITDA decreased 106% YoY to negative \$1.0 billion

GEG Adjusted EBITDA (HK\$'m)



**FY 2019**

**FY 2020**



	Adjusted EBITDA YoY
GEG Total	(106)%
Galaxy Macau™	(107)%
StarWorld Macau	(108)%
Broadway Macau™	(515)%
City Clubs	(77)%
Construction Materials	(4)%

**FY2020 Net Loss Attributable to Shareholders of \$4.0 billion, including \$746 million of non-recurring items, Vs profit of \$13.0 billion in FY2019**

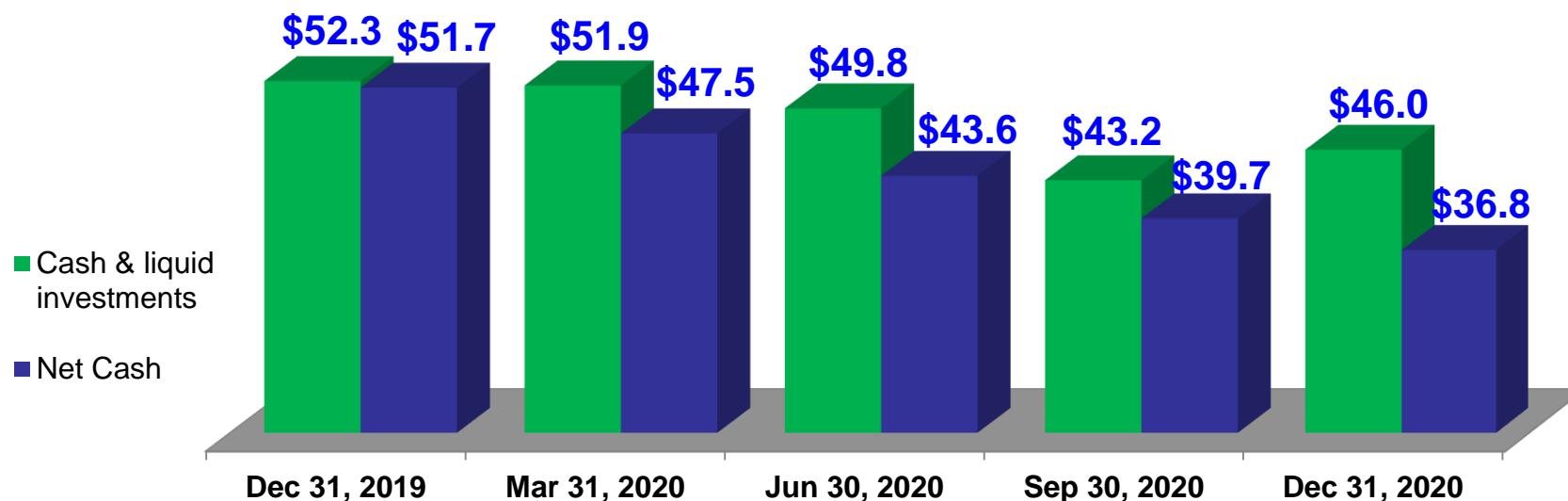
	(in HK\$m)	FY2019	FY2020	YoY%
<b>Net Revenue</b>	\$	51,902	\$ 12,876	-75%
<b>Adjusted EBITDA</b>	\$	16,479	\$ (1,020)	-106%
<b>Net Profit / (Loss) attributable to shareholders</b>	\$	13,042	\$ (3,973)	-130%
Non-recurring and other Items	\$	954	\$ 746	
<b>Pro Forma Net Profit / (Loss) attributable to shareholders</b>	\$	13,996	\$ (3,227)	-123%

# Cash and Debt Update

## Balance Sheet: Maintain a Healthy and Liquid Balance Sheet

- As at 31 December 2020, cash and liquid investments were \$46.0 billion and net cash was \$36.8 billion
- As at 31 December 2020, debt was \$9.2 billion, including \$8.7 billion associated with our yield enhancement program and \$0.5 billion of core debt
- Given the uncertainty caused by the COVID-19 pandemic, today the Board of Directors has decided not to declare a dividend

Cash & Liquid Investments and Net Cash on Hand  
(HK\$ billion)





