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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

2023 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 2023 (“**Q3 2023**”) and the nine months ended 30 September 2023 to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

2023 THIRD QUARTER AND YEAR-TO-DATE HIGHLIGHTS (UNAUDITED)

- Net gaming revenue¹ of the Group in Q3 2023 was HK\$5,413 million, as compared with HK\$913 million in Q3 2022, and for the nine months ended 30 September 2023, net gaming revenue was HK\$14,108 million, as compared with HK\$4,724 million in the first nine months of 2022.
- Adjusted EBITDA² of the Group in Q3 2023 was HK\$566 million, as compared with negative HK\$968 million in Q3 2022, and for the nine months ended 30 September 2023, Adjusted EBITDA was HK\$1,027 million, as compared with negative HK\$2,144 million in the first nine months of 2022.
- Adjusted EBITDA Margin³ of the Group in Q3 2023 was 9.6% as compared with negative 94.2% in Q3 2022, and for the nine months ended 30 September 2023 was 6.7% as compared with negative 41.6% in the first nine months of 2022.
- Loss attributable to owners of the Company in Q3 2023 was HK\$410 million, as compared with a loss of HK\$1,895 million in Q3 2022, and for the nine months ended 30 September 2023, loss attributable to owners of the Company was HK\$1,674 million, as compared with a loss of HK\$4,652 million in the first nine months of 2022.

2023 THIRD QUARTER AND YEAR-TO-DATE HIGHLIGHTS (UNAUDITED) (CONTINUED)

- Grand Lisboa Palace's gross revenue in Q3 2023 was HK\$1,084 million, including gross gaming revenue HK\$783 million and non-gaming revenue HK\$301 million, as compared with gross gaming revenue HK\$46 million and non-gaming revenue HK\$69 million in Q3 2022. Adjusted Property EBITDA⁴ was negative HK\$27 million, as compared with negative HK\$227 million in Q3 2022. For the nine months ended 30 September 2023, Grand Lisboa Palace's gross revenue was HK\$2,514 million, including gross gaming revenue HK\$1,817 million and non-gaming revenue HK\$697 million, as compared with gross gaming revenue HK\$277 million and non-gaming revenue HK\$255 million in the first nine months of 2022, whilst its Adjusted Property EBITDA was negative HK\$319 million, as compared with negative HK\$710 million in the first nine months of 2022.
- Grand Lisboa's gross revenue in Q3 2023 was HK\$1,548 million including gross gaming revenue HK\$1,467 million and non-gaming revenue HK\$81 million, as compared with gross gaming revenue HK\$101 million and non-gaming revenue HK\$25 million in Q3 2022. Adjusted Property EBITDA was HK\$373 million, as compared with negative HK\$223 million in Q3 2022. For the nine months ended 30 September 2023, Grand Lisboa's gross revenue was HK\$3,951 million, including gross gaming revenue HK\$3,733 million and non-gaming revenue HK\$218 million, as compared with gross gaming revenue HK\$806 million and non-gaming revenue HK\$96 million in the first nine months of 2022, whilst its Adjusted Property EBITDA was HK\$845 million, as compared with negative HK\$597 million in the first nine months of 2022.
- The Group had HK\$4,570 million of cash, bank balances, short-term bank deposits and pledged bank deposits and HK\$28,299 million of debt as at 30 September 2023.
- 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\$3.3 billion is undrawn as of 30 September 2023.

¹ Net gaming revenue is gross gaming revenue less commissions and incentives.

² 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, gain/loss on modification on bank loans, gain on early termination of lease contracts, sub-concession fee income and pre-opening expenses.

³ Adjusted EBITDA Margin is Adjusted EBITDA divided by total net revenue.

⁴ 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, share-based payments, bank charges for bank loans, gain/loss on modification of bank loans, 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		
	2023 HK\$ million	2022 HK\$ million	Increase/ (Decrease)	2023 HK\$ million	2022 HK\$ million	Increase/ (Decrease)
Total net revenue	5,868	1,028	470.8%	15,230	5,157	195.3%
Net gaming revenue	5,413	913	492.9%	14,108	4,724	198.6%
Loss attributable to owners of the Company	(410)	(1,895)	(78.4%)	(1,674)	(4,652)	(64.0%)
			Improve			Improve
Adjusted EBITDA	566	(968)	158.5%	1,027	(2,144)	147.9%
Adjusted EBITDA Margin	9.6%	(94.2%)	103.8pts	6.7%	(41.6%)	48.3pts

Gaming revenue, net of commissions and incentives of HK\$318 million (Q3 2022: HK\$39 million), earned by SJM Resorts, S.A., a subsidiary of the Company, was HK\$5,413 million in Q3 2023, an increase of 492.9% from Q3 2022.

