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澳門博彩控股有限公司
SJM Holdings Limited

(incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 880)

**CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO THE HOTEL CURRENTLY KNOWN AS
MANDARIN ORIENTAL, MACAU**

Completion of the acquisition of EHIL (the company which owns the Hotel) by subsidiaries of STDM has taken place on 15 June 2009. As STDM is the controlling shareholder of the Company, STDM and its associates (other than the Group) are connected persons of the Company. Following completion of the Acquisition, the continuing transactions between SJM SA (a subsidiary of the Company) and EHIL (i.e. the Lease Transaction, the Accommodation Service and the Entertainment Service) have now become continuing connected transactions for the Company.

The Lease Transaction has been and will continue to be governed by the Existing Casino Leases. Following completion of the Acquisition, the Accommodation Service and the Entertainment Service are governed by the existing Products and Services Master Agreement and subject to the existing respective annual caps in respect of Hotel Accommodation and Entertainment & Staff Messing.

After completion of the Acquisition, the Lease Transaction, the Accommodation Service and Entertainment Service shall constitute continuing connected transactions and the Company is required under Rule 14A.41 of the Listing Rules to comply with the applicable reporting and disclosure requirements under Chapter 14A of the Listing Rules in respect thereof.

BACKGROUND

STDM has informed the Directors that, on 15 June 2009, wholly-owned subsidiaries of STDM completed the acquisition of the entire equity interest of EHIL, whose principal assets are the Hotel together with the piece of land on which the Hotel is erected.

STDM is a controlling shareholder of the Company and, accordingly, STDM and its associates (other than the Group) are connected persons of the Company. Consequently, following completion of the Acquisition, the continuing transactions between the Group and EHIL have now become continuing connected transactions for the Company.

THE CONTINUING CONNECTED TRANSACTIONS RELATING TO THE HOTEL

Pursuant to the Existing Casino Leases, SJM SA has been leasing and shall continue to lease the Casino Premises from EHIL for a period up to 31 December 2015 (or such later date as may be agreed by the parties to such leases) at a current monthly rental of HK\$7,292,050 payable in advance which rental amount was arrived at after arm's length negotiation between the parties with reference to the market rate and is subject to adjustment at the end of each calendar year to reflect changes in the consumer price index as published by the Government of Macau.

Following completion of the Acquisition, the lease of the Casino Premises by SJM SA from EHIL under the terms of the Existing Casino Leases have now become continuing connected transactions for the Company.

In addition to the Lease Transaction, EHIL through its ownership of the Hotel has been providing (i) accommodation services to the Group's gaming patrons and (ii) entertainment services to the Group's staff. Following completion of the Acquisition, the Accommodation Service and the Entertainment Service have now become continuing connected transactions under Chapter 14A of the Listing Rules for the Company.

The Accommodation Service and the Entertainment Service are in the same nature as the services respectively covered by Hotel Accommodation and Entertainment & Staff Messing under the existing Products and Services Master Agreement. Therefore, following completion of the Acquisition, the Accommodation Service and the Entertainment Service are subject to the terms of the Products and Services Master Agreement and subject to the respective annual caps for Hotel Accommodation and Entertainment & Staff Messing. As set out in the announcement of the Company dated 25 March 2009, the Company has revised the annual caps for each of the two years ending 31 December 2009 and 2010 for Hotel Accommodation and Entertainment & Staff Messing, having taken into account the amounts of the Accommodation Service and the Entertainment Service following completion of the Acquisition.

Accordingly, after completion of the Acquisition, the Lease Transaction, the Accommodation Service and the Entertainment Service shall constitute continuing connected transactions and the Company is required under Rule 14A.41 of the Listing Rules to comply with the applicable reporting and disclosure requirements under Chapter 14A of the Listing Rules in respect thereof. Therefore, the Company makes this announcement to comply with the reporting and disclosure requirements under Rule 14A.41 of the Listing Rules. Further, under Rule 14A.41 of the Listing Rules, upon any variation or renewal of the Existing Casino Leases, the Company will comply in full with all applicable reporting, disclosure and independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The Group's core business is the operation of casinos and related facilities in Macau. The Group has been leasing the Casino Premises from EHIL under the Existing Casino Leases on normal commercial terms and the Company considers that the continued leasing of the Casino Premises allows the Group to maintain its portfolio of casinos.