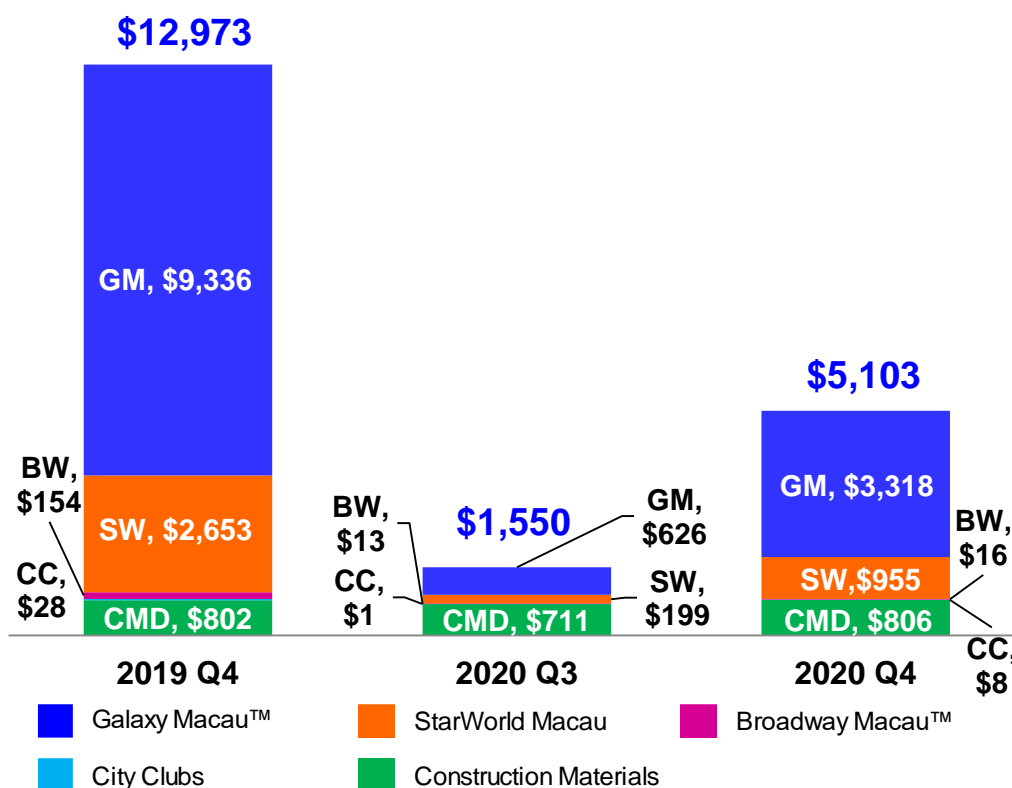
銀娛 GEG

# Q4 2020 Results

# GEG Revenue Q4 2020

Group Net Revenue in Q4 2020 decreased 61% YoY and increased 229% QoQ to \$5.1 billion

GEG Net Revenue (HK\$'m)



	YoY	QoQ
GEG Total	(61)%	+229%
Galaxy Macau™	(64)%	+430%
StarWorld Macau	(64)%	+380%
Broadway Macau™	(90)%	+23%
City Clubs	(71)%	+700%
Construction Materials	0%	+13%