During Q3 2023, the Group's rolling gross gaming revenue was HK\$335 million, an increase of 1,055.2% from HK\$29 million in Q3 2022, non-rolling gross gaming revenue was HK\$4,897 million, an increase of 506.8% from HK\$807 million, and electronic game gross gaming revenue was HK\$499 million, an increase of 330.2% from HK\$116 million.

The Group's total net revenue during Q3 2023 of HK\$5,868 million included hotel, catering, retail, leasing and related services revenue of HK\$455 million (Q3 2022: HK\$115 million).

	Third Quarter			Nine months ended 30 September		
	2023 HK\$ million	2022 HK\$ million	Increase	2023 HK\$ million	2022 HK\$ million	Increase
Rolling Gross Gaming Revenue	335	29	1,055.2%	1,047	415	152.3%
Non-Rolling Gross Gaming Revenue	4,897	807	506.8%	12,574	4,069	209.0%
Electronic Game Gross Gaming Revenue	499	116	330.2%	1,284	537	139.1%
Gross Gaming Revenue ("GGR")	5,731	952	502.0%	14,905	5,021	196.9%
Commissions and incentives	(318)	(39)	715.4%	(797)	(297)	168.4%
Net Gaming Revenue	5,413	913	492.9%	14,108	4,724	198.6%

Grand Lisboa Palace Resort Statistics

	Third Quarter				Nine months ended 30 September			
	2023 <i>HK\$</i> <i>million</i>	2022 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i> %		2023 <i>HK\$</i> <i>million</i>	2022 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i> %	
Revenues:								
Casino (GGR)	783	46	737	1,602.2%	1,817	277	1,540	556.0%
Hotel	159	12	147	1,225.0%	327	48	279	581.3%
Food and Beverage, Mall and Other	142	57	85	149.1%	370	207	163	78.7%
Total Revenue	1,084	115	969	842.6%	2,514	532	1,982	372.6%
Adjusted Property EBITDA	(27)	(227)	200	88.1%	(319)	(710)	391	55.1%
Gaming Statistics								
Rolling Chip Volume	6,447	—	6,447	—%	17,981	—	17,981	—%
Rolling Revenue	192	—	192	—%	590	—	590	—%
Rolling Chip Win %	3.0%	—	—	3.0pts	3.3%	—	—	3.3pts
Non-Rolling Volume	2,892	281	2,611	929.2%	6,172	1,566	4,606	294.1%
Non-Rolling Revenue	473	36	437	1,213.9%	985	242	743	307.0%
Non-Rolling Chip Win %	16.4%	12.8%	—	3.6pts	16.0%	15.5%	—	0.5pts
Electronic Game Handle	3,649	192	3,457	1,800.5%	7,430	784	6,646	847.7%
Electronic Game Revenue	118	10	108	1,080.0%	242	35	207	591.4%
Electronic Game Hold %	3.2%	5.2%	—	(2.0)pts	3.3%	4.5%	—	(1.2)pts
Hotel Statistics¹	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>		<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	
Occupancy %	85.4%	24.4%	—	61.0pts	84.6%	30.8%	—	53.8pts
Average Daily Rate (ADR)	1,327	858	469	54.7%	1,344	903	441	48.8%
Revenue per Available Room (RevPAR)	1,133	209	924	442.1%	1,138	278	860	309.4%

¹ Grand Lisboa Palace Resort included three hotel towers — the Grand Lisboa Palace Macau, THE KARL LAGERFELD and the Palazzo Versace Macau — which opened in the second quarter of 2023.

