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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)

**DISCLOSEABLE TRANSACTION
CONSTRUCTION CONTRACTS IN RELATION TO THE
CONSTRUCTION OF THE COMPANY'S LISBOA PALACE PROJECT
ON COTAI**

THE CONSTRUCTION CONTRACTS

On 6 February 2015, Cotai Magnific, a subsidiary of the Company, entered into the Fifth Construction Contract with Iao Lek, a construction work contractor, in relation to the carrying out of certain basement excavation, reinforced concrete structure and general builder's work for the Company's Lisboa Palace Project, at the consideration of approximately MOP557 million (equivalent to approximately HK\$541 million).

Cotai Magnific and Iao Lek have already entered into the Existing Construction Contracts in relation to the carrying out of certain construction works of the Company's Lisboa Palace Project within the 12-month period immediately preceding the date of the Fifth Construction Contract. The aggregate consideration of the Existing Construction Contracts and the Fifth Construction Contract payable by Cotai Magnific to Iao Lek is approximately MOP2,295 million (equivalent to approximately HK\$2,229 million).

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, the transaction contemplated under the Fifth Construction Contract shall be aggregated together with the Existing Construction Contracts. As the applicable percentage ratios (as defined in the Listing Rules) in respect of the Group's obligations arising from the entering into of the Existing Construction Contracts and the Fifth Construction Contract on an aggregated basis are more than 5% but less than 25%, the entering into of the Fifth Construction Contract constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board announces that on 6 February 2015, Cotai Magnific, a subsidiary of the Company, entered into the Fifth Construction Contract with Iao Lek, a construction work contractor, in relation to the carrying out of certain basement excavation, reinforced concrete structure and general builder's work for the Company's Lisboa Palace Project.

Cotai Magnific and Iao Lek have already entered into the Existing Construction Contracts in relation to the carrying out of certain construction works for the Company's Lisboa Palace Project within the 12-month period immediately preceding the date of the Fifth Construction Contract.

PRINCIPAL TERMS OF THE FIFTH CONSTRUCTION CONTRACT

Parties

- (1) Cotai Magnific as project developer; and
- (2) Iao Lek as a contractor.

Date

6 February 2015

Scope of Work

Pursuant to the Fifth Construction Contract, Iao Lek agreed, as a contractor of the Lisboa Palace Project, to carry out certain basement excavation, reinforced concrete structure and general builder's work in connection with the Lisboa Palace Project.

Consideration

The consideration for the Fifth Construction Contract is approximately MOP557 million (equivalent to approximately HK\$541 million).

The aggregate consideration of the Existing Construction Contracts and the Fifth Construction Contract payable by Cotai Magnific to Iao Lek is approximately MOP2,295 million (equivalent to approximately HK\$2,229 million).

Payment shall be made by Cotai Magnific to Iao Lek according to the value of each relevant task completed by Iao Lek in accordance with the terms of the Fifth Construction Contract. The consideration of the Fifth Construction Contract will be funded by internal resources of the Group.

Completion

The construction works in relation to the Lisboa Palace Project are expected to be completed in the fourth quarter of 2017.

Surety Bond

In connection with the Fifth Construction Contract, Iao Lek is required to obtain a surety bond in an amount which is equivalent to 10% of the consideration of the Fifth Construction Contract from a bank in favour of Cotai Magnific to guarantee Iao Lek's due performance of the Fifth Construction Contract.

REASONS FOR AND BENEFITS OF THE FIFTH CONSTRUCTION CONTRACT

The Group's core business is the development and operation of casinos and related facilities in Macau. The land concession contract with the government of Macau in respect of the lease of the Cotai Land by SJM SA was published on 15 May 2013 in the official gazette of Macau, number 20, Series II. In February 2014, construction for the Lisboa Palace commenced on the Cotai Land and is scheduled for opening in the fourth quarter of 2017. The Lisboa Palace is an integrated resort which will feature three five-star hotels with a total of approximately 2,000 rooms, facilities for shopping, dining and entertainment, and a casino.

