

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.

Distribution of this announcement into jurisdictions other than Hong Kong may be restricted by law. Persons into whose possession this announcement comes should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction for which the Company will not accept any liability.

This announcement is not an invitation or offer of securities for sale in the United States and neither this announcement nor any copy thereof may be released or distributed in the United States or any other jurisdiction where such release might be unlawful or to any US Persons. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act of 1933 of the United States, as amended.



澳門博彩控股有限公司
SJM HOLDINGS LIMITED

incorporated in Hong Kong with limited liability Stock Code : 880

**(i) PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) EXISTING SHARES
HELD ON THE RECORD DATE;
AND
(ii) CLOSURE OF REGISTER OF MEMBERS**

Underwriter



BNP PARIBAS

PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of up to approximately HK\$3,031.2 million by way of the issue of not less than 1,420,361,073 Rights Shares and not more than 1,457,294,323 Rights Shares at the Subscription Price of HK\$2.08 per Rights Share on the basis of one (1) Rights Share for every four (4) existing Shares held on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

Assuming full subscription of the Rights Issue, the net proceeds from the Rights Issue after deducting the expenses are estimated to be approximately HK\$2,936.6 million (assuming no change in the issued Shares on or before the Record Date) or approximately HK\$3,011.9 million (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of the Outstanding Share Options, but otherwise no other change in the issued Shares on or before the Record Date).

With regards to the net proceeds from the Rights Issue, the Company intends to apply approximately HK\$2,700 million for investment in SJM Resorts as part of the increase in share capital which SJM Resorts is required to have to pre-qualify for the tender process by which the Macau Government may grant SJM Resorts a 10-year gaming concession commencing on January 1, 2023; and the balance for the general working capital of the Group. As at the date of this announcement, the Company has executed a term loan agreement with STDM by which STDM has agreed to extend to the Company an unsecured term loan in the amount of HK\$2 billion, which will principally be applied to fund the increase in SJM Resorts' share capital. Please refer to the announcement of the Company dated August 3, 2022 for further details of this loan.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder. In order to be registered as a member of the Company on the Record Date, all transfer documents of the Shares (together with the relevant share certificate(s)) must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:30 p.m. on Monday, August 22, 2022.

IRREVOCABLE UNDERTAKING BY STDM

As at the date of this announcement, STDM (directly and indirectly) held (through CCASS), 3,105,060,500 Shares, representing approximately 54.7% of the total number of issued Shares.

Pursuant to the Irrevocable Undertaking, STDM has irrevocably undertaken and warranted to the Company and the Underwriter, among other things:

- (i) to take up or procure its wholly-owned subsidiary to take up 776,265,125 Rights Shares to be provisionally allotted to STDM in full at the Subscription Price;
- (ii) to apply, by way of excess application, for the subscription of an additional 322,047,974 Rights Shares, being 50% of the total number of the maximum Excess Rights Shares (assuming no change in the issued Shares on or before the Record Date);

- (iii) not to exercise any of the conversion rights attaching to the Convertible Bonds from the date of the Irrevocable Undertaking to the date of completion of the Rights Issue; and
- (iv) not to sell, dispose of, transfer, create any encumbrance over or agree to sell, dispose of, transfer or create any encumbrance over any of the Shares held by STDM and its wholly-owned subsidiary from the date of the Irrevocable Undertaking to the date of completion of the Rights Issue.

THE UNDERWRITING AGREEMENT

On August 3, 2022 (after trading hours), the Company and the Underwriter entered into the Underwriting Agreement, pursuant to which the Underwriter has conditionally agreed to underwrite, on a fully-underwritten basis, up to 322,047,974 Rights Shares, being the minimum total number of Rights Shares issuable (assuming no change in the issued Shares on or before the Record Date), or up to 358,981,224 Rights Shares, being the maximum total number of Rights Shares issuable (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of the Outstanding Share Options, but otherwise no other change in the issued Shares on or before the Record Date), excluding the Undertaken Shares to be taken up (or procure to be taken up) or applied for by STDM pursuant to the Irrevocable Undertaking. Details of the Underwriting Agreement are set out in the section headed “UNDERWRITING ARRANGEMENT” in this announcement.

The Rights Issue is conditional upon the obligations of the Underwriter under the Underwriting Agreement becoming unconditional and the Underwriter not terminating the Underwriting Agreement.

The Underwriting Agreement contains detailed conditions and events which may cause the Underwriting Agreement to be terminated by the Underwriter. Please refer to the section headed “Underwriting Arrangement” in this announcement for details of the conditions and grounds of termination of the Underwriting Agreement. If the Underwriting Agreement does not become unconditional or is terminated, the Rights Issue will not proceed.

LISTING RULES IMPLICATIONS FOR THE COMPANY

As the Company has not conducted any rights issue or open offer within the 12-month period prior to the date of this announcement and the Rights Issue will not increase the issued shares or market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the Shareholders’ approval under the Listing Rules. The Rights Issue will be carried out in compliance with Rule 7.19A of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

The register of members of the Company will be closed from Tuesday, August 23, 2022 to Monday, August 29, 2022 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

GENERAL

The Prospectus containing, among other things, details of the Rights Issue is expected to be despatched by the Company to the Qualifying Shareholders on the Posting Date. The PALs and the EAFs will also be sent to the Qualifying Shareholders on the same date. A copy of the Prospectus will also be made available on the websites of the Company (<http://www.sjmholdings.com>) and the Stock Exchange (<http://www.hkexnews.hk>). Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company may send copies of the Prospectus to the Non-Qualifying Shareholders outside of the United States for their information only but will not send any PAL or EAF to them.

WARNING OF THE RISKS OF DEALING IN SHARES AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with its terms. It should also be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate its obligations on the occurrence of certain events including force majeure. Please refer to the section headed "UNDERWRITING ARRANGEMENT – Rescission and Termination of the Underwriting Agreement" in this announcement for further details. Accordingly, the Rights Issue may or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Friday, August 19, 2022. Dealings in the Rights Shares in nil-paid form are expected to take place from Thursday, September 1, 2022 to Thursday, September 8, 2022 (both dates inclusive). Any dealings in the Shares from the date of this announcement up to the date on all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of up to approximately HK\$3,031.2 million by way of the issue of not less than 1,420,361,073 Rights Shares and not more than 1,457,294,323 Rights Shares at the Subscription Price of HK\$2.08 per Rights Share on the basis of one (1) Rights Share for every four (4) existing Shares held on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

Further details of the Rights Issue are set out below:

Rights Issue Statistics

Basis of the Rights Issue:	One (1) Rights Share for every four (4) existing Shares held by the Shareholders on the Record Date
Subscription Price:	HK\$2.08 per Rights Share
Number of Shares in issue as at the date of this announcement:	5,681,444,293 Shares
Number of Rights Shares to be issued under the Rights Issue:	not less than 1,420,361,073 Rights Shares ^(Note 1) and not more than 1,457,294,323 Rights Shares ^(Note 2)
Undertaken Shares:	1,098,313,099 Rights Shares, being the aggregate number of Rights Shares for which STDM has undertaken to subscribe pursuant to the Irrevocable Undertaking
Total number of issued Shares as enlarged by the allotment and issue of the Rights Shares:	not less than 7,101,805,366 Shares ^(Note 1) and not more than 7,286,471,616 Shares ^(Note 2)
Underwriter:	BNP Paribas Securities (Asia) Limited
Maximum amount to be raised before expenses (assuming the Rights Issue is fully subscribed):	not less than approximately HK\$2,954.4 million ^(Note 1) and not more than approximately HK\$3,031.2 million ^(Note 2)
Rights of excess applications:	Qualifying Shareholders may apply for Rights Shares in excess of their provisional allotment

Notes:

1. Assuming no change in the issued Shares on or before the Record Date.
2. Assuming new Shares are issued on or before the Record Date pursuant to the full exercise of the Outstanding Share Options, but otherwise no other change in the issued Shares on or before the Record Date.

Under the Rights Issue, the 1,420,361,073 nil-paid Rights Shares proposed to be provisionally allotted represent approximately 25% of the existing issued Shares as at the date of this announcement and approximately 20.0% of the issued Shares as enlarged by the Rights Issue (assuming no change in the issued Shares on or before the Record Date).

