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SANDS CHINA LTD.

金沙中國有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1928)

CONTINUING CONNECTED TRANSACTION IN RELATION TO THE PROCUREMENT OF EQUIPMENT AND SUPPLIES

The Board announces that on May 12, 2020, the Company entered into the Agreement on Procurement of Equipment and Supplies with LVS in respect of the procurement and provision of Equipment and Supplies by our Group to the LVS Group.

As LVS is a controlling shareholder of the Company and hence a connected person of the Company under the Listing Rules, the transactions under the Agreement on Procurement of Equipment and Supplies constitute continuing connected transactions of the Company subject to Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Agreement on Procurement of Equipment and Supplies is more than 0.1% but less than 5%, the Agreement on Procurement of Equipment and Supplies is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and does not require the approval by the independent Shareholders of the Company.

AGREEMENT ON PROCUREMENT OF EQUIPMENT AND SUPPLIES

Date

May 12, 2020

Parties

(1) the Company; and

(2) LVS

Term

The Agreement on Procurement of Equipment and Supplies is for a term of 2 years from May 12, 2020 to May 11, 2022.

Subject matter

Under the Agreement on Procurement of Equipment and Supplies, our Group is responsible for procuring and acquiring Equipment and Supplies from suppliers in the Asia Pacific region for the LVS Group, provided that the LVS Group may purchase the Equipment and Supplies from other third parties.

Consideration and payment terms

Pursuant to the Agreement on Procurement of Equipment and Supplies, the Company shall procure and acquire the Equipment and Supplies upon request from the LVS Group and then sell the Equipment and Supplies to the LVS Group on the following terms and conditions:

The amounts payable by the LVS Group under the Agreement on Procurement of Equipment and Supplies for the Equipment and Supplies are calculated on a cost basis, which means the cost incurred by our Group in providing the relevant Equipment and Supplies to the LVS Group. The allocation is done on a fair and equitable basis with reference to the actual salary and benefits, employment-related expenses and statutory costs for the relevant employees and the hours worked by them in providing such services attributable to the LVS Group.

Invoices shall be provided to the LVS Group together with documentary support of the actual costs incurred by the Company. The LVS Group will be required to settle any invoice issued by our Group within forty-five (45) days of the date of the invoice (in the absence of any dispute).

Annual Cap

The proposed cap amounts are determined by the Board after due and careful consideration, having considered the projected procurement volume of Equipment and Supplies from the LVS Group, price quotes from suppliers, and the historical purchase price paid by our Group for similar equipment and supplies.

The proposed cap amounts for the transactions under the Agreement on Procurement of Equipment and Supplies is set out below:

	For the year ending December 31, 2020 <i>(US\$ million)</i>	For the year ending December 31, 2021 <i>(US\$ million)</i>	For the year ending December 31, 2022 <i>(US\$ million)</i>
Annual cap	15.5	12.6	8.3

REASONS FOR THE TRANSACTION AND THE VIEWS OF THE DIRECTORS

The worldwide outbreak of the COVID-19 coronavirus has had and continues to have a significant impact on not just the development and operation of integrated resorts in the Macao Special Administrative Region of China but also globally.

The LVS Group currently provides services to our Group by way of the Shared Services Agreement that include international marketing, retail, administrative and logistics services.

Our Group is experienced in procuring and acquiring Equipment and Supplies from suppliers in the Asia Pacific region and has existing supply relationships and agreements in place.

The Company understands that the Equipment and Supplies provided to the LVS Group will be deployed for the benefit of the LVS Group's team members and guests, including those covered under the Shared Services Agreement, as well as forming part of the LVS Group's corporate social responsibility initiatives, which the Company supports.

The Company is firm in its commitment to aid and support the fight against the COVID-19 coronavirus pandemic. To date, the Company has contributed approximately US\$2.5 million to mainland China and US\$0.6 million to the local Macao community as part of the Company's COVID-19 coronavirus relief efforts. In Macao these efforts included the distribution of approximately 600,000 relief items to local community organizations.

The Directors (including all of the independent non-executive Directors) are of the view that the terms of the Agreement on Procurement of Equipment and Supplies are on normal commercial terms, in the ordinary and usual course of business of the Group and are fair and reasonable and in the interests of the Company and its shareholders as a whole. As each of Mr. Sheldon Gary Adelson, Mr. Robert Glen Goldstein and Mr. Charles Daniel Forman are directors and/or officers of LVS, they have each abstained from voting on the relevant Directors' resolutions approving the Agreement on Procurement of Equipment and Supplies.

PRINCIPAL ACTIVITIES OF THE COMPANY

The principal activity of the Group is the development and operation of integrated resorts in the Macao Special Administrative Region of China, which contain not only gaming and hotel areas but also meeting space, convention and exhibition halls, retail and dining areas and entertainment venues.

PRINCIPAL ACTIVITIES OF LVS

LVS is a controlling shareholder of the Company. It is the leading global developer of destination properties (integrated resorts) that feature premium accommodations, world-class gaming and entertainment, convention and exhibition facilities, celebrity chef restaurants, and other amenities.

LISTING RULES IMPLICATIONS

As LVS is a controlling shareholder of the Company and hence a connected person of the Company under the Listing Rules, the transactions under the Agreement on Procurement of Equipment and Supplies constitute continuing connected transactions of the Company subject to Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Agreement on Procurement of Equipment and Supplies is more than 0.1% but less than 5%, the Agreement on Procurement of Equipment and Supplies is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and does not require the approval by the independent Shareholders of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

- “Agreement on Procurement of Equipment and Supplies” means the Agreement on Procurement of Equipment and Supplies entered into between the Company and LVS dated May 12, 2020 in respect of the procurement and provision of certain manufactured equipment and supplies by our Group to the LVS Group.
- “Board” means the board of Directors of the Company.
- “Company” means Sands China Ltd., a company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange.
- “connected person” has the meaning given to it under the Listing Rules.
- “controlling shareholder” has the meaning given to it under the Listing Rules.

“Directors”	means the directors of the Company.
“Equipment and Supplies”	means the manufactured equipment and supplies requested by the LVS Group from time to time including, without limitation, infrared temperature monitor systems, disposable face masks and other personal protective equipment.
“Group”	means the Company and its subsidiaries.
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange.
“LVS”	means Las Vegas Sands Corp., a company incorporated in Nevada, the United States of America in August 2004 and the common stock of which is listed on the New York Stock Exchange.
“LVS Group”	means LVS and its subsidiaries (excluding the Group).
“Shared Services Agreement”	means the shared services agreement dated November 8, 2009 and most recently renewed on December 13, 2017, entered into between LVS and our Company to regulate their relationship with respect to the provision of certain shared services.
“Shareholder(s)”	means holder(s) of ordinary share(s) in our Company with a nominal value of US\$0.01 each.
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited.
“US\$”	means United States dollars, the lawful currency of the United States of America.

By order of the Board
Sands China Ltd.
Dylan James Williams
Company Secretary

Macao, May 12, 2020

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

Executive Directors:

Sheldon Gary Adelson

Wong Ying Wai

Non-Executive Directors:

Robert Glen Goldstein

Charles Daniel Forman

Independent Non-Executive Directors:

Chiang Yun

Victor Patrick Hoog Antink

Steven Zygmunt Strasser

Kenneth Patrick Chung

In case of any inconsistency between the English version and the Chinese version of this announcement, the English version shall prevail.