



**GALAXY ENTERTAINMENT GROUP
SELECTED UNAUDITED Q1 2023 FINANCIAL DATA
Q1 2023 GROUP ADJUSTED EBITDA OF \$1.91 BILLION,
VERSUS \$0.6 BILLION IN Q1 2022 AND \$(0.2) BILLION IN Q4 2022
SOFT OPENED GALAXY ARENA
AND GALAXY INTERNATIONAL CONVENTION CENTER
POST-COVID RE-OPENING AND PHASE 3 EXPANSION WILL
GENERATE 900 NEW LOCAL JOBS**

Hong Kong, 22 May 2023 – Galaxy Entertainment Group (“GEG”, “Company” or the “Group”) (HKEx stock code: 27) today reported results for the three-month period ended 31 March 2023. (All amounts are expressed in Hong Kong dollars unless otherwise stated)

LETTER FROM THE CHAIRMAN OF GALAXY ENTERTAINMENT GROUP

Thank you for the opportunity to provide you with a broad market overview and a review of the financial performance of GEG in Q1 2023. But firstly, I would like to take a few moments to put the business performance of Q1 2023 into perspective. On 8 January 2023 the Macau Government announced the official end of COVID-19 restrictions. It has been very pleasing to see solid pent-up customer demand following the relaxation of travel restrictions. Visitors arrivals, hotel occupancy, gaming revenue and retail sales have all seen good growth. Looking forward into Q2 2023, we would expect further improvements as more existing facilities come online following additional staff recruitment, expanded flight and ferry capacity, and the opening of new amenities such as Galaxy International Convention Center (“GICC”), Raffles at Galaxy Macau and Andaz Macau. The re-opening after COVID-19 and Phase 3 expansion, will generate 900 new jobs for locals.

Moving onto our financial performance, the Group Net Revenue in Q1 2023 was \$7.05 billion, up 72% year-on-year and up 142% quarter-on-quarter; Adjusted EBITDA was \$1.91 billion, versus \$0.6 billion in Q1 2022 and \$(0.2) billion in Q4 2022. We were particularly encouraged by the performance over the Chinese New Year Golden Week which demonstrated solid demand.

Our balance sheet remained healthy and liquid. As of Q1 2023, cash and liquid investments were \$28.7 billion and net cash was \$21.3 billion. Debt of \$7.4 billion primarily reflects our ongoing treasury yield management initiatives.

The GICC soft opened in April and hosted its first MICE event. Our state-of-the-art Galaxy Arena also soft opened and hosted two world-class K-Pop concerts including the highly popular BLACKPINK and TREASURE. We are recruiting additional staff in preparation for the opening of the highly anticipated Raffles at Galaxy Macau and Andaz Macau which will add another 1,150 rooms bringing our total Macau hotel room count to around 6,000 rooms



and suites. The upcoming launch of Raffles at Galaxy Macau will bring a new level of service and opulence to Macau.

We continue to make good progress with Phase 4, our next generation integrated resort, which will include retail, F&B, entertainment, resort deck, gaming and more upgraded hotel suites and rooms. This will bring our total Macau hotel capacity to around 7,500 rooms and suites.

We have submitted our investment plans to the Macau Government for the next 10 years and are in active discussions with the Government to refine those investment plans. We are confident that the final mutually agreed plans will further diversify and broaden GEG's non-gaming offerings, attract a more diverse customer base including international visitors and support the Macau Government's vision of becoming the World Centre of Tourism and Leisure.

GEG is committed to fulfilling its investment obligation under the new license and committed to invest in Macau's economic diversification and support the Macau Government's vision of becoming a World Centre of Tourism and Leisure by hosting a variety of world class shows and performances. We will bring known proven events to Macau to support the Government's non-gaming drive. Additionally, we will introduce new and innovative events to further diversify Macau's economy and attract international tourists. In the medium to longer term, we remain confident in the future of Macau in general and GEG specifically.

Finally, I would like to extend my sincere appreciation to all of our team members whom without their commitment we would not have been able to navigate through the pandemic. Our team members continue to deliver exceptional customer experiences and 'World Class, Asian Heart' service each and every day. Thank you.

