



# 4Q'21 Results Presentation

March 1, 2022

# Disclaimer

## Safe Harbor Statement

This presentation contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. The Company may also make forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the "SEC"), in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties and a number of factors could cause actual results to differ materially from those contained in any forward-looking statement. These factors include, but are not limited to, (i) the global pandemic of COVID-19, caused by a novel strain of the coronavirus, and the continued impact of its consequences on our business, our industry and the global economy (ii) growth of the gaming market and visitation in Macau, the Philippines and the Republic of Cyprus, (iii) capital and credit market volatility, (iv) local and global economic conditions, (v) our anticipated growth strategies, (vi) gaming authority and other governmental approvals and regulations, (vii) proposed amendments to the gaming law in Macau, the extension of current gaming concessions and subconcessions and tender for new gaming concessions, and (viii) our future business development, results of operations and financial condition. In some cases, forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "anticipate", "target", "aim", "estimate", "intend", "plan", "believe", "potential", "continue", "is/are likely to" or other similar expressions. Further information regarding these and other risks, uncertainties or factors is included in the Company's filings with the SEC. All information provided in this presentation is as of the date of this presentation and the Company undertakes no duty to update such information, except as required under applicable law.

This presentation contains non-GAAP financial measures and ratios that are not required by, or presented in accordance with, U.S. GAAP, including Adjusted property EBITDA and Adjusted EBITDA. The non-GAAP financial measures may not be comparable to other similarly titled measures of other companies since they are not uniformly defined and have limitations as analytical tools and should not be considered in isolation or as a substitute for U.S. GAAP measures. Non-GAAP financial measures and ratios are not measurements of our performance under U.S. GAAP and should not be considered as alternatives to any performance measures derived in accordance with U.S. GAAP or any other generally accepted accounting principles. Reconciliations of such non-GAAP financial measures and ratios to their most directly comparable financial measures and ratios are included in our earnings releases that have been furnished with the SEC and are also available on our Investor Relations website at <http://ir.melco-resorts.com>.

# Summary Financials

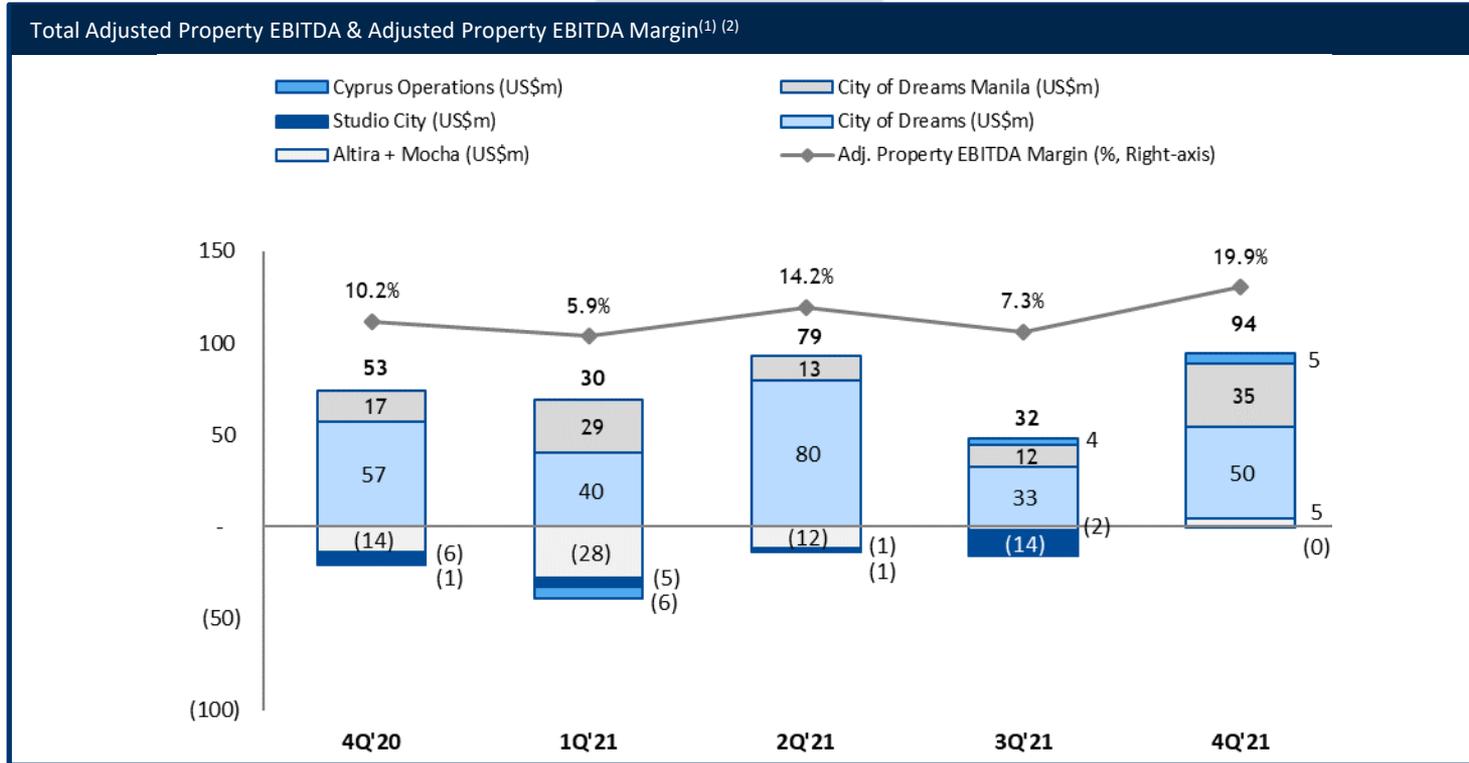
(US\$ millions)	4Q '21	4Q'20	% Change	FY2021	FY2020	% Change
<b>Total Operating Revenues</b>	<b>481</b>	<b>528</b>	<b>-9.0%</b>	<b>2,012</b>	<b>1,728</b>	<b>16.5%</b>
Gaming	391	440	-11.3%	1,676	1,471	13.9%
Non-Gaming	90	88	2.7%	336	257	31.0%
Total Operating Costs & Expenses	(585)	(673)	13.1%	(2,590)	(2,668)	2.9%
<b>Operating Loss</b>	<b>(104)</b>	<b>(145)</b>	<b>27.9%</b>	<b>(577)</b>	<b>(941)</b>	<b>38.6%</b>
Total Non-Operating Expenses, Net	(83)	(88)	5.6%	(376)	(517)	27.2%
Net Loss	(190)	(235)	19.1%	(956)	(1,455)	34.2%
<b>Adjusted Property EBITDA</b>	<b>94</b>	<b>53</b>	<b>75.9%</b>	<b>235</b>	<b>(104)</b>	<b>325.5%</b>

