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MGM CHINA HOLDINGS LIMITED
美高梅中國控股有限公司

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(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2282 and Debt Stock Codes: 6026, 6028, 40258, 40634)

VOLUNTARY ANNOUNCEMENT

UPDATES ON GAMING CONCESSION TENDERING PROCESS CAPITAL RESTRUCTURING

This announcement is made by the Company on a voluntary basis.

INTRODUCTION

References are made to the announcement of the Company dated September 14, 2022 in relation to the submission of a tender (the “**Tender**”) to the Macau Government for the New Gaming Concession by MGM Grand Paradise, a non-wholly owned subsidiary of the Company, the announcement of the Company dated November 27, 2022 in relation to a provisional award of the New Gaming Concession (the “**Provisional Award**”) by the Macau Government on November 26, 2022, the announcement of the Company dated September 9, 2022 in relation to the application for waiver from strict compliance with Rules 14.04(1)(a) and 14A.24(1) of the Listing Rules and the announcement of the Company dated August 21, 2022 in relation to the approval of the services agreement entered into between the Managing Director and MGM Grand Paradise following the Capital Restructuring (as defined below) (together, the “**Announcements**”). Unless otherwise defined herein, capitalized terms used but not defined in this announcement shall have the same meanings as those defined in the Announcements.

CHANGES IN SHARE CAPITAL STRUCTURE OF MGM GRAND PARADISE

Having received the Provisional Award from the Macau Government, under the Gaming Law and the Tender Regulation, among other requirements, MGM Grand Paradise is required to have a minimum capital of MOP5 billion (previously MOP200 million) and that the managing director be a Macau permanent resident holding at least 15% (previously 10%) of the capital in the concessionaire.

In order to comply with the Gaming Law and the Tender Regulation, the Company, the Managing Director and MGM Grand Paradise entered into the Contribution and Share Subscription Agreement on August 21, 2022, pursuant to which the Company agreed to conduct a capital restructuring (the “**Capital Restructuring**”) whereby (i) the Company agreed to inject MOP4.8 billion into MGM Grand Paradise; (ii) MGM Grand Paradise agreed to issue and allot 4,070,000 Class A Subscribed Shares to the Company at an aggregate subscription price of MOP4.07 billion and 730,000 Class B Subscribed Shares to the Company at an aggregate subscription price of MOP730 million (the “**Share Subscription**”), and the Company agreed to transfer 730,000 Class B Subscribed Shares to the Managing Director for MOP1 (the “**Transfer**”).

The Board announces that as of December 12, 2022, the Capital Restructuring has been effected upon the completion of the Share Subscription and the Transfer pursuant to the Contribution and Share Subscription Agreement. The Macau Government has approved the adoption of the amended articles of association of MGM Grand Paradise that accommodated the Share Subscription, the Transfer and the changes to the scope of powers conferred to the Managing Director.

Below is the shareholding structure of MGM Grand Paradise before and after the Capital Restructuring:

Parties	Before the	Percentage of	After the	Total	Percentage of
	Capital		Capital	registered	
	Restructuring	capital and	Restructuring	capital after	capital and
	Current	voting rights	Share	the Share	voting rights
	registered		Subscription	Subscription	
	capital		and the	and the	
	(MOP\$		Transfer	Transfer	
	million)		(MOP\$	(MOP\$	
			million)	million)	
Company	160.00	80.00%	4,070.00	4,230.00	84.60%
MGM Resorts					
International ¹	20.00	10.00%	0.00	20.00	0.40%
Managing					
Director ²	20.00	10.00%	730.00	750.00	15.00%
Total	200.00	100.00%	4,800.00	5,000.00	100%

GRANT OF WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

As MGM Grand Paradise is a connected subsidiary and the Managing Director is a connected person of the Company, each of the Share Subscription and the Transfer constitutes a connected transaction of the Company pursuant to Rule 14A.24(1) of the Listing Rules. The Share Subscription and the Transfer also constitute a major transaction and a discloseable transaction of the Company under Rule 14.04(1)(a) of the Listing Rules, respectively.

1 MGM Resorts International only holds Class B Subscribed Shares which entitle the holder only de minimis economic rights. The holder of class B shares will be entitled to receive a portion of any dividends and to share in the liquidation of the MGM Grand Paradise up to the maximum amount of MOP1 only.

2 The Managing Director only holds Class B Subscribed Shares which entitle the holder only de minimis economic rights. The holder of class B shares will be entitled to receive a portion of any dividends and to share in the liquidation of the MGM Grand Paradise up to the maximum amount of MOP1 only.