As at the date of this announcement, there are 147,733,000 Outstanding Share Options. Assuming exercise of all Outstanding Share Options, the maximum number of new Shares that would fall to be allotted and issued under the Share Option Scheme on or before the Record Date would be 147,733,000 Shares, which would result in the issue and allotment of 36,933,250 additional Rights Shares.

In addition, on June 22, 2022, Champion Power Global Limited 冠威環球有限公司, a wholly-owned subsidiary of the Company, had issued convertible bonds in the principal amount of HK\$1,906 million at 2.0% coupon rate with 5-year maturity (the “**Convertible Bonds**”), pursuant to which (i) the Company is the guarantor; and (ii) 468,304,668 new Shares will be allotted and issued upon full exercise of the conversion rights attaching to the Convertible Bonds. However, as the holder of the Convertible Bonds (i.e. STDM) has irrevocably undertaken and warranted to the Company and the Underwriter not to exercise any of the conversion rights attaching to the Convertible Bonds from the date of the Irrevocable Undertaking to the date of completion of the Rights Issue pursuant to the Irrevocable Undertaking, no additional Rights Shares will be issued and allotted in relation to the full exercise of conversion rights attaching to the Convertible Bonds. For further details of the Convertible Bonds, please refer to the circular of the Company dated June 6, 2022.

As at the date of this announcement, save as disclosed above, the Company (a) has no other outstanding derivatives, options, warrants, conversion rights or other similar rights which are convertible or exchangeable into or confer any right to subscribe for Shares in the Rights Issue; and (b) has no intention to issue or grant any Shares, convertible securities, warranties and/or options on or before the Record Date. The Directors do not expect any exercise of the Outstanding Share Options on or before the Record Date.

Subscription Price

The Subscription Price of HK\$2.08 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or, where applicable, applies for Excess Rights Shares or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 33.8% to the closing price of HK\$3.14 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 34.8% to the average closing price per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day of approximately HK\$3.19 per Share;

- (iii) a discount of approximately 36.0% to the average closing price per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$3.25 per Share;
- (iv) a discount of approximately 29.0% to the theoretical ex-rights price of approximately HK\$2.93 per Share based on the closing price of HK\$3.14 per Share as quoted on the Stock Exchange on the Last Trading Day and number of Shares in issue as at the date of this announcement;
- (v) a discount of approximately 34.9% to the latest published unaudited consolidated net asset value per Share as at June 30, 2022 of approximately HK\$3.19 (as shown in the announcement of the Company dated August 1, 2022 in relation to, among others, the interim results of the Company for the six months ended June 30, 2022). Having considered the financial performance of the Group due to COVID-19 during the past few years and the prevailing market prices which have been generally low during the last 12 months, the Directors consider the discount represented by the Subscription Price to the unaudited consolidated net asset value per Share as at June 30, 2022 to be fair and reasonable; and
- (vi) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 7.1%, represented by the theoretical diluted price of approximately HK\$2.99 per Share to the benchmarked price (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price on the Last Trading Day of HK\$3.14 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of this announcement of approximately HK\$3.22 per Share) of approximately HK\$3.22 per Share.

The net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue) upon full acceptance of the provisional allotment of Rights Shares will be approximately HK\$2.08. Since the Company is incorporated in Hong Kong, the Rights Shares have no nominal value.

The Subscription Price was determined by the Company with reference to, among others, (i) the recent closing prices of the Shares; (ii) prevailing market conditions and the financial position of the Group; and (iii) the amount of funds the Company intends to raise under the Rights Issue.

The Directors consider that the discount of the Subscription Price would encourage Shareholders to participate in the Rights Issue and accordingly maintain their shareholdings in the Company and participate in the future growth and development of the Group. After taking into consideration the reasons for the Rights Issue as stated in the section headed “REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS OF THE RIGHTS ISSUE” below, the Directors consider the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every four (4) existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents.

Qualifying Shareholders and Non-Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders. The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders outside of the United States for information purposes only but will not send any PAL or EAF to them.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder. Shareholders having an address in Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will qualify for the Rights Issue.

Shareholders having an address outside Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will not qualify for the Rights Issue if the Board, after making relevant enquiries with the legal advisers in the relevant jurisdictions, considers that the exclusion of such Overseas Shareholders from the Rights Issue would be necessary or expedient on account either of legal restrictions under the laws of the relevant place or any requirements of the relevant regulatory body or stock exchange in that place.

Shareholders with their Shares held by nominee(s) (or held in CCASS) should note that the Board will consider the said nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee(s) (or held in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date.

In order to be registered as a member of the Company by the Record Date, all transfer documents of the Shares (together with the relevant share certificate(s)) must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:30 p.m. on Monday, August 22, 2022. The last day for dealing in the Shares on a cum-rights basis is Thursday, August 18, 2022.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a cheque or banker's cashier order for the Rights Shares being applied for with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before the Latest Time for Acceptance.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). **If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

Rights of PRC Southbound Trading Investors

According to the “Stock Connect Southbound Shareholding Search” available on the Stock Exchange’s website, as at the date of this announcement, China Clear held 360,716,221 Shares, representing approximately 6.34% of the total number of the issued Shares.

The PRC Southbound Trading Investors may participate in the Rights Issue through China Clear. China Clear will provide nominee services for the PRC Southbound Trading Investors to (i) sell (in full or in part) their nil-paid Rights Shares through Shenzhen-Hong Kong Stock Connect and/or Shanghai-Hong Kong Stock Connect if such nil-paid Rights Shares are listed on the Stock Exchange; and/or (ii) subscribe (in full or in part) for their pro rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations.

However, China Clear will not support applications by such PRC Southbound Trading Investors for Excess Rights Shares under the Rights Issue through Shenzhen-Hong Kong Stock Connect and/or Shanghai-Hong Kong Stock Connect. In addition, the PRC Southbound Trading Investors (or the relevant China Clear participants, as the case may be) whose stock accounts in China Clear are credited with nil-paid Rights Shares can only sell those nil-paid Rights Shares through Shenzhen-Hong Kong Stock Connect and/or Shanghai-Hong Kong Stock Connect if such nil-paid Rights Shares are listed on the Stock Exchange but cannot purchase any nil-paid Rights Shares nor transfer such nil-paid Rights Shares to other PRC Southbound Trading Investors until after the Company completes its filing with the CSRC in accordance with the CSRC Notice.

The PRC Southbound Trading Investors should consult their intermediary (including brokers, custodians, nominees or China Clear participants) and/or other professional advisers for details of the logistical arrangements as required by China Clear, and provide instructions to such intermediary in relation to the acceptance and/or sale of the nil-paid Rights Shares. Such instructions should be given in advance of the relevant dates stated in the section headed “EXPECTED TIMETABLE FOR THE RIGHTS ISSUE” of this announcement and otherwise in accordance with the requirements of the intermediary of the PRC Southbound Trading Investors and/or China Clear in order to allow sufficient time to ensure that such instructions are given effect.

The Board was advised that, as the Prospectus Documents will not be and are not intended to be filed with or approved by the CSRC other than in accordance with the CSRC Notice, the Rights Shares in nil-paid or fully-paid forms issued to the PRC Southbound Trading Investors shall not be offered and may not be offered or sold directly or indirectly in the PRC to any person or entity, unless through Shenzhen-Hong Kong Stock Connect and/or Shanghai-Hong Kong Stock Connect, or such person or entity has otherwise been exempt by or has obtained the necessary and appropriate approvals from the relevant PRC authorities in accordance with the applicable PRC laws and regulations.

Rights of the Overseas Shareholders

If, at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside Hong Kong, such Shareholder may not be eligible to take part in the Rights Issue. The Prospectus Documents to be despatched in connection with the Rights Issue will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong.