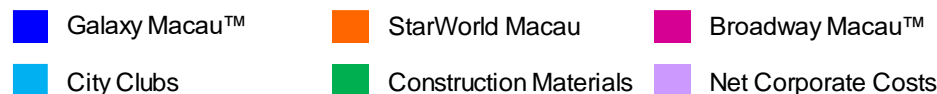
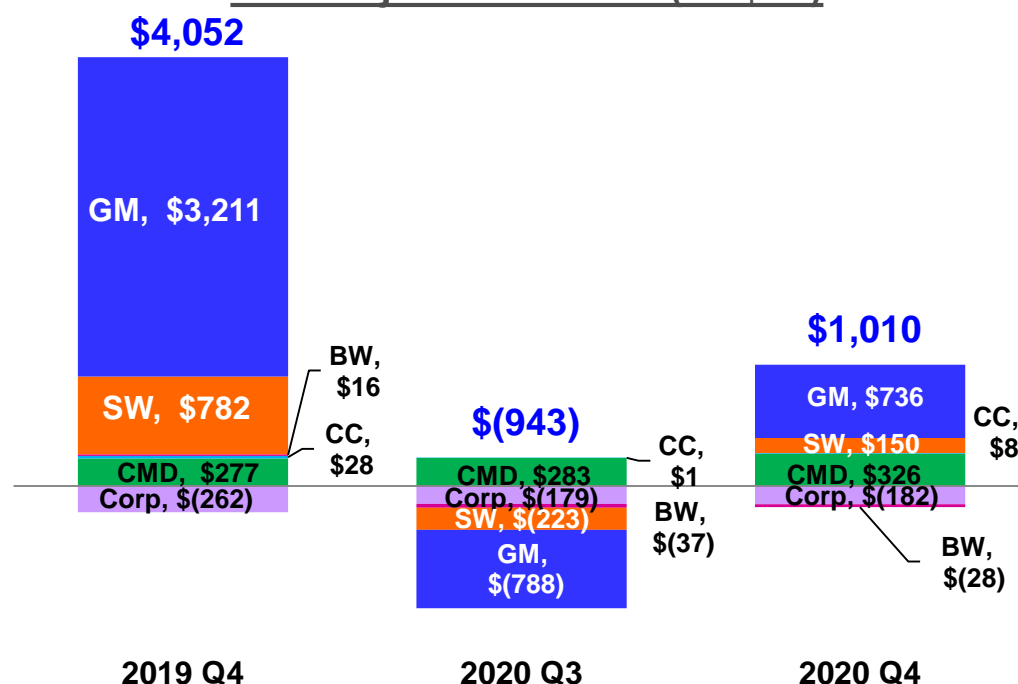


# GEG Adjusted EBITDA Q4 2020

Group Adjusted EBITDA improved by 207% sequentially from a negative \$0.9 billion in Q3 2020 to \$1.0 billion in Q4 2020, but was down when compared to Q4 2019's \$4.1 billion

- Played unlucky in Q4 which decreased Adjusted EBITDA by approximately \$59 million

## GEG Adjusted EBITDA (HK\$'m)



	YoY	QoQ
GEG Total	(75)%	+207%
Galaxy Macau™	(77)%	+193%
StarWorld Macau	(81)%	+167%
Broadway Macau™	(275)%	+24%
City Clubs	(71)%	+700%
Construction Materials	+18%	+15%



# Galaxy Macau™ Q4 2020

**Galaxy Macau™ Adjusted EBITDA improved by 193% sequentially from a negative \$0.8 billion in Q3 2020 to positive \$0.7 billion in Q4 2020, but was down when compared to Q4 2019's \$3.2 billion**

**Net Revenue decreased 64% YoY and increased 430% QoQ to \$3.3 billion**

- VIP win decreased 75% YoY and increased 274% QoQ to \$1.2 billion
- Mass win decreased 62% YoY and increased 801% QoQ to \$2.0 billion
- Non-gaming revenue of \$587 million was down 51% YoY and increased 168% QoQ, including \$297 million of net rental revenue
- Hotel occupancy for Q4 across the five hotels was 49%

**Adjusted EBITDA of \$0.7 billion, down 77% YoY and up 193% QoQ**

- Played unlucky which decreased Adjusted EBITDA by approx. \$41 million
- Normalized Adjusted EBITDA of \$0.8 billion, down 74% YoY and up 199% QoQ

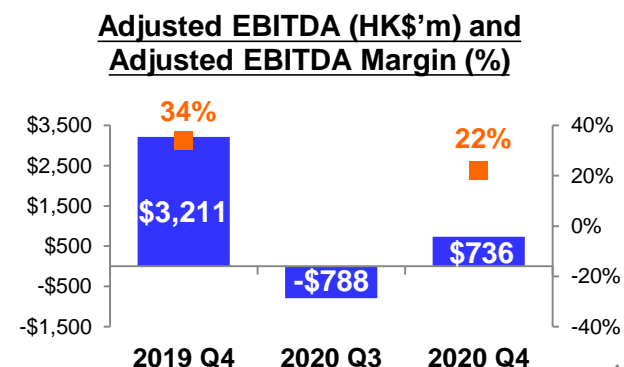
Galaxy Macau™	YoY	QoQ
Total Gross Revenue	(66)%	+404%
Total Net Revenue	(64)%	+430%
Adjusted EBITDA	(77)%	+193%

