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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)

**RENEWAL OF CONTINUING CONNECTED TRANSACTION
IN RELATION TO
THE PROVISION OF THE TRANSPORTATION SERVICES
BY SHUN TAK & CITS COACH (MACAO) LIMITED**

THE RENEWED TRANSPORTATION SERVICES MASTER AGREEMENT

Reference is made to the announcement of the Company dated 24 June 2011 in respect of the Existing Transportation Services Master Agreement. As the Existing Transportation Services Master Agreement will expire on 31 December 2013, the Board is pleased to announce that on 6 December 2013, SJM and ST-CITS renewed the Existing Transportation Services Master Agreement. Pursuant to the Renewed Transportation Services Master Agreement, the ST-CITS Group will continue to provide the Transportation Services to the Group with effect from 1 January 2014.

LISTING RULES IMPLICATIONS

ST-CITS is a connected person of the Company by virtue of the family interests of Dr. Ho, being a Director, having control of more than 50% of the voting power of ST-CITS. Accordingly, the provision of the Transportation Services by the ST-CITS Group to the Group as contemplated under the Renewed Transportation Services Master Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

Since the applicable percentage ratios as defined in the Listing Rules (other than the profits ratio) as determined by reference to the Annual Caps, on an annual basis, exceed 0.1% but are less than 5%, the Company is required to comply with announcement, reporting and annual review requirements but is exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

(A) INTRODUCTION

Reference is made to the announcement of the Company dated 24 June 2011 in respect of the Existing Transportation Services Master Agreement. As the Existing Transportation Services Master Agreement will expire on 31 December 2013, the Board is pleased to announce that on 6 December 2013, SJM and ST-CITS renewed the Existing Transportation Services Master Agreement. Pursuant to the Renewed Transportation Services Master Agreement, the ST-CITS Group will continue to provide the Transportation Services to the Group with effect from 1 January 2014.

(B) THE RENEWED TRANSPORTATION SERVICES MASTER AGREEMENT

Date: 6 December 2013

Parties: (i) SJM; and
(ii) ST-CITS.

Transportation Services: ST-CITS agrees to, on request and subject to availability of resources, provide and procure members of the ST-CITS Group to provide the Transportation Services to members of the Group. SJM agrees to, and shall procure members of the Group to, enter into the Implementation Contracts with members of the ST-CITS Group with respect to the Transportation Services to be provided by such members of the ST-CITS Group.

The Transportation Services comprise the provision by the ST-CITS Group of coach, mini-bus and limousine services to the Group's gaming patrons, hotel guests and staff in Macau locally as well as operating cross-border routes to mainland cities of China and other services ancillary to or relating to the foregoing.

The provision of the Transportation Services by the ST-CITS Group to the Group shall be on a mutually non-exclusive basis.

Pricing: The price for the provision of the Transportation Services shall be on normal commercial terms (as defined in the Listing Rules) and determined by the relevant member of both the Group and the ST-CITS Group on an arm's length basis having regard to the quantity, specifications and/or other conditions of the Transportation Services to be provided and the price charged by independent third parties for the provision of the same or comparable type of the Transportation Services in the ordinary course of business.

Term and renewal: The Renewed Transportation Services Master Agreement shall take effect from 1 January 2014 and continue in full force and effect until 31 December 2016. Subject to compliance with the requirements of the Listing Rules, the Renewed Transportation Services Master Agreement may be renewed for successive terms of three years by mutual written agreement.

Implementation Contracts: Each Implementation Contract, which shall be entered into between the respective members of the ST-CITS Group and the Group, shall set out the specific terms and conditions including but not limited to (a) the Transportation Services to be provided; (b) duration of the engagement; (c) working days; (d) place at which the Transportation Services are to be provided; (e) the contract price; and (f) payment terms and method.

If any of the provisions of an Implementation Contract conflict in any material manner with the provisions of the Renewed Transportation Services Master Agreement, the provisions of the Renewed Transportation Services Master Agreement shall prevail.

Termination: Each party may terminate the Renewed Transportation Services Master Agreement at any time by giving six months of prior written notice to the other party.

(C) HISTORICAL TRANSACTION FIGURES AND THE ANNUAL CAPS

The following table sets out (i) the historical expenditures in relation to the provision of the Transportation Services under the Existing Transportation Services Master Agreement for the two years ended 31 December 2012 and the nine months ended 30 September 2013; and (ii) the Annual Caps for the three years ending 31 December 2016.

	Aggregate amount for year ended 31 December 2011 <i>(audited)</i>	Aggregate amount for year ended 31 December 2012 <i>(audited)</i>	Estimated aggregate amount for nine months ended 30 September 2013 <i>(unaudited)</i>	Annual Cap for year ending 31 December 2014	Annual Cap for year ending 31 December 2015	Annual Cap for year ending 31 December 2016
<i>(Amounts in HK\$ million)</i>						
Transportation Services	39.6	44.6	33.3	63.0	67.0	70.0

The Annual Caps are determined by reference to a number of factors including (i) the historical consumption of the Transportation Services by the Group; (ii) the projected increase in volume of the Transportation Services; (iii) the increasing costs of the provision of the Transportation Services including labour, fuel and other overhead expenses; and (iv) buffers to accommodate possible additional demand for the Transportation Services required by the Group.