The Board notes the requirements specified in Rule 13.36(2)(a) of the Listing Rules and is in the process of making enquiries in the relevant jurisdictions as to the feasibility of extending the Rights Issue to the Overseas Shareholders. If, after making relevant enquiries with the legal advisers in the relevant jurisdictions, the Board is of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirements of the relevant regulatory body or stock exchange in that place, not to offer the Rights Shares to the relevant Overseas Shareholders, no provisional allotment of nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, such Overseas Shareholders will become Non-Qualifying Shareholders and the Rights Issue will not be extended to them. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders outside of the United States for information purposes only but will not send any PAL or EAF to them. As of the date of this announcement, there are 31 Overseas Shareholders with registered addresses situated in the PRC, Singapore, Macau and the United Kingdom.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and before the last day for dealing in the nil-paid Rights Shares, if a premium (net of expenses) can be obtained. Any net proceeds of sale thereof, after deduction of expenses, will be paid in Hong Kong dollars to the Non-Qualifying Shareholders pro rata to their respective entitlements as at the close of business on the Record Date, provided that if any of such persons would be entitled to a sum not exceeding HK\$100, such sum will be retained by the Company for its own benefit. Any such unsold nil-paid Rights Shares to which such Non-Qualifying Shareholders would otherwise have been entitled will be made available for excess application by the Qualifying Shareholders under the EAF(s).

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, the Overseas Shareholders should exercise caution when dealing in the Shares.

Status of the Rights Shares

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid, the record dates of which are on or after the date of allotment and issue of the fully-paid Rights Shares.

Fractional entitlements to the Rights Shares

The Company will not provisionally allot and issue and will not accept application for any fraction of the Rights Shares and the entitlements of the Qualifying Shareholders will be rounded down to the nearest whole number. All fractions of Rights Shares will be aggregated (rounded down to the nearest whole number). All nil-paid Rights Shares arising from such aggregation will be provisionally allotted (in nil-paid form) and sold in the market for the benefit of the Company if a premium (net of expenses) can be obtained, and the Company will retain the proceeds from such sale. Any unsold fractions of Rights Shares will be made available for excess application by the Qualifying Shareholders under the EAFs. Should there be no excess application by the Qualifying Shareholders, those Rights Shares created from the aggregation of fraction of the Rights Shares may or may not be taken up by the Underwriter.

Odd lot arrangement

Upon completion of the Rights Issue, the board lots of the Company will remain as 1,000 Shares. In order to facilitate the trading of odd lots of Shares which will arise upon the Rights Issue, the Company will procure an arrangement with an agent to stand in the market to provide matching services for sale and purchase of odd lots of Shares on a best effort basis. Further details in respect of the odd lot arrangement will be set out in the Prospectus. Holders of Shares in odd lots should note that the matching services mentioned above are on a “best effort” basis only and successful matching of the sale and purchase of odd lots of Shares is not guaranteed and will depend on there being adequate amount of odd lots of Shares available for matching. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its/their own professional advisers.

Application for Excess Rights Shares

Qualifying Shareholders (other than the PRC Southbound Trading Investors) shall be entitled to apply for, by way of excess application:

- (i) any unsold Rights Shares which would have been allotted to the Non-Qualifying Shareholders had they been Qualifying Shareholders;
- (ii) any Rights Shares provisionally allotted to but not validly accepted by the Qualifying Shareholders or otherwise subscribed for by renounees or transferees of Rights Shares in nil-paid form; and
- (iii) any unsold Rights Shares created by aggregating fractions of Rights Shares in nil-paid form.

(i) to (iii) are collectively referred to as “**Untaken Rights**”.

Subject to the requirements of Rule 7.21(3)(b) of the Listing Rules, the Company will, upon consultation with the Underwriter, allocate the Excess Rights Shares (if any) at their discretion on a fair and equitable basis on the following principles:

- (i) any Excess Rights Shares will be allocated to Qualifying Shareholders who apply for them on a pro rata basis by reference to the number of the Excess Rights Shares applied for;

- (ii) reference will only be made to the number of Excess Rights Shares being applied for but no reference will be made to the Rights Shares comprised in applications by the PALs or the existing number of Shares held by Qualifying Shareholders; and
- (iii) if the aggregate number of Rights Shares not taken up by the Qualifying Shareholders and/or transferees of nil-paid Rights Shares under the PALs is greater than the aggregate number of Excess Rights Shares applied for through the EAFs, the Company will allocate to each Qualifying Shareholder who applies for Excess Rights Shares in full application.

In applying the above principles, reference will only be made to the number of Excess Rights Shares being applied for. No preference will be given to topping up odd lots to whole board lots.

Application for Excess Rights Shares can be made only by Qualifying Shareholders (other than the PRC Southbound Trading Investors) and only by duly completing and signing an EAF (in accordance with the instructions printed therein) and lodging the same with a separate remittance for the Excess Rights Shares being applied for with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on Wednesday, September 14, 2022 or such later date as may be agreed by the Company and the Underwriter in writing.

Shareholders with their Shares held by a nominee company (or which are deposited in CCASS) should note that the Board will regard such nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, Shareholders should note that the aforesaid arrangement in relation to the allocation of the Excess Rights Shares will not be extended to beneficial owners individually save and except for the beneficial owner(s) which the Company may permit in its absolute discretion. Shareholders with their Shares held by a nominee company (or which are deposited in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names on or prior to the Record Date for the purpose of the Rights Issue. Shareholders should consult their professional advisors if they are in any doubt as to their status. Shareholders who would like to have their names registered on the register of members of the Company on the Record Date, must lodge all necessary documents with the Company's share registrar, Computershare Hong Kong Investor Services Limited, for registration by not later than 4:30 p.m. on Monday, August 22, 2022.

Any Rights Shares (excluding the Undertaken Shares) not taken up by the Qualifying Shareholders and not taken up by excess applications will be taken up by the Underwriter and/or subscribers procured by it pursuant to the terms and conditions of the Underwriting Agreement.

Taxation

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

Application for listing

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. The nil-paid Rights Shares and fully-paid Rights Shares are expected to have the same board lot size as the Shares, i.e. 1,000 Rights Shares in one board lot. No part of the securities of the Company in issue or for which listing or permission to deal is being or is proposed to be sought is listed or dealt in on any stock exchange other than the Stock Exchange.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees

Dealings in the Rights Shares (in both nil-paid and fully-paid forms) will be subject to payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, and any other applicable fees and charges in Hong Kong.

Share certificates and refund cheques for the Rights Shares

Subject to the fulfilment or waiver (as applicable) of the conditions of the Rights Issue as set out below, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered addresses, at their own risks, on or before Thursday, September 22, 2022. Refund cheques in respect of wholly or partially unsuccessful applications for Excess Rights Shares (if any) are expected to be despatched on or before Thursday, September 22, 2022 to the applicants without interest at their registered addresses by ordinary post at their own risks.

If the Rights Issue does not become unconditional or does not proceed, the monies received in respect of the relevant provisional allotments and/or applications for Excess Rights Shares (if any) will be refunded to the Qualifying Shareholders or such other person to whom the Rights Shares in nil-paid form have been validly renounced or transferred or, in the case of joint acceptances, to the first-named person, without interest and by means of cheques despatched by ordinary post at the risks of such Qualifying Shareholders or such other person to their registered addresses by the Company's share registrar, Computershare Hong Kong Investor Services Limited, on or before Thursday, September 22, 2022.

IRREVOCABLE UNDERTAKING BY STDM

As at the date of this announcement, STDM (directly and indirectly) held (through CCASS), 3,105,060,500 Shares, representing approximately 54.7% of the total number of issued Shares.

Pursuant to the Irrevocable Undertaking, STDM has irrevocably undertaken and warranted to the Company and the Underwriter, among other things:

- (i) to take up or procure its wholly-owned subsidiary to take up 776,265,125 Rights Shares to be provisionally allotted to STDM in full at the Subscription Price;
- (ii) to apply, by way of excess application, for the subscription of an additional 322,047,974 Rights Shares, being 50% of the total number of the maximum Excess Rights Shares (assuming no change in the issued Shares on or before the Record Date);
- (iii) not to exercise any of the conversion rights attaching to the Convertible Bonds from the date of the Irrevocable Undertaking to the date of completion of the Rights Issue; and
- (iv) not to sell, dispose of, transfer, create any encumbrance over or agree to sell, dispose of, transfer or create any encumbrance over any of the Shares held by STDM and its wholly-owned subsidiary from the date of the Irrevocable Undertaking to the date of completion of the Rights Issue.

