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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for independent advice.

**If you have sold or transferred** all your shares in MGM China Holdings Limited, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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美高梅中國控股有限公司  
MGM China Holdings Limited

**MGM CHINA HOLDINGS LIMITED**

**美高梅中國控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2282)**

**MAJOR TRANSACTION**

**LETTER OF AWARD TO AWARD THE MAIN CONTRACT  
TO THE MAIN CONTRACTOR  
FOR THE COTAI PROJECT**

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June 17, 2013

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## DEFINITIONS

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*In this circular, the following expressions have the following meanings unless the context requires otherwise:*

“Board”	the board of Directors of our Company
“Company”, “our”, “we”, “us” or “MGM China”	MGM China Holdings Limited, a company incorporated in the Cayman Islands on July 2, 2010 as an exempted company with limited liability
“Construction Works”	the construction works for the Cotai Project contemplated under the Letter of Award and the Main Contract
“Cotai Project”	the construction of a development complex with a unique MGM experience at Cotai in Macau comprising hotel towers, casino gaming, retail spaces and parking
“Cotai Site”	the plot of land located in the Cotai reclaimed land, adjacent to the Avenida da Nave Desportiva, Macau, granted by the Macau government under the land concession contract
“CSC “ or “the Main Contractor”	China State Construction Engineering (Hong Kong) Ltd and China Construction Engineering (Macau) Company Limited
“Director(s)”	the director(s) of the Company
“Group”, “we”, “us” or “our”	our Company and its subsidiaries, or any of them, and the businesses carried on by such subsidiaries, except where the context makes it clear that the reference is only to the Company itself and not to the Group
“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
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	June 11, 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Letter of Award”	the letter of award issued by MGMGP on May 11, 2013 to CSC and accepted by CSC, relating to the award of the Main Contract to the Main Contractor for the Construction Works of the Cotai Project

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## DEFINITIONS

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“Listing Rules”	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (as amended from time to time)
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Main Contract”	a formal main contract entered into by MGMGP and CSC on June 7, 2013 (after trading hours) pursuant to the Letter of Award, incorporated the terms and conditions of the Letter of Award and formalised the detailed arrangements and specifications for the Construction Works
“MGMGP”, “MGM Grand Paradise” or “the Employer”	MGM Grand Paradise Ltd.
“Model Code”	Model Code for Securities Transactions by Directors of Listed Companies, Appendix 10 to the Listing Rules
“MOP”	Macau Patacas, the lawful currency of Macau
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) with a nominal value of HK\$1 each in the share capital of our Company
“Shareholders(s)”	holder(s) of Shares(s) of the Company from time to time
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

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## LETTER FROM THE BOARD

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美高梅中國控股有限公司  
MGM China Holdings Limited

**MGM CHINA HOLDINGS LIMITED**

**美高梅中國控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2282)**

*Executive Directors:*

James Joseph Murren (*Chairperson*)  
Pansy Catilina Chiu King Ho (*Co-Chairperson*)  
Chen Yau Wong  
William Joseph Hornbuckle  
Grant R. Bowie (*Chief Executive Officer*)

*Registered Office in Cayman Islands:*

190 Elgin Avenue  
George Town  
Grand Cayman KY1-9005  
Cayman Islands

*Non-executive Directors*

William M. Scott IV  
Daniel J. D'Arrigo  
Kenneth A. Rosevear

*Place of business in Hong Kong registered  
under Part XI of the Companies Ordinance*

1402 China Merchants Tower  
200 Connaught Road  
Central, Hong Kong

*Independent Non-executive Directors*

Zhe Sun  
Tommei Mei Kuen Tong  
Sze Wan Patricia Lam  
Peter Man Kong Wong

June 17, 2013

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION  
LETTER OF AWARD TO AWARD THE MAIN CONTRACT  
TO THE MAIN CONTRACTOR  
FOR THE COTAI PROJECT**

**INTRODUCTION**

Reference is made to the Company's announcements dated May 13, 2013 and June 10, 2013 concerning the issuance of the Letter of Award on May 11, 2013 by MGMGP to CSC and accepted by CSC, and the signing of the Main Contract on June 7, 2013 (after trading hours) pursuant to the Letter of Award for awarding the Construction Works of the Cotai Project to the Main Contractor. The Main Contract

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## LETTER FROM THE BOARD

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incorporated the terms and conditions of the Letter of Award and formalised the detailed arrangements and specifications for the Construction Works. The Main Contract does not include terms that are contradictory to the Letter of Award or include any other matters that need to be brought to the attention of the Shareholders. Further announcement(s) will be made by the Company if there is any material development in relation to the Construction Works or any related matters as and when required under the Listing Rules.

