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# 澳門博彩控股有限公司 SJM HOLDINGS LIMITED

incorporated in Hong Kong with limited liability Stock Code : 880

## ANNOUNCEMENT

### 2022 THIRD QUARTER AND YEAR-TO-DATE SELECTED UNAUDITED KEY PERFORMANCE INDICATORS

The board of directors (the “**Board**”) of SJM Holdings Limited (the “**Company**”) hereby announces selected unaudited key performance indicators of the Company and its subsidiaries (collectively the “**Group**”) for the three months ended 30 September 2022 (“**Q3 2022**”) and the nine months ended 30 September 2022 to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

#### 2022 THIRD QUARTER AND YEAR-TO-DATE HIGHLIGHTS (UNAUDITED)

- Net gaming revenue<sup>1</sup> of the Group in Q3 2022 was HK\$913 million, as compared with HK\$2,276 million in Q3 2021, and for the nine months ended 30 September 2022, net gaming revenue was HK\$4,724 million, as compared with HK\$7,352 million in the first nine months of 2021.
- Adjusted EBITDA<sup>2</sup> of the Group in Q3 2022 was negative HK\$968 million, as compared with negative HK\$460 million in Q3 2021, and for the nine months ended 30 September 2022, Adjusted EBITDA was negative HK\$2,144 million, as compared with negative HK\$970 million in the first nine months of 2021.
- Adjusted EBITDA Margin<sup>3</sup> of the Group in Q3 2022 was negative 94.2% as compared with negative 19.1% in Q3 2021, and for the nine months ended 30 September 2022 was negative 41.6% as compared with negative 12.7% in the first nine months of 2021.
- Loss attributable to owners of the Company in Q3 2022 was HK\$1,895 million, as compared with a loss of HK\$1,248 million in Q3 2021, and for the nine months ended 30 September 2022, loss attributable to owners of the Company was HK\$4,652 million, as compared with a loss of HK\$2,714 million in the first nine months of 2021.

## 2022 THIRD QUARTER AND YEAR-TO-DATE HIGHLIGHTS (UNAUDITED) (CONTINUED)

- The Grand Lisboa Palace, the Group's integrated resort on Cotai, opened its doors to the public on 30 July 2021. Gross revenue of Grand Lisboa Palace in Q3 2022 was HK\$115 million, including gross gaming revenue HK\$46 million and non-gaming revenue HK\$69 million, as compared with gross gaming revenue HK\$69 million and non-gaming revenue HK\$59 million in Q3 2021. After adjusting the pre-opening expenses of HK\$95 million, its Adjusted Property EBITDA<sup>4</sup> was negative HK\$227 million, as compared with negative HK\$176 million in Q3 2021.
- Grand Lisboa's gross revenue in Q3 2022 was HK\$126 million including gross gaming revenue HK\$101 million and non-gaming revenue HK\$25 million, as compared with gross gaming revenue HK\$607 million and non-gaming revenue HK\$44 million in Q3 2021. Adjusted Property EBITDA was negative HK\$223 million, as compared with negative HK\$115 million in Q3 2021. For the nine months ended 30 September 2022, Grand Lisboa's gross revenue was HK\$902 million, including gross gaming revenue HK\$806 million and non-gaming revenue HK\$96 million, as compared with gross gaming revenue HK\$1,804 million and non-gaming revenue HK\$124 million in the first nine months of 2021, whilst its Adjusted Property EBITDA was negative HK\$597 million, as compared with negative HK\$330 million in the first nine months of 2021.
- The Group had HK\$4,539 million of cash, bank balances, short-term bank deposits and pledged bank deposits and HK\$26,785 million of debt as at 30 September 2022.
- On 20 June 2022, the Group completed a refinancing of its syndicated banking facilities, consisting of a HK\$9 billion term loan and a HK\$10 billion revolving credit, of which HK\$2.9 billion is undrawn as of 30 September 2022.