Notes:

1. "Adjusted Property EBITDA" is net income/loss before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, litigation claims, share-based compensation, payments to the Philippine Parties under the cooperative arrangement (the "Philippine Parties"), land rent to Belle Corporation, Corporate and Other expenses and other non-operating income and expenses

# Melco Group Adjusted Property EBITDA – 4Q'21

Melco Group-wide Adjusted Property EBITDA of US\$94 million

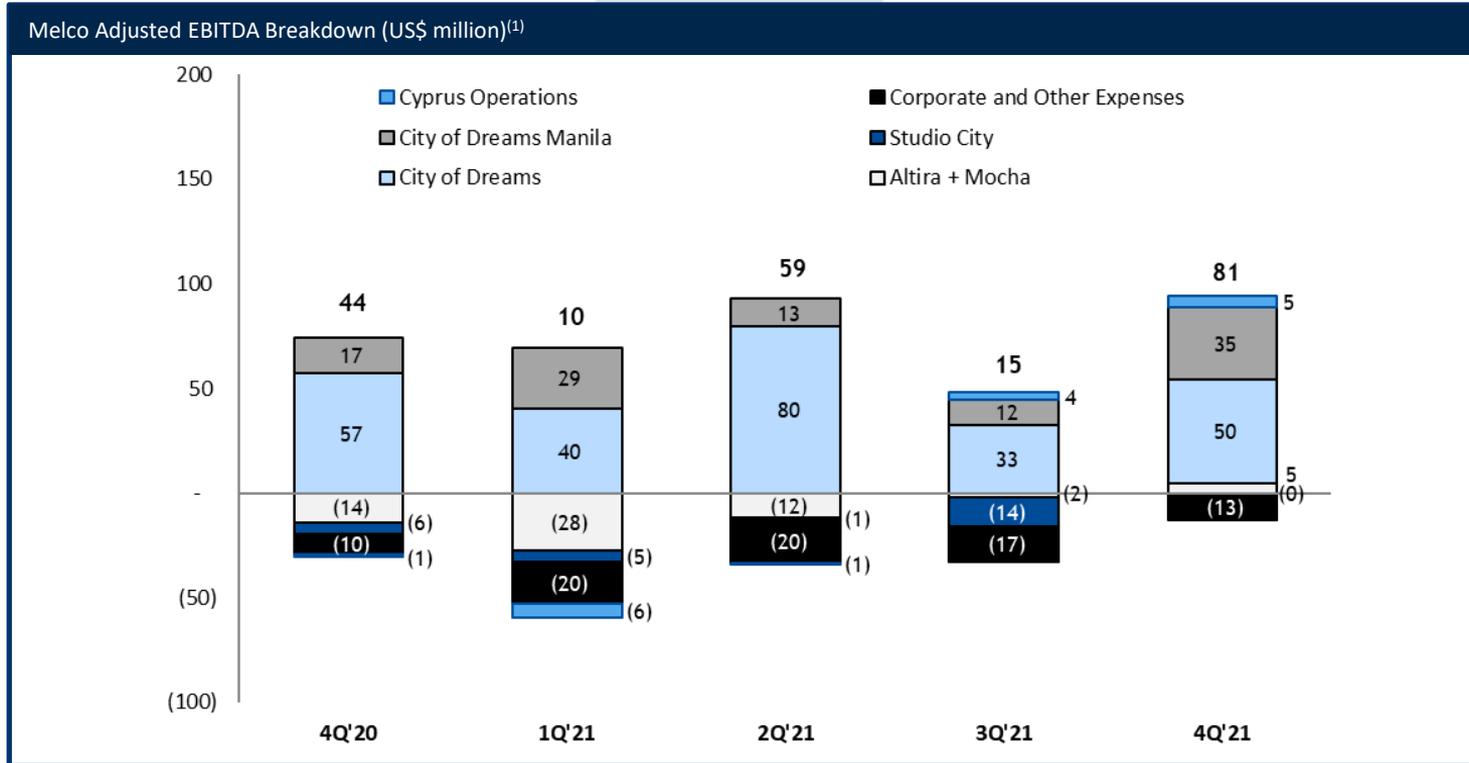


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2. Adjusted Property EBITDA margin is Adjusted Property EBITDA divided by total operating revenues

# Melco Adjusted EBITDA – 4Q'21

Melco recorded Adjusted EBITDA of US\$81 million



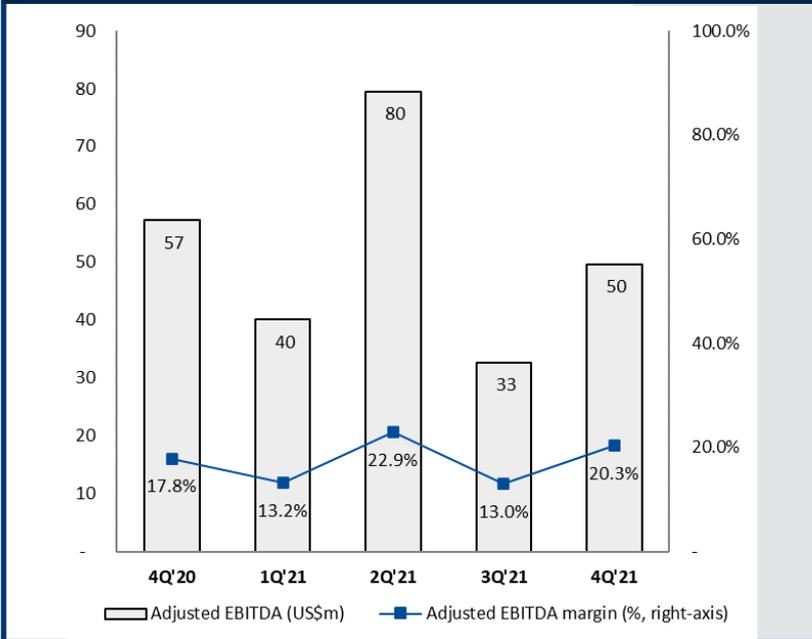
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# City of Dreams – 4Q'21

City of Dreams recorded Adjusted EBITDA of US\$50 million

City of Dreams Adjusted EBITDA and Adjusted EBITDA margin<sup>(1) (2)</sup>



City of Dreams Key Operating Metrics

(US\$m, unless otherwise stated)	4Q'21	Vs. 3Q'21	Vs. 4Q'20
VIP Rolling Chip	3,115	11%	(1%)
VIP Win Rate (%)	1.68%	(178bps)	(207bps)
Mass Table Drop	691	12%	(7%)
Mass Table Hold (%)	29.7%	104bps	(46bps)
VIP GGR	52	(46%)	(56%)
Mass GGR	205	16%	(8%)
Slots GGR	15	29%	6%
Total GGR	273	(4%)	(23%)
Total Operating Revenues	245	(3%)	(24%)
Adjusted EBITDA	50	52%	(13%)