## Gaming (Gross)

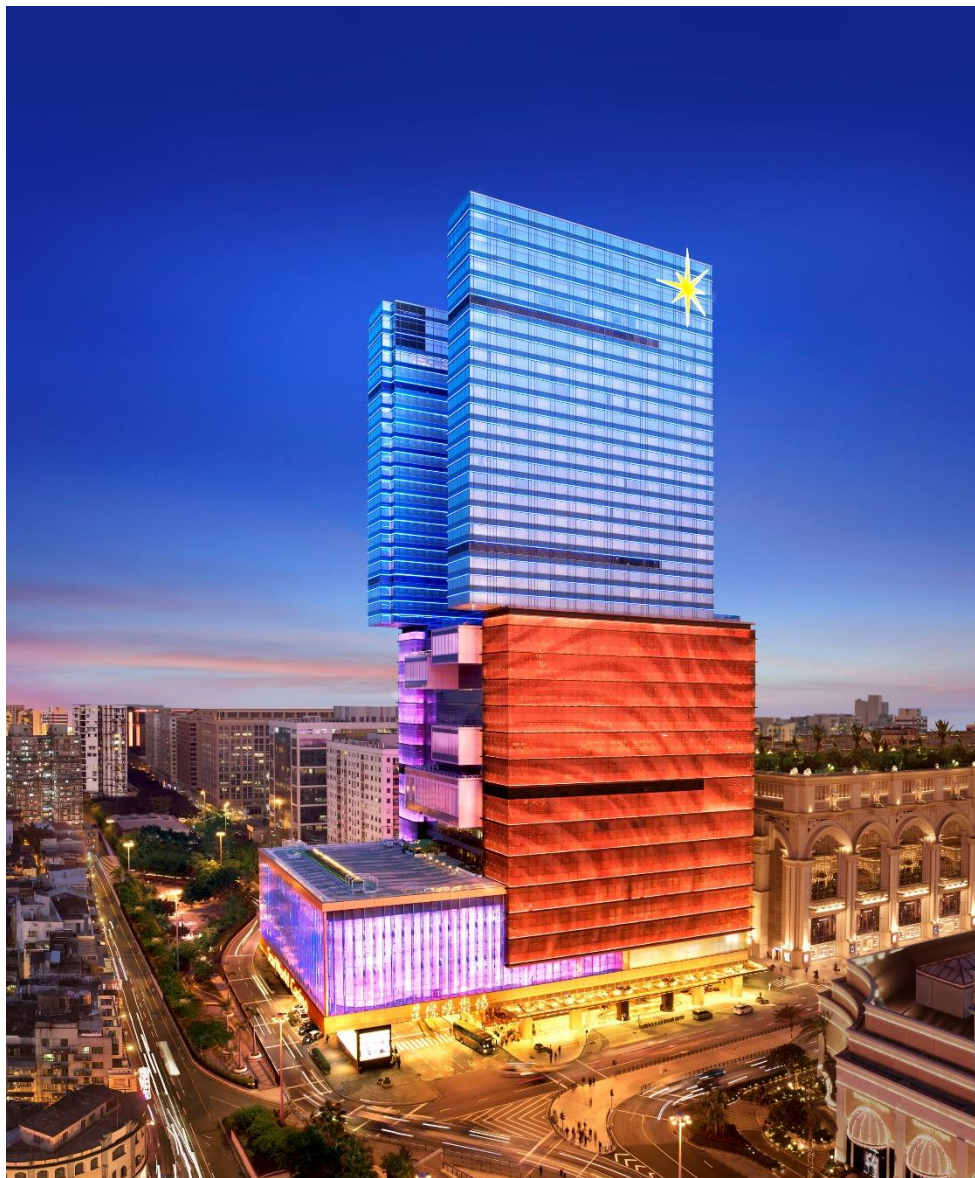
VIP Win #	(75)%	+274%
Mass Win	(62)%	+801%
Slots Win	(72)%	+565%
Total Gaming Revenue	(68)%	+497%

# includes Jinmen

Non-Gaming Revenue	(51)%	+168%
--------------------	-------	-------







**StarWorld Macau Adjusted EBITDA improved by 167% sequentially from a negative \$0.2 billion in Q3 2020 to positive \$0.2 billion in Q4 2020, but was down when compared to Q4 2019's \$0.8 billion**