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



Q1 2023 RESULTS HIGHLIGHTS

GEG: Well Positioned for Future Growth

- Q1 Group Net Revenue of \$7.05 billion, up 72% year-on-year and up 142% quarter-on-quarter
- Q1 Group Adjusted EBITDA of \$1.91 billion, versus \$0.58 billion in Q1 2022 and \$(0.16) billion in Q4 2022
- Played lucky which increased Adjusted EBITDA by approximately \$59 million, normalized Adjusted EBITDA of \$1.85 billion, versus \$0.57 billion in Q1 2022 and \$(0.12) billion in Q4 2022
- Latest twelve months Adjusted EBITDA of \$779 million, down 76% year-on-year and up 241% quarter-on-quarter

Galaxy Macau™: Well Positioned for Future Growth

- Q1 Net Revenue of \$5.35 billion, up 74% year-on-year and up 192% quarter-on-quarter
- Q1 Adjusted EBITDA of \$1.85 billion, up 155% year-on-year, versus \$58 million in Q4 2022
- Played lucky which increased Adjusted EBITDA by approximately \$59 million, normalized Adjusted EBITDA of \$1.79 billion, up 148% year-on-year, versus \$98 million in Q4 2022
- In Q1, approximately 60% of rooms were staffed, occupancy of those rooms was effectively 100%

StarWorld Macau: Well Positioned for Future Growth

- Q1 Net Revenue of \$938 million, up 121% year-on-year and up 281% quarter-on-quarter
- Q1 Adjusted EBITDA of \$216 million, versus \$(58) million in Q1 2022 and \$(142) million in Q4 2022
- Hotel occupancy for Q1 was 96%

Broadway Macau™, City Clubs and Construction Materials Division (“CMD”)

- Broadway Macau™: Q1 Adjusted EBITDA was \$(10) million, versus \$(17) million in Q1 2022 and \$(10) million in Q4 2022
- City Clubs: Q1 Adjusted EBITDA was \$3 million, versus \$8 million in Q1 2022 and \$(14) million in Q4 2022
- CMD: Q1 Adjusted EBITDA was \$101 million, down 15% year-on-year and down 37% quarter-on-quarter

Balance Sheet: Healthy and Liquid Balance Sheet

- As at 31 March 2023, cash and liquid investments were \$28.7 billion and net cash was \$21.3 billion
- As at 31 March 2023, debt was \$7.4 billion which primarily reflects ongoing treasury yield management initiatives with core debt of \$0.4 billion

Development Update: Soft opened Phase 3 including GICC and Galaxy Arena, expect to open Raffles at Galaxy Macau and Andaz Macau later this year; Progressing with Phase 4

- Cotai Phase 3 – Soft opened GICC and Galaxy Arena, expect to open Raffles at Galaxy Macau and Andaz Macau later this year
- Cotai Phase 4 - Our efforts are firmly focused on the development of Phase 4. Phase 4 has a strong focus on non-gaming, primarily targeting MICE, entertainment, family facilities and also includes gaming



Macau Market Overview

All COVID-19 restrictions were lifted in the beginning of 2023 which increased visitations to Macau and associated revenue. Based on DICJ reporting, Macau's gross gaming revenue ("GGR") for Q1 2023 was \$33.6 billion, up 95% year-on-year and up 234% quarter-on-quarter.

In Q1 2023, visitor arrivals to Macau were 4.9 million, up 164% year-on-year and up 270% quarter-on-quarter. Mainland visitor arrivals were 3.2 million, up 88% year-on-year and up 175% quarter-on-quarter. 64% of the Mainland visitors were from the Individual Visit Scheme. Overnight visitors were 2.6 million, up 290% year-on-year and up 257% quarter-on-quarter.

Group Financial Results

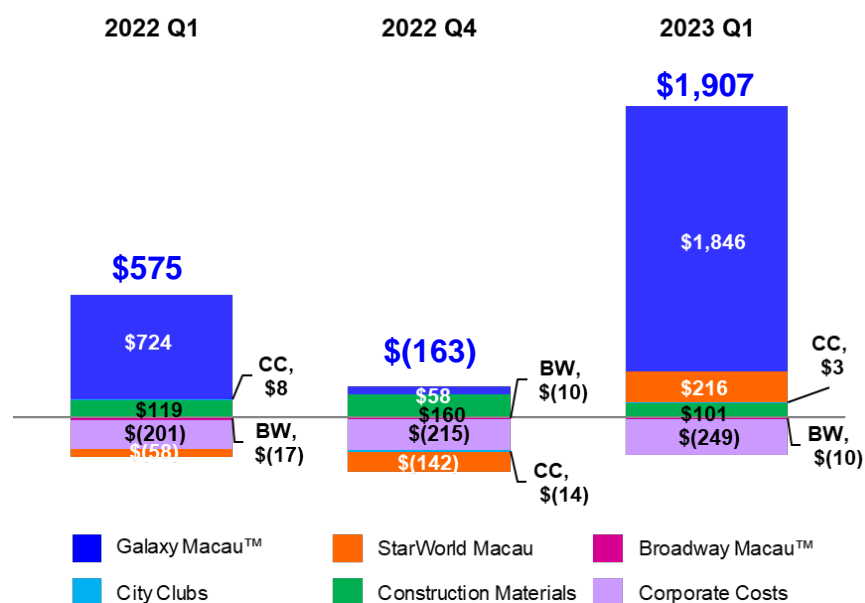
In Q1 2023, the Group posted Net Revenue of \$7.05 billion, up 72% year-on-year and up 142% quarter-on-quarter. Group Adjusted EBITDA was \$1.91 billion, versus \$0.6 billion in Q1 2022 and \$(0.2) billion in Q4 2022. Latest twelve months Adjusted EBITDA of \$779 million, down 76% year-on-year and up 241% quarter-on-quarter.