The purpose of this circular is to provide you with, among other things, (i) further information in respect of the Letter of Award; (ii) financial and other information of the Group; and (iii) other information as required under the Listing Rules.

### PRINCIPAL TERMS OF THE LETTER OF AWARD

**(1) Date**

May 11, 2013

**(2) Parties**

- (a) MGMGP, as the Employer of the Cotai Project
- (b) CSC, as the Main Contractor of the Cotai Project

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Main Contractor and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

**(3) Commencement date**

Anticipated to be on or around January 2014. The Construction Works shall be commenced within seven days from the date of issue of a written notification from MGMGP's representative to CSC.

**(4) Expected date of completion**

By April 2016 or within any extended time which may be authorized under the conditions of the Main Contract.

**(5) Estimated gross floor area**

Approximately 391,750 square meters.

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## LETTER FROM THE BOARD

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### **(6) Scope of construction**

The construction of a development complex at Cotai in Macau comprising hotel towers, casino gaming, entertainment venues, retail spaces and parking.

The scope of Construction Works shall include (a) basement construction, (b) substructure work, (c) structural and architectural works, (d) facades, (e) interior and exterior finishes, and fit-out, (f) mechanical, electrical and plumbing installations, (g) external landscaping work, and (h) underground drainage and utilities services works.

### **(7) Contract Sum**

MOP10,799,411,598.60 (approximately HK\$10.5 billion, or approximately US\$1.35 billion) to be settled by MGMGP in cash/cash equivalents on a monthly basis paid for certified works completed in accordance with the Main Contract. The Contract Sum will be partly financed by internal resources of the Group and partly by bank loans and facilities.

### **Contract Sum and payment terms**

The Contract Sum, MOP10,799,411,598.60 (approximately HK\$10.5 billion or approximately US\$1.35 billion), was determined with reference to the expected scope and complexity of the Construction Works to be carried out, the material costs and labour costs estimated to be incurred and the prevailing market prices for carrying out the Construction Works of comparable scale and complexity. The actual consideration payable by MGMGP is subject to final determination based on actual works completed and any adjustment factors pursuant to the terms of the Main Contract.

The Contract Sum will be paid by MGMGP to CSC in cash/cash equivalents on a monthly basis in accordance with certified works completed and in accordance with contract terms. Subject to CSC's achievement and/or betterment of certain particular milestones as identified in the Main Contract, MGMGP shall pay an incentive payment to CSC in accordance with the Main Contract.

MGMGP will retain 10% from the interim payment as retention money but subject to a maximum limit of 5% of the Contract Sum. The retention money will be released to CSC in two installments in the following manner:

- 50% of the retention money shall be released upon the issuance of the certificate of practical completion; and
- the remaining 50% of the retention money shall be released on expiration of the defects liabilities period, or upon the issuance of the certificate of completion of making good defects when the defects are made good by CSC, whichever is the later.

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## LETTER FROM THE BOARD

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Should CSC fail to achieve any of the critical milestones, MGMGP may impose liquidated and ascertained damages for the period which the Construction Works of the critical milestones shall so remain incomplete pursuant to the terms of the Main Contract. The accumulated liquidated and ascertained damages are subject to a limit of MOP 50,000,000 for the whole of the Main Contract.

### **Source of funding**

The Contract Sum will be partly financed by internal resources of the Group and partly by bank loans and facilities.

### **Performance guarantee**

Upon commencement of the Construction Works on the Cotai Site, CSC shall procure a surety bond from an insurance company or a bank or deposit taking company based on 5% of the Contract Sum, guaranteeing the due performance of the Main Contractor. The surety bond is provided in favour of MGMGP. One half of the bonded sum shall be released upon achievement of the practical completion of the Construction Works. The remaining bonded sum shall be released upon the expiration of the defects liability period or until the satisfactory completion of making good of the defects of the Construction Works (if any), whichever is the later.

