

## What's Hot Today:

### ► Sands China (1928 HK, HK\$19.00, HK\$154bn) – FY25 results in line yet margin under pressure

**Higher costs erode profit margin** - Sands China reported 2025 net revenue of US\$7.44bn, up 5.1% YoY. Adjusted property EBITDA came in at US\$2.31bn, down 0.7% YoY, broadly in line with expectations. However, net profit fell 14.3% YoY to US\$896mn, weighed down by higher operating and marketing expenses, along with increased gaming tax and staff costs. Total operating expenses rose 8.7% YoY to US\$6.21bn.

Tab 1: Total Net Revenue by segments

	The Venetian	The Londoner	The Parisian Macau	The Plaza Macau	Sands Macau	Ferry and Other	Total
US\$/mn							
Casino	2,146	1,946	657	569	265	—	5,583
Rooms	208	375	137	115	18	—	853
Mall	254	92	19	155	1	—	521
Food and Beverage	64	116	52	29	9	—	270
Convention, Ferry, Retail and Other	70	27	7	4	1	107	216
Inter-segment Revenues	3	—	—	—	—	15	18
Total Net Revenue (including inter-segment revenues)	2,745	2,556	872	872	294	122	7,461

Source: Company Data, Sunwah Kingsway Research

**The Londoner Macau was the key growth driver** - Following the renovation of The Londoner Phase 2 in April 2025, the property delivered strong full-year results. Casino net revenue surged 33.1% YoY to US\$1.95bn, while adjusted property EBITDA jumped 43.3% YoY to US\$778mn. Room revenue rose 24.2% YoY, with average daily rate up 24.5% to US\$269, reflecting the success of the upgraded product. In contrast, The Venetian Macau and The Parisian Macau saw EBITDA decline by 13.4% and 26.6% YoY respectively, highlighting pressure from both market competition and cannibalization among properties.

**Mass segment resilient, VIP performance diverged** - Full-year GGR rose 6.5% YoY, with the company gaining modest market share. In the mass market, The Londoner's non-rolling chip drop jumped 27.2% YoY, reflecting the success of the reinvestment strategy in driving traffic. This helped lifting overall mass GGR by 3.9% YoY. VIP performance diverged, rolling chip volume grew at The Venetian (+11.6%), The Londoner (+26.5%) and The Parisian (+190.6%), but fell 27.5% YoY at The Plaza, reflecting competitive pressure from new premium offerings by Galaxy and MGM China. On the slot side, The Londoner's revenue climbed 36.5% YoY, significantly outpacing the industry average.

China & HK Indices	CLOSE	1D	YTD
HSI	26,705	0.5%	4.2%
HSCEI	9,070	0.4%	1.8%
HSCCI	4,380	1.0%	9.1%
CSI300	4,660	-1.3%	0.7%
Shanghai A	4,280	-1.3%	5.3%
Shanghai B	267	-0.1%	5.3%
Shenzhen A	2,804	-1.1%	5.9%
Shenzhen B	1,250	0.0%	-1.1%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	49,395	-0.5%	2.8%
S&P 500	6,861	-0.3%	0.2%
Nasdaq	22,682	-0.3%	-2.4%
Nikkei Index	56,756	-1.2%	12.7%
FTSE Index	10,627	-0.6%	7.0%
CAC Index	8,398	-0.4%	3.1%
DAX Index	25,043	-0.9%	2.3%

Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	4,996	0.4%	15.6%
STEEL (US\$/oz.)	2,989	0.5%	17.5%
SILVER (US\$/oz.)	78	1.7%	9.2%
CRUDE OIL (US\$/bbl)	66	1.9%	15.7%
COPPER (US\$/oz.)	12,809	1.5%	3.1%
ALUMINIUM (US\$/oz.)	3,067	1.1%	2.4%
PLATINUM (US\$/oz.)	2,081	0.1%	0.8%
ZINC (US\$/oz.)	3,339	1.6%	7.1%
WHEAT (US\$/bu)	559	4.0%	10.4%
CORN (US\$/bu)	436	0.1%	-2.7%
SUGAR (US\$/lb)	78	13.3%	
SOYBEAN (US\$/bu)	1,156	0.6%	9.0%
PVC (US\$/t.)	4,919	-1.2%	9.2%
CRB	309	2.3%	3.0%
BDI		-1.5%	9.9%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.814	0.849	155.010	0.775	6.905
HKD	0.128		0.109	19.835	9.918	0.884
EUR	1.177	9.201		182.510	1.096	8.143
JPY	0.006	5.042	0.548		0.500	0.045
CHF	1.290	10.082	1.096	200.006		8.904
RMB	0.145	1.132	0.123	22.460	0.112	