The Hotel has been providing accommodation services to the Group's patrons and entertainment services to the Group's staff on normal commercial terms. The provision of the Accommodation Service and the Entertainment Service enables the Group to obtain such services without the Group having to commit additional resources itself to enter into businesses which are only indirectly related to the Group's casino gaming business.

The Directors (including the independent non-executive Directors) are of the view that the Lease Transaction, the Accommodation Service and the Entertainment Service have been and will continue to be conducted in the ordinary and usual course of business of the Group, and the terms of the transactions are on normal commercial terms, are fair and reasonable and are in the interests of the shareholders of the Company as a whole.

DEFINITIONS

“Accommodation Service”	the accommodation service provided by the Hotel to the Group's gaming patrons
“Acquisition”	the acquisition of the entire equity interest in EHIL by subsidiaries of STDM which was completed on 15 June 2009
“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Casino Premises”	the 2-storey separate premises at the entrance to the Hotel which house the “Jimei Casino”
“Company”	SJM Holdings Limited, a limited liability company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange
“connected persons”	has the meaning ascribed to it in the Listing Rules
“continuing connected transactions”	has the meaning ascribed to it in the Listing Rules
“controlling shareholder”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company

“EHIL”	Excelsior — Hoteis e Investimentos, Limitada, a company incorporated in Macau which owns the Hotel together with the piece of land on which the Hotel is erected
“Entertainment & Staff Messing”	STDM Group’s provision of food and beverages and other entertainment services for SJM SA’s staff under the Products and Services Master Agreement
“Entertainment Service”	the entertainment service provided by the Hotel to the Group’s staff
“Existing Casino Leases”	the lease agreements between EHIL and SJM SA dated 31 October 2007 and 23 June 2008 whereby SJM SA leases the Casino Premises from EHIL for a period up to 31 December 2015 (or such later date as may be agreed by the parties to such leases)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hotel”	the hotel currently known as Mandarin Oriental, Macau
“Hotel Accommodation”	STDM Group’s provision of hotel accommodation to SJM SA’s gaming patrons and guests under the Products and Services Master Agreement
“Lease Transaction”	the leasing of the Casino Premises by SJM SA from EHIL under the Existing Casino Leases
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Products and Services Master Agreement”	an agreement dated 18 June 2008 between the Company and STDM which contains the principles, guidelines, terms and conditions for the provision of products and services, including inter alia the Hotel Accommodation and Entertainment & Staff Messing, by STDM Group to the Group
“SJM SA”	Sociedade de Jogos de Macau, S.A., a joint stock company “ <i>sociedade anónima</i> ”, incorporated under the laws of Macau and a subsidiary of the Company
“Shun Tak”	Shun Tak Holdings Limited, a limited company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange

“STDM”	Sociedade de Turismo e Diversões de Macau, S.A., a joint stock company “ <i>sociedade anónima</i> ” incorporated under the laws of Macau and one of the controlling shareholders of the Company
“STDM Group”	STDM and its associates
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it in the Listing Rules

By Order of the Board
SJM Holdings Limited
So Shu Fai
Chief Executive Officer

Hong Kong, 16 June 2009

As at the date of this announcement, the executive Directors are Dr. Ho Hung Sun, Stanley, Dr. So Shu Fai, Mr. Ng Chi Sing, Mr. Rui José da Cunha, Ms. Leong On Kei, Angela and Mr. Shum Hong Kuen, David, the non-executive Director is Dato’ Dr. Cheng Yu Tung and the independent non-executive Directors are Mr. Chau Tak Hay, Mr. Lan Hong Tsung, David, Mr. Shek Lai Him, Abraham and Mr. Tse Hau Yin.