### **Anti-corruption provisions**

The Main Contract entered into on June 7, 2013 (after trading hours) includes the following anti-corruption provisions:

- (a) Neither the Main Contractor nor its officers, employees, agents, and other persons acting on its behalf, will take any act that violates or would cause the Employer to be in violation of the Prevention of Bribery Ordinance (Cap 201 of the Laws of Hong Kong); the United States Foreign Corrupt Practices Act of 1977, as amended; the Macau Penal Code, Macau Law 19/2009 (the Prevention and Suppression of Bribery in the Private Sector), and Macau Law 3/2001 (the Electoral Law for the Legislative Assembly of Macau SAR), as amended; and any other applicable anti-corruption laws and regulations (collectively, the “**Anti-Corruption Laws**”).
- (b) Without limiting the generality of the foregoing, neither the Main Contractor nor its officers, employees, agents and other persons acting on its behalf will take any act in furtherance of a payment, offer, promise to pay, or authorization or ratification of a payment of any gift, money or anything of value to (a) Government Official (as defined below), or (b) any person or entity while knowing or having reasonable grounds to believe that all or a portion of that payment will be passed on to a Government Official in order to influence any action or decision of the Government Official, or to induce the Government Official to use his or her influence with any government or Government Official to affect or influence any official act, or to obtain or retain business or to secure an improper advantage.



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## LETTER FROM THE BOARD

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- (c) “**Government Official**” means any (i) employee or official of a national or local government, instrumentality of government (e.g., state-owned or state-controlled enterprise, government agency, government advisor) or public international organization (e.g., the World Bank); (ii) political party or party official; or (iii) candidate for political office.

The Employer shall be entitled to immediately determine the employment of the Main Contractor under the Main Contract and the Main Contractor shall be liable to forfeit the retention money and in addition to pay the amount of any loss resulting from such determination, if the Main Contractor shall have been charged with and convicted of a violation of the Anti-Corruption Laws as defined above, or if the Main Contractor shall have offered, given or agreed to give to any person any bribe, gift, loan or advantage of any kind as an inducement or reward for doing or forbearing to do so or for having done or forborne to do any action in relation to the obtaining or execution of the Main Contract or any other contract with the Employer, or for showing or forbearing to show favour or disfavour to any person in relation to the Main Contract or other contract with the Employer, or if the like acts shall have been done by any person employed by the Main Contractor or acting on his behalf whether with or without the knowledge of the Main Contractor.

### **Responsibilities of the Main Contractor**

The Main Contractor shall complete the Construction Works pursuant to the Main Contract and be responsible for any repair work during the post-completion maintenance period and assisting MGMGP in applying for all the necessary approvals from relevant authorities.

### **Reasons for and benefits of the Letter of Award**

Taking into consideration the tender prices submitted by various contractors during a competitive tender process and the opinion of an independent consultant and given the expertise of the Main Contractor in similar construction projects, the Group believes that it is in the best interests of the Group to engage the Main Contractor for the Cotai Project. The terms and conditions of the Letter of Award have been negotiated among the parties involved on an arm’s length basis in consultation with an appointed quantity surveyor/an independent consultant as being reasonable and according to the market norm.

The Cotai Project will be the major business development for the Group in the coming three years. Upon completion, the Cotai Project will be run and managed by MGMGP. The entering into of the Letter of Award to award the Main Contract to the Main Contractor is for the construction of the Cotai Project, which will generate a new source of income for the Group. This transaction has no immediate financial impact on the Group’s earnings, net assets and liabilities. The Board believes that the construction of the Cotai Project will facilitate the growth of the Group’s business and will have a positive impact on the earnings and assets of the Group in the medium and long run.

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## LETTER FROM THE BOARD

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The Directors (including all the independent non-executive directors) consider that the terms and conditions of the Letter of Award and the Main Contract including the Contract Sum are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole. None of the directors has any material interest in the Letter of Award and the Main Contract. Accordingly, none of them is required to abstain from voting on the board resolutions for considering and approving the transactions contemplated under the Letter of Award.

### **Information on the Company and the Main Contractor**

The Company, through its principal subsidiary, MGMGP, engages in the development and operation of casino games of chance and other casino games, where permitted by applicable laws, and the related hotel and resort facilities in Macau and/or in other parts of Asia.

CSC, the Main Contractor, is principally engaged in building construction and civil engineering works. It has extensive experience in the construction business in both public and private sectors. CSC has previously undertaken and completed the main contract works for the construction of various major developments in Hong Kong and Macau.