Iao Lek is a contractor for construction and building work and is one of the contractors of the Company in the Lisboa Palace Project. Iao Lek is an experienced building works contractor and has worked with the Group on previous projects.

After careful consideration of the relevant factors, and having reviewed the performance of Iao Lek in respect of the Existing Construction Contracts, the Board believes that it is, and was, in the best interests of the Company to enter into the Fifth Construction Contract. The Fifth Construction Contract was awarded to Iao Lek through competitive tendering. The Board considers that the terms of the Fifth Construction Contract, including its consideration, are on normal commercial terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

The aggregate consideration of the Existing Construction Contracts and the Fifth Construction Contract payable by Cotai Magnific to Iao Lek is approximately MOP2,295 million (equivalent to approximately HK\$2,229 million).

Pursuant to Rule 14.22 of the Listing Rules, the transaction contemplated under the Fifth Construction Contract shall be aggregated together with the Existing Construction Contracts. As the applicable percentage ratios (as defined in the Listing Rules) in respect of the Group's obligations arising from the entering into of the Existing Construction Contracts and the Fifth Construction Contract on an aggregated basis are more than 5% but less than 25%, the entering into of the Fifth Construction Contract constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Iao Lek and its ultimate owners are third parties independent of and not connected with the Company and its connected persons.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise.

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| “Board” | : the board of the Directors |
| “Company” | : SJM Holdings Limited, a company incorporated in Hong Kong with limited liability, the ordinary shares of which are listed on the Hong Kong Stock Exchange |
| “connected person” | : has the meaning ascribed to it in the Listing Rules |
| “Cotai Land” | : a plot of land with an area of 70,468 square metres located in the Cotai area of Macau, adjacent to Avenida do Aeroporto and Rua de Ténis |

“Cotai Magnific”	: Cotai Magnific View - Property Development Company Limited, a company incorporated in Macau with limited liability and a subsidiary of the Company
“Existing Construction Contracts”	: the four construction contracts entered into between Cotai Magnific and Iao Lek within the 12-month period immediately preceding the date of the Fifth Construction Contract in relation to the carrying out of certain site preliminaries works, certain bored piles piling, shaft grout barrette and sundry works and certain diaphragm wall and other sundry works in connection with the Company’s Lisboa Palace Project
“Fifth Construction Contract”	: the construction contract dated 6 February 2015 entered into between Cotai Magnific and Iao Lek in relation to the carrying out of certain basement excavation, reinforced concrete structure and general builder’s work in connection with the Company’s Lisboa Palace Project
“Group”	: the Company and its subsidiaries
“Hong Kong”	: the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	: The Stock Exchange of Hong Kong Limited
“Iao Lek”	: Iao Lek Engineering Company Limited, a company incorporated in Macau with limited liability
“Lisboa Palace Project”	: the construction of Lisboa Palace, which comprises a casino, three five-star hotels and other facilities for shopping, dining and entertainment on Cotai
“Listing Rules”	: The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Macau”	: the Macau Special Administrative Region of the People’s Republic of China
“SJM SA”	: 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

“HK\$” : Hong Kong dollar(s), the lawful currency of Hong Kong

“MOP” : Macau Pataca(s), the lawful currency of Macau

For the purpose of this announcement, amounts in MOP are converted to HK\$ at the conversion rate of MOP1.03 = HK\$1.00 for illustration only. No representation is made that any amounts in MOP could have been or could be converted into HK\$ at such rate or any other rates.

By order of the Board
SJM Holdings Limited
So Shu Fai

Executive Director and Chief Executive Officer

Hong Kong, 6 February 2015

As at the date of this announcement, the executive directors of the Company are Dr. Ho Hung Sun, Stanley, Dr. So Shu Fai, Mr. Ng Chi Sing, Dr. Rui José da Cunha, Deputada Leong On Kei, Angela, Mr. Shum Hong Kuen, David and Mr. Fok Tsun Ting, Timothy, 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.