In addition, STDM has undertaken that from the date of the Irrevocable Undertaking and ending on the date which is 90 days from the first day of dealing in fully-paid Rights Shares on the Stock Exchange, except with the prior written consent of the Underwriter, STDM will not and STDM shall procure its wholly-owned subsidiary that holds Shares not to:

- (a) offer, sell, lend, contract to sell, pledge, grant any option over or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by any of STDM and its wholly-owned subsidiary), directly or indirectly, any equity securities of the Company or any securities convertible into, or exercisable, or exchangeable for, equity securities of the Company (and for such purpose including (but not limited to) any cash settled equity-linked instruments (whether such cash settlement is at the option of the issuer of the instrument, on a mandatory basis, a mixture of both, or otherwise) where the redemption, exercise or exchange price (howsoever described) is (or is potentially or partially) linked to or references (or potentially or partially references) the price of the Shares);
- (b) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of any of such securities, whether any such transaction described in (a) above or this subparagraph is to be settled by delivery of Shares or such other securities, in cash or otherwise; and
- (c) publicly announce an intention to effect any such transaction.

Save for the Irrevocable Undertaking, the Company has not received any information or irrevocable undertakings from any other Shareholders of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue as at the date of this announcement.

UNDERWRITING ARRANGEMENT

On August 3, 2022 (after trading hours), the Company and the Underwriter entered into the Underwriting Agreement, pursuant to which the Underwriter has conditionally agreed to underwrite, on a fully-underwritten basis, up to 322,047,974 Rights Shares, being the minimum total number of Rights Shares issuable (assuming no change in the issued Shares on or before the Record Date), or up to 358,981,224 Rights Shares, being the maximum total number of Rights Shares issuable (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of the Outstanding Share Options, but otherwise no other change in the issued Shares on or before the Record Date), excluding the Undertaken Shares to be taken up (or procured to be taken up) or applied for by STDM pursuant to the Irrevocable Undertaking.

Principal terms of the Underwriting Agreement are as follows:

Date:	August 3, 2022 (after trading hours)
Issuer:	the Company
Underwriter:	BNP Paribas Securities (Asia) Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are Independent Third Parties.

Number of Rights Shares to be underwritten:	up to 322,047,974 Rights Shares, being the minimum total number of Rights Shares issuable (assuming no change in the issued Shares on or before the Record Date), or up to 358,981,224 Rights Shares, being the maximum total number of Rights Shares issuable (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of the Outstanding Share Options, but otherwise no other change in the issued Shares on or before the Record Date), excluding the Undertaken Shares to be taken up (or procured to be taken up) or to be applied for by STDM pursuant to the Irrevocable Undertaking
---	--

Commission:	2.0% of the aggregate Subscription Price in respect of the Underwritten Shares, which was determined with reference to the prevailing market rate of similar transactions
-------------	---

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Underwriter by reference to the existing financial position of the Company, the size of the Rights Issue, and the current and expected market condition. The Directors consider that the terms of the Underwriting Agreement including the commission rate, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the transaction contemplated under the Underwriting Agreement.

Subject to the fulfilment or waiver (as applicable) of all the conditions contained in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated or rescinded prior to the Latest Time for Termination in accordance with the terms thereof, the Underwriter shall subscribe for or procure the subscription for the Untaken Shares.

Conditions of the Underwriting Agreement

The obligations of the Underwriter under the Underwriting Agreement are conditional upon:

- (i) requisite resolutions having been passed in accordance with applicable laws and regulations in Hong Kong and Macau by (a) the shareholders of SJM Resorts at an extraordinary general assembly of SJM Resorts approving the amendments to the articles of association, the increase in registered capital and variation of the Type B shares; and (b) by the Shareholders at an extraordinary general meeting of the Company passing the requisite resolution required by Articles 77-79 of the Company's articles of association and all of such resolutions not being withdrawn or revoked prior to the Latest Time for Termination;
- (ii) each condition to enable the nil-paid Rights Shares to be admitted as eligible securities for deposit, clearance and settlement in CCASS having been satisfied not later than the business day prior to the first day of dealings in the nil-paid Rights Shares as set out in the Prospectus and no notification having been received by the Company from HKSCC by such date that such admission or facility for holding and settlement has been or is to be refused;
- (iii) the Stock Exchange issuing a certificate authorising registration of the Prospectus with the Registrar of Companies under section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) not later than a business day before the Prospectus Date (or such later time and/or date as the Company and the Underwriter may agree in writing);
- (iv) a duly certified copy of each of the Prospectus Documents (and other required documents) having been lodged with the Registrar of Companies not later than a business day before the Prospectus Date, and the Registrar of Companies issuing a letter of confirmation of the registration of the Prospectus Documents not later than a business day before the Prospectus Date;

- (v) permission to deal in and listing of all the Rights Shares (in their nil-paid and fully-paid forms) being granted (subject only to allotment and despatch of the appropriate documents of title) by the Stock Exchange by no later than the business day prior to the commencement of trading of the Rights Shares (in their nil-paid and fully-paid forms, respectively) and such permission not being withdrawn or revoked prior to the Latest Time for Termination;
- (vi) compliance by the Company with its obligations under the Underwriting Agreement in relation to the making of the Rights Issue and the allotment and offer of Rights Shares by the times specified (or such later time and/or date as the Company and the Underwriter may agree in writing);
- (vii) posting of the Prospectus Documents to the Qualifying Shareholders not later than the Prospectus Date (or such later time and/or date as the Company and the Underwriter may agree in writing);
- (viii) delivery of the duly executed Irrevocable Undertaking on the date of the Underwriting Agreement to be procured by STDM to the Company and the Underwriter;
- (ix) compliance by STDM with its obligations under the Irrevocable Undertaking by the times specified, and the Irrevocable Undertaking remaining to be legal, valid, binding and enforceable and not having been terminated;
- (x) receipt by the Underwriter (in such form and substance as reasonably satisfactory to the Underwriter) of all relevant documents on or before such time as specified in the Underwriting Agreement;
- (xi) by the Latest Time for Termination, the warranties given by the Company under the Underwriting Agreement remaining true, accurate, complete and not misleading, none of the undertakings of the Company having been breached, and no matter having been arisen which would reasonably be expected to give rise to any breach of any of the warranties or breach of any undertakings or a claim in respect of any of the warranties or a breach of any undertakings;
- (xii) compliance by the Company and STDM with all of their respective obligations under the Underwriting Agreement and (in respect of STDM) the Irrevocable Undertaking, and the Underwriting Agreement and the Irrevocable Undertaking remaining to be legal, valid, binding and enforceable and not having been terminated;
- (xiii) all relevant consents, approvals, permits, authorisations or clearances (as the case may be) required to be obtained by any member of the Group (if any) under applicable laws, regulations or rules for the Rights Issue and the transactions contemplated hereunder having been obtained, and all such consents, approvals, permits, authorisations and clearances not having been revoked or withdrawn at any time up to the Latest Time for Termination; and

- (xiv) (a) the Shares remaining listed on the Stock Exchange at all times prior to the Latest Time for Termination and the current listing of the Shares not having been withdrawn or, other than pending publication of this announcement, the trading of the Shares not having been suspended or put on halt for a consecutive period of more than three trading days (or such longer period as the Company and the Underwriter may agree); and (b) no indication having been received before 4:00 p.m. on the date of the Latest Time for Termination from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of the Underwriting Agreement or for any other reason.

Save for the conditions set out in (i), (ii), (iii) and (iv) above which cannot be waived, the conditions set out above may be waived in whole or in part by the Underwriter by notice in writing to the Company prior to the Latest Time for Termination. As at the date of this announcement, save for condition (viii), none of the conditions precedent has been satisfied. If any of the conditions precedent (save and except conditions precedent which have been waived by the Underwriter in accordance with the Underwriting Agreement) are not satisfied in whole by the Latest Time for Termination or such other date as the Underwriter and the Company may agree in writing, the Underwriting Agreement shall terminate (save and except certain specified provisions under the Underwriting Agreement) and no party shall have any claim against the other party for costs, damages, compensation or otherwise save for any antecedent breaches of the Underwriting Agreement.