### **Implications under the Listing Rules**

As the applicable percentage ratios calculated under the Listing Rules in respect of the Letter of Award to award the Main Contract exceed 25% but less than 100%, the execution of the Letter of Award constitutes a major transaction of the Company and therefore is subject to the notification, publication and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the award of the Main Contract for the Cotai Project and the appointment of the Main Contractor for the Construction Works contemplated under the Letter of Award, and as the Company has obtained written approval of the transaction from MGM Resorts International Holdings, Ltd and Ms. Pansy Catilina Chiu King Ho, which together with their associates and parties acting in concert hold an aggregate of 2,980,661,201 shares, representing 78.44% of the total issued shares and voting rights of the Company as at the date of the announcement in relation to the issuance of the Letter of Award dated May 13, 2013, pursuant to Rule 14.44 of the Listing Rules, the shareholders' approval requirement is deemed to have been fulfilled and the Company is not required to convene a general meeting for approving the transactions contemplated under the Letter of Award.

The Main Contract has incorporated the terms and conditions of the Letter of Award and formalised the detailed arrangements and specifications for the Construction Works. The Main Contract does not include terms that are contradictory to the Letter of Award or include any other matters that need to be brought to the attention of the Shareholders. Further announcement(s) will be made by the Company if there is any material development in relation to the Construction Works or any related matters as and when required under the Listing Rules.

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## LETTER FROM THE BOARD

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### RECOMMENDATION OF THE BOARD

The Directors (including all the independent non-executive Directors) consider that the terms and conditions of the Letter of Award and the Main Contract including the Contract Sum are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, if a general meeting were to convene for approving awarding the Construction Works of the Cotai Project to the Main Contractor contemplated under the Letter of Award, the Board would have recommended the Shareholders to vote in favour of such.

### GENERAL

Your attention is drawn to the additional information set out in Appendix I (Financial Information of the Group) and Appendix II (General Information) to this circular.

Yours faithfully,

On behalf of the Board

**James Joseph Murren**  
*Chairperson*

**Pansy Catilina Chiu King Ho**  
*Co-Chairperson*

**I. AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP**

The Company is required to set out in this circular the information for the last three financial years with respect to the profits and losses, financial record and position, set out as comparative table and the latest published audited statement of financial position together with the notes on the annual accounts for the last financial year of the Group.

The audited consolidated financial statements of the Group for the year ended December 31, 2012 have been set out from page 77 to page 138 in the 2012 Annual Report of the Company. The 2012 Annual Report was published on April 3, 2013 and was also posted on the Company's website (<http://www.mgmchinaholdings.com/en>). Please refer to the quick link to the 2012 Annual Report:

[http://c585941.r41.cf2.rackcdn.com/EW02282\\_1\\_130403.pdf](http://c585941.r41.cf2.rackcdn.com/EW02282_1_130403.pdf)

The audited consolidated financial statements of the Group for the year ended December 31, 2011 have been set out from page 77 to page 144 in the 2011 Annual Report of the Company. The 2011 Annual Report was published on April 13, 2012 and was also posted on the Company's website (<http://www.mgmchinaholdings.com/en>). Please refer to the quick link to the 2011 Annual Report:

<http://c585941.r41.cf2.rackcdn.com/E08828.pdf>

The audited consolidated financial statements of the Group for the year ended December 31, 2010 have been set out from page IA-1 to page IA-33 in the Company's prospectus dated May 23, 2011. The prospectus was published on May 23, 2011 and was also posted on the Company's website (<http://www.mgmchinaholdings.com/en>). Please refer to the quick link to the Company's prospectus:

[http://c585941.r41.cf2.rackcdn.com/Global\\_Offering\\_-\\_Offering\\_For\\_Subscription.zip](http://c585941.r41.cf2.rackcdn.com/Global_Offering_-_Offering_For_Subscription.zip)

**II. INDEBTEDNESS****Borrowings**

As at April 30, 2013, the Group had secured a term loan facility of approximately HK\$4,290.0 million. Collateral for the term loan and revolving credit facility consists of most of the assets, including but not limited to property and equipment, land use right and bank balances and cash of the Group and the shares of MGMGP and some of its subsidiaries. Certain of the Company's direct and indirect subsidiaries (where applicable) have executed guarantees as security.

