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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 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 2021 (“**Q1 2021**”) to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

2021 FIRST QUARTER HIGHLIGHTS (UNAUDITED)

- Total net revenue, gross gaming revenue and net gaming revenue¹ of the Group decreased in Q1 2021 by 28.8%, 32.7% and 29.2%, respectively from Q1 2020.
- Adjusted EBITDA² of the Group declined to a negative HK\$319 million in Q1 2021 from negative HK\$200 million in Q1 2020, a decrease of 60.0%.
- Adjusted EBITDA Margin³ of the Group in Q1 2021 decreased to negative 12.9% from negative 5.7% in Q1 2020.
- Loss attributable to owners of the Company was HK\$647 million in Q1 2021, as compared with HK\$409 million in Q1 2020, an increased loss of 58.2%.
- The Group’s gross gaming revenue accounted for 11.6% of Macau’s casino gaming revenue during Q1 2021, as compared with 13.3% in Q1 2020.
- As at 31 March 2021, the Group had HK\$2,475 million of cash, bank balances, short-term bank deposits and pledged bank deposits, HK\$10 billion of undrawn revolving credit facility, HK\$16,555 million of total debt, and HK\$23,957 million of shareholders’ equity.
- Construction of the Grand Lisboa Palace, the Group’s integrated resort on Cotai, has been completed and the project is undergoing final inspections by local government authorities. The Group anticipates opening the Grand Lisboa Palace during the first half of 2021.

¹ Gross gaming revenue less commissions and incentives

² Earnings after adjustment for non-controlling interests and before accounting for interest income and expense, tax, depreciation and amortisation, donations, loss on disposals/write-off of property and equipment, share based payments, gain on modification of long-term bank loans, sub-concession fee income and pre-opening expenses.

³ 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		
	2021	2020	(Decrease)/ Increase
	<i>HK\$ million</i>	<i>HK\$ million</i>	
Total Net Revenue	2,478	3,479	(28.8%)
Net Gaming Revenue	2,412	3,407	(29.2%)
Loss Attributable to Owners of the Company	(647)	(409)	58.2%
Adjusted EBITDA	(319)	(200)	(60.0%)
Adjusted EBITDA Margin	(12.9%)	(5.7%)	

Gaming revenue, net of commissions and incentives of HK\$240 million (Q1 2020: HK\$536 million), earned by Sociedade de Jogos de Macau, S.A., a subsidiary of the Company, was HK\$2,412 million in Q1 2021, a decrease of 29.2% from Q1 2020.

During Q1 2021, the Group's VIP gross gaming revenue was HK\$485 million, a decrease of 59.4% from HK\$1,196 million in Q1 2020, mass market gross gaming revenue was HK\$2,051 million, a decrease of 21.3% from HK\$2,606 million, and slot machine gross gaming revenue was HK\$116 million, a decrease of 17.3% from HK\$141 million. The Group's total net revenue during Q1 2021 of HK\$2,478 million included hotel, catering, retail and related services revenue of HK\$66 million (Q1 2020: HK\$72 million).

Year-to-Date Comparison (unaudited)

	Three months ended 31 March		
	2021	2020	(Decrease)
	<i>HK\$ million</i>	<i>HK\$ million</i>	
VIP Gross Gaming Revenue	485	1,196	(59.4%)
Mass Market Gross Gaming Revenue	2,051	2,606	(21.3%)
Slot Machine Gross Gaming Revenue	116	141	(17.3%)
Gross Gaming Revenue	2,652	3,943	(32.7%)
Commissions and incentives	(240)	(536)	(55.1%)
Net Gaming Revenue	2,412	3,407	(29.2%)

During Q1 2021, the Group operated an average of 177 VIP gaming tables (Q1 2020: 218), 1,066 mass market gaming tables (Q1 2020: 933) and 1,207 slot machines (Q1 2020: 1,595) (average of three month-end counts).

Total VIP chips sales for the Group during Q1 2021 were HK\$13 billion (Q1 2020: HK\$34 billion) and the VIP gaming hold percentage (before commissions and incentives) was 3.7% (Q1 2020: 3.6%).

Key Results for the Group's Casinos — Q1 2021

	Gross Gaming Revenue <i>HK\$ million</i>	Adjusted EBITDA <i>HK\$ million</i>
Casino Grand Lisboa	585	(115)
Other Self-promoted Casinos ¹	375	(117)
Satellite Casinos ²	1,692	(6)

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

² Fourteen third party-promoted casinos

Unrealised fair value gain in investment in equity securities designated at fair value through other comprehensive income amounting to HK\$43 million in Q1 2021 has been recognised in other comprehensive income and accumulated under investment revaluation reserve.

Capital expenditure of the Group during Q1 2021 was HK\$548 million, which was primarily for construction in progress.

Below is summary of Self-promoted Casinos and Hotel Statistics:

Self-promoted Casino Statistics					
	Three months ended 31 March			Variance	%
	2021	2020	Variance		
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>		
Revenues:					
VIP	216	749	(533)	(71.2%)	
Mass Market	667	1,000	(333)	(33.3%)	
Slot	77	87	(10)	(11.5%)	
Gross Gaming Revenues	960	1,836	(876)	(47.7%)	
VIP Chip Sales Volume	7,464	21,188	(13,724)	(64.8%)	
Win	216	749	(533)	(71.2%)	
Hold %	2.9%	3.5%	—	(0.6%)	
Mass Table Drop	3,884	5,417	(1,533)	(28.3%)	
Mass Table Win	667	1,000	(333)	(33.3%)	
Non-Rolling Chip Win %	17.2%	18.5%	—	(1.3%)	
Slot Handle	1,594	1,886	(292)	(15.5%)	
Slot Win	77	87	(10)	(11.5%)	
Slot Win %	4.8%	4.6%	—	0.2%	

Hotel Statistics

	Three months ended 31 March			
	2021	2020	Variance	%
	HK\$	HK\$	HK\$	
Occupancy %				
Grand Lisboa Hotel	52.5%	35.3%	—	17.2%
Jai Alai Hotel	43.5%	37.4%	—	6.1%
Sofitel at Ponte 16	48.4%	33.7%	—	14.7%
Average Daily Rate				
Grand Lisboa Hotel	704	1,765	(1,061)	(60.1%)
Jai Alai Hotel	202	568	(366)	(64.5%)
Sofitel at Ponte 16	447	1,096	(649)	(59.2%)
Revenue per Available Room				
Grand Lisboa Hotel	369	622	(253)	(40.7%)
Jai Alai Hotel	88	212	(124)	(58.5%)
Sofitel at Ponte 16	217	370	(153)	(41.4%)

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 May 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, Hon. Shek Lai Him, Abraham, Mr. Tse Hau Yin and Ms. Wong Yu Pok, Marina.