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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

**2021 THIRD QUARTER AND YEAR-TO-DATE 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 30 September 2021 (“**Q3 2021**”) and the nine months ended 30 September 2021 to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

2021 THIRD QUARTER AND YEAR-TO-DATE HIGHLIGHTS (UNAUDITED)

- Net Gaming Revenue¹ of the Group in Q3 2021 was HK\$2,276 million, as compared with HK\$841 million in Q3 2020, and for the nine months ended 30 September 2021, Net Gaming Revenue was HK\$7,352 million, as compared with HK\$5,113 million in the first nine months of 2020.
- Adjusted EBITDA² of the Group in Q3 2021 was negative HK\$460 million, as compared with negative HK\$782 million in Q3 2020, and for the nine months ended 30 September 2021, Adjusted EBITDA was negative HK\$970 million, as compared with negative HK\$1,766 million in the first nine months of 2020.
- Adjusted EBITDA Margin³ of the Group in Q3 2021 was negative 19.1% as compared with negative 89.0% in Q3 2020, and for the nine months ended 30 September 2021 was negative 12.7% as compared with negative 33.6% in the first nine months of 2020.
- Loss attributable to owners of the Company in Q3 2021 was HK\$1,248 million, as compared with a loss of HK\$1,031 million in Q3 2020, and for the nine months ended 30 September 2021, loss attributable to owners of the Company was HK\$2,714 million, as compared with a loss of HK\$2,444 million in the first nine months of 2020. Figures for loss attributable to owners in 2021 reflect the absorption of pre-opening costs and depreciation of Grand Lisboa Palace and interest expenses.

**2021 THIRD QUARTER AND YEAR-TO-DATE HIGHLIGHTS (UNAUDITED)
(CONTINUED)**

- The Grand Lisboa Palace, the Group's integrated resort on Cotai, opened its doors to the public on 30 July 2021. In the initial phase opening, the resort offers luxury hotel rooms and suites, signature and casual dining, gaming, wellness and spa facilities and event spaces. As at 30 September 2021, the total Grand Lisboa Palace investment cost was HK\$37.8 billion, HK\$860 million pre-opening costs has been taken up for the nine months ended 30 September 2021.
- Gross revenue of Grand Lisboa Palace in Q3 2021 was HK\$128 million, including gross gaming revenue in Q3 2021 was HK\$69 million and non-gaming revenue was HK\$59 million. After adjusting the pre-opening expenses of HK\$300 million, its Adjusted Property EBITDA⁴ was negative HK\$176 million.
- Grand Lisboa's gross revenue in Q3 2021 was HK\$651 million including gross gaming revenue HK\$607 million and non-gaming revenue HK\$44 million, as compared with gross gaming revenue HK\$177 million and non-gaming revenue HK\$20 million in Q3 2020. Adjusted Property EBITDA was negative HK\$115 million, as compared with negative HK\$380 million in Q3 2020. For the nine months ended 30 September 2021, Grand Lisboa's gross revenue was HK\$1,928 million, including gross gaming revenue HK\$1,804 million and non-gaming revenue HK\$124 million, as compared with gross gaming revenue HK\$1,502 million and non-gaming revenue HK\$75 million in the first nine months of 2020, whilst its Adjusted Property EBITDA was negative HK\$330 million, as compared with negative HK\$827 million in the first nine months of 2020.
- The Group had HK\$2,795 million of cash, bank balances, short-term bank deposits and pledged bank deposits and HK\$20,406 million of debt as at 30 September 2021. The Group has a revolving credit facility of HK\$10 billion, of which HK\$4.9 billion is undrawn as of 30 September 2021.

¹ Gross gaming revenue less commissions and incentives

² Earnings or losses after adjustment for non-controlling interests and before accounting for interest income and expense, tax, depreciation and amortisation, donations, loss on disposal/write-off of property and equipment, share-based payments, bank charges for bank loans, gain on early repayment of a bank loan, loss on derecognition of a bank loan, sub-concession fee income and pre-opening expenses

³ Adjusted EBITDA divided by total net revenue (net gaming revenue plus hotel, catering, retail, leasing and related services revenue)

⁴ Adjusted Property EBITDA is earnings or losses before accounting for interest income and expense, tax, depreciation and amortisation, donations, loss on disposal/write-off of property and equipment, share-based payments, bank charges for bank loans, gain on early repayment of a bank loan, loss on derecognition of a bank loan, sub-concession fee income, pre-opening expenses and corporate costs, and before elimination of inter-company consumption

	Third Quarter			Nine months ended 30 September		
	2021	2020	Increase/ (Decrease)	2021	2020	Increase/ (Decrease)
	HK\$ million	HK\$ million		HK\$ million	HK\$ million	
Total Net Revenue	2,411	879	174.3%	7,633	5,253	45.3%
Net Gaming Revenue	2,276	841	170.6%	7,352	5,113	43.8%
Loss Attributable to Owners of the Company	(1,248)	(1,031)	(21.1%)	(2,714)	(2,444)	(11.1%)
Adjusted EBITDA	(460)	(782)	41.1%	(970)	(1,766)	45.1%
Adjusted EBITDA Margin	(19.1%)	(89.0%)		(12.7%)	(33.6%)	

Gaming revenue, net of commissions and incentives of HK\$189 million (Q3 2020: HK\$106 million), earned by SJM Resorts, S.A., a subsidiary of the Company, was HK\$2,276 million in Q3 2021, an increase of 170.6% from Q3 2020.