<sup>1</sup> Net gaming revenue is gross gaming revenue less commissions and incentives

<sup>2</sup> Adjusted EBITDA is earnings or losses after adjustment for non-controlling interests and before accounting for interest income and expense, tax, depreciation and amortisation, donations, loss on disposal/write-off of property and equipment, bank charges for bank loans, loss on modification on a bank loan, gain on early repayment of a bank loan, loss on derecognition of a bank loan, gain on early termination of lease contracts, sub-concession fee income and pre-opening expenses

<sup>3</sup> Adjusted EBITDA Margin is Adjusted EBITDA divided by total net revenue (net gaming revenue plus hotel, catering, retail, leasing and related services revenue)

<sup>4</sup> Adjusted Property EBITDA is earnings or losses before accounting for interest income and expense, tax, depreciation and amortisation, donations, loss on disposal/write-off of property and equipment, bank charges for bank loans, loss on modification on a bank loan, gain on early repayment of a bank loan, loss on derecognition of a bank loan, gain on early termination of lease contracts, sub-concession fee income, pre-opening expenses and corporate costs, and before elimination of inter-company consumption

	Third Quarter			Nine months ended 30 September		
	2022	2021	(Decrease)	2022	2021	(Decrease)
	<i>HK\$</i> <i>million</i>	<i>HK\$</i> <i>million</i>		<i>HK\$</i> <i>million</i>	<i>HK\$</i> <i>million</i>	
Total net revenue	<b>1,028</b>	2,411	<b>(57.4%)</b>	<b>5,157</b>	7,633	<b>(32.4%)</b>
Net gaming revenue	<b>913</b>	2,276	<b>(59.9%)</b>	<b>4,724</b>	7,352	<b>(35.7%)</b>
Loss attributable to owners of the Company	<b>(1,895)</b>	(1,248)	<b>(51.8%)</b>	<b>(4,652)</b>	(2,714)	<b>(71.4%)</b>
Adjusted EBITDA	<b>(968)</b>	(460)	<b>(110.4%)</b>	<b>(2,144)</b>	(970)	<b>(121.0%)</b>
Adjusted EBITDA Margin	<b>(94.2%)</b>	(19.1%)	<b>(75.1pts)</b>	<b>(41.6%)</b>	(12.7%)	<b>(28.9pts)</b>

Gaming revenue, net of commissions and incentives of HK\$39 million (Q3 2021: HK\$189 million), earned by SJM Resorts, S.A., a subsidiary of the Company, was HK\$913 million in Q3 2022, a decrease of 59.9% from Q3 2021.

During Q3 2022, the Group's VIP gross gaming revenue was HK\$29 million, a decrease of 91.0% from HK\$324 million in Q3 2021, mass market gross gaming revenue was HK\$857 million, a decrease of 57.2% from HK\$2,001 million, and slot machine gross gaming revenue was HK\$66 million, a decrease of 52.9% from HK\$140 million.

The Group's total net revenue during Q3 2022 of HK\$1,028 million included hotel, catering, retail, leasing and related services revenue of HK\$115 million (Q3 2021: HK\$135 million).

	Third Quarter			Nine months ended 30 September		
	2022	2021	(Decrease)	2022	2021	(Decrease)
	<i>HK\$</i> <i>million</i>	<i>HK\$</i> <i>million</i>		<i>HK\$</i> <i>million</i>	<i>HK\$</i> <i>million</i>	
VIP Gross Gaming Revenue	<b>29</b>	324	<b>(91.0%)</b>	<b>415</b>	1,180	<b>(64.8%)</b>
Mass Market Gross Gaming Revenue	<b>857</b>	2,001	<b>(57.2%)</b>	<b>4,291</b>	6,386	<b>(32.8%)</b>
Slot Machine Gross Gaming Revenue	<b>66</b>	140	<b>(52.9%)</b>	<b>315</b>	404	<b>(22.0%)</b>
Gross Gaming Revenue	<b>952</b>	2,465	<b>(61.4%)</b>	<b>5,021</b>	7,970	<b>(37.0%)</b>
Commissions and incentives	<b>(39)</b>	(189)	<b>(79.4%)</b>	<b>(297)</b>	(618)	<b>(51.9%)</b>
Net Gaming Revenue	<b>913</b>	2,276	<b>(59.9%)</b>	<b>4,724</b>	7,352	<b>(35.7%)</b>

### Casino Grand Lisboa Palace Statistics

	Third Quarter				Nine months ended 30 September			
	2022 <i>HK\$</i> <i>million</i>	2021 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%	2022 <i>HK\$</i> <i>million</i>	2021 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%
Revenues:								
Mass Market	37	57	(20)	(35.1%)	245	57	188	329.8%
Slot	9	12	(3)	(25.0%)	32	12	20	166.7%
Gross Gaming Revenues	46	69	(23)	(33.3%)	277	69	208	301.4%
Mass Table Drop	281	358	(77)	(21.5%)	1,566	358	1,208	337.4%
Mass Table Win	37	57	(20)	(35.1%)	245	57	188	329.8%
Non-Rolling Chip Win %	13.2%	15.9%	—	(2.7pts)	15.7%	15.9%	—	(0.2pts)
Slot Handle	192	207	(15)	(7.2%)	784	207	577	278.7%
Slot Win	9	12	(3)	(25.0%)	32	12	20	166.7%
Slot Win %	4.7%	5.8%	—	(1.1pts)	4.1%	5.8%	—	(1.7pts)

