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# 澳門博彩控股有限公司 SJM HOLDINGS LIMITED

incorporated in Hong Kong with limited liability Stock Code : 880

## ANNOUNCEMENT

### 2019 FIRST QUARTER SELECTED UNAUDITED KEY PERFORMANCE INDICATORS

The board of directors (the “**Board**”) of SJM Holdings Limited (the “**Company**”) hereby announces selected unaudited key performance indicators of the Company and its subsidiaries (collectively the “**Group**”) for the three months ended 31 March 2019 (“**Q1 2019**”) to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

#### 2019 FIRST QUARTER HIGHLIGHTS (UNAUDITED)

- Net Gaming Revenue<sup>1</sup> of the Group in Q1 2019 increased by 0.8% from Q1 2018 to HK\$8,476 million.
- Adjusted EBITDA<sup>2</sup> of the Group in Q1 2019 increased by 8.9% over Q1 2018 to HK\$1,075 million.
- Adjusted EBITDA Margin<sup>3</sup> of the Group in Q1 2019 increased to 12.4% from 11.5% in Q1 2018.
- Profit attributable to owners of the Company in Q1 2019 increased by 16.5% over Q1 2018 to HK\$850 million. The increase was mainly due to an increase in mass market gross gaming revenue.
- The Group’s gross gaming revenue accounted for 14.1% of Macau’s casino gaming revenue during Q1 2019, as compared with 14.7% in Q1 2018.
- The Group maintained a strong and liquid financial position, with HK\$18,451 million of cash, bank balances and pledged bank deposits and HK\$15,402 million of debt as at 31 March 2019.
- The Grand Lisboa Palace, the Group’s integrated resort on Cotai continued to make progress on construction in Q1 2019.

<sup>1</sup> Gross gaming revenue less commissions and incentives

<sup>2</sup> Earnings after adjustment for non-controlling interests and before accounting for interest income and expense, tax, depreciation and amortisation, donations, gain on disposal of property and equipment and share based payments

<sup>3</sup> Adjusted EBITDA divided by total net revenue (net gaming revenue plus hotel, catering, retail and related services revenue)

**Year-to-Date Comparison (unaudited)**

	Three months ended 31 March		
	2019	2018	Increase
	<i>HK\$ million</i>	<i>HK\$ million</i>	
Total Net Revenue	8,658	8,597	0.7%
Net Gaming Revenue	8,476	8,410	0.8%
Profit Attributable to Owners of the Company	850	730	16.5%
Adjusted EBITDA	1,075	987	8.9%
Adjusted EBITDA Margin	12.4%	11.5%	

Gaming revenue, net of commissions and incentives of HK\$1,942 million (Q1 2018: HK\$2,506 million), earned by Sociedade de Jogos de Macau, S.A., a subsidiary of the Company, was HK\$8,476 million in Q1 2019, an increase of 0.8% from Q1 2018.

During Q1 2019, the Group's VIP gross gaming revenue was HK\$3,935 million, a decrease of 19.4% from HK\$4,881 million in Q1 2018, mass market gross gaming revenue was HK\$6,193 million, an increase of 7.9% from HK\$5,741 million, and slot machine gross gaming revenue was HK\$290 million, a decrease of 1.3% from HK\$294 million. The Group's total net revenue during Q1 2019 of HK\$8,658 million included hotel, catering, retail and related services revenue of HK\$182 million (Q1 2018: HK\$187 million).

**Year-to-Date Comparison (unaudited)**

	Three months ended 31 March		
	2019	2018	Increase/ (Decrease)
	<i>HK\$ million</i>	<i>HK\$ million</i>	
VIP Gross Gaming Revenue	3,935	4,881	(19.4%)
Mass Market Gross Gaming Revenue	6,193	5,741	7.9%
Slot Machine Gross Gaming Revenue	<u>290</u>	<u>294</u>	<u>(1.3%)</u>
Gross Gaming Revenue	10,418	10,916	(4.6%)
Commissions and incentives	<u>(1,942)</u>	<u>(2,506)</u>	<u>(22.5%)</u>
Net Gaming Revenue	<u><u>8,476</u></u>	<u><u>8,410</u></u>	<u><u>0.8%</u></u>

During Q1 2019, the Group operated an average of 280 VIP gaming tables (Q1 2018: 284), 1,410 mass market gaming tables (Q1 2018: 1,417) and 2,594 slot machines (Q1 2018: 2,700) (average of three month-end counts).

Total VIP chips sales for the Group during Q1 2019 were HK\$123 billion (Q1 2018: HK\$178 billion) and the VIP gaming hold percentage (before commissions and incentives) was 3.20% (Q1 2018: 2.74%).

### Key Results for the Group's Casinos — Q1 2019

	<b>Gross Gaming Revenue</b> <i>HK\$ million</i>	<b>Adjusted EBITDA</b> <i>HK\$ million</i>
Casino Grand Lisboa	3,524	601
Other Self-promoted Casinos <sup>1</sup>	1,469	284
Satellite Casinos <sup>2</sup>	5,425	151

<sup>1</sup> Casino Lisboa, Casino Oceanus at Jai Alai (including casino area in the Jai Alai building) and Casino Taipa

<sup>2</sup> Sixteen third party-promoted casinos

Unrealised fair value gain in investment in equity securities designated at fair value through other comprehensive income amounting to HK\$5.4 million in Q1 2019 has been recognised in other comprehensive income and accumulated under investment revaluation reserve.

During Q1 2019, the Grand Lisboa Hotel achieved an average occupancy rate of 94.7% and average room rate of HK\$1,500 per night, as compared with average occupancy rate of 97.2% and average room rate of HK\$1,582 per night in Q1 2018.

Capital expenditure of the Group during Q1 2019 was HK\$1,577 million, which was primarily for construction in progress. As at 31 March 2019, the Group had total cash, bank balances and pledged bank deposits of HK\$18,451 million and debt of HK\$15,402 million.

#### **IMPORTANT NOTE**

Shareholders and potential investors should be advised that the above financial data relates only to certain parts of the Group's operations and is based on the Group's internal records and management accounts. The above financial data has not been reviewed or audited by independent auditors and is not a forecast of the performance of the Group as a whole. The Board cautions shareholders and potential investors not to rely unduly on such data and to exercise caution when dealing in the securities of the Company.

By order of the Board  
**SJM Holdings Limited**  
**Ho Chiu Fung, Daisy**  
*Chairman and Executive Director*

Hong Kong, 30 April 2019

*As at the date of this announcement, the executive directors of the Company are Ms. Ho Chiu Fung, Daisy, Mr. Fok Tsun Ting, Timothy, Deputada Leong On Kei, Angela, Dr. So Shu Fai, Mr. Ng Chi Sing, Dr. Chan Un Chan and Mr. Shum Hong Kuen, David, the non-executive director of the Company is Dr. Cheng Kar Shun and the independent non-executive directors of the Company are Mr. Chau Tak Hay, Dr. Lan Hong Tsung, David, Hon. Shek Lai Him, Abraham and Mr. Tse Hau Yin.*