In Q1 2023, GEG played lucky in its gaming operation which increased its Adjusted EBITDA by approximately \$59 million. Normalized Adjusted EBITDA was \$1.85 billion, versus \$0.6 billion in Q1 2022 and \$(0.1) billion in Q4 2022.

Summary Table of GEG Q1 2023 Adjusted EBITDA and Adjustments:

<i>in HK\$m</i>	Q1 2022	Q4 2022	Q1 2023	YoY	QoQ
Adjusted EBITDA	575	(163)	1,907	232%	1,270%
<i>Luck</i> ¹	3	(40)	59	-	-
Normalized Adjusted EBITDA	572	(123)	1,848	223%	1,602%

GEG Adjusted EBITDA (HK\$m)



¹ Reflects luck associated with our rolling chip program.



The Group's total GGR in Q1 2023 was \$6.07 billion, up 79% year-on-year and up 233% quarter-on-quarter. Mass GGR was \$4.93 billion, up 86% year-on-year and up 214% quarter-on-quarter. Rolling chip GGR was \$794 million, up 40% year-on-year and up 436% quarter-on-quarter. Electronic GGR was \$337 million, up 108% year-on-year and up 227% quarter-on-quarter.

Group Key Financial Data

(HK\$m)	Q1 2022	Q4 2022	Q1 2023
Revenues:			
Net Gaming	2,902	1,615	5,323
Non-gaming	623	504	1,033
Construction Materials	575	797	698
Total Net Revenue	4,100	2,916	7,054
Adjusted EBITDA	575	(163)	1,907

Gaming Statistics²

(HK\$m)	Q1 2022	Q4 2022	Q1 2023
Rolling Chip Volume ³	17,914	6,815	21,548
Win Rate %	3.2%	2.2%	3.7%
Win	566	148	794
Mass Table Drop ⁴	9,463	6,311	20,675
Win Rate %	28.0%	24.9%	23.9%
Win	2,652	1,573	4,934
Electronic Gaming Volume	4,380	2,964	8,576
Win Rate %	3.7%	3.5%	3.9%
Win	162	103	337
Total GGR Win ⁵	3,380	1,824	6,065

Balance Sheet

The Group's balance sheet remains healthy and liquid. As of 31 March 2023, cash and liquid investments were \$28.7 billion and net cash was \$21.3 billion. Debt was \$7.4 billion which primarily reflects our ongoing treasury yield management initiatives. Core debt remained minimal at \$0.4 billion. This provides us with valuable flexibility in managing our ongoing operations and allows us to continue investing in our longer-term development plans.

² Gaming statistics are presented before deducting commission and incentives.

³ Represents sum of junket VIP and inhouse premium directed.

⁴ Mass table drop includes the amount of table drop plus cash chips purchased at the cage.

⁵ Total GGR win includes gaming win from City Clubs.



Galaxy Macau™

Galaxy Macau™ is the primary contributor to Group revenue and earnings. In Q1 2023, Galaxy Macau™'s Net Revenue was \$5.35 billion, up 74% year-on-year and up 192% quarter-on-quarter. Adjusted EBITDA was \$1.85 billion, versus \$724 million in Q1 2022 and \$58 million in Q4 2022. Adjusted EBITDA margin was 35% (Q1 2022: 24%).

Galaxy Macau™ played lucky in its gaming operations which increased its Adjusted EBITDA by approximately \$59 million. Normalized Q1 2023 Adjusted EBITDA was \$1.79 billion, up 148% year-on-year, versus \$98 million in Q4 2022.

In Q1 due to staffing constraints just over 60% of hotel rooms were available for guests. Of those available rooms, hotel occupancy was 100%. Currently we are effectively fully staffed for our existing resorts and all rooms are available except for Broadway Hotel.