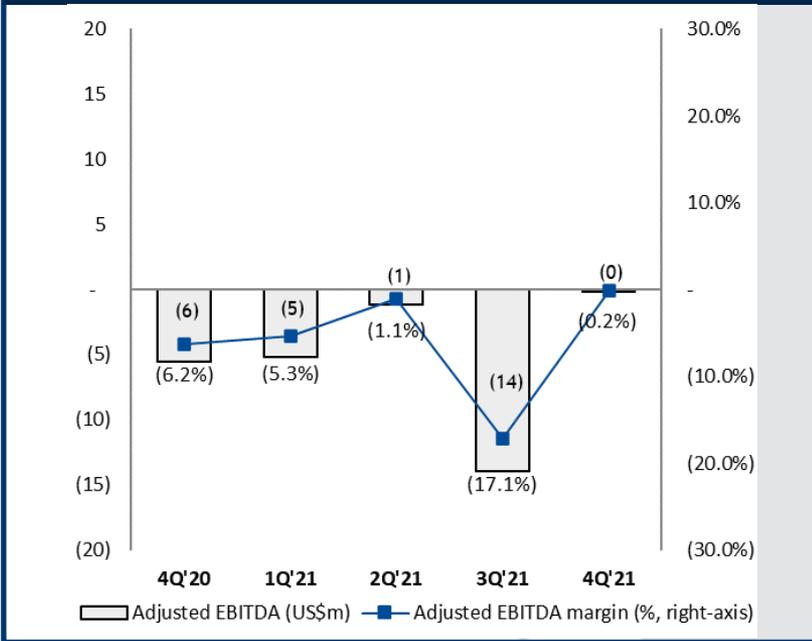
Note:

1. "Adjusted EBITDA" is net income/loss before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation and other non-operating income and expenses
2. "Adjusted EBITDA margin" is Adjusted EBITDA divided by total operating revenues

# Studio City – 4Q'21

Studio City recorded broadly Adjusted EBITDA breakeven

Studio City Adjusted EBITDA and Adjusted EBITDA margin<sup>(1) (2)</sup>



Studio City Key Operating Metrics

(US\$m, unless otherwise stated)	4Q'21	Vs. 3Q'21	Vs. 4Q'20
VIP Rolling Chip	474	0%	6%
VIP Win Rate (%)	1.84%	(51bps)	197bps
Mass Table Drop	253	1%	(17%)
Mass Table Hold (%)	29.6%	325bps	263bps
VIP GGR	9	(21%)	(1572%)
Mass GGR	75	14%	(9%)
Slots GGR	7	(7%)	28%
Total GGR	91	7%	4%
Total Operating Revenues	88	8%	0%
Adjusted EBITDA	(0)	99%	98%

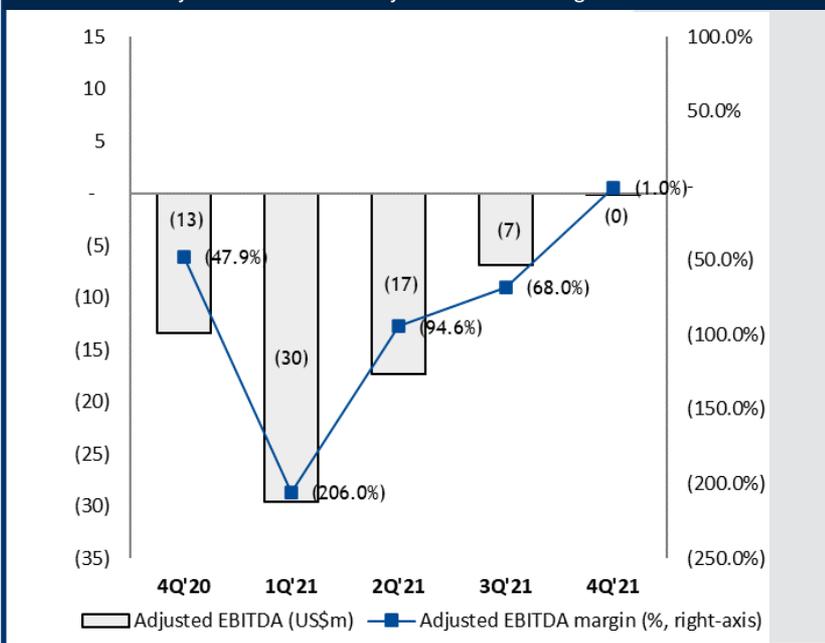
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2. "Adjusted EBITDA margin" is Adjusted EBITDA divided by total operating revenues

# Altira – 4Q'21

Altira recorded broadly Adjusted EBITDA breakeven

Altira Macau Adjusted EBITDA and Adjusted EBITDA margin<sup>(1) (2)</sup>



Altira Key Operating Metrics

(US\$m, unless otherwise stated)	4Q'21 <sup>(3)</sup>	Vs. 3Q'21	Vs. 4Q'20
VIP Rolling Chip	-	N.A.	N.A.
VIP Win Rate (%)	-	N.A.	N.A.
Mass Table Drop	35	23%	(27%)
Mass Table Hold %	28.1%	238bps	901bps
VIP GGR	-	N/A	N/A
Mass GGR	10	35%	7%
Slots GGR	2	10%	3%
Total GGR	12	29%	(70%)
Total Operating Revenues	13	31%	(52%)
Adjusted EBITDA	(0)	98%	99%

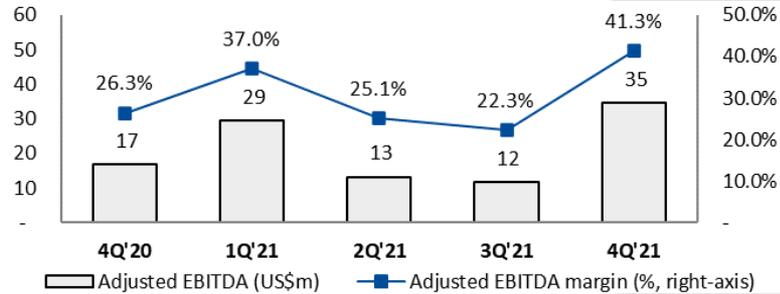
Note:

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2. "Adjusted EBITDA margin" is Adjusted EBITDA divided by total operating revenues
3. Starting in the third quarter of 2021, Altira Macau has strategically repositioned to cater to the premium mass segment and has shut down VIP operations.