**Net Revenue of \$1.0 billion decreased 64% YoY and increased 380% QoQ**

- VIP win decreased 73% YoY and increased 225% QoQ to \$481 million
- Mass win decreased 59% YoY and increased 536% QoQ to \$668 million
- Non-gaming revenue decreased 70% YoY and increased 173% QoQ to \$41 million, including \$6 million of net rental revenue
- Hotel occupancy for Q4 was 57%

**Adjusted EBITDA of \$0.2 billion, down 81% YoY and up 167% QoQ**

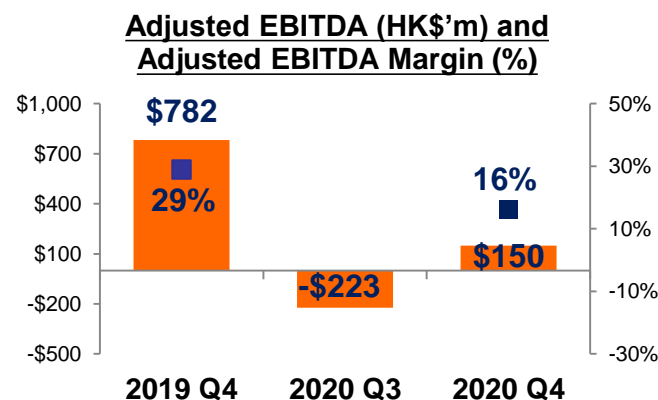
- Played unlucky which decreased Adjusted EBITDA by approx. \$18 million
- Normalized Q4 Adjusted EBITDA of \$0.2 billion, down 79% YoY and up 176% QoQ

StarWorld Macau	YoY	QoQ
Total Gross Revenue	(66)%	+342%
Total Net Revenue	(64)%	+380%
Adjusted EBITDA	(81)%	+167%

## Gaming (Gross)

VIP Win	(73)%	+225%
Mass Win	(59)%	+536%
Slots Win	(80)%	+175%
Total Gaming Revenue	(66)%	+351%

Non-Gaming Revenue	(70)%	+173%
--------------------	-------	-------







**Broadway Macau™ Q4 2020 Adjusted EBITDA improved sequentially from a negative \$37 million in Q3 2020 to negative \$28 million in Q4 2020, but was down when compared to Q4 2019's \$16 million**

**Net Revenue of \$16 million, Vs \$154 million in prior year and \$13 million in Q3 2020**

- Hotel occupancy for Q4 was 22%

**Adjusted EBITDA of \$(28) million Vs \$16 million in prior year and \$(37) million in Q3 2020**

- There was no luck impact on Q4 Adjusted EBITDA

Broadway Macau™	YoY	QoQ
Total Gross Revenue	(90)%	+23%
Total Net Revenue	(90)%	+23%
Adjusted EBITDA	(275)%	+24%

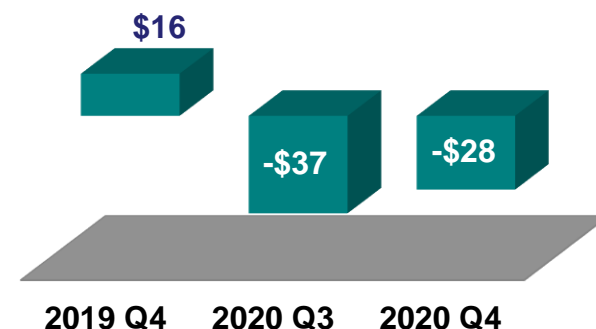
#### Gaming (Gross)