As disclosed in the Company's announcement dated September 9, 2022, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 14.04(1)(a) and 14A.24(1) of the Listing Rules in respect of the Share Subscription and the Transfer on the basis that:

1. the entering into of the Contribution and Share Subscription Agreement is to comply with the Gaming Law and prepare the Company and MGM Grand Paradise for submission of the Tender;
2. there is no leakage of economic interest in MGM Grand Paradise through the Share Subscription and/or the Transfer and the Managing Director will not have any direct economic interest in MGM Grand Paradise;
3. there is insufficient time for the Company to prepare accountants or property valuation reports required under the Listing Rules given the tight timing before the Tender submission deadline; and
4. it is commercially unrealistic to require the Managing Director to pay MOP 730 million for the class B shares to be held by her because there is no actual economic benefit conferred to the Managing Director through the Share Subscription and/or the Transfer.

INFORMATION ON THE PARTIES

The Company is the holding company of MGM Grand Paradise, one of the six companies authorised to operate casino games of fortune and other games of chance in casinos, under the terms of a sub-concession approved and authorized by the Macau Government and granted by SJM and has been granted the Provisional Award of the New Gaming Concession.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Macau Government are third parties independent of and not connected with the Company and its connected persons.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares 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
- “Class A Subscribed Shares” : the 4,070,000 class A shares issued by MGM Grand Paradise to the Company at an aggregate subscription price of MOP4.07 billion
- “Class B Subscribed Shares” : the 730,000 class B shares issued by MGM Grand Paradise to the Company at an aggregate subscription price of MOP730 million
- “Company” : MGM China Holdings Limited, a company incorporated in the Cayman Islands on July 2, 2010 as an exempted company with limited liability
- “Contribution and Share Subscription Agreement” : the contribution and share subscription agreement dated August 21, 2022 entered into between the Company, the Managing Director and MGM Grand Paradise in relation to the Share Subscription and the Transfer
- “Concession Contract” : the gaming concession contract for the operation of games to be entered between the Macau Government and the Company for a term of 10 years, commencing on January 1, 2023 and expiring on December 31, 2032
- “Directors” : the Director(s) of the Company
- “Gaming Law” : Macau Law No. 16/2001 (Legal Framework for the Operations of Games of Fortune and Chance in a Casino), as amended by Macau Law No. 7/2022
- “Group” : the Company and its subsidiaries
- “HK\$” : Hong Kong dollar(s), the lawful currency of Hong Kong

“Hong Kong”	:	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	:	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Macau”	:	the Macau Special Administrative Region of the People’s Republic of China
“Macau Government”	:	the government of Macau
“Managing Director”	:	the managing director of MGM Grand Paradise, namely Ms. Ho, Pansy Catilina Chiu King, a substantial Shareholder, the Co-chairperson and an executive Director of the Company
“MGM Grand Paradise Capital Restructuring”	:	means the arrangements in relation to the changes to the share capital of MGM Grand Paradise, as further described in the section titled “CHANGES IN SHARE CAPITAL STRUCTURE OF MGM GRAND PARADISE” of this announcement
“MGM Grand Paradise”	:	MGM Grand Paradise S.A., a private company limited by shares (“ sociedade anónima ”) incorporated on June 17, 2004 under the laws of Macau, one of three sub-concessionaires and one of a subsidiary of the Company
“New Gaming Concession”	:	the concession for the operation of games of fortune or chance or other games in casino in Macau, for a term of 10 years, effective from January 1, 2023, as the same may be extended from time to time in accordance with law, following the expiry of the current gaming sub-concession on December 31, 2022
“MOP”	:	Macau Pataca(s), the lawful currency of Macau
“Shareholder(s)”	:	holder(s) of the share(s) of the Company from time to time
“Stock Exchange”	:	the Stock Exchange of Hong Kong Limited

“Tender Regulation” : Macau Administrative Regulation No. 26/2001 (Regulation on Public Tender and Concession Contract for Games of Fortune and Chance in a Casino and the Suitability and Financial Capability of Tenderers and Concessionaires), as amended by Administrative Regulation No. 28/2022

By order of the Board
MGM China Holdings Limited
Antonio MENANO
Company Secretary

Hong Kong, December 12, 2022

As at the date of this announcement, our directors are William Joseph HORNBUCKLE, Pansy Catilina Chiu King HO, Chen Yau WONG and John M. MCMANUS as executive directors; Kenneth Xiaofeng FENG, Daniel J. TAYLOR, Ayesha Khanna MOLINO and Jonathan S. HALKYARD as non-executive directors; and Sze Wan Patricia LAM, Russell Francis BANHAM, Simon MENG and Chee Ming LIU as independent non-executive directors.