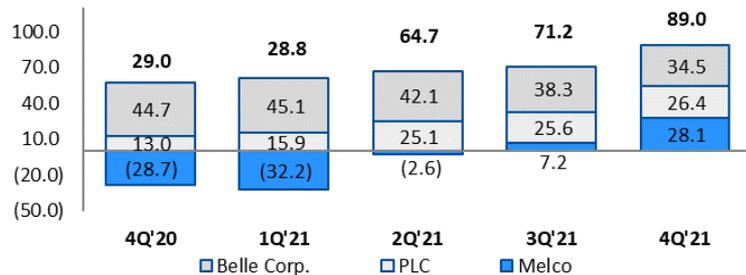
# City of Dreams Manila – 4Q'21

City of Dreams Manila recorded Adjusted EBITDA of US\$35 million

City of Dreams Manila Adjusted EBITDA and Adjusted EBITDA margin<sup>(1) (2)</sup>



City of Dreams Manila - Share of Adjusted EBITDA (Trailing 12 Months, US\$ million)<sup>(3)</sup>



Note:

1. "Adjusted EBITDA" is net income/loss before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation, payments to the Philippine parties under the cooperative arrangement (the "Philippine Parties"), land rent to Belle Corporation and other non-operating income and expenses
2. "Adjusted EBITDA margin" is Adjusted EBITDA divided by total operating revenues
3. Premium Leisure Corporation's (PLC) share represents payments made to the Philippine Parties while Belle Corporation's share represents cash payments made to Belle Corporation for building and land rent

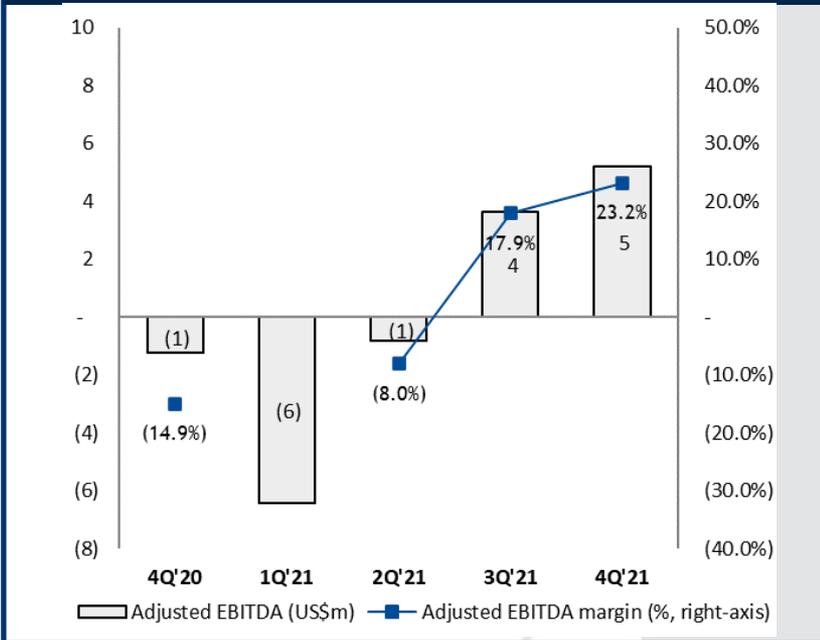
City of Dreams Manila Key Operating Metrics

(US\$m, unless otherwise stated)	4Q'21	Vs. 3Q'21	Vs. 4Q'20
VIP Rolling Chip	206	715%	(15%)
VIP Win Rate (%)	1.20%	(555bps)	(178bps)
Mass Table Drop	113	38%	14%
Mass Table Hold (%)	35.6%	753bps	(13bps)
VIP GGR	2	45%	(66%)
Mass GGR	40	75%	13%
Slots GGR	44	52%	73%
Total GGR	87	62%	27%
Total Operating Revenues	84	60%	32%
Adjusted EBITDA	35	196%	106%

# Cyprus – 4Q'21

Cyprus recorded Adjusted EBITDA of US\$5 million

Cyprus Operations Adjusted EBITDA and Adjusted EBITDA margin<sup>(1) (2)</sup>

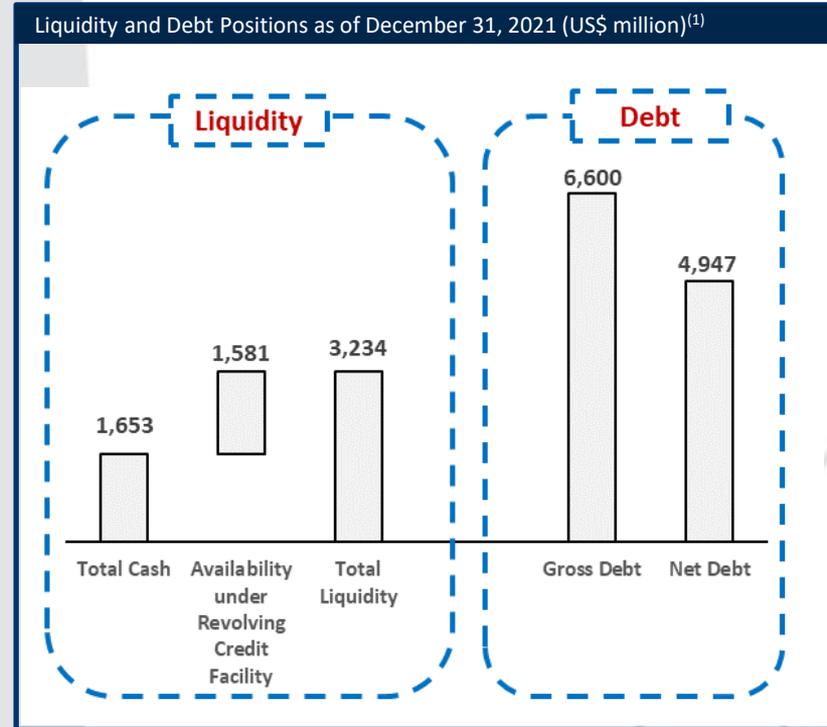
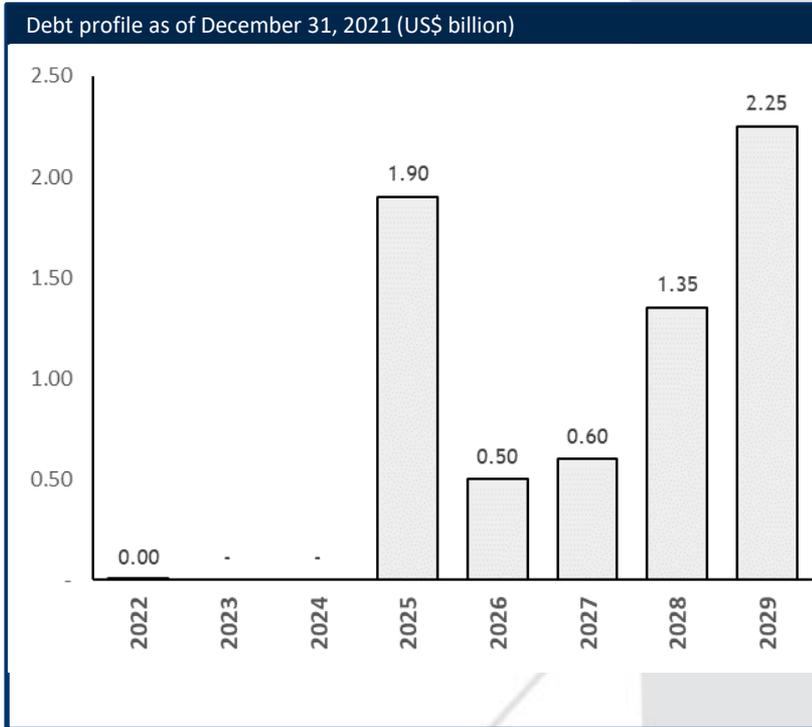