### Casino Grand Lisboa Statistics

	Third Quarter				Nine months ended 30 September			
	2022 <i>HK\$</i> <i>million</i>	2021 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%	2022 <i>HK\$</i> <i>million</i>	2021 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%
Revenues:								
VIP	(0.5)	241	(241.5)	(100.2%)	222	619	(397)	(64.1%)
Mass Market	92	322	(230)	(71.4%)	500	1,043	(543)	(52.1%)
Slot	10	44	(34)	(77.3%)	84	142	(58)	(40.8%)
Gross Gaming Revenues	101.5	607	(505.5)	(83.3%)	806	1,804	(998)	(55.3%)
VIP Chip Sales Volume	96	3,754	(3,658)	(97.4%)	6,147	18,297	(12,150)	(66.4%)
Win	(0.5)	241	(241.5)	(100.2%)	222	619	(397)	(64.1%)
Hold %	(0.5%)	6.4%	—	(6.9pts)	3.6%	3.4%	—	0.2pts
Mass Table Drop	466	1,454	(988)	(68.0%)	2,383	4,848	(2,465)	(50.8%)
Mass Table Win	92	322	(230)	(71.4%)	500	1,043	(543)	(52.1%)
Non-Rolling Chip Win %	19.7%	22.2%	—	(2.5pts)	21.0%	21.5%	—	(0.5pts)
Slot Handle	453	825	(372)	(45.1%)	1,913	2,819	(906)	(32.1%)
Slot Win	10	44	(34)	(77.3%)	84	142	(58)	(40.8%)
Slot Win %	2.2%	5.3%	—	(3.1pts)	4.4%	5.0%	—	(0.6pts)

### Other Self-promoted Casino Statistics

	Third Quarter				Nine months ended 30 September			
	2022	2021	Variance		2022	2021	Variance	
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	%	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	%
	<i>million</i>	<i>million</i>	<i>million</i>		<i>million</i>	<i>million</i>	<i>million</i>	
Revenues:								
VIP	—	5	(5)	(100.0%)	—	10	(10)	(100.0%)
Mass Market	203	332	(129)	(38.9%)	804	1,050	(246)	(23.4%)
Slot	29	38	(9)	(23.7%)	102	116	(14)	(12.1%)
Gross Gaming Revenues	232	375	(143)	(38.1%)	906	1,176	(270)	(23.0%)
VIP Chip Sales Volume	—	60	(60)	(100.0%)	—	226	(226)	(100.0%)
Win	—	5	(5)	(100.0%)	—	10	(10)	(100.0%)
Hold %	—%	8.3%	—	(8.3pts)	—%	4.4%	—	(4.4pts)
Mass Table Drop	1,572	2,483	(911)	(36.7%)	6,082	7,668	(1,586)	(20.7%)
Mass Table Win	203	332	(129)	(38.9%)	804	1,050	(246)	(23.4%)
Non-Rolling Chip								
Win %	12.9%	13.4%	—	(0.5pts)	13.2%	13.7%	—	(0.5pts)
Slot Handle	572	731	(159)	(21.8%)	2,084	2,168	(84)	(3.9%)
Slot Win	29	38	(9)	(23.7%)	102	116	(14)	(12.1%)
Slot Win %	5.1%	5.2%	—	(0.1pts)	4.9%	5.3%	—	(0.4pts)

### Satellite Casino Statistics

	Third Quarter				Nine months ended 30 September			
	2022	2021	Variance		2022	2021	Variance	
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	%	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	%
	<i>million</i>	<i>million</i>	<i>million</i>		<i>million</i>	<i>million</i>	<i>million</i>	
Revenues:								
VIP	29	78	(49)	(62.8%)	193	551	(358)	(65.0%)
Mass Market	525	1,290	(765)	(59.3%)	2,742	4,236	(1,494)	(35.3%)
Slot	18	46	(28)	(60.9%)	97	134	(37)	(27.6%)
Gross Gaming Revenues	572	1,414	(842)	(59.5%)	3,032	4,921	(1,889)	(38.4%)