Grand Lisboa Statistics

	Third Quarter				Nine months ended 30 September			
	2023 <i>HK\$</i> <i>million</i>	2022 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%	2023 <i>HK\$</i> <i>million</i>	2022 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%
Revenues:								
Casino (GGR)	1,467	101.5	1,365.5	1,345.3%	3,733	806	2,927	363.2%
Hotel	44	10	34	340.0%	115	37	78	210.8%
Food and Beverage, Mall and Other	37	15	22	146.7%	103	59	44	74.6%
Total Revenue	1,548	126.5	1,421.5	1,123.7%	3,951	902	3,049	338.0%
Adjusted Property EBITDA	373	(223)	596	267.3%	845	(597)	1,442	241.5%
Gaming Statistics								
Rolling Chip Volume	4,788	96	4,692	4,887.5%	13,522	6,147	7,375	120.0%
Rolling Revenue	120	(0.5)	120.5	24,100.0%	366	222	144	64.9%
Rolling Chip Win %	2.5%	(0.5%)	—	3.0pts	2.7%	3.6%	—	(0.9)pts
Non-Rolling Volume	6,117	466	5,651	1,212.7%	15,761	2,383	13,378	561.4%
Non-Rolling Revenue	1,238	92	1,146	1,245.7%	3,067	500	2,567	513.4%
Non-Rolling Chip Win %	20.2%	19.7%	—	0.5pts	19.5%	21.0%	—	(1.5)pts
Electronic Game Handle	2,289	453	1,836	405.3%	6,066	1,913	4,153	217.1%
Electronic Game Revenue	109	10	99	990.0%	300	84	216	257.1%
Electronic Game Hold %	4.8%	2.2%	—	2.6pts	4.9%	4.4%	—	0.5pts
Hotel Statistics								
Occupancy %	98.4%	41.6%	—	56.8pts	91.4%	45.7%	—	45.7pts
Average Daily Rate (ADR)	1,172	573	599	104.5%	1,079	621	458	73.8%
Revenue per Available Room (RevPAR)	1,154	238	916	384.9%	986	284	702	247.2%

Other Self-promoted Casino, Jai Alai Hotel and Sofitel at Ponte 16 Statistics

	Third Quarter				Nine months ended 30 September			
	2023 <i>HK\$</i> <i>million</i>	2022 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%	2023 <i>HK\$</i> <i>million</i>	2022 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%
Revenues:								
Casino (GGR)	1,184	232	952	410.3%	3,257	906	2,351	259.5%
Hotel	40	9	31	344.4%	117	29	88	303.4%
Food and Beverage, Mall and Other	33	12	21	175.0%	90	53	37	69.8%
Total Revenue	1,257	253	1,004	396.8%	3,464	988	2,476	250.6%
Adjusted Property EBITDA¹	345	(171)	516	301.8%	935	(367)	1,302	354.8%
Gaming Statistics								
Non-Rolling Volume	7,659	1,572	6,087	387.2%	20,708	6,082	14,626	240.5%
Non-Rolling Revenue	1,114	203	911	448.8%	3,044	804	2,240	278.6%
Non-Rolling Chip Win %	14.5%	12.9%	—	1.6pts	14.7%	13.2%	—	1.5pts
Electronic Game Handle	1,638	572	1,066	186.4%	5,128	2,084	3,044	146.1%
Electronic Game Revenue	70	29	41	141.4%	213	102	111	108.8%
Electronic Game Hold %	4.3%	5.1%	—	(0.8)pts	4.2%	4.9%	—	(0.7)pts
Hotel Statistics	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>		<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	
Jai Alai Hotel:								
Occupancy %	99.6%	76.3%	—	23.3pts	97.0%	67.7%	—	29.3pts
Average Daily Rate (ADR)	188	185	3	1.6%	193	177	16	9.0%
Revenue per Available Room (RevPAR)	187	141	46	32.6%	187	120	67	55.8%
Sofitel at Ponte 16:								
Occupancy %	78.4%	44.9%	—	33.5pts	82.6%	45.7%	—	36.9pts
Average Daily Rate (ADR)	1,313	446	867	194.4%	1,258	464	794	171.1%
Revenue per Available Room (RevPAR)	1,029	200	829	414.5%	1,039	212	827	390.1%

¹ Casino Lisboa, Casino Oceanus at Jai Alai (including the gaming area in the Jai Alai Building), and Jai Alai Hotel, Share of Ponte 16 and other non-gaming area. (Casino Eastern and Casino Taipa were closed on 27 December 2022.)

Satellite Casino Statistics

	Third Quarter				Nine months ended 30 September			
	2023 <i>HK\$</i> <i>million</i>	2022 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%	2023 <i>HK\$</i> <i>million</i>	2022 <i>HK\$</i> <i>million</i>	Variance <i>HK\$</i> <i>million</i>	%
Casino Revenue (GGR)	2,297	572	1,725	301.6%	6,098	3,032	3,066	101.1%
Adjusted Property EBITDA ¹	(80)	(287)	207	72.1%	(288)	(280)	(8)	(2.9)%

¹ Nine satellite casinos as at 30 September 2023. (Five satellite casinos were closed on 27 December 2022.)

Unrealised fair value loss in investment in equity securities designated at fair value through other comprehensive income amounting to HK\$11 million in Q3 2023 has been recognised in other comprehensive expense and accumulated under investment revaluation reserve.

Capital expenditure of the Group during Q3 2023 was HK\$65 million, which was primarily for construction in progress and furniture, fixtures and equipment.

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, 14 November 2023

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. 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.