Mass Win*	N/A	N/A
Slots Win	(100)%	(100)%
Total Gaming Revenue	(100)%	(100)%

\* N/A represents tables not opened during the period

Non-Gaming Revenue	(82)%	+33%
--------------------	-------	------

#### Adjusted EBITDA (HK\$m)



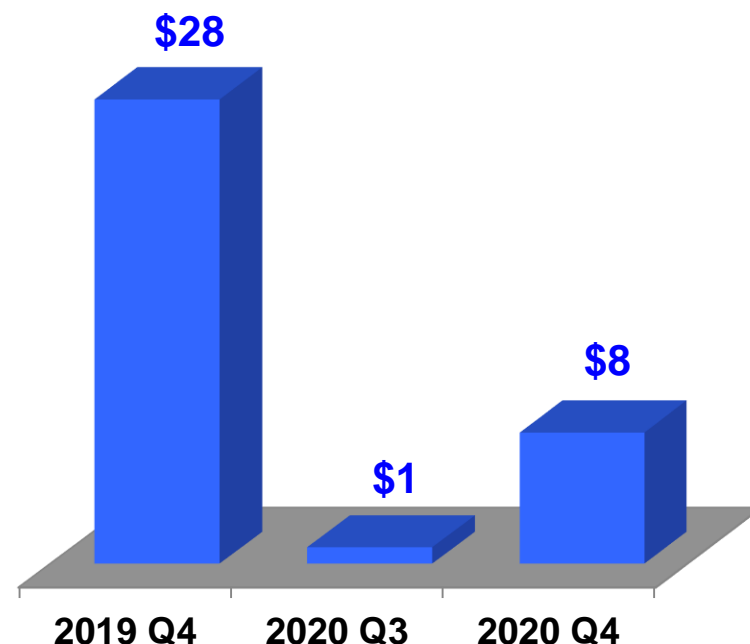


# City Clubs Q4 2020

City Clubs Q4 2020 Adjusted EBITDA decreased 71% YoY and increased 700% QoQ to \$8 million



Adjusted EBITDA (HK\$'m)





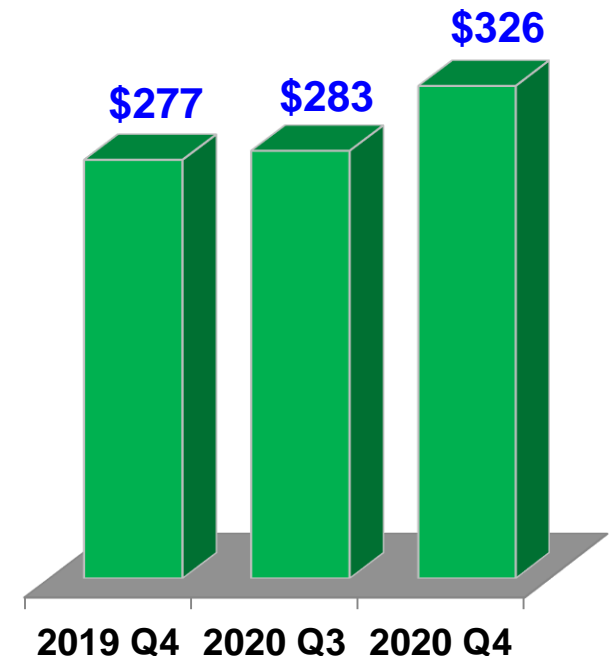
# Construction Materials Q4 2020

Construction Materials Q4 2020 Adjusted EBITDA increased 18% YoY and 15% QoQ to \$0.3 billion

Tai Po Concrete Plant



Adjusted EBITDA (HK\$'m)



# Selected Major Awards for 2020

	Award			Presenter
<b>GEG</b>	Mr. Francis Lui, Vice Chairman of Galaxy Entertainment Group – Rank No.1			13 <sup>th</sup> Asian Gaming Power 50
	Casino Operator of the Year Australia & Asia Socially Responsible Operator (Asia / Australia)			13 <sup>th</sup> International Gaming Awards
	The Most Influential Social Responsibility Award			The 2 <sup>nd</sup> Greater China Most Influential Brand & Entrepreneur Awards Ceremony
	Employer Recognition for the Hiring "Senior Talents"			2020 Outstanding Elderly Employees Award and Employer Recognition Scheme for the Hiring of "Senior Talents"
	Original Convention and Exhibition Award			Macao Convention and Exhibition Commendation Awards 2020
<b>Galaxy Macau™</b>	Five-Star Hotel: - The Ritz-Carlton, Macau - Banyan Tree Macau	Five-Star Spa: - The Ritz-Carlton Spa, Macau - Banyan Tree Spa Macau	Five-Star Restaurant: - Lai Heen - Belon	2020 Forbes Travel Guide
	Energy Saving Concept Award & Excellence Award			Macau Energy Saving Activity 2020
	Best of the Best Awards Top 10 Hotels for Families - China			Tripadvisor 2020 Travelers' Choice
	Best of the Best 2020 - The Best Shopping Experience			Robb Report China
	2019 Macau Green Hotel Awards - Gold Award: - Banyan Tree Macau - JW Marriott Hotel Macau - The Ritz-Carlton, Macau			DSPA & MGTO
	Annual Gourmet Landmark - Galaxy Macau™ Special Recommended Must Eat Restaurant - Fook Lam Moon			2019-2020 China Feast Restaurant Awards by Restaurant Review
	Macau's Best Resort Spa 2020 - Banyan Tree Spa Macau			World Spa Awards
	Most Anticipated Hotel - Andaz Macau Most Anticipated Convention Center - Galaxy International Convention Center			2020 Golden Five Stars Award by China International Conference & Exhibition

