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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

**VOLUNTARY ANNOUNCEMENT**  
**MEMORANDUM OF UNDERSTANDING**  
**IN RELATION TO**  
**PROPOSED ACQUISITION**

This announcement is made by the Company on a voluntary basis to keep its shareholders and potential investors apprised of the Group's latest business development.

**THE MOU**

The Board is pleased to announce that on 11 December 2024, the parties entered into the non-legally binding MOU, pursuant to which the Potential Vendor intends to sell and the Potential Purchaser intends to acquire the Property free from any encumbrance at the Consideration of RMB546 million (equivalent to approximately HK\$584 million, exclusive of tax) in cash.

**Key terms of the MOU:**

Date: 11 December 2024

Parties: (i) the Potential Vendor; and  
(ii) the Potential Purchaser.

***Property to be acquired***

The Property consists of strata office units on nine (9) floors at the office tower and a retail unit in the Project which is a mixed-use development now known as Xin De Kou An Shang Wu Zhong Xin\* (信德口岸商務中心) situated at No. 28 Xinde Jie, Hengqin New District, Zhuhai (珠海市橫琴新區信德街28號), consisting of office, hotel, retail and apartments, and located north of the border-gate of Hengqin. The Property's total gross area is approximately 14,845 square meters.

### ***The Consideration***

The Consideration is agreed at RMB546 million (equivalent to approximately HK\$584 million, exclusive of tax) in cash.

### ***Non-Legally Binding Effect***

The MOU does not create legally binding obligations regarding the substantive terms of the Proposed Acquisition (including the Consideration), but it does impose legal obligations concerning confidentiality, exclusivity, termination, legal effect, counterparts, and applicable law and dispute resolution.

### ***Conditions Precedent***

The conditions precedent for the parties to proceed with the Proposed Acquisition are as follows:

- (i) the Potential Vendor has met all applicable requirements for the Proposed Acquisition under the Listing Rules;
- (ii) the Potential Purchaser has met all applicable requirements for the Proposed Acquisition under the Listing Rules;
- (iii) to facilitate the Potential Purchaser's intended conversion of the Property into a hotel, both parties must cooperate to communicate with and submit conversion applications and relevant materials to the competent government authorities, and obtain a definitive response/approval from these authorities to the satisfaction of the Potential Purchaser;
- (iv) the Potential Purchaser and its professional advisers have completed due diligence on the Property to the satisfaction of the Potential Purchaser; and
- (v) any other conditions which may be agreed by the Potential Vendor and the Potential Purchaser and included in the Formal Agreement.

For the avoidance of doubt, the Potential Purchaser is entitled to waive conditions (iii) and (iv) above.

### ***Conversion Works***

Subject to the transfer of ownership of the Property to the Project Company, the Potential Purchaser shall authorize the Potential Vendor to carry out the Conversion Works.

Subject to the conditions as may be agreed in the Formal Agreement, the Conversion Works are expected to complete within 12 months after obtaining the relevant construction permit in respect of the construction project.

### ***Car Parks***

The Potential Vendor agrees to provide the Project Company with the right to use sixty (60) parking spaces in the Project, free of charge during the period when the Project Company is the registered owner of the Property.

### ***Exclusivity Period***

During the period between the date of the MOU and 30 June 2025 or a later date mutually agreed upon by both parties (the “**Exclusivity Period**”), the Potential Vendor is prohibited from signing any contract with third parties regarding the Proposed Acquisition that may affect the Potential Purchaser’s rights.

After reaching consensus on other terms of the transaction in accordance with applicable laws and internal requirements, the parties intend to sign a binding Formal Agreement and other relevant documents.

### ***Due Diligence***

After signing the MOU, the Potential Purchaser will conduct due diligence on the Property, and Potential Vendor must cooperate.

### ***Termination***

The MOU will terminate upon the occurrence of any of the following circumstances:

- (i) each party issues a written notice to the other party indicating its intention to terminate the MOU; or
- (ii) the Exclusivity Period expires, and both parties have failed to sign a Formal Agreement.

## **REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION**

In May 2024, the Hengqin-Macau multiple-entry visa policy was implemented for Mainland Chinese package tours, allowing multiple round trips to Macau within a week. Starting from January 2025, residents and holders of residence permits of the In-Depth Cooperation Zone can apply for “multiple-entry permits”, enabling unlimited trips to Macau for one year, with each stay capped at seven days. These initiatives are anticipated to significantly boost hotel demand in Hengqin. Capitalizing on a policy from the In-Depth Cooperation Zone Executive Committee in July 2024, which permits the conversion of commercial buildings into hotels, the Property is intended to be transformed into a 3-star hotel if the Proposed Acquisition materializes. Further, the Proposed Acquisition, if materialized will not only become one of SJM Resorts’ investments but also reflects the Group’s dedication in supporting economic and tourism product diversification in Macau.

