



GALAXY ENTERTAINMENT GROUP Q2 & INTERIM RESULTS 2022

**CONTINUE WORKING CLOSELY WITH MACAU COMMUNITY
TO CONTROL COVID-19**

WELL PREPARED TO SUBMIT MACAU GAMING CONCESSION TENDER BY 14 SEPTEMBER

**Q2 2022 GROUP ADJUSTED EBITDA OF \$(0.4) BILLION,
VERSUS \$1.1 BILLION IN Q2 2021 AND \$0.6 BILLION IN Q1 2022**

**CONTINUE EFFECTIVELY CONTROLLING COSTS &
REMAINS FINANCIALLY HEALTHY**

CONTINUE INVESTING IN MACAU'S FUTURE WITH COTAI PHASES 3 & 4

Hong Kong, 18 August 2022 – Galaxy Entertainment Group (“GEG”, “Company” or the “Group”) (HKEx stock code: 27) today reported results for the three-month and six-month periods ended 30 June 2022. (All amounts are expressed in Hong Kong dollars unless otherwise stated)

LETTER FROM THE CHAIRMAN OF GALAXY ENTERTAINMENT GROUP

I appreciate the opportunity to update you on GEG’s most recent activities and financial results for the second quarter and first half of 2022. We continue to support the Macau Government by providing hotels for quarantine and medical personnel. We would also like to acknowledge and thank our staff for participating in our various voluntary community programs.

We are pleased to report that we successfully applied for and was granted an extension of our Macau gaming concession, which has been extended to the end of December 2022. The Government subsequently announced the tendering process on 29 July 2022 with submissions due by 14 September 2022. We are well positioned to compete for one of the Macau’s gaming concessions, given our track record of introducing innovative non-gaming elements into our resorts, our strong operational history, significant investment into Macau’s economy and our substantial CSR efforts including supporting SMEs. We look forward for the completion of the concession bidding process by year end.

A number of cities across China experienced travel restrictions for a significant part of the first half of 2022. These restrictions on inter-provincial travel impacted visitation to Macau and in turn adversely impacted both revenue and profitability. In addition, Macau experienced a COVID-19 outbreak and the Macau Government requested suspension of all commercial activities from 11 to 22 July 2022 which further impacted visitation, revenue and profitability. In Q2 2022, Group Net Revenue was \$2.4 billion, down 56% year-on-year and down 41% quarter-on-quarter. Group Adjusted EBITDA was \$(0.4) billion, versus \$1.1 billion in Q2 2021 and \$0.6 billion in Q1 2022.

Our balance sheet remains liquid and healthy. As of 30 June 2022, cash and liquid investments were \$29.0 billion and net cash was \$20.3 billion. Core debt remains relatively unchanged at \$0.3 billion. This provides us with valuable flexibility in managing operations and supporting our development initiatives. Given the ongoing impact of COVID-19, today the Board of Directors has decided not to declare a dividend. We paid the previously announced special dividend of \$0.30 per share on 29 April 2022.

During the quarter, we optimized our City Club operations and ceased business at Rio Casino and President Casino. All gaming related staff have been reassigned to our other properties.



Moving on to our development update, we continue to make ongoing progressive enhancements to our resorts to ensure that they remain competitive and appealing to our guests. We also continue to invest in Macau with our Cotai Phase 3 effectively completed and continue to move forward with Phase 4, our next generation integrated resort, which will complete our ecosystem in Cotai. As you can see, we remain confident about the future of Macau where Cotai Phases 3 & 4 will support Macau's vision of becoming a World Centre of Tourism and Leisure.

Going forward in the medium to longer term, we remain confident in the future of Macau. However, we do acknowledge that further potential outbreaks of COVID-19 may impact our future financial performance. Finally, I would again like to thank the Macau Government and 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 throughout the pandemic. Thank you.

Dr. Lui Che Woo
GBM, MBE, JP, LLD, DSSc, DBA
Chairman



Q2 & Interim 2022 RESULTS HIGHLIGHTS

GEG: Continues to be Impacted by COVID-19 and Travel Restrictions

- 1H Group Net Revenue of \$6.5 billion, down 39% year-on-year
- 1H Group Adjusted EBITDA of \$191 million, down 90% year-on-year
- 1H Net Loss Attributable to Shareholders of \$850 million, versus profit of \$947 million in 1H 2021
- Q2 Group Net Revenue of \$2.4 billion, down 56% year-on-year and down 41% quarter-on-quarter
- Q2 Group Adjusted EBITDA of \$(384) million, versus \$1,132 million in Q2 2021 and \$575 million in Q1 2022
- Normalized Q2 Adjusted EBITDA was \$(408) million after adjusting for good luck of \$24 million
- Latest twelve months Adjusted EBITDA of \$1.7 billion, down 16% year-on-year and down 47% quarter-on-quarter