During Q3 2021, the Group's VIP gross gaming revenue was HK\$324 million, an increase of 61.8% from HK\$200 million in Q3 2020, mass market gross gaming revenue was HK\$2,001 million, an increase of 190.1% from HK\$690 million, and slot machine gross gaming revenue was HK\$140 million, an increase of 143.7% from HK\$57 million.

The Group's total net revenue during Q3 2021 of HK\$2,411 million included hotel, catering, retail, leasing and related services revenue of HK\$135 million (Q3 2020: HK\$38 million).

	Third Quarter			Nine months ended 30 September		
	2021	2020	Increase	2021	2020	Increase/ (Decrease)
	HK\$ million	HK\$ million		HK\$ million	HK\$ million	
VIP Gross Gaming Revenue	324	200	61.8%	1,180	1,569	(24.8%)
Mass Market Gross Gaming Revenue	2,001	690	190.1%	6,386	3,981	60.4%
Slot Machine Gross Gaming Revenue	140	57	143.7%	404	292	38.4%
Gross Gaming Revenue	2,465	947	160.2%	7,970	5,842	36.4%
Commissions and incentives	(189)	(106)	77.3%	(618)	(729)	(15.3%)
Net Gaming Revenue	2,276	841	170.6%	7,352	5,113	43.8%

Casino Grand Lisboa Palace Statistics

	Third Quarter				Nine months ended 30 September			
	2021 <i>HK\$</i> <i>million</i>	2020 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%	2021 <i>HK\$</i> <i>million</i>	2020 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%
Revenues:								
Mass Market	57	—	57	— %	57	—	57	— %
Slot	12	—	12	— %	12	—	12	— %
Gross Gaming Revenues	69	—	69	— %	69	—	69	— %
Mass Table Drop	358	—	358	— %	358	—	358	— %
Mass Table Win	57	—	57	— %	57	—	57	— %
Non-Rolling Chip Win %	15.9%	—	—	15.9pts	15.9%	—	—	15.9pts
Slot Handle	207	—	207	— %	207	—	207	— %
Slot Win	12	—	12	— %	12	—	12	— %
Slot Win %	5.9%	—	—	5.9pts	5.9%	—	—	5.9pts

Casino Grand Lisboa Statistics

	Third Quarter				Nine months ended 30 September			
	2021 <i>HK\$</i> <i>million</i>	2020 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%	2021 <i>HK\$</i> <i>million</i>	2020 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%
Revenues:								
VIP	241	111	130	117.5%	619	853	(234)	(27.5%)
Mass Market	322	53	269	510.0%	1,043	569	474	83.3%
Slot	44	13	31	240.4%	142	80	62	77.3%
Gross Gaming Revenues	607	177	430	243.9%	1,804	1,502	302	20.1%
VIP Chip Sales Volume	3,754	2,347	1,407	60.0%	18,297	23,185	(4,888)	(21.1%)
Win	241	111	130	117.5%	619	853	(234)	(27.5%)
Hold %	6.4%	4.7%	—	1.7pts	3.4%	3.7%	—	(0.3pts)
Mass Table Drop	1,454	278	1,176	422.2%	4,848	2,675	2,173	81.3%
Mass Table Win	322	53	269	510.0%	1,043	569	474	83.3%
Non-Rolling Chip Win %	22.2%	19.0%	—	3.2pts	21.5%	21.3%	—	0.2pts
Slot Handle	825	274	551	201.0%	2,819	1,699	1,120	65.9%
Slot Win	43	13	30	240.4%	142	80	62	77.3%
Slot Win %	5.3%	4.7%	—	0.6pts	5.0%	4.7%	—	0.3pts

Other Self-promoted Casino Statistics

	Third Quarter				Nine months ended 30 September			
	2021	2020	Variance		2021	2020	Variance	
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	%	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	%
	<i>million</i>	<i>million</i>	<i>million</i>		<i>million</i>	<i>million</i>	<i>million</i>	
Revenues:								
VIP	5	(1)	6	778.4%	10	91	(81)	(88.6%)
Mass Market	332	169	163	96.7%	1,050	871	179	20.5%
Slot	<u>38</u>	<u>19</u>	<u>19</u>	<u>102.2%</u>	<u>116</u>	<u>89</u>	<u>27</u>	<u>30.8%</u>
Gross Gaming Revenues	375	187	188	100.8%	1,176	1,051	125	11.9%
VIP Chip Sales Volume	60	(30)	90	301.0%	226	2,257	(2,031)	(90.0%)
Win	5	(1)	6	778.4%	10	91	(81)	(88.6%)
Hold %	8.3%	2.5%	—	5.8pts	4.6%	4.0%	—	0.6pts
Mass Table Drop	2,483	1,298	1,185	91.3%	7,668	5,918	1,750	29.6%
Mass Table Win	332	169	163	96.7%	1,050	871	179	20.5%
Non-Rolling Chip Win %	13.4%	13.0%	—	0.4pts	13.7%	14.7%	—	(1.0pts)
Slot Handle	731	362	369	102.0%	2,168	1,767	401	22.7%
Slot Win	38	19	19	102.2%	116	89	27	30.8%
Slot Win %	5.2%	5.2%	—	—pts	5.3%	5.0%	—	0.3pts