**Contingent liabilities**

As at April 30, 2013, the Group has given bank guarantees totaling HK\$300.1 million to certain parties, of which HK\$294.6 million was issued in favor of the Macau government as required in the sub-concession contract and land-concession contract in respect of the Cotai Site, HK\$2.0 million was issued in favor of certain vendors and HK\$3.5 million was issued in favor of a service provider, which is a related company as one of the directors of the Company has non-controlling beneficial interests.

Save as disclosed above or as otherwise mentioned herein and apart from intra-group liabilities, the Group did not, as at April 30, 2013, have any debt securities issued and outstanding, or authorized or otherwise created but unissued, other borrowings or indebtedness in the nature of borrowing of the Group including overdrafts and liabilities under acceptances or acceptance credits or hire purchase commitments, debentures, mortgages, charges, contingent liabilities or guarantees.

Save as disclosed above, the Directors have confirmed that there has been no material change in the indebtedness of the Group since April 30, 2013.

**III. MATERIAL ADVERSE CHANGE**

The Directors confirm that there has been no material adverse change in the financial or trading position of the Group since December 31, 2012, being the date to which the latest published audited accounts of the Company were made up.

**IV. WORKING CAPITAL**

After taking into account the financial resources available including the internally generated funds and the present available banking facilities, the Directors are of the opinion that the Group, in the absence of unforeseen circumstances, will have sufficient working capital for the next twelve months following the date of this circular.

**V. FINANCIAL EFFECTS OF CONSTRUCTION WORKS REGARDING THE COTAI PROJECT**

As mentioned above, the Contract Sum will be partly financed by internal resources of the Group and partly by bank loans and facilities. Accordingly, the Construction Works regarding the Cotai Project will increase the Group's fixed assets and liabilities and may increase the debt-to-equity ratio, while it will decrease the current assets. The total cash outflow of the Company in the next twelve months in respect of the Construction Works is approximately MOP 941,000,000. The Company does not expect the Construction Works regarding the Cotai Project to have any material negative impact on its cash flow position or its business operations.

**VI. FINANCIAL AND OPERATIONAL PROSPECTS**

As disclosed in the 2012 Annual Report of the Company for the year ended December 31, 2012, the Group's total operating revenue reached HK\$21,773.6 million, representing an increase of 7.3% over 2011. During the four months period ended April 30, 2013, the Group's total operating revenue reached HK\$7,673.6 million, representing an increase of 6.3% year on year resulted from steady contribution from main floor and slot machine gaming operations during the period.

The Directors expect the infrastructure projects undertaken in and around Macau and the increasing supply of non-gaming amenities in Macau will continue to benefit our gaming operations.

Following the publication of our Cotai Land Concession Contract in the Macau government official gazette in January this year (as disclosed in the announcement of the Company dated January 9, 2013), we broke ground for the Cotai Project in February and the pace of work continues to increase. Construction activities commenced on the Cotai Site in the third quarter of 2012 for site preparatory work and to lay foundations. It is estimated that the laying of foundations will be completed by the end of 2013.

The Cotai Project will have 1,600 hotel rooms, 2,500 slot machines, and up to 500 gaming tables with a budget of approximately HK\$20 billion, excluding land cost and capitalised interest. In addition, the Cotai Project will feature over 85% gross floor area of non-gaming offerings, including restaurant, retail and entertainment attractions and remain on schedule to open during the first half of 2016. The Group is also looking at other opportunities to include additional non-gaming offerings at the Cotai Site.

The Directors believe in the long-term growth prospect of the Macau market, the Group will be an active participant contributing to as well as benefitting from the Macau market growth.

**I. RESPONSIBILITY STATEMENT**

This document, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

**II. DISCLOSURE OF INTERESTS****a. Interests of Directors and Chief Executive in the Company and its associated corporations**

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive had taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register maintained by the Company referred to therein, or were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code or as the Company was aware, were as follows:

**(a) Long Position in the Shares and Underlying Shares of the Company**

Name of Director	Personal Interests	Family Interests	Corporate Interests	No. of Shares and Underlying Shares held	Percentage of issued share capital
Pansy Ho	380,000,000 <sup>(1)</sup>	—	662,661,200 <sup>(2)</sup>	1,042,661,200	27.44%
Grant R. Bowie	3,500,000 <sup>(3)</sup>	—	—	3,500,000	0.09%

**(b) Long Position in the Shares of Associated Corporations — MGM Grand Paradise**

Name of Director	Personal Interests	Family Interests	Corporate Interests	No. of Shares held	Percentage of issued share capital
Pansy Ho	20,000 <sup>(4)</sup>	—	—	20,000	10.00%