Galaxy Macau™: Continues to be Impacted by COVID-19 and Travel Restrictions

- 1H Net Revenue of \$4.5 billion, down 38% year-on-year
- 1H Adjusted EBITDA of \$536 million, down 68% year-on-year
- Q2 Net Revenue of \$1.4 billion, down 62% year-on-year and down 53% quarter-on-quarter
- Q2 Adjusted EBITDA of \$(188) million, versus \$924 million in Q2 2021 and \$724 million in Q1 2022
- Normalized Q2 Adjusted EBITDA was \$(212) million after adjusting for good luck of \$24 million
- Hotel occupancy for Q2 across the five hotels was 28%

StarWorld Macau: Continues to be Impacted by COVID-19 and Travel Restrictions

- 1H Net Revenue of \$644 million, down 67% year-on-year
- 1H Adjusted EBITDA of \$(216) million, versus \$305 million in 1H 2021
- Q2 Net Revenue of \$220 million, down 76% year-on-year and down 48% quarter-on-quarter
- Q2 Adjusted EBITDA of \$(158) million, versus \$135 million in Q2 2021 and \$(58) million in Q1 2022
- There was no luck impact on Q2 Adjusted EBITDA
- Hotel occupancy for Q2 was 33%

Broadway Macau™: Continues to be Impacted by COVID-19 and Travel Restrictions

- 1H Net Revenue of \$31 million, up 7% year-on-year
- 1H Adjusted EBITDA of \$(36) million, versus \$(43) million in 1H 2021
- Q2 Net Revenue of \$15 million, versus \$14 million in Q2 2021 and \$16 million in Q1 2022
- Q2 Adjusted EBITDA of \$(19) million, versus \$(20) million in Q2 2021 and \$(17) million in Q1 2022
- There was no luck impact on Q2 Adjusted EBITDA
- Hotel occupancy for Q2 was 32%

Balance Sheet: Maintain a Healthy and Liquid Balance Sheet

- As at 30 June 2022, cash and liquid investments were \$29.0 billion and net cash was \$20.3 billion
- As at 30 June 2022, core debt was \$0.3 billion
- Given the ongoing impact of COVID-19, today the Board of Directors has decided not to declare a dividend. We paid the previously announced special dividend of \$0.30 per share on 29 April 2022

Development Update: Continue Making Progress on Cotai 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 – Phase 3 is effectively completed and our efforts are firmly focused on the development of Phase 4. Phases 3 & 4 have a strong focus on non-gaming, primarily targeting MICE, entertainment, family facilities and also include gaming
- Will align the opening of Raffles at Galaxy Macau with prevailing market conditions, followed by the opening of Galaxy International Convention Center (“GICC”) and Andaz Macau, while proceeding with the construction of remaining phases



Macau Market Overview

The performance of tourism and gaming industries were adversely impacted by travel restrictions and a COVID-19 outbreak in Macau during Q2 and 1H 2022. Based on DICJ reporting, Macau's Gross Gaming Revenue ("GGR") for Q2 2022 was \$8.2 billion, down 67% year-on-year and down 52% quarter-on-quarter.

In Q2 2022, due to increased cases of COVID-19 and the associated travel restrictions and quarantine rules, visitor arrivals to Macau were 1.6 million, down 27% year-on-year and down 15% quarter-on-quarter. Visitor arrivals from the Mainland were 1.4 million, down 29% year-on-year and down 18% quarter-on-quarter. Overnight visitors were 0.5 million, down 49% year-on-year and down 14% quarter-on-quarter.