Cyprus Operations Key Operating Metrics

(US\$m, unless otherwise stated)	4Q'21	Vs. 3Q'21	Vs. 4Q'20
VIP Rolling Chip	1	(50%)	913%
VIP Win Rate (%)	-1.92%	(2,425bps)	1,551bps
Mass Table Drop	31	(2%)	191%
Mass Table Hold (%)	20.1%	311bps	392bps
VIP GGR	(0)	(104%)	12%
Mass GGR	6	15%	260%
Slots GGR	17	14%	149%
Total GGR	23	11%	172%
Total Operating Revenues	22	11%	173%
Adjusted EBITDA	5	43%	524%

- Note:
1. "Adjusted EBITDA" is net income/loss before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation, payments to the Philippine parties under the cooperative arrangement (the "Philippine Parties"), land rent to Belle Corporation and other non-operating income and expenses
  2. "Adjusted EBITDA margin" is Adjusted EBITDA divided by total operating revenues

# Balance Sheet



Notes:  
 1. Total Cash is calculated by summation of cash, cash equivalents and restricted cash and Net Debt is calculated by deducting Total Cash from total debt



# Melco's Sustainability Goals & Achievements



# Melco's Sustainability Goals & Achievements

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## Melco's Above & Beyond Sustainability Strategy

Our sustainability strategy lays out ambitious goals, actionable targets and further enhancement to disclosures around key environmental, social, and governance (ESG) issues that are critical to Melco's business.

### Key Goals:

- To achieve carbon neutral resorts by 2030
- To achieve zero waste across our resorts by 2030; eliminate problematic single-use plastics in daily operations and contribute to circular economy in Asia
- To be the employer of choice and create the best-in-class working environment for our employees, and to be the best partner to the community both in Macau and around the world
- To inspire guests by seamlessly integrating sustainability in their experience and demonstrate a sustainable future is a better future

### Achievements to date:

#### Renewable energy:

- Assembled Macau's largest solar array of **18,000+ solar panels**, generating 7.7 million kWh of energy per year, equivalent to taking 1,296 passenger cars off the road for a year. COD Manila became the first Integrated Resort in the Philippines to harness solar power, installing **3,120 PV panels** to generate 1.2 MW at full capacity.
- Expanding our fleet of electric vehicles to 36 shuttle buses. Electric vehicles now account for 29% of Melco's total bus fleet in Macau, reducing our use and ownership of diesel buses

#### Energy Efficiency Measures:

- We implement ongoing efficiency measures to reduce overall energy consumption. Accumulated annual savings are 53,579 MWh in Macau alone (equivalent to the electricity consumption of 6,897 households per year)

# Melco's Sustainability Goals & Achievements

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## Achievements to date [continued]:

### Single-Use Plastic commitments

- Installed the NORDAQ water filtration and bottling system in Macau. We will gradually **eliminate 14.8 million plastic bottles annually.**
- **Replaced all single use plastic (SUP)** bottles in employee areas with refill water stations, avoiding approximately **244,000 bottles** annually.
- **Replaced all SUP Food and Beverage (F&B)** containers and utensils and straws with biodegradable, sustainable alternatives including items made from cornstarch, bamboo fiber or paper to avoid the use and wastage of **9.5 tons of SUP per year.**
- Transitioning to large refillable shower amenities in place of small single use plastic amenity bottles at our hotel towers.
- Donated over 4,000kg of used linens to local NGOs in Macau and Manila.

### Food waste:

- Installed artificial Intelligence (AI)-driven technology, Winnow Vision, in technology to reduce food waste in employee dining rooms (EDRs), which serve over 10,000 colleagues every day in Macau.
- Through Winnow, we are saving approximately 316.5 tonnes of food waste per year.
- Participated in study with London School of Economics and identified key communications techniques to reduce plate waste in EDRs

### Sustainable Sourcing:

- Achieved sourcing all 100% cotton bed, table and bath linens at our Macau and Manila resorts made from OEKO-TEX certified cotton.
- We've created sourcing guidelines on chemicals to achieve Green Key Awards for all our hotels in Macau.
- Increased sustainable seafood spend in 2021 to reach 22% for Macau and Manila combined.

# Melco's Sustainability Goals and Achievements

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## Awards

- Winner of the “Climate Change Initiative” category - Pacific Asia Travel Association (PATA) Gold Awards 2021
- “Sustainable Resort of the Year” - International Gaming Awards (IGA) 2021.
- ASEAN Tourism Standards Awards – City of Dreams Manila, ASEAN Green Hotel Category
- “Asia’s Best CSR” – Asian Excellence Awards 2020, Corporate Governance Asia magazine
- “Community Award – Asia” – Industry Community Awards 2020
- Gold Award for “Excellence in Internship Recruitment/Development” – HR Distinction Awards 2020
- Bronze Award for “Best In-house Recruitment Team” – Asia Recruitment Awards 2020
- Green Key Award for all properties in 2020 meeting the stringent standards set by the Foundation for Environmental Education (FEE)
- Studio City Phase 2 recognized with the ‘Regional Award, Asia’ at the BREEAM Awards 2021
- Four accolades received at the Companhia de Electricidade de Macau (CEM) *Macau Energy Saving Activity 2020*.
  - Studio City and City of Dreams were awarded 1<sup>st</sup> Runner-up and Excellence Award of the Hotel Group B category respectively
  - Studio City and Altira Macau were recipients of the Continuous Energy Saving Award (Hotel Group)
- Asian Excellence Award – Best Environmental Responsibility (2013-2020)
- “Best Companies to Work for in Asia” – HR Asia magazine (2019-2020)