(c) *Long Position in the Common Stocks and Underlying Shares of Associated Corporations — MGM Resorts International<sup>(5)</sup>*

Name of Director	Personal Interests	Family Interests	Corporate Interests	No. of Common Stocks and Underlying Shares held	Percentage of issued common stocks
James Joseph Murren	1,884,375 <sup>(6)</sup>	—	—	1,884,375	0.3850%
	328,125 <sup>(7)</sup>	—	—	328,125	0.0670%
	127,322 <sup>(8)</sup>	—	—	127,322	0.0260%
	252,433 <sup>(9)</sup>	—	—	252,433	0.0516%
William Joseph Hornbuckle	—	186,004 <sup>(10)</sup>	—	186,004	0.0380%
	271,875 <sup>(11)</sup>	—	—	271,875	0.0556%
	178,125 <sup>(12)</sup>	—	—	178,125	0.0364%
	35,128 <sup>(13)</sup>	—	—	35,128	0.0072%
	72,124 <sup>(14)</sup>	—	—	72,124	0.0147%
	21,223 <sup>(15)</sup>	—	—	21,223	0.0043%
William M. Scott IV	—	22,758 <sup>(16)</sup>	—	22,758	0.0047%
	167,812 <sup>(17)</sup>	—	—	167,812	0.0343%
	80,938 <sup>(18)</sup>	—	—	80,938	0.0165%
	12,482 <sup>(19)</sup>	—	—	12,482	0.0026%
	25,243 <sup>(20)</sup>	—	—	25,243	0.0052%
Daniel J. D'Arrigo	1,745 <sup>(21)</sup>	—	—	1,745	0.0004%
	161,000 <sup>(22)</sup>	—	—	161,000	0.0329%
	289,500 <sup>(23)</sup>	—	—	289,500	0.0592%
	22,702 <sup>(24)</sup>	—	—	22,702	0.0046%
	57,699 <sup>(25)</sup>	—	—	57,699	0.0118%
Kenneth A. Rosevear	21,282 <sup>(26)</sup>	—	—	21,282	0.0043%
	690,000 <sup>(27)</sup>	—	—	690,000	0.1410%
	22,500 <sup>(28)</sup>	—	—	22,500	0.0046%
	67,500 <sup>(29)</sup>	—	—	67,500	0.0138%
	9,000 <sup>(30)</sup>	—	—	9,000	0.0018%

(d) *Long Position in the Convertible Senior Notes of Associated Corporations — MGM Resorts International (the “Notes”)<sup>(31)</sup>*

Name of Director	Personal Interests	Family Interests	Corporate Interests	Total
Pansy Ho	—	—	US\$300,000,000 <sup>(32)</sup>	US\$300,000,000



*Notes:*

- (1) These represent the Shares beneficially held by Pansy Ho in her personal capacity.
- (2) Pansy Ho was deemed to be interested in 662,661,200 Shares held by Grand Paradise Macau Limited, a company which she controls.
- (3) This represents 3,500,000 share options of the Company granted to Grant R. Bowie pursuant the share option scheme of the Company, details of which are set out in note 29 (p.122-124 of the 2012 Annual Report of the Company).
- (4) These represent 50% of total issued class B shares of MGM Grand Paradise which carry 10% of the total voting power at any meetings of shareholders of MGM Grand Paradise. On each occasion upon which dividends are paid by MGM Grand Paradise, each holder of class B shares will be entitled to receive dividends of up to MOP1 only.
- (5) MGM Resorts International adopted an omnibus incentive plan in 2005 which, as amended, allows it to grant stock options, stock appreciation rights (“SARs”), restricted stock, restricted stock units (“RSUs”), performance stock units (“PSUs”) and other stock-based awards to eligible directors, officers and employees of MGM Resorts International and its subsidiaries. Stock options and SARs granted under all plans generally have terms of either seven or ten years, and in most cases vest in either four or five equal annual installments. RSUs and PSUs granted vest ratably over four and three years respectively. MGM Resorts International’s practice is to issue new shares upon exercise or vesting of awards.
- (6) This represents 1,884,375 vested SARs in the common stock of MGM Resorts International granted to James Joseph Murren.
- (7) This represents 328,125 unvested SARs in the common stock of MGM Resorts International granted to James Joseph Murren.
- (8) This represents 127,322 unvested RSUs in the common stock of MGM Resorts International held by James Joseph Murren.
- (9) This represents 252,433 unvested PSUs in the common stock of MGM Resorts International granted to James Joseph Murren.
- (10) These represent the common stock of MGM Resorts International held by the family trust of James Joseph Murren.
- (11) This represents 271,875 vested SARs in the common stock of MGM Resorts International granted to William Joseph Hornbuckle.
- (12) This represents 178,125 unvested SARs in the common stock of MGM Resorts International granted to William Joseph Hornbuckle.
- (13) This represents 35,128 unvested RSUs in the common stock of MGM Resorts International held by William Joseph Hornbuckle.
- (14) This represents 72,124 unvested PSUs in the common stock of MGM Resorts International granted to William Joseph Hornbuckle.