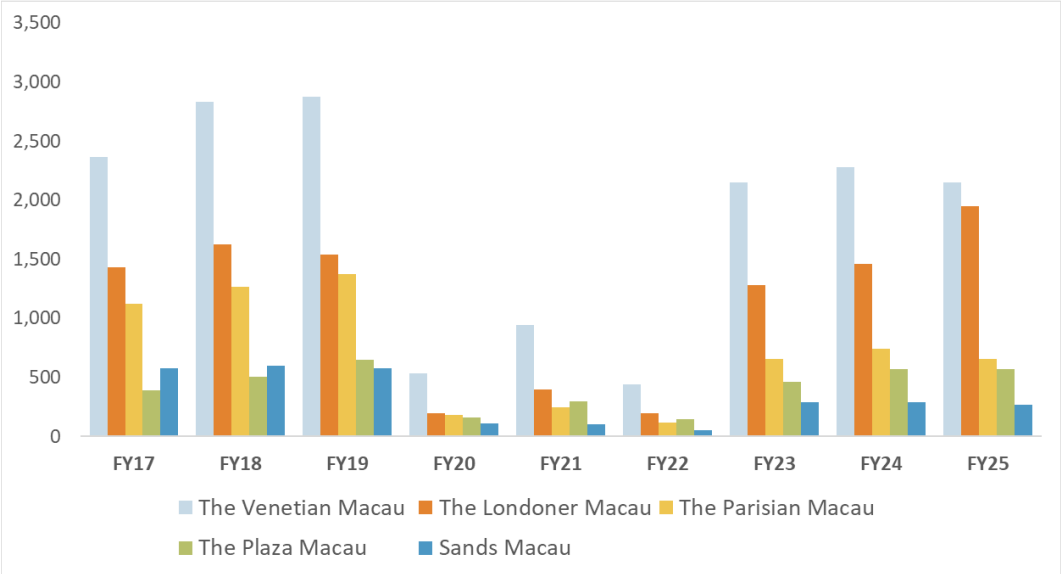
Market Sentiment	CURRENT	5D
CDS Monitor - USD SR 5Y		
Greece	N/A	N/A
Ireland	83	-2.4%
Italy	139	-0.6%
Portugal	207	-0.0%
Spain	108	0.3%
VIX	20	14.6%

Source: Bloomberg

**Solid financial position with rising investment commitment** - The company actively managed its debt profile during the year, repaying the LVS term loan and 2025 notes early. The gearing ratio improved by 214bps YoY. As of year-end, cash and equivalents stood at US\$1.51bn, providing ample liquidity. Full-year capex totaled US\$553mn, mainly directed to The Londoner (US\$310mn) and The Venetian (US\$185mn). The company has committed around US\$4.47bn in investment in Macau by 2032, with the bulk allocated to non-gaming projects, in line with the government's diversification goals. The board proposed a final dividend of HK\$0.50 per share.