# **Melco's Sustainability Goals and Achievements**

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## **Certifications**

- “RG Check” Accreditation by Responsible Gambling Council, an international third-party
- Melco integrated resorts in Macau and the Philippines were among first in the world to achieve the Sharecare Health Security VERIFIED® with Forbes Travel Guide certification
- BREEAM “Excellent” ratings for the Design stage for both Studio City Phase 2 and City of Dreams Mediterranean

## **Recognition**

- 2021 CSA submission for Dow Jones Sustainability Index (DJSI), achieved the 80<sup>th</sup> percentile for the environment category and the 77<sup>th</sup> percentile of our industry group overall
- 2021 CDP overall score of B
- “Excellence” ranking for waste reduction campaign “WastewiŞe” for 11 consecutive years from 2009-2020 for our Hong Kong offices.

## **Upcoming projects**

- Mapping our Scope 3 GHG inventory as part of our overall initiative to set temporal targets to achieve our overarching 2030 goals.
- Additionally, setting temporal targets for Energy, Emissions and Waste.
- Undergoing climate risk assessment under TCFD guidelines to identify climate-related financial risks.



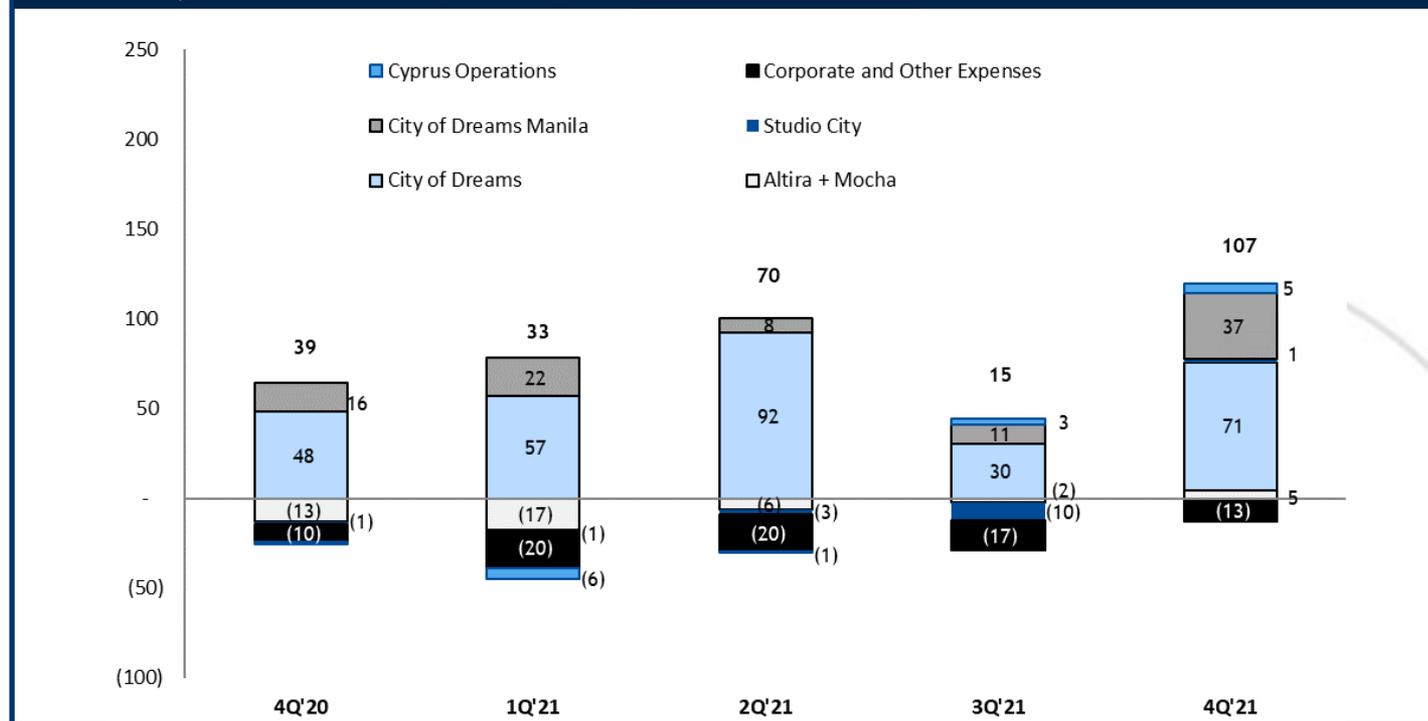
# Appendix



# Melco Hold-Adjusted EBITDA 4Q'21

Hold-Adjusted EBITDA of US\$107 million

Melco Hold-Adjusted EBITDA Breakdown (US\$ million)<sup>(1)(2)</sup>



**Note:**

1. "Adjusted EBITDA" is net income/loss before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation, payments to the Philippine parties under the cooperative arrangement (the "Philippine Parties"), land rent to Belle Corporation and other non-operating income and expenses
2. For illustrative purpose only, normalized VIP win rate is assumed to be 3.00% for this chart, which represents the midpoint of our expected rolling chip win rate. Melco Hold-Adjusted EBITDA is based on a normalized VIP win rate only. This figure is an estimate, not an actual figure, and is for illustrative purpose only

# Melco: Table Yield Analysis

Continue to optimize table allocation across our portfolio of Integrated Resorts

Average number of VIP Gaming Tables <sup>(1)</sup>					
	4Q'20	1Q'21	2Q'21	3Q'21	4Q'21
Altira	54	55	53	20	10
City of Dreams	157	156	156	155	150
Studio City	41	42	40	45	42
City of Dreams Manila	84	77	64	66	69
Cyprus Operations	2	-	3	3	3

Daily Average Win Per VIP Table (US\$) <sup>(1)</sup>					
	4Q'20	1Q'21	2Q'21	3Q'21	4Q'21
Altira	6,039	3,567	2,855	-(2)	-(2)
City of Dreams	8,208	6,935	8,779	6,781	3,793
Studio City	(158)	392	4,207	2,705	2,270
City of Dreams Manila	942	2,853	3,727	519	389
Cyprus Operations	(179)	-	(494)	2,187	(93)

Average number of Mass Gaming Tables <sup>(1)</sup>					
	4Q'20	1Q'21	2Q'21	3Q'21	4Q'21
Altira	44	47	48	80	90
City of Dreams	357	352	355	359	359
Studio City	250	250	250	246	246
City of Dreams Manila	223	217	234	236	240
Cyprus Operations	20	-	29	29	29

Daily Average Win Per Mass Table (US\$) <sup>(1)</sup>					
	4Q'20	1Q'21	2Q'21	3Q'21	4Q'21
Altira	2,308	2,319	2,666	1,004	1,204
City of Dreams	6,781	7,326	8,098	5,351	6,215
Studio City	3,582	3,992	3,629	2,915	3,313
City of Dreams Manila	1,732	1,801	1,468	1,951	1,827
Cyprus Operations	1,382	-	1,720	1,988	2,269

- Notes:
1. Table games and gaming machines that were not in operation during 2020 and 2021 due to government-mandated closures or social distancing measures in relation to the COVID-19 outbreak have been excluded.
  2. Starting in the third quarter of 2021, Altira Macau has strategically repositioned to cater to the premium mass segment and has shut down VIP operations.