# Selected Major Awards for 2020

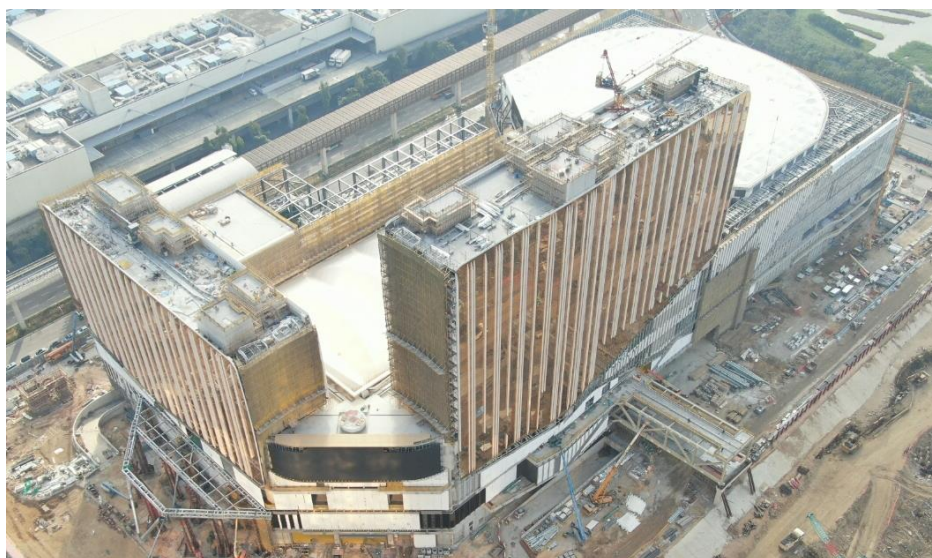
	Award	Presenter
<b>StarWorld Macau</b>	My Favorite Hotel Restaurant in Macau - Feng Wei Ju	U Magazine Favorite Food Awards 2020
	I Food Award 2020 - My Favorite Restaurant in Hotel - Feng Wei Ju	I Food Award
<b>Broadway Macau™</b>	Agoda Customer Review Award 2020	Agoda.com
	Travelers' Choice Winner	TripAdvisor 2020 Travelers' Choice
	Loved by Guests Award 2020	Hotels.com
<b>Construction Materials Division</b>	Caring Company Scheme – 15 Years Plus Caring Company Logo	The Hong Kong Council of Social Service
	Occupational Health Award 2019-20 - Joyful @ Healthy Workplace Best Practices Award (Enterprise / Organisation Category) - Grand Award	Occupational Safety and Health Council
	Construction Industry Caring Organization	Construction Industry Sports and Volunteering Programme
	Hong Kong Awards for Environmental Excellence – Manufacturing and Industrial Services – Certificate of Merit	Environmental Campaign Committee
	Hong Kong Green Organisation Certification - Wastewi\$e - Certificate - Excellence Level - Carbon Reduction - Certificate – Achieved 7% Carbon Reduction	
	Good Employer Charter 2020: - Signatory of the Good Employer Charter 2020 - Family-friendly Good Employer Logo	Labour Department
	BOCHK Corporate Environmental Leadership Awards 2019 – Eco Partner, 3 Years+ Eco Pioneer	Bank of China (Hong Kong); Federation of Hong Kong Industries
	Social Capital Builder Awards – Social Capital Leader Logo Award	Labour and Welfare Bureau; Community Investment and Inclusion Fund



# GEG Development Update

## Cotai - The Next Chapter

- GEG is uniquely positioned for long term growth. We are proceeding with the development of Phases 3 & 4 and continue to review and refine plans to ensure a world-class optimal development. We see the premium market evolving with this segment preferring higher quality and spacious rooms. Phases 3 & 4 combined will have approximately 3,000 high end and family rooms and villas, 400,000 square feet of MICE space, a 500,000 square feet 16,000-seat multi-purpose arena, F&B, retail and casinos, among others
- We will try to maintain development targets, however due to COVID-19, development timelines may be impacted. At this point we cannot quantify the impact but we will endeavor to maintain our schedule