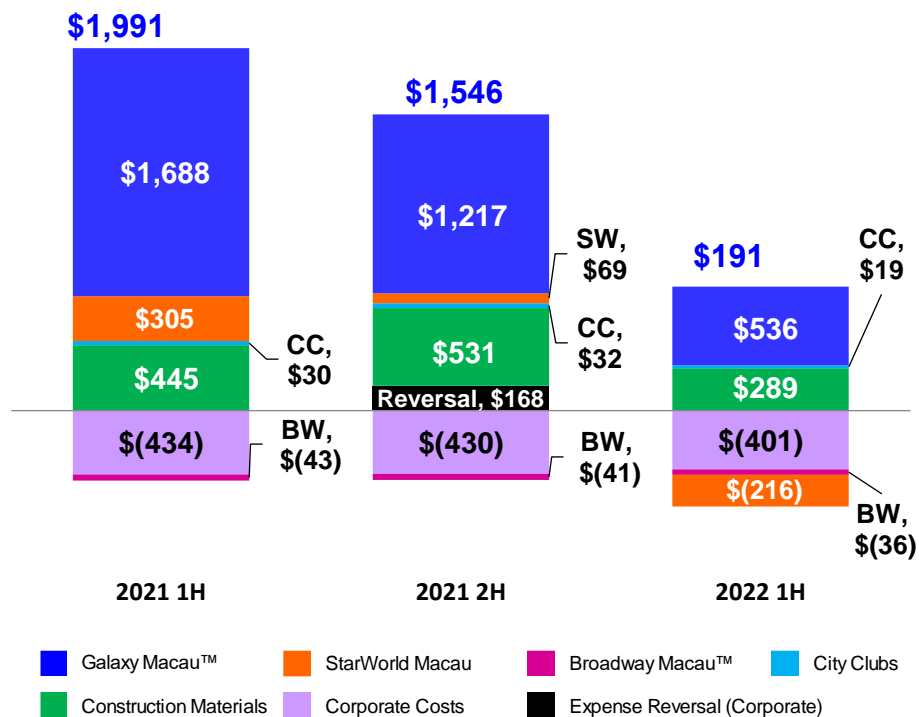
Group Financial Results

1H 2022

The Group's 1H 2022 results posted Net Revenue of \$6.5 billion, down 39% year-on-year and Adjusted EBITDA was \$191 million, down 90% year-on-year. Net loss attributable to shareholders was \$850 million, versus profit of \$947 million in 1H 2021. Galaxy Macau™'s Adjusted EBITDA was \$536 million, down 68% year-on-year. StarWorld Macau's Adjusted EBITDA was \$(216) million, versus \$(43) million in 1H 2021. Broadway Macau™'s Adjusted EBITDA was \$(36) million, versus \$(43) million in 1H 2021.

In 1H 2022, GEG experienced good luck in its gaming operation, which increased its Adjusted EBITDA by approximately \$27 million. Normalized 1H 2022 Adjusted EBITDA was \$164 million, down 91% year-on-year.

GEG Adjusted EBITDA (HK\$'m)





The Group's total GGR on a management basis¹ in 1H 2022 was \$4.8 billion, down 51% year-on-year. Mass GGR was \$3.8 billion, down 35% year-on-year. Rolling chip GGR was \$719 million, down 79% year-on-year. Electronic GGR was \$238 million, down 29% year-on-year.

Group Key Financial Data

(HK\$m)	1H 2021	1H 2022
Revenues:		
Net Gaming	7,841	4,130
Non-gaming	1,389	1,079
Construction Materials	1,431	1,315
Total Net Revenue	10,661	6,524
Adjusted EBITDA	1,991	191

Gaming Statistics²		
(HK\$m)	1H 2021	1H 2022
Rolling Chip Volume	99,971 ³	21,560⁴
Win Rate %	3.5%	3.3%
Win	3,506	719
Mass Table Drop ⁵	24,465	14,073
Win Rate %	24.2%	27.1%
Win	5,910	3,817
Electronic Gaming Volume	8,996	7,019
Win Rate %	3.7%	3.4%
Win	333	238
Total GGR Win ⁶	9,749	4,774

Q2 2022

In Q2 2022, the Group posted Net Revenue of \$2.4 billion, down 56% year-on-year and down 41% quarter-on-quarter. Adjusted EBITDA was \$(384) million, versus \$1,132 million in Q2 2021 and \$575 million in Q1 2022. Galaxy Macau™'s Adjusted EBITDA was \$(188) million, versus \$924 million in Q2 2021 and \$724 in Q1 2022. StarWorld Macau's Adjusted EBITDA was \$(158) million, versus \$135 million in Q2 2021 and \$(58) million in Q1 2022. Broadway Macau™'s Adjusted EBITDA was \$(19) million versus \$(20) million in Q2 2021 and \$(17) million in Q1 2022.

Latest twelve months Adjusted EBITDA was \$1.7 billion, down 16% year-on-year and down 47% quarter-on-quarter.

¹ The primary difference between statutory gross revenue and management basis gross revenue is the treatment of City Clubs revenue where fee income is reported on a statutory basis and gross gaming revenue is reported on a management basis (only up to 26 June 2022). At the Group level the gaming statistics include Company owned resorts plus City Clubs.

² Gaming statistics are presented before deducting commission and incentives.

³ Represents sum of junket VIP and inhouse premium direct.

⁴ Represents inhouse premium direct.

⁵ Mass table drop includes the amount of table drop plus cash chips purchased at the cage.

⁶ Total GGR win includes gaming win from City Clubs.