Rescission and Termination of the Underwriting Agreement

If at any time prior to the Latest Time for Termination:

- (i) any matter or circumstance arises as a result of which any of the conditions of the Underwriting Agreement has become or is likely to become incapable of satisfaction (or, as applicable, waiver) as at the required time; or
- (ii) any breach of any of the representations, warranties, undertakings and other provisions contained in the Underwriting Agreement by the Company comes to the knowledge of the Underwriter, or there has been such breach on the part of the Company, or any matter has arisen which would reasonably be expected to give rise to such a breach or a claim in respect of any of the representations, warranties, undertakings and other provisions contained in the Underwriting Agreement; or
- (iii) any breach by STDM of any of the representations, warranties, undertakings and other provisions contained in the Irrevocable Undertaking comes to the knowledge of the Underwriter, or there has been such breach on the part of STDM or any matter has arisen which would reasonably be expected to give rise to such a breach by STDM, or a claim in respect of any of the representations, warranties, undertakings and other provisions contained in the Irrevocable Undertaking; or
- (iv) any event occurs or matter arises, which, if it had occurred before the date of the Underwriting Agreement or before any of the times on which the warranties are deemed to be given, would have rendered any of the warranties untrue, incorrect or misleading; or

- (v) any statement contained in any of the Prospectus Documents, this announcement and any other announcement, circular or public documents issued or authorised by the Company relating to the Rights Issue has become or been discovered to be untrue, incorrect or incomplete in any material respect or misleading, or matters have arisen or have been discovered which would, if any of such documents was to be issued at the time, constitute a material omission therefrom; or
- (vi) the issue or requirement to issue by the Company of any supplement or amendment to any of the Prospectus Documents, this announcement and any other announcement, circular or public documents issued or authorised by the Company relating to the Rights Issue; or
- (vii) non-compliance of any of the Prospectus Documents, this announcement and any other announcement, circular or public documents issued or authorised by the Company relating to the Rights Issue (or any other documents used in connection with the contemplated offer and sale of the Rights Shares) or any aspect of the Rights Issue with the Listing Rules or any other applicable laws, rules or regulations; or
- (viii) there shall have developed, occurred or come in effect any change or development involving a prospective change, any event or circumstance likely to result in a change or development involving a prospective change, in or affecting the assets, liabilities, business, condition, results of operations, prospects, management, shareholders' equity or in the financial or trading position of the Group taken as a whole which, in the sole opinion of the Underwriter, is or may be materially adverse in the context of the Rights Issue or makes or may make it impracticable, inadvisable or inexpedient to proceed with the Rights Issue; or
- (ix) a petition is presented for the winding-up or liquidation of any member of the Group or any member of the Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group; or
- (x) permission to deal in and listing of all the Rights Shares (in their nil-paid and fully-paid forms) has been withdrawn and/or prohibited or otherwise restricted by the Stock Exchange; or
- (xi) a prohibition on the Company for whatever reason from allotting, issuing or selling any of the Rights Shares (whether in nil-paid or fully paid form) pursuant to the terms of the Rights Issue and the Underwriting Agreement; or
- (xii) any expert, whose consent is required for the issue of the Prospectus with the inclusion of its reports, letters or opinions and references to its name included in the form and context in which it respectively appears, has withdrawn its consent prior to the issue of the Prospectus; or
- (xiii) the Company has withdrawn any of the Prospectus Documents, this announcement and any other announcement, circular or public documents issued or authorised by the Company relating to the Rights Issue or the Rights Issue; or

- (xiv) any of the major approvals, concessionaires, sanctions, orders, clearances, no objections declarations, qualifications, licences, permits, certificates, consents, permissions, authorisations, filings and registrations (collectively, the “**Approvals**”) as required by any member of the Group in connection with its operations and business activities or the continuation of such operations and activities has expired or lapsed or has been terminated or withdrawn, or any of such Approvals has become or is likely to become incapable of being duly and successfully bided, obtained, granted, extended and renewed (as the case may be) in accordance with the applicable laws, rules and regulations; or
- (xv) there has occurred, happened, come into effect or, become public knowledge or become in contemplation or continued to be in contemplation, any event, series of events or circumstances concerning or relating to (whether or not foreseeable and whether or not in contemplation prior to or after the entering of the Underwriting Agreement) any law, rule or regulation, or any change or development involving a prospective change (whether or not permanent) in or affecting any laws, rules or regulations, or any other matters, that may affect the validity, bidding, obtaining, granting, extension or renewal of any of the major Approvals as required by any member of the Group in connection with its operations and business activities or the continuation of such operations and activities (which includes, without limitation, any event, series of events or circumstances concerning or relating to: (a) any conditions that may be imposed on, or qualifications or pre-requisites that may be required to be possessed or fulfilled by, SJM Resorts or any other member of the Group in order for SJM Resorts or any other member of the Group to bid for, renew or otherwise possess any of such Approvals; (b) any conditions with respect to the shareholding or share capital structure of SJM Resorts or any other member of the Group; and (c) any other requirements that may render the Company and/or SJM Resorts necessary or desirable to seek approval from its shareholders (whether or not such approval will be sought prior to or after completion of the Rights Issue) pursuant to the requirements of its articles of association or any applicable law, rule or regulation); or
- (xvi) there has occurred, happened, come into effect, become public knowledge or become in contemplation or continued to be in contemplation, any event, series of events or circumstances concerning or relating to (whether or not foreseeable and whether or not in contemplation prior to or after the entering of the Underwriting Agreement):
- (a) any change in, or any event or series of events that may result in any change in (whether or not permanent) in local, national or international financial, political, military, industrial, economic, legal, fiscal, regulatory or securities market matters or conditions or currency exchange rates or exchange controls in or affecting Hong Kong, Macau, the PRC, the United States, the European Union (or any member thereof), the United Kingdom or any other jurisdictions relevant to any member of the Group or the Rights Issue (collectively, the **Relevant Jurisdictions**); or

- (b) any event or circumstance in the nature of force majeure, including, without limitation, any act of government, economic sanctions, strike, curfew, riot, public disorder, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, deterioration of such pandemic and epidemic currently in existence or outbreak of infectious diseases leading to city-wide lock-down in Macau for over 5 calendar days, declaration of a state of emergency or calamity or crisis, in or affecting any of the Relevant Jurisdictions; or
- (c) the declaration of a banking moratorium by authorities in or affecting any of the Relevant Jurisdictions occurring due to exceptional financial circumstances or otherwise; or
- (d) any moratorium, suspension or restriction on trading in shares or securities generally, or the establishment of minimum prices, on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the New York Stock Exchange, NASDAQ, the London Stock Exchange or any major disruption of any securities settlement or clearing services in or affecting any of the Relevant Jurisdictions; or
- (e) the imposition of sanctions, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction on or affecting any member of the Group, STDM or any director of the Group; or
- (f) any trading halt or suspension of dealings in the Shares for a consecutive period of more than three trading days (other than pending publication of this announcement); or
- (g) any Governmental Authority commencing any investigation or other action, or announcing an intention to investigate or take other action, against any member of the Group or any of the Directors; or
- (h) any claims, actions, litigation, proceedings or investigations (whether by governmental or regulatory bodies or otherwise) demands, judgments or awards being threatened or instigated against any member of the Group or any of the Directors; or
- (i) any Director being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management of a company; or
- (j) any Director vacating his or her office; or
- (k) any market, investor or analyst commentary or speculation, to any material extent, that any of the major Approvals as required by any member of the Group in connection with its operations and business activities or the continuation of such operations and activities may become incapable of being duly and successfully bided, obtained, granted, extended and renewed (as the case may be) in accordance with the applicable laws, rules and regulations; or