(D) REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE RENEWED TRANSPORTATION SERVICES MASTER AGREEMENT

The Group's core business is the development and operation of casinos and related facilities in Macau. ST-CITS has experience in provision of transportation services within Macau locally as well as operating cross-border routes to mainland cities of China with strong coverage and reliability at competitive prices. The Board (including the independent non-executive Directors) considers the execution of the Renewed Transportation Services Master Agreement is in the ordinary and usual course of the business of the Group as the Transportation Services are a necessary component of the Group's ongoing business.

The Board (excluding Dr. Ho but including the independent non-executive Directors) is of the view that the terms of the Renewed Transportation Services Master Agreement (including the Annual Caps) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(E) LISTING RULES IMPLICATIONS

ST-CITS is a connected person of the Company by virtue of the family interests of Dr. Ho, being a Director, having control of more than 50% of the voting power of ST-CITS. Accordingly, the provision of the Transportation Services by the ST-CITS Group to the Group as contemplated under the Renewed Transportation Services Master Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

Since the applicable percentage ratios as defined in the Listing Rules (other than the profits ratio) as determined by reference to the Annual Caps, on an annual basis, exceed 0.1% but are less than 5%, the Company is required to comply with announcement, reporting and annual review requirements but is exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

The Directors confirmed that, save for Dr. Ho, none of them have a material interest in the Renewed Transportation Services Master Agreement and the transactions contemplated thereunder. Dr. Ho was absent from the Board meeting of the Company while the relevant resolution was being discussed and abstained from voting on the Board resolution on proposing the Renewed Transportation Services Master Agreement and the transactions contemplated thereunder.

(F) DEFINITIONS

Unless defined otherwise, the terms used in this announcement shall have the following meanings:

“Annual Caps” : the annual maximum aggregate value for the transactions contemplated under the Renewed Transportation Services Master Agreement for each of the three years ending 31 December 2014, 2015 and 2016, details of which are set out in the section headed “Historical transaction figures and the Annual Caps” in this announcement

“associate(s)”	:	has the meaning ascribed to it under the Listing Rules
“Board”	:	the board of Directors of the Company
“China”	:	the People’s Republic of China, for the purpose of this announcement, specifically excludes Hong Kong, Macau and Taiwan
“Company”	:	SJM Holdings Limited, a company incorporated in Hong Kong with limited liability, the ordinary shares of which are listed on the Stock Exchange
“connected person(s)”	:	has the meaning ascribed to it under the Listing Rules
“Director(s)”	:	the director(s) of the Company
“Dr. Ho”	:	Dr. Ho Hung Sun, Stanley, the Chairman of the Company and an executive Director
“Existing Transportation Services Master Agreement”	:	the agreement entered into between SJM and ST-CITS dated 24 June 2011 in relation to the provision of Transportation Services by the ST-CITS Group to the Group
“Group”	:	the Company and its subsidiaries
“Hong Kong”	:	the Hong Kong Special Administrative Region of China
“Implementation Contract(s)”	:	the implementation contract(s) to be entered into between the respective members of the Group and the ST-CITS Group from time to time in relation the provision of the Transportation Services
“Listing Rules”	:	The Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	:	the Macau Special Administrative Region of China
“Renewed Transportation Services Master Agreement”	:	the agreement entered into between SJM and ST-CITS dated 6 December 2013 in relation to the provision of Transportation Services by the ST-CITS Group to the Group
“Shareholder(s)”	:	holder(s) of the ordinary share(s) of HK\$1.0 each in the share capital of the Company

“SJM”	:	Sociedade de Jogos de Macau, S.A., a joint stock company “ <i>sociedade anónima</i> ” incorporated under the laws of Macau and a subsidiary of the Company
“Stock Exchange”	:	The Stock Exchange of Hong Kong Limited
“ST-CITS”	:	Shun Tak & CITS Coach (Macao) Limited, a company incorporated in Macau with limited liability
“ST-CITS Group”	:	ST-CITS and its subsidiaries
“Transportation Services”	:	the provision of coach, mini-bus and limousine services to the Group’s gaming patrons, hotel guests and staff in Macau locally as well as operating cross-border routes to mainland cities of China and other services ancillary to or relating to the foregoing
“HK\$”	:	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	:	per cent.

By order of the Board
SJM Holdings Limited
So Shu Fai
Executive Director and Chief Executive Officer

Hong Kong, 6 December 2013

As at the date of this announcement, the executive Directors are Dr. Ho Hung Sun, Stanley, Dr. So Shu Fai, Mr. Ng Chi Sing, Mr. Rui José da Cunha, Ms. Leong On Kei, Angela, Mr. Shum Hong Kuen, David and Mr. Fok Tsun Ting, Timothy, the non-executive Director is Dr. Cheng Kar Shun and the independent non-executive Directors are Mr. Chau Tak Hay, Dr. Lan Hong Tsung, David, Mr. Shek Lai Him, Abraham and Mr. Tse Hau Yin.