Galaxy Macau™ Key Financial Data

(HK\$m)

	Q1 2022	Q4 2022	Q1 2023
Revenues:			
Net Gaming	2,503	1,378	4,442
Hotel / F&B / Others	228	208	470
Mall	346	248	436
Total Net Revenue	3,077	1,834	5,348
Adjusted EBITDA	724	58	1,846
Adjusted EBITDA Margin	24%	3%	35%

Gaming Statistics⁶

(HK\$m)

	Q1 2022	Q4 2022	Q1 2023
Rolling Chip Volume ⁷	17,914	6,815	21,548
Win Rate %	3.2%	2.2%	3.7%
Win	566	148	794
Mass Table Drop ⁸	6,627	4,916	15,124
Win Rate %	32.0%	27.2%	26.2%
Win	2,121	1,335	3,970
Electronic Gaming Volume	3,021	1,925	6,290
Win Rate %	4.5%	4.2%	4.6%
Win	136	81	291
Total GGR Win	2,823	1,564	5,055

⁶ Gaming statistics are presented before deducting commission and incentives.

⁷ Represents sum of junket VIP and inhouse premium directed.

⁸ Mass table drop includes the amount of table drop plus cash chips purchased at the cage.



StarWorld Macau

In Q1 2023, StarWorld Macau's Net Revenue was \$938 million, up 121% year-on-year and up 281% quarter-on-quarter. Adjusted EBITDA was \$216 million, versus \$(58) million in Q1 2022 and \$(142) million in Q4 2022.

Hotel occupancy⁹ was 96% for Q1 2023.

StarWorld Macau Key Financial Data

(HK\$m)

	Q1 2022	Q4 2022	Q1 2023
Revenues:			
Net Gaming	391	217	828
Hotel / F&B / Others	27	24	105
Mall	6	5	5
Total Net Revenue	424	246	938
Adjusted EBITDA	(58)	(142)	216
Adjusted EBITDA Margin	NEG ¹⁰	NEG ¹⁰	23%

Gaming Statistics¹¹

(HK\$m)

	Q1 2022	Q4 2022	Q1 2023
Mass Table Drop ¹²	2,183	1,320	5,289
Win Rate %	18.8%	17.3%	17.5%
Win	410	229	926
Electronic Gaming Volume	475	522	1,406
Win Rate %	2.2%	2.4%	2.3%
Win	10	12	32
Total GGR Win	420	241	958

Broadway Macau™

Broadway Macau™ is a unique family friendly, street entertainment and food resort supported by Macau SMEs. In Q1 2023, Broadway Macau™'s Net Revenue was \$18 million, up 13% year-on-year, down 5% quarter-on-quarter. Adjusted EBITDA was \$(10) million, versus \$(17) million in Q1 2022 and \$(10) million in Q4 2022.

City Clubs

In Q1 2023, City Clubs' Net Revenue was \$52 million, up 550% year-on-year and up 160% quarter-on-quarter. Adjusted EBITDA was \$3 million, versus \$8 million in Q1 2022 and \$(14) million in Q4 2022.

⁹ Hotel occupancy is based upon available rooms.

¹⁰ NEG represents negative margin.

¹¹ Gaming statistics are presented before deducting commission and incentives.

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



Construction Materials Division (“CMD”)

In Q1 2023, CMD delivered Adjusted EBITDA of \$101 million, down 15% year-on-year and down 37% quarter-on-quarter. Q1 is historically a seasonally softer quarter, additionally this year was impacted by challenging market conditions and lower levels of infrastructure and property development. The weak China market performance was partially offset by higher demand of ready-mixed concrete from Hong Kong airport for catch up works of the Three-runway System.

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.

Cotai – The Next Chapter

In April 2023, we soft opened Phase 3 GICC and Galaxy Arena. GICC has successfully hosted its first MICE event on 12 April 2023. Our state-of-the-art Galaxy Arena also hosted two world-class K-Pop concerts including the highly popular BLACKPINK and TREASURE. We are recruiting additional staff in preparation for the opening of the highly anticipated Raffles at Galaxy Macau and Andaz Macau which will add another 1,150 rooms bringing our total Macau hotel room count to around 6,000 rooms and suites. The upcoming launch of Raffles at Galaxy Macau will bring a new level of service and opulence to Macau.

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. Phase 4 will include entertainment, retail, F&B, gaming and multiple hotels. On completion our total Macau hotel capacity will be around 7,500 rooms and suites. 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.