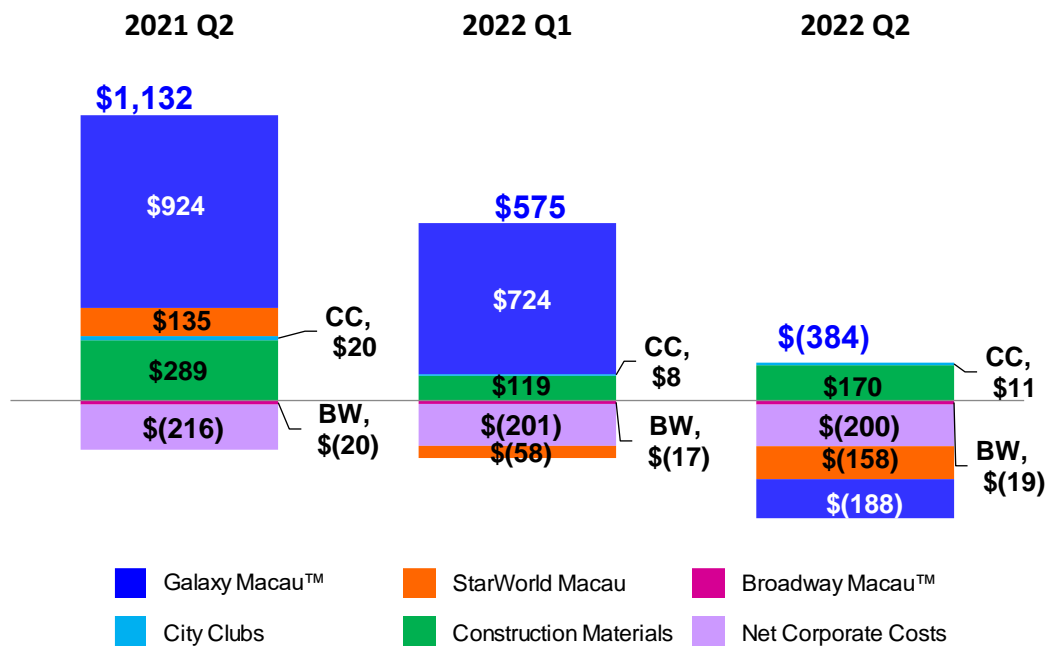


In Q2 2022, GEG experienced good luck in its gaming operations which increased Adjusted EBITDA by approximately \$24 million. Normalized Q2 2022 Adjusted EBITDA was \$(408) million, versus \$1.1 billion in Q2 2021 and \$572 million in Q1 2022.

Summary Table of GEG Q2 & 1H 2022 Adjusted EBITDA and Adjustments:

<i>in HK\$m</i>	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Adjusted EBITDA	1,132	575	(384)	1,991	191
<i>Luck</i> ⁷	81	3	24	189	27
Normalized Adjusted EBITDA	1,051	572	(408)	1,802	164

GEG Adjusted EBITDA (HK\$m)



The Group's total GGR on a management basis⁸ in Q2 2022 was \$1.4 billion, down 72% year-on-year and down 59% quarter-on-quarter. Mass GGR was \$1.2 billion, down 62% year-on-year and down 56% quarter-on-quarter. Rolling chip GGR was \$153 million, down 91% year-on-year and down 73% quarter-on-quarter. Electronic GGR was \$76 million, down 63% year-on-year and down 53% quarter-on-quarter.

⁷ Reflects luck associated with our rolling chip program.

⁸ The primary difference between statutory gross revenue and management basis gross revenue is the treatment of City Clubs revenue where fee income is reported on a statutory basis and gross gaming revenue is reported on a management basis (only up to 26 June 2022). At the Group level the gaming statistics include Company owned resorts plus City Clubs.



Group Key Financial Data

(HK\$m)

	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Revenues:					
Net Gaming	3,984	2,902	1,228	7,841	4,130
Non-gaming	791	623	456	1,389	1,079
Construction Materials	790	575	740	1,431	1,315
Total Net Revenue	5,565	4,100	2,424	10,661	6,524
Adjusted EBITDA	1,132	575	(384)	1,991	191

Gaming Statistics⁹

(HK\$m)

	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Rolling Chip Volume	44,637 ¹⁰	17,914 ¹¹	3,646¹¹	99,971 ¹⁰	21,560¹¹
Win Rate %	3.8%	3.2%	4.2%	3.5%	3.3%
Win	1,694	566	153	3,506	719
Mass Table Drop ¹²	12,880	9,463	4,610	24,465	14,073
Win Rate %	23.8%	28.0%	25.3%	24.2%	27.1%
Win	3,061	2,652	1,165	5,910	3,817
Electronic Gaming Volume	4,801	4,380	2,639	8,996	7,019
Win Rate %	4.2%	3.7%	2.9%	3.7%	3.4%
Win	203	162	76	333	238
Total GGR Win ¹³	4,958	3,380	1,394	9,749	4,774