- (15) These represent the common stock of MGM Resorts International held by William Joseph Hornbuckle.
- (16) These represent the common stock of MGM Resorts International were held by William Joseph Hornbuckle, IV 2004 trust.
- (17) This represents 167,812 vested SARs in the common stock of MGM Resorts International granted to William M. Scott IV.
- (18) This represents 80,938 unvested SARs in the common stock of MGM Resorts International granted to William M. Scott IV.
- (19) This represents 12,482 unvested RSUs in the common stock of MGM Resorts International held by William M. Scott IV.
- (20) This represents 25,243 unvested PSUs in the common stock of MGM Resorts International granted to William M. Scott IV.
- (21) These represent the common stock of MGM Resorts International held by William M. Scott IV.
- (22) This represents 161,000 vested SARs in the common stock of MGM Resorts International granted to Daniel J. D'Arrigo.
- (23) This represents 289,500 unvested SARs in the common stock of MGM Resorts International granted to Daniel J. D'Arrigo.
- (24) This represents 22,702 unvested RSUs in the common stock of MGM Resorts International held by Daniel J. D'Arrigo.
- (25) This represents 57,699 unvested PSUs in the common stock of MGM Resorts International granted to Daniel J. D'Arrigo.
- (26) These represent the common stock of MGM Resorts International held by Daniel J. D'Arrigo.
- (27) This represents 690,000 vested employee stock options in the common stock of MGM Resorts International granted to Kenneth A. Rosevear.
- (28) This represents 22,500 vested SARs in the common stock of MGM Resorts International granted to Kenneth A. Rosevear.
- (29) This represents 67,500 unvested SARs in the common stock of MGM Resorts International granted to Kenneth A. Rosevear.
- (30) This represents 9,000 unvested RSUs in the common stock of MGM Resorts International held by Kenneth A. Rosevear.
- (31) The Notes will pay interest semi-annually at a rate of 4.25% per annum and will mature on April 15, 2015. The Notes will be convertible into shares in the common stock of MGM Resorts International at an initial conversion rate of 53.83 shares in the common stock of MGM Resorts International per US\$1,000 principal amount of the Notes.
- (32) Pansy Ho was deemed to be interested in the Notes by virtue of her indirect beneficial interests in the entity which acquired the Notes.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company was interested, or was deemed to be interested in the long and short positions in the Shares, underlying Shares and/or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 or Part XV of the SFO or (ii) recorded in the register maintained by the Company as required pursuant to Section 352 of the SFO as aforesaid or (iii) notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

**b. Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company**

As at the Latest Practicable Date, so far as is known to any Director or the chief executive of the Company, the persons who had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO or as otherwise notified to the Company were as follows:

**(a) Long Position in the Shares of the Company**

Name	Capacity/nature of interest	Number of Shares held	Percentage of shareholding
MGM Resorts International <sup>(1)</sup>	Interest of a controlled corporation	1,938,000,001	51.00%
MGM International, LLC <sup>(1)</sup>	Interest of a controlled corporation	1,938,000,001	51.00%
MGM Resorts International Holdings, Ltd. <sup>(1)</sup>	Direct interest	1,938,000,001	51.00%
Pansy Ho <sup>(2)</sup>	Direct interest	380,000,000	10.00%
	Interest of a controlled corporation	662,661,200	17.44%
Grand Paradise Macau Limited <sup>(2)</sup>	Direct interest	662,661,200	17.44%

*Notes:*

- (1) MGM Resorts International Holdings, Ltd. is a wholly owned subsidiary of MGM International, LLC, which in turn is wholly owned by MGM Resorts International. Therefore, MGM International, LLC and MGM Resorts International are deemed or taken to be interested in 1,938,000,001 Shares which are directly held by MGM Resorts International Holdings, Ltd.
- (2) Grand Paradise Macau Limited is a company controlled by Pansy Ho and therefore Pansy Ho is deemed or taken to be interested in 662,661,200 Shares which are directly held by Grand Paradise Macau Limited.