**Our view:** With The Londoner now fully operational, Sands China lays a solid foundation for future cash flows. Despite weaker profit this year, net revenue growth due to robust demand. The main challenges remain cost pressure and competition in the premium segment. The company also stepped up its non-gaming efforts, hosting events like the Sands Shopping Carnival, Canto-pop concerts, and the NBA China Games in Macau. These initiatives help diversify the customer base and strengthen its integrated resort proposition, setting the stage for non-gaming revenue growth in 2026. The counter is trading at 15x FY26E P/E. (Research Department)

Fig 1: Total Net Casino Revenues by Properties (US\$/mn)



Source: Company Data, Sunwah Kingsway Research

Tab 2: GGR by segments (US\$/mn)

US\$ mn	FY25	FY24	Change
VIP segment			
VIP turnover	21,375	21,021	1.7%
VIP win rate	3.5%	2.8%	+70bps
VIP GGR	747	594	25.9%
Mass segment			
Mass table drop	25,647	24,239	5.8%
Mass win rate	22.2%	22.6%	-40bps
Mass GGR	5,699	5,483	3.9%
Slot segment			
Slot machine handle	20,597	17,673	16.5%
Slot machine win rate	3.6%	3.8%	-20bps
Slot GGR	734	665	10.3%
Total GGR	7,180	6,742	6.5%

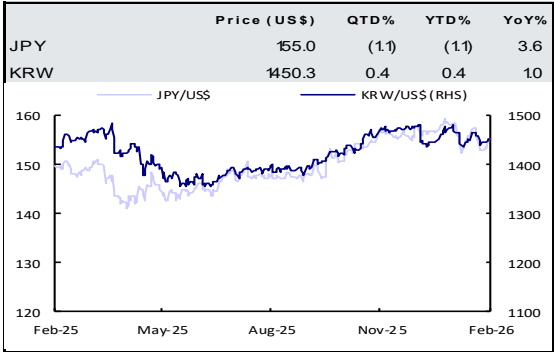
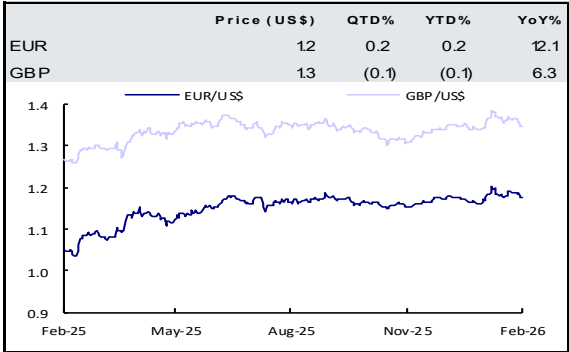
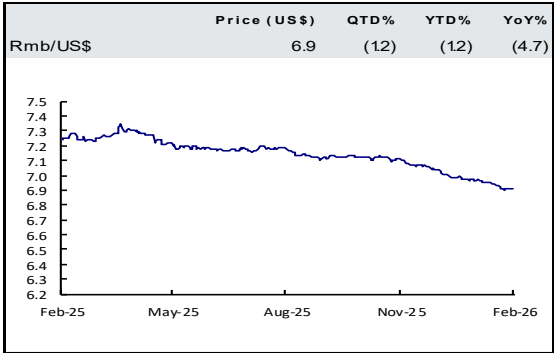
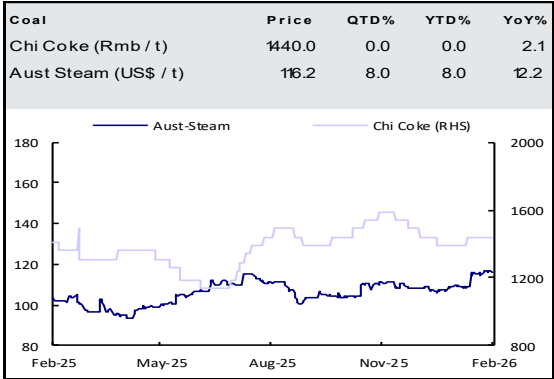
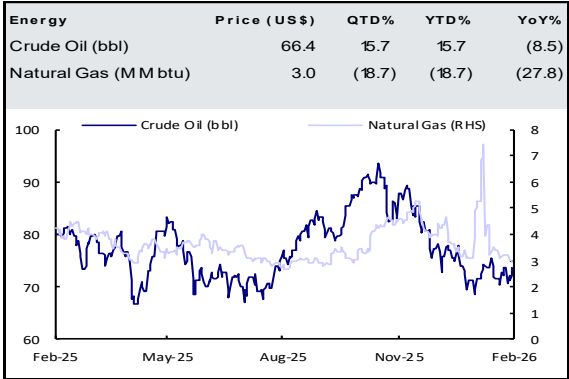
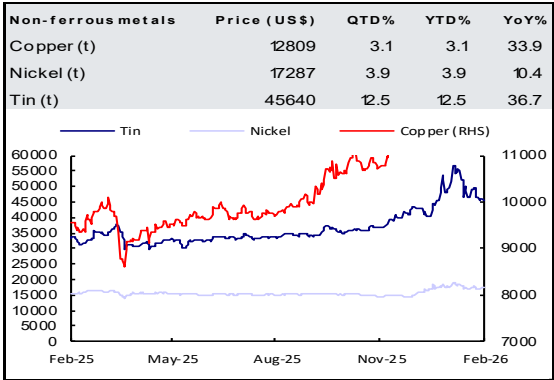
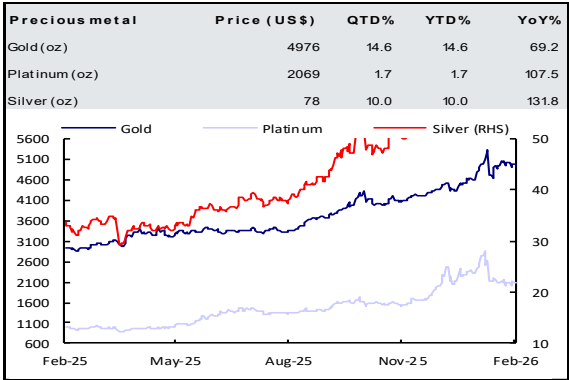
Source: Company Data, Sunwah Kingsway Research