- (l) any law, rule or regulation, or any change or development involving a prospective change, whether or not permanent, in or affecting any taxation, exchange controls, currency exchange rates, laws, rules or regulations (or judicial interpretation thereof) in or affecting any of the Relevant Jurisdictions; or
- (m) any contravention by any member of the Group of any law, rule or regulation; or
- (n) any statement contained in any of the information or publication released by the Company (other than the Prospectus Documents, this announcement and any other announcement, circular or public documents issued or authorised by the Company relating to the Rights Issue) has become or been discovered to be untrue, incorrect or incomplete in any material respect or misleading, or matters have arisen or have been discovered which would, if such statement was to be issued or made at the time, constitute a material omission therefrom; or
- (o) any change or development involving a prospective change which has or is likely to have the effect of materialisation of any of the risk factors in the Prospectus,

the effect of which events or circumstances referred to above individually or in the aggregate (in the sole opinion of the Underwriter) (1) is or will be or is likely to materially adverse to, or materially and prejudicially affects, the assets, liabilities, business, general affairs, management, shareholder's equity, profit, losses, results of operations, position or condition (financial or otherwise), or prospects of the Company or the Group as a whole; or (2) has or will have or is likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares being applied for or accepted or subscribed for or taken or purchased or the distribution of the Rights Shares; or (3) has made or will make or is likely to make it impracticable or inadvisable or incapable for any material part of the Underwriting Agreement or the Rights Issue to be performed or implemented as envisaged; or (4) makes or will make or may make it impracticable or inadvisable or incapable to proceed with the Rights Issue or the delivery of the Rights Shares on the terms and in the manner contemplated by the Prospectus Documents, this announcement and any other announcement, circular or public documents issued or authorised by the Company relating to the Rights Issue; or (5) would or might reasonably be expected to have a significant effect upon the market price or trading volume, or both, of the Shares or other securities of the Company; or (6) would have or may have the effect of making a part of the Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the Rights Issue or pursuant to the underwriting thereof; or (7) makes or will make or may make it impracticable, inadvisable or inexpedient to proceed with the Rights Issue, then in any such case the Underwriter may by its sole determination by notice to the Company at any time prior to the Latest Time for Termination, rescind or terminate the Underwriting Agreement.

If the Underwriter terminates or rescinds the Underwriting Agreement, the Rights Issue will not proceed. A further announcement will be made by the Company if the Underwriting Agreement is terminated or rescinded by the Underwriter.

Lock-up Undertaking

The Company undertakes to the Underwriter that for the period from the date of the Underwriting Agreement and ending on the date which is 90 days from the first day of trading of the Rights Shares in fully-paid form on the Stock Exchange, except with the prior written consent of the Underwriter, the Company shall not:

- (i) except for (a) the nil-paid Rights Shares and the Rights Shares, and (b) any Shares which may be issued pursuant to the conversion of the Convertible Bonds or pursuant to the Outstanding Share Options granted prior to the date of the Underwriting Agreement), allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, grant or sell any option, warrant or right to subscribe for or purchase, either directly or indirectly, conditionally or unconditionally, any Shares or any interests in Shares or any securities which are convertible into or exercisable or exchangeable for any Shares or any interests in Shares;
- (ii) buy back, cancel, retire, reduce, redeem, re-purchase, purchase or otherwise acquire any Shares;
- (iii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (i) or (ii) above; or
- (iv) announce any intention to enter into or effect any such transaction described in (i), (ii) or (iii) above.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

The register of members of the Company will be closed from Tuesday, August 23, 2022 to Monday, August 29, 2022 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

CONDITIONS OF THE RIGHTS ISSUE

The Rights Issue is conditional upon the obligations of the Underwriter under the Underwriting Agreement becoming unconditional and the Underwriter not terminating the Underwriting Agreement.

The Underwriting Agreement contains detailed conditions and events which may cause the Underwriting Agreement to be terminated by the Underwriter. Please refer to the section headed “UNDERWRITING ARRANGEMENT” in this announcement for details of the conditions and grounds of termination of the Underwriting Agreement. If the Underwriting Agreement does not become unconditional or is terminated, the Rights Issue will not proceed.

EXPECTED TIMETABLE FOR THE RIGHTS ISSUE

Set out below is the expected timetable for the Rights Issue, which is indicative only and has been prepared on the assumption that all the conditions of the Underwriting Agreement will be fulfilled or otherwise waived:

Last day of dealings in the Shares on a cum-rights basis. Thursday, August 18, 2022

Commencement of dealings in the Shares on an ex-rights basis Friday, August 19, 2022

Latest time for lodging transfer documents of the
Shares in order to be qualified for the Rights Issue 4:30 p.m. on Monday, August 22, 2022

Closure of the register of members of the Company
for determining entitlements under the Rights Issue Tuesday, August 23, 2022 to
Monday, August 29, 2022
(both days inclusive)

Record Date for determining entitlements under the Rights Issue Monday, August 29, 2022

Re-opening of the register of members of the Company Tuesday, August 30, 2022

Despatch of the Prospectus Documents
(in the case of the Non-Qualifying Shareholders outside
of the United States, the Prospectus only) Tuesday, August 30, 2022

First day for dealings in nil-paid Rights Shares. Thursday, September 1, 2022

Latest time for splitting PALs 4:30 p.m. on Monday, September 5, 2022

Last day for dealings in nil-paid Rights Shares. Thursday, September 8, 2022

Latest time for acceptance of and payment for the
Rights Shares and for application and payment
for Excess Rights Shares 4:00 p.m. on Wednesday, September 14, 2022

Latest time for terminating or rescinding the Underwriting
Agreement and for the Rights Issue to
become unconditional. 4:00 p.m. on Thursday, September 15, 2022

Announcement of results of the Rights Issue to be
published on the respective websites of the Stock Exchange
and the Company Wednesday, September 21, 2022

Despatch of Share certificates for fully-paid Rights Shares. Thursday, September 22, 2022

Despatch of refund cheques, if any, for wholly or partially
unsuccessful excess applications or if the Rights Issue
is terminated or rescinded. Thursday, September 22, 2022

Commencement of dealings in fully-paid Rights Shares 9:00 a.m. on Friday, September 23, 2022

All times and dates in this announcement refer to Hong Kong local times and dates. The dates or deadlines specified in this announcement for events in the timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by the Company in agreement with the Underwriter in accordance with the Listing Rules. The Company will make an announcement to notify the Shareholders and the Stock Exchange in the event of any changes to the expected timetable as and when appropriate.

EFFECT OF BAD WEATHER OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND FOR APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES

The latest time for acceptance of and payment for Rights Shares and application and payment for Excess Rights Shares will not take place at the time indicated above if there is a tropical cyclone warning signal number 8 or above, a “black” rainstorm warning or “extreme conditions” caused by super typhoons as announced by the Government of Hong Kong:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Wednesday, September 14, 2022. Instead, the latest time for acceptance of and payment for the Rights Shares and for application and payment for Excess Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Wednesday, September 14, 2022. Instead, the latest time for acceptance of and payment for the Rights Shares and for application and payment for Excess Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares and for application and payment for Excess Rights Shares does not take place on Wednesday, September 14, 2022, the dates mentioned in the section headed “EXPECTED TIMETABLE FOR THE RIGHTS ISSUE” above may be affected. The Company will notify the Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below are the changes in the shareholding structure of the Company arising from the Rights Issue: (i) assuming no change in the issued Shares on or before the Record Date; and (ii) assuming new Shares are issued on or before the Record Date pursuant to the full exercise of the Outstanding Share Options, but otherwise no other change in the issued Shares on or before the Record Date.

(i) Assuming no change in the issued Shares on or before the Record Date:

Shareholder	As at the date of this announcement		Immediately after completion of the Rights Issue assuming all Qualifying Shareholders take up their respective allotment of the Rights Shares in full		Immediately after completion of the Rights Issue (assuming no Qualifying Shareholders take up any of the Rights Shares (other than STDM who shall take up the Rights Shares in respect of the Undertaken Shares pursuant to the Irrevocable Undertaking and the Underwriter and/or subscriber(s) procured by it who shall take up all the Untaken Shares))	
	<i>No. of Shares</i>	<i>Approximate%</i>	<i>No. of Shares</i>	<i>Approximate%</i>	<i>No. of Shares</i>	<i>Approximate%</i>
STDM Group	3,105,060,500	54.7%	3,881,325,625	54.7%	4,203,373,599	59.2%
Directors ^(Note 1)	628,911,922	11.0%	786,139,902	11.0%	628,911,922	8.9%
Directors of subsidiaries of the Company	21,357,500	0.4%	26,696,875	0.4%	21,357,500	0.3%
The Underwriter and/or subscriber(s) procured by it	-	-	-	-	322,047,974	4.5%
Other Shareholders	1,926,114,371	33.9%	2,407,642,964	33.9%	1,926,114,371	27.1%
Total	5,681,444,293	100.0%	7,101,805,366	100.0%	7,101,805,366	100.0%

Notes:

- The Shares held by the Directors comprise the Shares beneficially held by Ms. Ho Chiu Fung, Daisy, Mr. Fok Tsun Ting, Timothy, Deputada Leong On Kei, Angela, Dr. So Shu Fai, Dr. Chan Un Chan, Mr. Shum Hong Kuen, David and Mr. Tse Hau Yin. No shares were held by Mr. Tsang On Yip, Patrick, Ms. Wong Yu Pok Marina, Mr. Yeung Ping Leung, Howard and Mr. Ho Hau Chong, Norman.
- The above percentage figures are subject to rounding adjustments.