The latest photograph of Raffles at Galaxy Macau (April 2023)



The latest photograph of GICC, Galaxy Arena and Andaz Macau towers (April 2023)



The latest event photograph in Galaxy Arena (April 2023)



The latest photograph of Cotai Phase 4 (April 2023)



Selected Major Awards in Q1 2023

AWARD	PRESENTER
GEG	
Best Gaming Operator	Asia Gaming Awards 2023
Sustainability Award	International Gaming Awards 2023

GALAXY MACAU™	
Michelin One-Star Restaurant - 8½ Otto e Mezzo BOMBANA - Lai Heen	The MICHELIN Guide Hong Kong Macau 2023
2023 Forbes Travel Guide Five-Star Hotel - Galaxy Hotel™ - Hotel Okura Macau - Banyan Tree Macau - The Ritz-Carlton, Macau 2023 Forbes Travel Guide Five-Star Restaurant - 8½ Otto e Mezzo BOMBANA - Lai Heen 2023 Forbes Travel Guide Five-Star Spa - Banyan Tree Spa Macau - The Ritz-Carlton Spa, Macau	Forbes Travel Guide
SCMP 100 Top Tables 2023 Award - 8½ Otto e Mezzo BOMBANA - Lai Heen	South China Morning Post
EarthCheck Certified Silver - Galaxy Hotel™ - Hotel Okura Macau	EarthCheck
The Best Hotel Selected Restaurant - The Apron	iFood Award

STARWORLD MACAU	
Michelin Two-Star Restaurant – Feng Wei Ju	The MICHELIN Guide Hong Kong Macau 2023
SCMP 100 Top Tables 2023 Award - Feng Wei Ju	South China Morning Post

CMD	
Caring Company Scheme – 20 Years Plus Caring Company Logo	The Hong Kong Council of Social Service
21 st Hong Kong Occupational Safety & Health Award - Safety Management System Award - All Industries - Certificate of Attainment - Safety Performance Award - All Industries - Outstanding Award	Labour Department / Occupational Safety and Health Council



Outlook

Following the reopening of Macau in early January, Macau experienced a significant rebound in business. We are currently effectively at full staff complement for our existing resorts. We have commenced to recruit and train staff at both the Raffles at Galaxy Macau and Andaz Macau in preparation of opening later this year. We are generating 900 new jobs for locals across existing properties and our Phase 3 expansion.

In mid-April we soft opened GICC and Galaxy Arena. The addition of our MICE, exhibition and Arena positions GEG well for future growth. We expect to formally launch Raffles at Galaxy Macau and Andaz Macau later this year. The launch of these two world-class hotels will substantially increase our room capacity and drive increased customers across our existing resort assets. We continue to upgrade, renovate and introduce new and exciting concepts and amenities to our existing resorts. Looking further out we continue with the development of Phase 4. We continue to consider development and investment opportunities in both the Greater Bay Area and other jurisdictions. We are well positioned for growth with our development pipeline and our exceptionally strong, unlevered balance sheet.

We are actively marketing for international customers which will further leverage our resort offering and we are building out our entertainment offering to capitalize upon our MICE and Arena facilities. GEG has signed multi-year cooperation agreements with a number of major Mainland and international entertainment enterprises to source a broad range of cultural and entertainment events for GICC and Galaxy Arena.

Effective from June 2022, we ceased operations at Rio Casino and President Casino with the aim to optimize the Company's operational scale. All related gaming tables were effectively reallocated for better use in our Mass and Premium Mass business, including the reallocation of some former VIP tables.

Following the opening up of Macau, transportation to Macau continues to improve with increased airlift into both Hong Kong and Macau, and an increase in bus and ferry schedules to Macau. During the COVID-19 period both the Central and Macau Governments continued to expand and enhance infrastructure that enables easier access to Macau and further extends the reach of Macau into Mainland China.

With our world-class resort portfolio, significant development pipeline and strong balance sheet GEG is well positioned for longer term growth and in turn will support the Macau Government's vision of becoming a "World Center of Tourism and Leisure".

- END -



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 was one of the three original concessionaires in Macau when the gaming industry was liberalized in 2002. In 2022, GEG was awarded a new gaming concession valid from January 1, 2023, to December 31, 2032. GEG has 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. GEG is also progressing plans for its Hengqin project and we are also expanding our focus beyond Hengqin and Macau to potentially include opportunities within the rapidly expanding Greater Bay Area. 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

For Media Enquiries:

Galaxy Entertainment Group - Investor Relations
Mr. Peter J. Caveny / Ms. Yoko Ku / Ms. Joyce Fung
Tel: +852 3150 1111
Email: ir@galaxyentertainment.com