Balance Sheet and Dividend

Due to our conservative financial management, our balance sheet continues to remain strong. As of 30 June 2022, cash and liquid investments were \$29.0 billion and net cash was \$20.3 billion. Total debt was \$8.7 billion which primarily reflects our ongoing treasury yield management initiatives where interest income on cash holdings exceeds corresponding borrowing costs. Core debt remained minimal at \$0.3 billion. This provides us with valuable flexibility in managing our ongoing operations and allows us to continue investing in our longer term development plans. Given the ongoing impact of COVID-19, today the Board of Directors has decided not to declare a dividend. We paid the previously announced special dividend of \$0.30 per share on 29 April 2022.

⁹ Gaming statistics are presented before deducting commission and incentives.

¹⁰ Represents sum of junket VIP and inhouse premium direct.

¹¹ Represents inhouse premium direct.

¹² Mass table drop includes the amount of table drop plus cash chips purchased at the cage.

¹³ Total GGR win includes gaming win from City Clubs.



Galaxy Macau™

Galaxy Macau™ is the primary contributor to the Group's revenue and earnings. Net Revenue in 1H 2022 was \$4.5 billion, down 38% year-on-year. Adjusted EBITDA was \$536 million, down 68% year-on-year. In 1H 2022, Galaxy Macau™ experienced good luck in its gaming operations which increased its Adjusted EBITDA by approximately \$27 million. Normalized 1H 2022 Adjusted EBITDA was \$509 million, versus \$1.5 billion in 1H 2021.

In Q2 2022, Galaxy Macau™'s Adjusted EBITDA was \$(188) million, versus \$924 million in Q2 2021 and \$724 million in Q1 2022. In Q2 2022, Galaxy Macau™ experienced good luck in its gaming operations which increased its Adjusted EBITDA by approximately \$24 million. Normalized Q2 2022 Adjusted EBITDA was \$(212) million, versus \$842 million in Q2 2021 and \$721 million in Q1 2022.

The combined five hotels occupancy rate was 33% for 1H 2022 and 28% for Q2 2022.

Galaxy Macau™ Key Financial Data

(HK\$m)	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Revenues:					
Net Gaming	3,079	2,503	1,016	5,954	3,519
Hotel / F&B / Others	307	228	175	557	403
Mall	423	346	244	715	590
Total Net Revenue	3,809	3,077	1,435	7,226	4,512
Adjusted EBITDA	924	724	(188)	1,688	536
Adjusted EBITDA Margin	24%	24%	NEG¹⁴	23%	12%

Gaming Statistics¹⁵

(HK\$m)	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Rolling Chip Volume	32,511 ¹⁶	17,914 ¹⁷	3,646¹⁷	73,222 ¹⁶	21,560¹⁷
Win Rate %	4.1%	3.2%	4.2%	3.6%	3.3%
Win	1,331	566	153	2,632	719
Mass Table Drop ¹⁸	7,972	6,627	3,317	15,100	9,944
Win Rate %	27.8%	32.0%	27.6%	28.1%	30.5%
Win	2,219	2,121	915	4,238	3,036
Electronic Gaming Volume	3,513	3,021	1,589	6,680	4,610
Win Rate %	4.9%	4.5%	3.4%	4.1%	4.1%
Win	174	136	54	276	190
Total GGR Win	3,724	2,823	1,122	7,146	3,945

¹⁴ NEG represents negative margin.

¹⁵ Gaming statistics are presented before deducting commission and incentives.

¹⁶ Represents sum of junket VIP and inhouse premium direct.

¹⁷ Represents inhouse premium direct.

¹⁸ Mass table drop includes the amount of table drop plus cash chips purchased at the cage.



StarWorld Macau

StarWorld Macau's Net Revenue was \$644 million in 1H 2022, down 67% year-on-year. Adjusted EBITDA was \$(216) million, versus \$305 million in 1H 2021. There was no luck impact on 1H 2022 Adjusted EBITDA.

In Q2 2022, StarWorld Macau's Adjusted EBITDA was \$(158) million, versus \$135 million in Q2 2021 and \$(58) million in Q1 2022. There was no luck impact on Q2 2022 Adjusted EBITDA.

Hotel occupancy was 42% for 1H 2022 and 33% for Q2 2022.