### Adjusted Property EBITDA for the Group

	Third Quarter (Re-class)				Nine months ended 30 September (Re-class)			
	2022 <i>HK\$</i> <i>million</i>	2021 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%	2022 <i>HK\$</i> <i>million</i>	2021 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%
Grand Lisboa Palace	(227)	(176)	(51)	(29.0%)	(710)	(176)	(534)	(303.4%)
Grand Lisboa	(223)	(115)	(108)	(93.9%)	(597)	(330)	(267)	(80.9%)
Other Self-promoted <sup>1</sup>	(156)	(132)	(24)	(18.2%)	(352)	(327)	(25)	(7.6%)
Satellite <sup>2</sup>	(287)	27	(314)	(1,163.0%)	(280)	65	(345)	(530.8%)
<b>Total</b>	<b>(893)</b>	<b>(396)</b>	<b>(497)</b>	<b>(125.5%)</b>	<b>(1,939)</b>	<b>(768)</b>	<b>(1,171)</b>	<b>(152.5%)</b>

<sup>1</sup> Casino Lisboa, Casino Oceanus at Jai Alai (including the gaming area in the Jai Alai building), Casino Eastern, Casino Taipa, and Jai Alai Hotel and other non-gaming area

<sup>2</sup> Fourteen satellite casinos

The following table summarises the results of hotel room activity:

Hotel Statistics								
	Third Quarter				Nine months ended 30 September			
	2022 <i>HK\$</i>	2021 <i>HK\$</i>	Variance <i>HK\$</i>	%	2022 <i>HK\$</i>	2021 <i>HK\$</i>	Variance <i>HK\$</i>	%
Occupancy %								
Grand Lisboa Palace Resort <sup>1</sup>	24.4%	39.8%	—	(15.4pts)	30.8%	39.8%	—	(9.0pts)
Grand Lisboa Hotel	41.6%	54.2%	—	(12.6pts)	45.7%	59.7%	—	(14.0pts)
Jai Alai Hotel	76.3%	84.1%	—	(7.8pts)	67.7%	61.3%	—	6.4pts
Sofitel at Ponte 16	44.9%	49.0%	—	(4.1pts)	45.7%	51.6%	—	(5.9pts)
Average Daily Rate (ADR)								
Grand Lisboa Palace Resort <sup>1</sup>	858	906	(48)	(5.3%)	903	906	(3)	(0.3%)
Grand Lisboa Hotel	573	698	(125)	(17.9%)	621	706	(85)	(12.0%)
Jai Alai Hotel	185	202	(17)	(8.4%)	177	205	(28)	(13.7%)
Sofitel at Ponte 16	446	526	(80)	(15.2%)	464	503	(39)	(7.8%)
Revenue per Available Room (RevPAR)								
Grand Lisboa Palace Resort <sup>1</sup>	209	361	(152)	(42.1%)	278	361	(83)	(23.0%)
Grand Lisboa Hotel	238	378	(140)	(37.0%)	284	421	(137)	(32.5%)
Jai Alai Hotel	141	170	(29)	(17.1%)	120	126	(6)	(4.8%)
Sofitel at Ponte 16	200	258	(58)	(22.5%)	212	260	(48)	(18.5%)

<sup>1</sup> Grand Lisboa Palace Resort included two hotel towers — the Grand Lisboa Palace and THE KARL LAGERFELD — which opened in the second half of 2021.

Unrealised fair value loss in investment in equity securities designated at fair value through other comprehensive income amounting to HK\$34 million in Q3 2022 has been recognised in other comprehensive expense and accumulated under investment revaluation reserve.

Capital expenditure of the Group during Q3 2022 was HK\$36 million, which was primarily for construction in progress and furniture, fixtures and equipment. As at 30 September 2022, the Group had total cash, bank balances, short-term bank deposits and pledged bank deposits of HK\$4,539 million and total debt of HK\$26,785 million. The Group completed a refinancing of its syndicated banking facilities, consisting of a HK\$9 billion term loan and a HK\$10 billion revolving credit, of which HK\$2.9 billion is undrawn as of 30 September 2022.

### **IMPORTANT NOTE**

Shareholders and potential investors should be advised that the above financial data relates only to certain parts of the Group's operations and is based on the Group's internal records and management accounts. The above financial data has not been reviewed or audited by independent auditors and is not a forecast of the performance of the Group as a whole. The Board cautions shareholders and potential investors not to rely unduly on such data and to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 31 October 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.*