Tab 3: Total Net Casino Revenues of The Londoner Macau

US\$/mn	FY2025	FY2024	Change
VIP turnover	9,657	7,633	26.5%
VIP win rate	3.41%	3.34%	+7bps
Mass table drop	8,638	6,791	27.2%
Mass win rate	22.7%	21.5%	+120bps
Slot machine handle	8,268	6,057	36.5%
Slot machine win rate	3.8%	3.8%	—
Total net casino revenues	1,946	1,462	33.1%

Source: Company Data, Sunwah Kingsway Research

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Initial Jobless Claims	WoW		19-Feb-26
Trade Balance	MoM		19-Feb-26
Wholesale Inventories	MoM		19-Feb-26
Personal Income & Spending	MoM		20-Feb-26
GDP	QoQ		20-Feb-26
New home Sales	MoM		20-Feb-26
Durable Goods Orders	MoM		23-Feb-26
Factory Orders	MoM		23-Feb-26
Consumer Confidence	MoM		24-Feb-26
PPI	MoM		27-Feb-26
ISM Manufacturing PMI	MoM		2-Mar-26
Retail Sales	MoM		2-Mar-26
Employment Report	MoM		6-Mar-26
Housing Starts / Building Permits	MoM		9-Mar-26
Existing Home Sales	MoM		10-Mar-26
CPI	MoM		11-Mar-26
Industrial Production	MoM		16-Mar-26
Business Inventories	MoM		14-May-26
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PMI Manufacturing	MoM		4-Mar-26
Foreign Exchange Reserves	QoQ		7-Mar-26
Money Supply - M2	MoM		9-Mar-26
PPI	MoM		9-Mar-26
CPI	MoM		9-Mar-26
Trade Balance	MoM		14-Apr-26
Retail Sales	MoM		16-Apr-26
Industrial Production	MoM		16-Apr-26
GDP	YoY		16-Apr-26

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Unemployment Rate	MoM		20-Feb-26
CPI	MoM		25-Feb-26
GDP	QoQ		25-Feb-26
Trade Balance	MoM		27-Feb-26
Money Supply - M2	MoM		27-Feb-26
Retail Sales	MoM		4-Mar-26
PMI	MoM		4-Mar-26
Foreign Currency Reserve	MoM		6-Mar-26
Producer Prices Index	QoQ		13-Mar-26
Industrial Production	QoQ		13-Mar-26
Composite Interest Rate	MoM		

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