StarWorld Macau Key Financial Data

(HK\$m)	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Revenues:					
Net Gaming	885	391	198	1,857	589
Hotel / F&B / Others	40	27	17	74	44
Mall	7	6	5	14	11
Total Net Revenue	932	424	220	1,945	644
Adjusted EBITDA	135	(58)	(158)	305	(216)
Adjusted EBITDA Margin	14%	NEG ¹⁹	NEG¹⁹	16%	NEG¹⁹

Gaming Statistics²⁰					
(HK\$m)	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Rolling Chip Volume ²¹	12,126	0	0	25,809	0
Win Rate %	3.0%	0	0	3.2%	0
Win	363	0	0	833	0
Mass Table Drop ²²	4,064	2,183	982	7,854	3,165
Win Rate %	17.3%	18.8%	20.6%	18.2%	19.3%
Win	702	410	202	1,429	612
Electronic Gaming Volume	664	475	342	1,184	817
Win Rate %	2.5%	2.2%	2.4%	2.9%	2.3%
Win	16	10	9	34	19
Total GGR Win	1,081	420	211	2,296	631

¹⁹ NEG represents negative margin.

²⁰ Gaming statistics are presented before deducting commission and incentives.

²¹ Represents junket VIP.

²² Mass table drop includes the amount of table drop plus cash chips purchased at the cage.



Broadway Macau™

Broadway Macau™ is a unique family friendly, street entertainment and food resort supported by Macau SMEs. Broadway Macau™'s Net Revenue was \$31 million for 1H 2022 versus \$29 million for 1H 2021. Adjusted EBITDA was \$(36) million for 1H 2022 versus \$(43) million in 1H 2021. There was no luck impact on 1H 2022 Adjusted EBITDA.

In Q2 2022, Broadway Macau™'s Adjusted EBITDA was \$(19) million, versus \$(20) million in Q2 2021 and \$(17) million in Q1 2022. There was no luck impact on Q2 2022 Adjusted EBITDA.

Hotel occupancy was 28% for 1H 2022 and 32% for Q2 2022 as the hotel served as a self-health management hotel.

Broadway Macau™ Key Financial Data

(HK\$m)	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Revenues:					
Net Gaming	0	0	0	0	0
Hotel / F&B / Others	7	9	10	16	19
Mall	7	7	5	13	12
Total Net Revenue	14	16	15	29	31
Adjusted EBITDA	(20)	(17)	(19)	(43)	(36)
Adjusted EBITDA Margin	NEG ²³	NEG ²³	NEG ²³	NEG ²³	NEG ²³

Gaming Statistics²⁴

(HK\$m)	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Electronic Gaming Volume	3	3	1	16	4
Win Rate %	6.6%	9.0%	2.3%	4.0%	6.4%
Win	1	0	0	1	0
Total GGR Win	1	0	0	1	0

²³ NEG represents negative margin.

²⁴ Gaming statistics are presented before deducting commission and incentives.



City Clubs

City Clubs contributed \$19 million of Adjusted EBITDA to the Group's earnings for 1H 2022, down 37% year-on-year. Q2 2022 Adjusted EBITDA was \$11 million, down 45% year-on-year and up 38% quarter-on-quarter. Effective from 26 June 2022, we ceased operations at Rio Casino and President Casino with the aim to optimize the Company's operational scale. All gaming related staff have been reassigned to our other properties.

City Clubs Key Financial Data

(HK\$m)	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Adjusted EBITDA	20	8	11	30	19

Gaming Statistics²⁵					
<i>(HK\$m)</i>					
	Q2 2021	Q1 2022	Q2 2022	1H 2021	1H 2022
Rolling Chip Volume ²⁶	0	0	0	940	0
Win Rate %	0	0	0	4.4%	0
Win	0	0	0	41	0
Mass Table Drop ²⁷	844	653	311	1,511	964
Win Rate %	16.7%	18.5%	15.4%	16.1%	17.5%
Win	140	121	48	243	169
Electronic Gaming Volume	621	881	707	1,116	1,588
Win Rate %	1.9%	1.8%	1.9%	2.0%	1.8%
Win	12	16	13	22	29
Total GGR Win	152	137	61	306	198

Construction Materials Division

Construction Materials Division ("CMD") contributed Adjusted EBITDA of \$289 million in 1H 2022, down 35% year-on-year. CMD delivered a solid performance in Q2 2022 with Adjusted EBITDA of \$170 million, down 41% year-on-year and up 43% quarter-on-quarter. During Q2 2022 the sale of construction materials was impacted by the various COVID-19 lockdowns within Mainland China and associated temporary suspension of construction sites.

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.

²⁵ Gaming statistics are presented before deducting commission and incentives.

²⁶ Represents junket VIP.

²⁷ Mass table drop includes the amount of table drop plus cash chips purchased at the cage.



Cotai – The Next Chapter

GEG is uniquely positioned for long term growth. Phase 3 is effectively completed and we look forward to welcoming the iconic Raffles at Galaxy Macau through an exclusive 450 all-suite tower. We will align the opening with prevailing market conditions. We intend to follow this with the opening of the GICC and Andaz Macau in anticipation of the recovery of the MICE and entertainment markets.