High-end and  
Family-friendly  
Hotel Tower

Galaxy  
International  
Convention  
Center



# GEG Development Update

## Galaxy Macau™ and StarWorld Macau

- We continue to make ongoing progressive enhancements to our resorts to ensure that they remain competitive and appealing to our guests

## Hengqin / Greater Bay Area

- We continue to make progress with the planning of our project on Hengqin that will complement our high energy resorts in Macau
- We are also expanding our focus beyond Hengqin and Macau to potentially include opportunities within the rapidly expanding Greater Bay Area

## International

- Our Japan based team continues with our development efforts even as they deal with the COVID-19 crisis
- We view Japan as a long term growth opportunity that will complement our Macau operations and our other international expansion ambitions
- GEG, together with Monte-Carlo SBM from the Principality of Monaco and our Japanese partners, remain interested in bringing our brand of World Class IRs to Japan

# Summary

## Corporate – Well Capitalized with Strong Balance Sheet

- FY2020 Net Revenue of \$12.9 billion, down 75% YoY and Adjusted EBITDA of negative \$1.0 billion, down 106% YoY
- Q4 2020 Adjusted EBITDA of \$1.0 billion, down 75% YoY
- FY2020 NPAS of negative \$4.0 billion, down 130% YoY
- Given the uncertainty caused by the COVID-19 pandemic, today the Board of Directors has decided not to declare a dividend

## Operations – Adjust Operations to Current Business Environment

- Galaxy Macau™ reports \$7.8 billion of Net Revenue, down 79% YoY and negative \$0.9 billion of Adjusted EBITDA, down 107% YoY in FY2020; Q4 Adjusted EBITDA of \$736 million, down 77% YoY
- StarWorld Macau reports \$2.2 billion of Net Revenue, down 80% YoY, and negative \$0.3 billion of Adjusted EBITDA, down 108% YoY in FY2020; Q4 Adjusted EBITDA of \$150 million, down 81% YoY
- Broadway Macau™ reports \$94 million of Net Revenue and negative \$162 million of Adjusted EBITDA in FY2020; Q4 Adjusted EBITDA of negative \$28 million

## Financing – Strong and Liquid Balance Sheet

- As at 31 December 2020, cash and liquid investments were \$46.0 billion and net cash was \$36.8 billion
- As at 31 December 2020, debt was \$9.2 billion, including \$8.7 billion associated with our treasury yield enhancement program and \$0.5 billion of core debt

## Development Pipeline – Continue to Ramp Up Phases 3 & 4

- Continue to make ongoing progressive enhancements to our resorts to ensure that they remain competitive and appealing to our guests
- Cotai Phases 3 & 4 – Continue with development works for Phases 3 & 4, with a strong focus on non-gaming, primarily targeting MICE, entertainment, family facilities and also including gaming, given COVID-19, timelines may be impacted
- Hengqin – Continue to make progress with the planning of our Hengqin project; we are also expanding our focus beyond Hengqin and Macau to potentially include opportunities within the rapidly expanding Greater Bay Area
- International – Continuously exploring opportunities in overseas markets, including Japan

# Positioned for Growth

- **GEG commenced with a vision**
- **“To be globally recognized as Asia’s leading gaming & entertainment corporation”**
- **We are delivering upon our vision**



# Disclaimer

This document and any verbal presentation or discussion have been prepared by Galaxy Entertainment Group Limited (the “Company”) solely for your personal reference. The information provided has not been independently verified. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained herein. The information provided should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date of the presentation. None of the Company nor any of its respective affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document.

This document contains statements that reflect the Company’s beliefs and expectations about the future. These forward-looking statements are based on a number of assumptions about the Company’s operations and factors beyond the Company’s control, and accordingly, actual results may differ materially from these forward-looking statements. The Company does not undertake to revise forward-looking statements to reflect future events or circumstances.

This document and the accompanying verbal presentation contain proprietary information and no part of it may be reproduced, redistributed or passed on, directly or indirectly, to any other person (whether within or outside your organization / firm) or published, in whole or in part, for any purpose.



***Q4 and Annual Results for the period end December 31, 2020***

25 February, 2021