Satellite Casino Statistics

	Third Quarter				Nine months ended 30 September			
	2021	2020	Variance		2021	2020	Variance	
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	%	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	%
	<i>million</i>	<i>million</i>	<i>million</i>		<i>million</i>	<i>million</i>	<i>million</i>	
Revenues:								
VIP	78	90	(12)	(13.5%)	551	625	(74)	(11.8%)
Mass Market	1,290	468	822	175.5%	4,236	2,541	1,695	66.7%
Slot	<u>46</u>	<u>25</u>	<u>21</u>	<u>77.6%</u>	<u>134</u>	<u>123</u>	<u>11</u>	<u>8.5%</u>
Gross Gaming Revenues	1,414	583	831	142.0%	4,921	3,289	1,632	49.6%

Adjusted Property EBITDA for the Group

	Third Quarter (Re-class)				Nine months ended 30 September (Re-class)			
	2021 <i>HK\$</i> <i>million</i>	2020 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%	2021 <i>HK\$</i> <i>million</i>	2020 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%
Grand Lisboa Palace	(176)	—	(176)	—%	(176)	—	(176)	—%
Grand Lisboa	(115)	(380)	265	69.8%	(330)	(827)	497	60.1%
Other Self-promoted ¹	(132)	(269)	137	51.0%	(327)	(627)	300	47.9%
Satellite ²	27	(38)	65	170.5%	65	(66)	131	199.0%
Total	(396)	(687)	291	42.3%	(768)	(1,520)	752	49.5%

¹ Casino Lisboa, Casino Oceanus at Jai Alai (including the gaming area in the Jai Alai building), Casino Eastern, Casino Taipa, and Jai Alai Hotel and other non-gaming area

² Fourteen third party-promoted casinos

The following table summarises the results of hotel room activity:

Hotel Statistics								
	Third Quarter				Nine months ended 30 September			
	2021 <i>HK\$</i>	2020 <i>HK\$</i>	Variance <i>HK\$</i>	%	2021 <i>HK\$</i>	2020 <i>HK\$</i>	Variance <i>HK\$</i>	%
Occupancy %								
Grand Lisboa Palace Macau	39.8%	—	—	39.8pts	39.8%	—	—	39.8pts
Grand Lisboa Hotel	54.2%	5.2%	—	49.0pts	59.7%	14.3%	—	45.4pts
Jai Alai Hotel	84.1%	7.4%	—	76.7pts	61.3%	15.1%	—	46.2pts
Sofitel at Ponte 16	49.0%	6.7%	—	42.3pts	51.6%	15.3%	—	36.3pts
Average Daily Rate (ADR)								
Grand Lisboa Palace Macau	906	—	906	—%	906	—	906	—%
Grand Lisboa Hotel	698	1,721	(1,023)	(59.5%)	706	1,781	(1,075)	(60.4%)
Jai Alai Hotel	202	500	(298)	(59.7%)	205	594	(389)	(65.5%)
Sofitel at Ponte 16	526	699	(173)	(24.7%)	503	975	(472)	(48.4%)
Revenue per Available Room (RevPAR)								
Grand Lisboa Palace Macau	361	—	361	—%	361	—	361	—%
Grand Lisboa Hotel	378	90	288	322.2%	421	254	167	65.7%
Jai Alai Hotel	170	37	133	356.7%	126	90	36	40.3%
Sofitel at Ponte 16	258	47	211	447.6%	260	149	111	73.8%

Unrealised fair value loss in investment in equity securities designated at fair value through other comprehensive income amounting to HK\$44 million in Q3 2021 has been recognised in other comprehensive expense and accumulated under investment revaluation reserve.

Capital expenditure of the Group during Q3 2021 was HK\$297 million, which was primarily for construction in progress and furniture, fixtures and equipment. As at 30 September 2021, the Group had total cash, bank balances, short-term bank deposits and pledged bank deposits of HK\$2,795 million and total debt of HK\$20,406 million. The Group has a revolving credit facility of HK\$10 billion, of which HK\$4.9 billion is undrawn as of 30 September 2021.

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, 4 November 2021

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, Dr. Chan Un Chan and Mr. Shum Hong Kuen, David, the non-executive directors of the Company are Mr. Ng Chi Sing and Mr. Tsang On Yip, Patrick and the independent non-executive directors of the Company are Mr. Chau Tak Hay, Mr. Tse Hau Yin, Ms. Wong Yu Pok, Marina and Mr. Yeung Ping Leung, Howard.