We are now firmly focused on the development of Phase 4, which is already well under way. We see the premium market evolving with this segment preferring higher quality and more spacious rooms. We continue to proceed with the construction of Cotai Phase 4, our next generation integrated resort, which will complete our ecosystem in Cotai.

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. As you can see, we remain highly confident about the future of Macau where Cotai Phases 3 & 4 will support Macau's vision of becoming a World Centre of Tourism and Leisure.



Recent photograph of Raffles at Galaxy Macau



Recent photograph of GICC, Galaxy Arena and Andaz Hotel towers



Photograph of Cotai Phase 4 in Q2 2022



Selected Major Awards in 2022

AWARD	PRESENTER
GEG	
Charitable Community Award	International Gaming Awards 2022
GALAXY MACAU™	
Macao Green Hotel Award 2021 – Environmental Performance Gold Award – Hotel Okura Macau	Environmental Protection Bureau (DSPA)
EarthCheck Certified 2022 <ul style="list-style-type: none"> - Gold Certification - Banyan Tree Macau - Silver Certification - Galaxy Hotel™ 	EarthCheck
Michelin Guide Hotel Selection <ul style="list-style-type: none"> - Banyan Tree Macau - JW Marriott Hotel Macau - The Ritz-Carlton, Macau Michelin One Star Restaurant <ul style="list-style-type: none"> - 8½ Otto e Mezzo BOMBANA - Lai Heen Michelin Selected Restaurant <ul style="list-style-type: none"> - Terrazza Italian Restaurant - Yamazato - The Ritz-Carlton Café 	Michelin Guide Hong Kong and Macau 2022
Forbes Travel Guide Five-star Hotel <ul style="list-style-type: none"> - The Ritz-Carlton, Macau - Banyan Tree Macau - Hotel Okura Macau Forbes Travel Guide Five-star Restaurant <ul style="list-style-type: none"> - Lai Heen Forbes Travel Guide Five-star Spa <ul style="list-style-type: none"> - The Ritz-Carlton Spa, Macau - Banyan Tree Spa Macau 	Forbes Travel Guide
South China Morning Post 100 Top Tables 2022 <ul style="list-style-type: none"> - Lai Heen - 8½ Otto e Mezzo BOMBANA - Yamazato 	South China Morning Post
Traveler's Choice Awards – Best of the Best – The Ritz-Carlton, Macau	Tripadvisor Traveler's Choice Awards
Reader's Choice Awards 2022 Top 10 Best Hotels in Macau <ul style="list-style-type: none"> - Banyan Tree Macau (Silver) - Galaxy Hotel™ (Bronze) 	DestinAsian
The Most Popular Hotel Award - Hotel Okura Macau	Hotelbeds
LEED V4 Gold Certificate – Galaxy Macau Phase 3 (MICE)	U.S. Green Building Council
STARWORLD MACAU	
Michelin Two Stars Restaurant - Feng Wei Ju	Michelin Guide Hong Kong and Macau 2022
South China Morning Post 100 Top Tables 2022 - Feng Wei Ju	South China Morning Post
BROADWAY MACAU™	
Macao Green Hotel Award 2021 – Environmental Performance Silver Award – Broadway Hotel™	Environmental Protection Bureau (DSPA)
Construction Materials Division	
Caring Company Logo 2021/22 – 20 Years Plus Caring Company Logo	The Hong Kong Council of Social Service



Outlook

Despite the recent challenging experience in Macau, we remain confident in the longer term outlook for Macau in general and GEG specifically. Macau experienced a COVID-19 outbreak that resulted in the suspension of casinos for a period of 12 days in July 2022. During this difficult period, the Macau Government has continued to demonstrate their prompt and decisive action. We greatly appreciated their efforts and thank all of the health and emergency personnel and volunteers. Macau's public health and safety as well as economic and social stability remains the Government's highest priority.

We continue to support the Macau Government's COVID-19 prevention efforts, by providing hotels for quarantine and medical personnel. We continue to support the community and local employment including the reopening of our casinos on 23 July 2022. We would also like to acknowledge and thank our staff for participating in our various voluntary community programs.

Our balance sheet continues to remain healthy and solid with net cash of \$20.3 billion. Core debt remained minimal with zero debt associated with our Macau operations. We are well positioned to navigate through the pandemic.

We continue to support the economic development of Macau through our Cotai Phases 3 & 4 projects which positions us strongly for the future growth in leisure and tourism demand from Mainland China. The Central Government continues to support the further integration of Greater Bay Area through the development of infrastructure. The new Guangzhou Metro Line 18 Southern Extension Line which connects Nansha to Zhuhai is starting ground preparation work. This will further increase the connectivity between Guangdong Province and Macau. In the medium to longer term, we have great confidence in the future of Macau. But in the shorter term, the reoccurrence of COVID-19 outbreaks may continue to impact visitor arrivals and associated revenues, as well as our future financial performance.