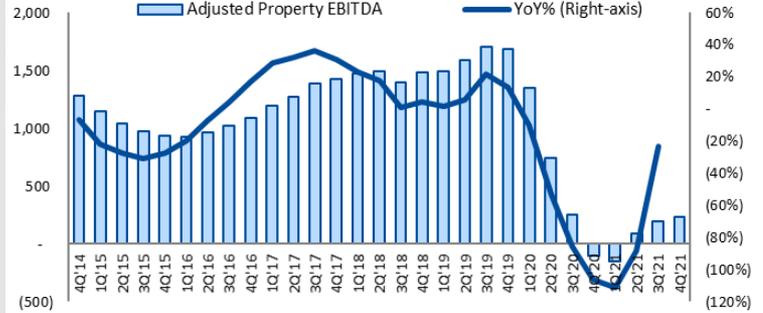
# Melco: Historic Revenue and Adjusted Property EBITDA

Over the past 7 years, Mass as a % of Total GGR increased from 44% to 77%

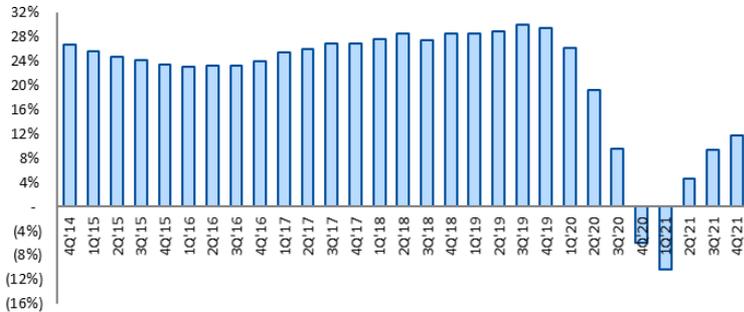
Melco: Last 12 Months Total Operating Revenues (US\$ million)



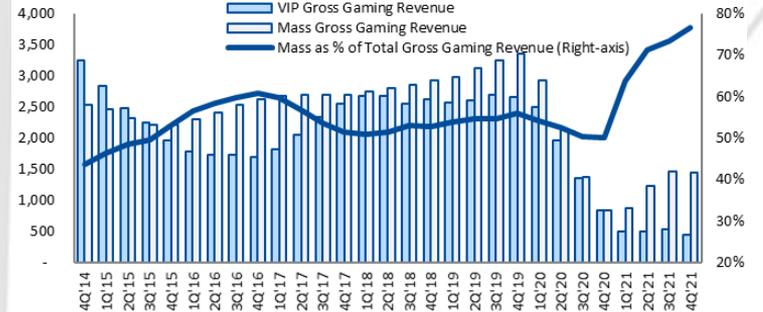
Melco: Last 12 Months Total Adjusted Property EBITDA (US\$ million)



Melco: Last 12 Months Total Adjusted Property EBITDA Margin



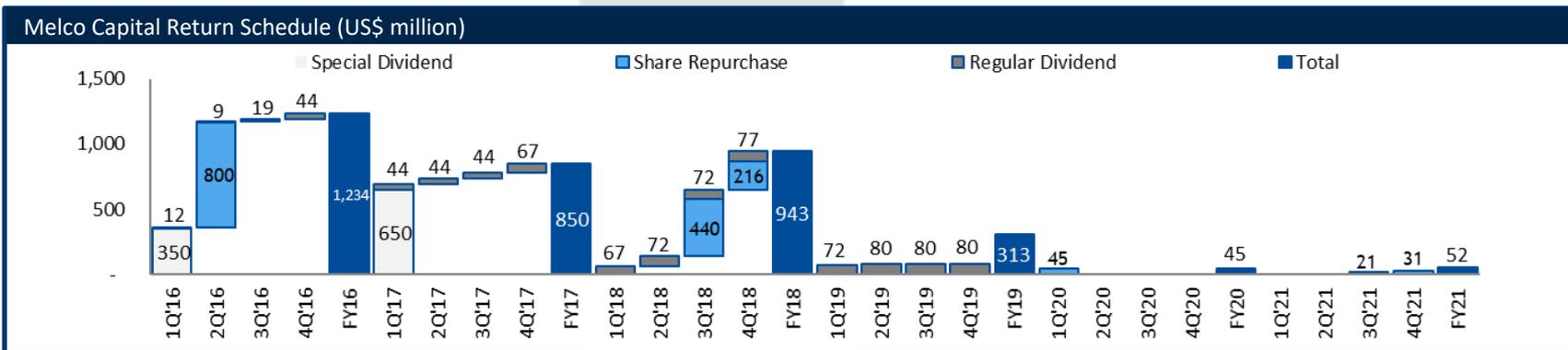
Melco: Last 12 Months Macau-only VIP & Mass GGR (US\$ million)



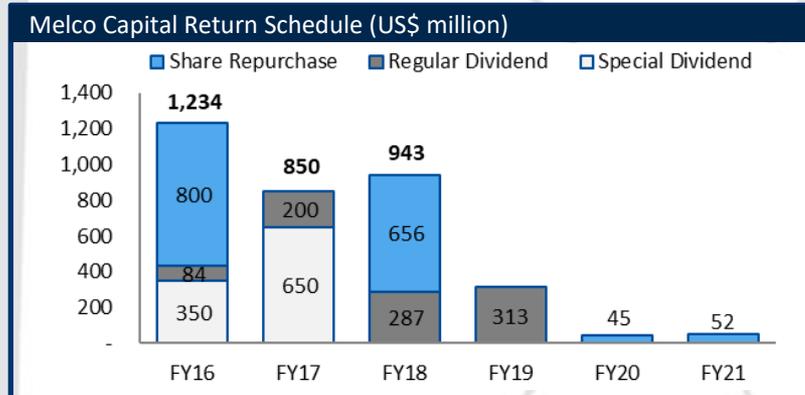
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  2. Adjusted Property EBITDA margin is Adjusted Property EBITDA divided by total operating revenues

