

Press Release

## **CHINA DUTY FREE GROUP'S MACAU FLAGSHIP STORE TO OPEN IN GRAND LISBOA PALACE DEVELOPED BY SJM**

**(Macau, 11 October 2018)** Sociedade de Jogos de Macau, S.A. (“SJM”) and China Duty Free Group Co., Ltd. (“CDFG”) announced today that they have entered into a binding Memorandum of Understanding for CDFG’s Macau flagship store to open at Grand Lisboa Palace, SJM’s future integrated resort on Cotai, Macau.

Spanning approximately 7,500 square metres in a prime first floor retail space at the Grand Lisboa Palace, this anchor tenant will be the first off-airport outlet of CDFG in Macau. Established in 1984, CDFG is China’s leading operator of duty free shops, and is a subsidiary of the travel giant China National Travel Service Group Corporation Limited. With more than 200 stores across China, CDFG runs the most duty free outlets in a single country.

CDFG’s Macau flagship store will be in Grand Lisboa Palace’s much anticipated 53,000-square-metre retail mall, which will cover the first and second floors of the development. The mall is designed to delight visitors with an innovative “Fantasy Garden” theme, invoking feelings of splendour and luxury with the use of delicate topiary, ornamental birdcages, and elegantly formed garden walkways.

Dr. Ambrose So, Chairman of the Board of Directors of SJM, said, “The introduction of CDFG’s Macau flagship store into Grand Lisboa Palace will greatly expand and enhance the retail offerings of our resort, appealing to any type of visitors especially those with sophisticated lifestyles. Leveraging the strong brand recognition and commitment to quality and service at both SJM and CDFG, our collaboration with CDFG will elevate visitors’ shopping experience in Macau and strengthen the positioning of Grand Lisboa Palace as Macau’s Capital of Style.”

Mr. Charles Chen, President of CDFG, said, “The opening of our Macau off-airport duty free store in Grand Lisboa Palace serves as a new step in CDFG’s business development. The Hong Kong and Macau market is a retail hotspot in the Asia Pacific, and through the successful tenders for expanded footprint in Hong Kong and Macau airports, as well as the upcoming store in Macau downtown, CDFG has steadily actualised its strategic plan for the region. Macau is an integral part of the Greater Bay Area, welcoming 32.61 million visitors in 2017, amongst which 90.3% were tourists from Greater China. As a Chinese duty free company with deep understanding of the Chinese consumers, CDFG’s new duty free store will bring even more quality products and shopping experience to customers, supporting Macau’s positioning as a World Centre of Tourism and Leisure.”

Building on CDFG’s long-term relationships with top-tier luxury brands in the world, its Macau flagship store at Grand Lisboa Palace will carry a diverse mix of perfumes and cosmetics, watches and jewellery, apparels, shoes and accessories, travel-related products, amongst others. CDFG is a subsidiary of China International Travel Service Group Corporation Limited – China’s largest travel company; through leveraging the vast resources its principal company has in travel and tourism related industry, CDFG plans to fully assert dominance and provide exceptional services for consumers.

The Grand Lisboa Palace, which incorporates an East-meets-West theme in its architecture and design, will offer approximately 2,000 guestrooms in the Grand Lisboa Palace Hotel, Palazzo Versace Macau and Karl Lagerfeld Hotel. Other features will include a Wedding Pavilion for celebrations and events, a versatile multi-purpose hall, an abundance of fine dining and signature food and beverage options, a resplendent casino as well as other entertainment and leisure facilities. The integrated resort is expected to open in the second half of 2019.



Design of the retail mall in Grand Lisboa Palace (pictured) which will house CDFG's Macau flagship store