We are pleased that our Macau gaming concession was granted an extension from 26 June 2022 to 31 December 2022. We are well positioned to compete for one of Macau's forthcoming gaming concessions, given our track record of introducing innovative non-gaming elements into our resorts, our strong operational history, significant investment into Macau's economy and our substantial CSR efforts including supporting SMEs. We look forward for the completion of the concession bidding process by year end.

– END –

APPENDIX

Recent selected examples of Galaxy Entertainment Group’s CSR efforts with a particular focus on supporting the Macau Government’s efforts to control COVID-19.

Together we fight the epidemic

GEG has been complying with the Hong Kong and Macau Governments’ measures for pandemic prevention and control and we have been supporting the community through the pandemic by enhancing the protection for our customers, team members and the public; encouraging our team members and their family members to get vaccinated; helping local Small and Medium-sized Enterprises (“SMEs”), suppliers, business partners, and underserved communities through implementing various timely and practical measures.

- Provided Broadway Hotel as self-health management hotel for persons with yellow health codes and then upgraded to a medical observation hotel for persons with red health codes;
- Provided 130 mobile beds and mattresses to the Community Treatment Center of the Macau East Asian Games Dome for the support of Macau Government’s anti-epidemic work;
- Accommodated over 600 Mainland medical personnel in our Hotel Okura Macau;
- Hosted Dr. Carolina Ung, PhD in Biomedical Sciences at the University of Macau to Banyan Tree Macau and StarWorld Macau respectively, for the hosting of two Vaccine Information Seminars to help our team members understand the importance of vaccination among children and the elderly;
- Launched the Family Vaccine Leave to allow team members to accompany their children under the age of 18 or parents aged 70 or above to get vaccinated on their appointment date; and
- Supported the Macau Government in boosting the vaccination rate among the elderly and people with disabilities by arranging more than 50 GEG volunteers to assist at the mobile vaccination vehicle at Iao Hon Market Park twice in April.

With the reoccurrence of COVID-19 in Macau in June 2022, GEG also mobilized around 500 GEG volunteers to provide onsite crowd control, enquiries support, and assistance for persons with special needs during the 17 rounds of Nucleic Acid Test (“NAT”) held at the testing stations and special care stations at the Olympic Sport Centre Stadium and Tap Seac Multi-sport Pavilion from June 20 to July 30, 2022.







Fighting the pandemic together – GEG supports mobile vaccination vehicle

More than 50 members of GEG Volunteer Team supported the mobile vaccination vehicle program arranged by the Health Bureau, the Social Welfare Bureau and the Federation of Neighborhood Associations of Macau at the Lao Han Market Park in April.



About Galaxy Entertainment Group (HKEx stock code: 27)

Galaxy Entertainment Group (“GEG” or the “Group”) is one of the world’s leading resorts, hospitality and gaming companies. It primarily develops and operates a large portfolio of integrated resort, retail, dining, hotel and gaming facilities in Macau. The Group is listed on the Hong Kong Stock Exchange and is a constituent stock of the Hang Seng Index.

GEG is one of the three original concessionaires in Macau with a successful track record of delivering innovative, spectacular and award-winning properties, products and services, underpinned by a “World Class, Asian Heart” service philosophy, that has enabled it to consistently outperform the market in Macau.

GEG operates three flagship destinations in Macau: on Cotai, Galaxy Macau™, one of the world’s largest integrated destination resorts, and the adjoining Broadway Macau™, a unique landmark entertainment and food street destination; and on the Peninsula, StarWorld Macau, an award winning premium property.

The Group has the largest undeveloped landbank of any concessionaire in Macau. When The Next Chapter of its Cotai development is completed, GEG’s resorts footprint on Cotai will double to more than 2 million square meters, making the resorts, entertainment and MICE precinct one of the largest and most diverse integrated destinations in the world. These projects will help GEG develop and support Macau in its vision of becoming a World Centre of Tourism and Leisure.

In July 2015, GEG made a strategic investment in Société Anonyme des Bains de Mer et du Cercle des Étrangers à Monaco (“Monte-Carlo SBM”), a world renowned owner and operator of iconic luxury hotels and resorts in the Principality of Monaco. GEG continues to explore a range of international development opportunities with Monte-Carlo SBM.

GEG is committed to delivering world class unique experiences to its guests and building a sustainable future for the communities in which it operates. For more information about the Group, please visit www.galaxyentertainment.com

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