# Shareholder Return

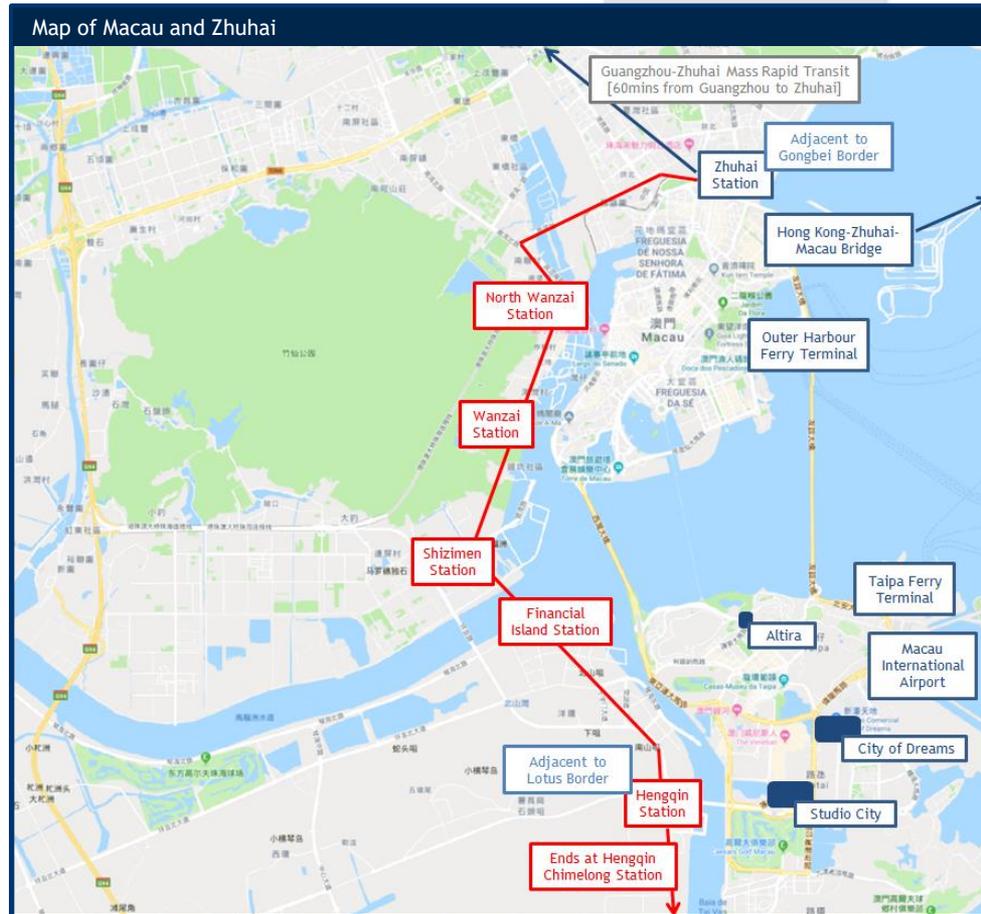
Returned approximately US\$3.4bn to shareholders from 2016



- From 2016, approximately US\$3.4 billion has been returned to shareholders in the form of dividends and share repurchases.
- To preserve liquidity in light of the COVID-19 pandemic and to continue investing in our business, the board has, in May 2020, decided to suspend the quarterly dividend program. This is a prudent course of action given the current conditions. Melco remains committed to returning capital to shareholders by resuming a regular quarterly dividend in the future and will evaluate the resumption of its quarterly dividend as the operating environment evolves.
- In year 2021, the Company has repurchased approximately 5.4 million ADSs, worth approximately US\$52 million, under the US\$500 million share repurchase program the Company announced in June 2021.



# Map of Macau and Zhuhai



## New Taipa Ferry Terminal

- Opened on 1<sup>st</sup> June 2017
- Has annual capacity of 30 million visitors
- 16 berths for passenger ferries, 3 berths for larger ferries and cruise ships
- Heliport with space for 5 helicopters

## Hong Kong-Zhuhai-Macau Bridge

- Opened on 24<sup>th</sup> October 2018
- The 55-km Hong Kong-Zhuhai-Macao Bridge (HZMB), comprising the 12km Hong Kong Link Road, 29.6km Main Bridge and 13.4km Zhuhai Link Road, is the longest bridge-cum-tunnel sea crossing in the world
- Take only 40 minutes to travel the distance of approximately 42km from Hong Kong Port to Zhuhai Port and Macao Port

## Macau Light Rapid Transit (LRT) Taipa Line

- The 9.3km Taipa Line will serve 11 stations
- Commenced service in December 2019
- The Cotai East Light Rail Station is located in front of the Grand Hyatt Macau at City of Dreams.
- The Lotus Checkpoint Light Rail Station is located in front of one of the entrances of Studio City.

## Guangzhou-Zhuhai Intercity Mass Rapid Transit (Hengqin Extension)

- A 16.9km rail connecting Gongbei and the Hengqin New Area
- There will be six stations including North Wanzai, Wanzai, Shizimen, Financial Island, Hengqin and Hengqin Chimelong
- Hengqin Station will be the second largest underground train station in China, after Futian station in Shenzhen
- The Hengqin station will be connected to the Lotus Border and Macau LRT

# Studio City Phase 1 and 2

- Studio City is a world-class gaming, retail and entertainment resort located in Cotai, Macau.
- Our cinematically-themed integrated resort provides highly differentiated non-gaming attractions.
- Phase 1 highlights:
  - The world's first figure-8 Ferris wheel;
  - a 5,000-seat live performance arena;
  - approximately 1,600 luxury hotel rooms.
- Phase 2 highlights:
  - Approximately 900 additional luxury hotel rooms and suites;
  - an additional indoor/outdoor water park which is expected to be one of the largest in the world;
  - state-of-the-art MICE space;
  - the construction of Studio City Phase 2 is progressing with completion targeted to be on or before December 27, 2022.



# City of Dreams Mediterranean

- City of Dreams Mediterranean, upon completion, is expected to become Europe's largest premier integrated resort.
- The project, upon completion, will be Europe's largest integrated resort with approximately 500 luxury hotel rooms, approximately 10,000 square meters of MICE space, an outdoor amphitheater, a family adventure park, and a variety of fine-dining outlets and luxury retail.



*A* MELCO

Thank You