

Press Release

**SJM Holdings Announces Selected Unaudited Q3 2022 Results**

(Hong Kong, 31 October 2022) SJM Holdings Limited (the “Company”) today announced 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.

**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)
	HK\$ million	HK\$ million		HK\$ million	HK\$ million	
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)
	HK\$ million	HK\$ million		HK\$ million	HK\$ million	
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**

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

**Casino Grand Lisboa Statistics**

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

### Other Self-promoted Casino 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	—	5	(5)	(100.0%)	—	10	(10)	(100.0%)
Mass Market	203	332	(129)	(38.9%)	804	1,050	(246)	(23.4%)
Slot	<u>29</u>	<u>38</u>	<u>(9)</u>	<u>(23.7%)</u>	<u>102</u>	<u>116</u>	<u>(14)</u>	<u>(12.1%)</u>
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 <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	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	<u>18</u>	<u>46</u>	<u>(28)</u>	<u>(60.9%)</u>	<u>97</u>	<u>134</u>	<u>(37)</u>	<u>(27.6%)</u>
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	2021	Variance		2022	2021	Variance	
	<i>HK\$</i> <i>million</i>	<i>HK\$</i> <i>million</i>	<i>HK\$</i> <i>million</i>	%	<i>HK\$</i> <i>million</i>	<i>HK\$</i> <i>million</i>	<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	2021	Variance		2022	2021	Variance	
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	%	<i>HK\$</i>	<i>HK\$</i>	<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.

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.

Dr. Ambrose So, Vice-Chairman and Chief Executive Officer of SJM Holdings Limited, commented, “Results for the third quarter of 2022 continued to be severely impacted by travel restrictions and quarantine requirements. In addition, following a local outbreak of COVID-19, all casinos and gaming areas in Macau were closed for 12 days in July by government order. In the current quarter, we look forward to the beginnings of gradual liberalization of travel to Macau, to the award of the new gaming concessions, and to SJM’s commitment to a continuing presence in Macau for the long term.”

Further information on SJM Holdings Limited can be found on [www.sjmholdings.com](http://www.sjmholdings.com).