Save as disclosed above, the Company had not been notified of any other corporation or person, who, as at the Latest Practicable Date, had interests or short positions in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

**III. DIRECTORS' INTERESTS IN COMPETING INTERESTS**

The Company entered into a deed of non-compete undertakings with Ms. Pansy Catilina Chiu King Ho (“Ms. Pansy Ho”) and MGM Resorts International on May 17, 2011 so as to maintain a clear delineation of the respective businesses of each party as set out in pages 134 to 137 of the Company’s IPO Prospectus. The Company has received annual written declarations on compliance with their undertakings under the deed of non-compete undertakings from Ms. Pansy Ho and MGM Resorts International for the year ended December 31, 2012.

Save as disclosed above, as at the Latest Practicable Date, so far as the Directors were aware of, none of themselves or their respective associates had any interest in a business which competes or is likely to compete, directly or indirectly, with the business of the Group or any other conflicts of interest with the Group which would be required to be disclosed under the Listing Rules.

**IV. OTHER INTERESTS OF DIRECTORS**

As at the Latest Practicable Date, none of the Directors had any interest, either direct or indirect, in any assets which had been acquired or disposed of by or leased to or were proposed to be acquired or disposed of by or leased to any member of the Group since December 31, 2012, being the date to which the latest published audited consolidated financial statements of the Company were made up.

There was no contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date in which any Director was materially interested and which was significant to the business of the Group.

**V. SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Group referred to in Rule 13.68 of the Listing Rules (excluding contracts expiring or terminable by the employer within one year without payment of compensation (other than statutory compensation)).

**VI. LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and there was no litigation or claims of material importance known to the Directors to be pending or threatened by or against any member of the Group.

**VII. MATERIAL CONTRACTS**

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group during the two years immediately preceding the Latest Practicable Date which are or may be material:

- (a) The amended and restated credit agreement dated October 22, 2012 entered into among the Company, MGMGP, and certain lenders as co-borrowers. As part of such agreement, the credit facilities is HK\$15.6 billion, consisting of HK\$4,290.0 million term loan facility and HK\$11,310.0 million revolving credit facility as at the Latest Practicable Date; and
- (b) The cooperation and support master agreement dated February 18, 2013 entered into among our Company, MGM Resorts International and MGM Hospitality, LLC. The service fees charged under each statement of work shall be determined after arm's length negotiation between the relevant parties and calculated on the basis in accordance with the announcement of the Company "Continuing Connected Transaction — Cooperation and Support Master Agreement" dated February 18, 2013.

Save as disclosed above, no other material contract has been entered into by the Group within the two years immediately preceding the Latest Practicable Date.

**VIII. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours on Monday to Friday (other than public holidays) at the Company's place of business in Hong Kong at 1402 China Merchants Tower, 200 Connaught Road, Central, Hong Kong for a period of 14 days from the date of this circular:

- (a) the memorandum and articles of association of the Company;
- (b) the audited consolidated financial statements of the Group for the two financial years ended December 31, 2011 and December 31, 2012;
- (c) the annual reports of the Company for the two years ended December 31, 2011 and December 31, 2012;
- (d) all the material contracts referred to in the paragraph VII headed "Material Contracts" in this Appendix II;
- (e) the Letter of Award; and
- (f) this circular.

**IX. MISCELLANEOUS**

- (a) The registered office of the Company in Cayman Islands is at 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands. The principal place of business and head office in Macau is at Avenida Dr. Sun Yat Sen, Edificio MGM MACAU, NAPE, Macau. The place of business in Hong Kong under Part XI of the Companies Ordinance is at 1402 China Merchants Tower, 200 Connaught Road, Central, Hong Kong.
- (b) The principal share registrar and transfer office of the Company is at 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands and the Hong Kong branch share registrar and transfer office of which is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (c) Mr. Antonio Jose Menano and Ms. Lam Wai Yan are the joint company secretaries of the Company. Ms. Lam is a solicitor in Hong Kong. She is a member of the Law Society of Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese texts in case of inconsistency.