(ii) Assuming new Shares are issued on or before the Record Date pursuant to the full exercise of the Outstanding Share Options, but otherwise no other change in the issued Shares on or before the Record Date:

Shareholder	As at the date of this announcement		Immediately after full exercise of the Outstanding Share Options but otherwise no other change in the issued share capital of the Company from the date of this announcement up to the Record Date		Immediately after completion of the Rights Issue assuming all Qualifying Shareholders take up their respective allotment of the Rights Shares in full		Immediately after completion of the Rights Issue (assuming no Qualifying Shareholders take up any of the Rights Shares (other than STDM who shall take up the Rights Shares in respect of the Undertaken Shares pursuant to the Irrevocable Undertaking and the Underwriter and/or subscriber(s) procured by it who shall take up all the Untaken Shares))	
	No. of Shares	Approximate%	No. of Shares	Approximate%	No. of Shares	Approximate%	No. of Shares	Approximate%
STDM Group	3,105,060,500	54.7%	3,105,060,500	53.3%	3,881,325,625	53.3%	4,203,373,599	57.7%
Directors ^(Note 1)	628,911,922	11.0%	628,911,922	10.8%	786,139,902	10.8%	628,911,922	8.7%
Directors of subsidiaries of the Company	21,357,500	0.4%	21,357,500	0.4%	26,696,875	0.4%	21,357,500	0.3%
Holders of the Outstanding Share Options	-	-	147,733,000	2.5%	184,666,250	2.5%	147,733,000	2.0%
The Underwriter and/or subscriber(s) procured by it	-	-	-	-	-	-	358,981,224	4.9%
Other Shareholders	1,926,114,371	33.9%	1,926,114,371	33.0%	2,407,642,964	33.0%	1,926,114,371	26.4%
Total	5,681,444,293	100.0%	5,829,177,293	100.0%	7,286,471,616	100.0%	7,286,471,616	100.0%

Notes:

- The Shares held by the Directors comprise the Shares beneficially held by Ms. Ho Chiu Fung, Daisy, Mr. Fok Tsun Ting, Timothy, Deputada Leong On Kei, Angela, Dr. So Shu Fai, Dr. Chan Un Chan, Mr. Shum Hong Kuen, David and Mr. Tse Hau Yin. No shares were held by Mr. Tsang On Yip, Patrick, Ms. Wong Yu Pok Marina, Mr. Yeung Ping Leung, Howard and Mr. Ho Hau Chong, Norman.*
- The above percentage figures are subject to rounding adjustments.*

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Shares. Further announcements will be made by the Company in accordance with the Listing Rules following the completion of the Rights Issue upon which the Rights Shares are allotted and issued.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS OF THE RIGHTS ISSUE

The Company and its subsidiaries are a leading owner, operator and developer of casinos and integrated entertainment resorts in Macau. Its principal subsidiary, SJM Resorts, is one of the three original Concessionaires in Macau, authorised by the Macau Government to operate casinos and gaming areas. The Company's operations cater to a wide spectrum of patrons, with casino gaming, leisure entertainment and hospitality services including fine and casual dining and luxury accommodation.

The principal activity of the Company is investment holding, whilst its operating subsidiaries are principally engaged in the development and operation of casinos and related facilities, and hotel, catering, retail, leasing and related services in Macau.

The estimated net proceeds from the Rights Issue will be not less than approximately HK\$2,936.6 million but not more than approximately HK\$3,011.9 million after deduction of all estimated expenses.

With regards to the net proceeds from the Rights Issue, the Company intends to apply approximately HK\$2,700 million for investment in SJM Resorts as part of the increase in share capital which SJM Resorts is required to have to pre-qualify for the tender process by which the Macau Government may grant SJM Resorts a 10-year gaming concession commencing on January 1, 2023; and the balance for the general working capital of the Group. As of the date of this announcement, the Company has executed a term loan agreement with STDM by which STDM has agreed to extend to the Company an unsecured term loan in the amount of HK\$2 billion, which will principally be applied to fund the increase in SJM Resorts' share capital. Please refer to another announcement of the Company dated August 3, 2022 for further details of this loan.

The Board considers that the Rights Issue provides a good opportunity for the Group to strengthen its capital base without increasing debt or incurring financing cost and to enhance its financial position, while at the same time the Rights Issue will enable all Shareholders to participate in the future development of the Company on equal terms. The Board considers that it is in the interests of the Company and the Shareholders as a whole to raise capital through the Rights Issue.

OUTLOOK

We expect that gross gaming revenues in Macau, as well as hotel, restaurant and other non-gaming activities that depend on tourism, will continue to be negatively impacted by COVID-19 for an indefinite period in the future. As certain travel restrictions are likely to be gradually lifted, given the increasing level of vaccination throughout the region, we are cautiously optimistic that visitation and spending will respond positively. However, we do not expect a return to our pre-pandemic level of revenue during 2022. Even after travel restrictions are lifted, moreover, it is not possible to predict whether there will be lingering economic effects and health concerns caused by COVID-19 that will affect our business for a longer period.

ADJUSTMENT TO THE OUTSTANDING SHARE OPTIONS UNDER THE SHARE OPTION SCHEME

The Rights Issue will lead to adjustments to be made to the exercise price and/or the number of Shares to be issued upon exercise of the Outstanding Share Options under the Share Option Scheme.

The Company will notify the holders of such Outstanding Share Options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made pursuant to the terms of the Share Option Scheme and such adjustment will be certified by an independent financial adviser or auditors of the Company (as the case may be).

ADJUSTMENT TO THE CONVERTIBLE BONDS

The Rights Issue will lead to adjustments to be made to the conversion price and/or the number of Shares to be issued upon exercise of the conversion rights under the Convertible Bonds.

The Company will notify the holder(s) of such Convertible Bonds and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made pursuant to the terms of the Convertible Bonds.

FUND RAISING ACTIVITIES BY THE COMPANY DURING THE PAST 12 MONTHS

Date of announcement/circular	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
May 26, 2022 (announcement) June 6, 2022 (circular)	Issue of the Convertible Bonds	HK\$1,906 million	Settle the consideration for the Transfer (as defined in the announcement of the Company dated May 26, 2022 and circular of the Company dated June 6, 2022)	Settle the consideration for the Transfer (as defined in the announcement of the Company dated May 26, 2022 and circular of the Company dated June 6, 2022)

Save as the abovementioned, the Company has not conducted any other equity fund raising activities in the past 12 months immediately preceding the date of this announcement.

LISTING RULES IMPLICATIONS FOR THE COMPANY

As, within the 12-month period prior to the date of this announcement, (a) the Company has not conducted any rights issue or open offer and (b) the Rights Issue will not increase the issued shares or market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the Shareholders' approval under the Listing Rules. The Rights Issue will be carried out in compliance with Rule 7.19A of the Listing Rules.

GENERAL

The Prospectus containing, among other things, details of the Rights Issue is expected to be despatched by the Company to the Qualifying Shareholders on the Posting Date. The PALs and the EAFs will also be sent to the Qualifying Shareholders on the same date. A copy of the Prospectus will also be made available on the websites of the Company (<http://www.sjmholdings.com>) and the Stock Exchange (<http://www.hkexnews.hk>). Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company may send copies of the Prospectus to the Non-Qualifying Shareholders outside of the United States for their information only but will not send any PAL or EAF to them.