The Property has been chosen due to its strategic location, offering (i) proximity: around 5 minutes' walk to the 24-hour Hengqin Port Joint Inspection Building and around 10 minutes' drive to Cotai and around 30 minutes' drive to the center of Macau, (ii) complementary development: the Property is part of a mixed-use development with various amenities, (iii) efficient conversion: the actual conversion and renovation site works for conversion from commercial building to hotel is expected to take approximately 24 months; and (iv) synergy with the existing operations of the Group: the 3-star hotel will complement SJM Resort's existing 5-star hotels such as Grand Lisboa Palace and Grand Lisboa (which are around 10 minutes' drive and around 30 minutes' drive from the Property, respectively) and capitalize on the expected high demand for budget-friendly accommodation.

The Proposed Acquisition and converting the Property into a 3-star hotel would allow SJM Resorts to expand its market reach by attracting a new segment of budget-conscious travellers. This would diversify our portfolio, expanding our reach into the mass market and increasing overall revenue streams. The strategic location in Hengqin, close to Macau and with access to the market in Mainland China, offers significant growth potential. Further, operating a 3-star hotel could lead to lower operating costs and potential cost synergies, while leveraging the Group's established brand to attract guests.

## **GENERAL**

The Potential Vendor is a connected person of the Company by virtue of a Director, Ms. Ho Chiu Fung, Daisy's family interests, having control of more than 50% in the voting power of STHL which owns 100% equity interest in the Potential Vendor. The Proposed Acquisition, if materialized, will constitute a connected transaction for the Company under Chapter 14A of the Listing Rules.

The Company shall comply with the relevant requirements under the Listing Rules as and when appropriate.

**As the Proposed Acquisition may or may not proceed, shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

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

“Board”	the board of Directors of the Company
“Company”	SJM Holdings Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 880)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Consideration”	the consideration of RMB546 million (equivalent to approximately HK\$584 million, exclusive of tax) for the Proposed Acquisition and the Conversion Works
“Conversion Works”	conversion works on the Property intended to be conducted by the Potential Vendor with a total provisional budget of RMB85 million (equivalent to approximately HK\$91 million) in accordance with the standards and scope of works to be confirmed by both parties
“Director(s)”	the director(s) of the Company
“Formal Agreement”	a binding formal sale and purchase agreement in respect of the Proposed Acquisition
“Group”	the Company and its subsidiaries from time to time
“Hengqin”	an island that lies mostly in Zhuhai, a special economic zone in Guangdong Province of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“In-Depth Cooperation Zone”	Hengqin Guangdong-Macau In-Depth Cooperation Zone (橫琴粵澳深度合作區)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	Macau Special Administrative Region of the People’s Republic of China
“MOU”	the memorandum of understanding entered into on 11 December 2024 between the Potential Vendor and the Potential Purchaser in respect of the Proposed Acquisition and the Conversion Works
“Potential Purchaser”	SJM Investment and/or the Project Company
“Potential Vendor”	Zhuhai Hengqin Shun Tak Property Development Company Limited* (珠海橫琴信德房地產開發有限公司), a company incorporated in the People’s Republic of China and a wholly-owned subsidiary of STHL

“Project”	a mixed-use development comprising office, hotel, retail and apartments located on the north of border gate of Hengqin with registration no. 宗地號 440402014001GB00158, and now known as Xin De Kou An Shang Wu Zhong Xin* (信德口岸商務中心) situated at No. 28 Xinde Jie, Hengqin New District, Zhuhai (珠海市橫琴新區信德街28號), the People’s Republic of China
“Project Company”	a wholly-owned subsidiary to be incorporated by SJM Investment, a subsidiary of the Company and SJM Resorts and is expected to join as a Potential Purchaser to the Formal Agreement after its incorporation
“Property”	the strata office units on nine (9) levels from Level 21 to Level 29 of the Office Tower at No. 59, Jilin Road, Hengqin New District, Zhuhai (珠海市橫琴新區吉臨路59號) and a retail unit now marked as shop no. 126 at No. 28 Xinde Jie, Hengqin New District, Zhuhai (珠海市橫琴新區信德街28號) in the Project
“Proposed Acquisition”	the proposed acquisition of the Property from the Potential Vendor by the Potential Purchaser
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Share(s)”	the ordinary share(s) in the share capital of the Company
“SJM Investment”	SJM-Investmentos Limitada (in Portuguese) SJM-Investment Limited (in English), a limited liability company by quotas incorporated under the laws of Macau and a wholly-owned subsidiary of SJM Resorts and an indirect subsidiary of the Company
“SJM Resorts”	SJM Resorts, S.A. (in Portuguese) SJM Resorts, Limited (in English) (name changed from Sociedade de Jogos de Macau, S.A. on 9 June 2021), a joint stock company “ <i>sociedade anónima</i> ” incorporated under the laws of Macau and a subsidiary of the Company
“STHL”	Shun Tak Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 242)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

\* *for identification purpose only*

*For the purpose of this announcement, the translation of RMB into HK\$ is based on the exchange rate of approximately RMB1.00 = HK\$1.07. Such translation should not be construed as a representation that the amount in question has been, could have been or could be converted at any exchange rate or at all.*

By order of the Board of  
**SJM Holdings Limited**  
**Kwok Shuk Chong**  
*Company Secretary*

Hong Kong, 11 December 2024

*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 Ms. Wong Yu Pok, Marina, Mr. Yeung Ping Leung, Howard and Mr. Ho Hau Chong, Norman.*