WARNING OF THE RISKS OF DEALING IN SHARES AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with its terms. It should also be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate its obligations on the occurrence of certain events including force majeure. Please refer to the section headed "UNDERWRITING ARRANGEMENT – Rescission and Termination of the Underwriting Agreement" in this announcement for further details. Accordingly, the Rights Issue may or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Friday, August 19, 2022. Dealings in the Rights Shares in nil-paid form are expected to take place from Thursday, September 1, 2022 to Thursday, September 8, 2022 (both dates inclusive). Any dealings in the Shares from the date of this announcement up to the date on all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Board”	the board of directors of the Company
“Business Day”	a day other than a Saturday or Sunday or a day on which a tropical cyclone warning Number 8 or above or a “black” rain warning signal is hoisted in Hong Kong at any time between 9 a.m. and 5 p.m. on which banks are ordinarily open for the transaction of normal banking business in Hong Kong and Macau
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“China Clear”	China Securities Depository and Clearing Corporation Limited
“Company”	SJM Holdings Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange
“CSRC”	China Securities Regulatory Commission
“CSRC Notice”	the notice of the CSRC “Filing Requirements for Hong Kong Listed Issuers Making Rights Issues to Mainland Shareholders through Mainland-Hong Kong Stock Connect” (Announcement [2016] No. 21)
“Director(s)”	the director(s) of the Company
“EAF(s)”	the excess application form(s) for use by the Qualifying Shareholders who wish to apply for the Excess Rights Shares
“Excess Rights Share(s)”	any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise subscribed for by transferees of nil-paid Rights Shares prior to the Latest Time for Acceptance, any entitlements of the Non-Qualifying Shareholders provisionally allotted to a nominee of the Company which are left unsold, and shall (for avoidance of any doubt) include any of the Rights Shares created from the aggregation of fractions of the Rights Shares which are left unsold

“Governmental Authority”	any public, regulatory, taxing, administrative or governmental, agency or authority (including, without limitation, the Stock Exchange and the SFC) and any court at the national, provincial, municipal or local level
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any individual or company not being the connected persons (as defined under the Listing Rules) of the Company, independent of the Company and its connected persons and not connected with any of them or their respective associates
“Irrevocable Undertaking”	the irrevocable undertaking dated August 3, 2022 given by STDM in favour of the Company and the Underwriter
“Last Trading Day”	August 3, 2022, being the last trading day for the Shares on the Stock Exchange immediately before the publication of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Wednesday, September 14, 2022, or such later time or date as may be agreed by the Company and the Underwriter in writing, being the latest time and date for acceptance of and payment for the Rights Shares and application for and payment for Excess Rights Shares as described in the Prospectus Documents
“Latest Time for Termination”	4:00 p.m. on Thursday, September 15, 2022, or such later time or date as may be agreed by the Company and the Underwriter in writing, being the latest time for termination or rescission of the Underwriting Agreement
“Listing Committee”	has the meaning ascribed to it in the Listing Rules
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the People’s Republic of China

“Non-Qualifying Shareholders”	the Overseas Shareholder(s) in respect of whom the Board, after making relevant enquiries with the legal advisers in the relevant jurisdictions, considers it necessary or expedient not to offer the Rights Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Outstanding Share Options”	outstanding and vested share options granted to subscribe for 147,733,000 Shares pursuant to the Share Option Scheme that are exercisable on or before the Record Date
“Overseas Shareholders”	the Shareholder(s) whose registered address(es) as shown in the register of members of the Company as at the close of business on the Record Date is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) for the Rights Shares to be issued to the Qualifying Shareholders in respect of their entitlements under the Rights Issue
“Posting Date”	Tuesday, August 30, 2022, or such other date as the Company and the Underwriter may agree in writing for the despatch of the Prospectus Documents
“PRC Southbound Trading Investor(s)”	the PRC investor(s) who hold Shares through China Clear as nominee under the Shenzhen-Hong Kong Stock Connect and the Shanghai-Hong Kong Stock Connect
“Prospectus”	the prospectus to be issued by the Company to the Qualifying Shareholders in connection with the Rights Issue
“Prospectus Documents”	the Prospectus, the PAL and the EAF to be issued by the Company
“Qualifying Shareholders”	Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Monday, August 29, 2022, or such other date as the Company and the Underwriter may agree in writing, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined
“Registrar of Companies”	Registrar of Companies in Hong Kong

“Rights Issue”	the proposed issue by way of rights of the Rights Shares to the Qualifying Shareholders on the basis of one (1) Rights Share for every four (4) existing Shares held on the Record Date at the Subscription Price, payable in full on acceptance and on the terms and subject to the conditions of the Underwriting Agreement and the Prospectus Documents
“Rights Shares”	the new Share(s) to be allotted and issued under the Rights Issue, being not less than 1,420,361,073 Rights Shares (assuming no change in the issued Shares on or before the Record Date) and not more than 1,457,294,323 Rights Shares (assuming Shares are issued on or before the Record Date pursuant to the full exercise of the Outstanding Share Options, but otherwise no other change in the issued share capital of the Company on or before the Record Date)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended or supplemented from time to time
“Shanghai-Hong Kong Stock Connect”	a securities trading and clearing links programme developed by the Stock Exchange, the Shanghai Stock Exchange, HKSCC and China Clear for the establishment of mutual market access between Hong Kong and Shanghai
“Share(s)”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s) in issue
“Share Option Scheme”	the share option scheme of the Company adopted on May 13, 2009 which has lapsed on May 13, 2019
“Shenzhen-Hong Kong Stock Connect”	a securities trading and clearing links programme developed by the Stock Exchange, the Shenzhen Stock Exchange, HKSCC and China Clear for the establishment of mutual market access between Hong Kong and Shenzhen

“SJM Resorts”	SJM Resorts, S.A. (in Portuguese) or SJM Resorts, Limited (in English) (name changed from Sociedade de Jogos de Macau, S.A. on June 9, 2021), a joint stock company “ <i>sociedade anónima</i> ” incorporated under the laws of Macau and a subsidiary of the Company
“STDM”	Sociedade de Turismo e Diversões de Macau, S.A. (in Portuguese) or Macau Tourism and Amusement Company Limited (in English), a joint stock company “ <i>sociedade anónima</i> ” incorporated under the laws of Macau and the controlling shareholder of the Company
“STDM Group”	STDM and its subsidiaries (other than the Group) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$2.08 for each Rights Share under the Rights Issue
“Undertaken Shares”	1,098,313,099 Rights Shares, being the number of Rights Shares for which STDM have undertaken to take up (or procure to take up) and to apply for pursuant to the Irrevocable Undertaking
“Underwriter”	BNP Paribas Securities (Asia) Limited, a licensed corporation under the SFO to conduct type 1 (dealing in securities), type 2 (dealing in future contracts), type 4 (advising on securities), and type 6 (advising on corporate finance) regulated activities as defined under the SFO
“Underwriting Agreement”	the underwriting agreement dated August 3, 2022 entered into among the Company and the Underwriter in relation to the Rights Issue, as revised, supplemented or amended from time to time in accordance with its terms
“Underwritten Shares”	up to 322,047,974 Rights Shares, being the minimum total number of Rights Shares issuable (assuming no change in the issued Shares on or before the Record Date), or up to 358,981,224 Rights Shares, being the maximum total number of Rights Shares issuable (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of the Outstanding Share Options, but otherwise no other change in the issued Shares on or before the Record Date), excluding the Rights Shares which STDM has undertaken to take up (or procure to take up) and apply for pursuant to the Irrevocable Undertaking

“Untaken Shares”

those (if any) of the Underwritten Shares in respect of which valid applications under the PALs and EAFs have not been received on or before the Latest Time for Acceptance

“%”

per cent.

By order of the Board
SJM Holdings Limited
Ho Chiu Fung, Daisy
Chairman and Executive Director

Hong Kong, August 3, 2022

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 director of the Company is Mr. Tsang On Yip, Patrick and the independent non-executive directors of the Company are Mr. Tse Hau Yin, Ms. Wong Yu Pok, Marina, Mr. Yeung Ping Leung, Howard and Mr. Ho Hau Chong, Norman.