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

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美高梅中國控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2282)

**CONTINUING CONNECTED TRANSACTIONS
CONSULTANCY SERVICES AGREEMENT**

Continuing connected transactions — Consultancy Services Agreement

On January 13, 2021, MGMGP and Occasions entered into the Consultancy Services Agreement which sets out the principal framework upon which any member of the Occasions Group may provide Services to any member of the MGM Group from time to time, for a term commencing from January 13, 2021 and ending on December 31, 2023, subject to the annual caps as set out in this announcement.

Ms. Pansy Ho is the Co-Chairperson, Executive Director and a substantial shareholder of the Company and is therefore a connected person of the Company. Since September 2020, Ms. Pansy Ho indirectly holds 50% of the entire issued share capital of Occasions. Therefore, Occasions has become an associate of Ms. Pansy Ho and a connected person of the Company since September 2020. As a result, the transactions contemplated under the Consultancy Services Agreement will constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (other than the profits ratio) under Rule 14.07 of the Listing Rules in respect of the annual caps under the Consultancy Services Agreement are, on an annual basis, more than 0.1% but less than 5%, the continuing connected transactions contemplated thereunder are subject to reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS - CONSULTANCY SERVICES AGREEMENT

(I) INTRODUCTION

On January 13, 2021, MGMGP and Occasions entered into the Consultancy Services Agreement which sets out the principal framework upon which any member of the Occasions Group may provide Services to any member of the MGM Group from time to time, for a term commencing from January 13, 2021 and ending on December 31, 2023, subject to the annual caps as set out in this announcement.

(II) KEY TERMS

Key terms of the Consultancy Services Agreement are set out below:

Date: January 13, 2021

Parties: (1) MGMGP
(2) Occasions

Term: Commencing from January 13, 2021 and ending on December 31, 2023

Subject to the compliance with the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the Consultancy Services Agreement, it may be renewed for a three-year term (or such other period permitted under the Listing Rules) upon mutual agreement between the parties in writing.

Principal terms: Any member of the Occasions Group may provide Services to any member of the MGM Group from time to time.

Terms of each specific service are or will be further detailed separately in an agreement which may be constituted by the acceptance of a price quotation, sales order or any other written document and have been or will be determined after arm's length negotiations between the parties and by reference to prevailing market prices.

In respect of the existing Services being provided by the Occasions Group to the MGM Group, all terms and conditions as agreed by the parties in existing written agreements shall, unless stated otherwise, remain in full force and effect and subject to the terms of the Consultancy Services Agreement. Please refer to the section headed "Historical transactions" below for further details. Agreements entered into under the Consultancy Services Agreement will be in writing for a fixed term of not more than three years.

Transaction Caps: The aggregate billings payable during the Term by the MGM Group to the Occasions Group for the Services shall be limited to HK\$116 million, HK\$126 million and HK\$130 million for each of the period from January 13, 2021 to December 31, 2021 and the two years ending December 31, 2022 and 2023, respectively.

(III) HISTORICAL TRANSACTIONS

In accordance with the retainer agreement dated March 5, 2020, between Occasions and MGMGP, Occasions agreed to provide the following services to the Group: project management and client servicing and reporting; brand consultancy and marketing; public relations and media relations; KOL, celebrities and VIP customer relationship building; social media campaign creative and execution; new and current partnership, co-brand opportunities identification and collaboration (brands, tenants, art, retail space, restaurants, spectacle or theatre); campaign activations; retail marketing; casino marketing. The retainer agreement commenced on February 1, 2020, was valid up to December 31, 2020 and will be renewed for an additional period.

The MGM Group and the Occasions Group have entered into certain other agreements for determined Services with details of the service scope and fees determined after arm's length negotiations between the relevant member(s) of the MGM Group and the relevant member(s) of the Occasions Group by reference to prevailing market prices and on normal commercial terms.

(IV) ANNUAL CAPS

The annual caps for the continuing connected transactions contemplated under the Consultancy Services Agreement are HK\$116 million, HK\$126 million and HK\$130 million for each of the period from January 13, 2021 to December 31, 2021 and the two years ending December 31, 2022 and 2023, respectively.

The historical fees paid by the Group to the Occasions Group in respect of the Services were approximately HK\$33.4 million, HK\$28.2 million and HK\$5.7 million (unaudited) for each of the two years ended December 31, 2018 and 2019 and the eleven months ended November 30, 2020, respectively.

The MGM Group and the Occasions Group have entered into, and may continue to enter into, agreements with details of the service scope and fees determined/to be determined after arm's length negotiations between the relevant member(s) of the MGM Group and the relevant member(s) of the Occasions Group by reference to prevailing market prices and on normal commercial terms.

The annual caps under the Consultancy Services Agreement were determined by reference to, amongst others, (i) the historical fees paid by the Group to the Occasions Group in respect of the Services for the two years ended December 31, 2018 and 2019 and the eleven months ended November 30, 2020; and (ii) the anticipated much increased demand for the Services as a result of the expected market relaunch and the preparation of the concession renewal retender.

(V) REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE CONSULTANCY SERVICES AGREEMENT

Occasions is a comprehensive integrated communications group, with offices in Macau, Hong Kong, Beijing and Shanghai. It has an in-depth understanding of MGM's brand positioning, operation, business model, culture, management and team to devise appropriate brand strategies.

The terms of the Consultancy Services Agreement were determined after arm's length negotiations between the relevant parties. The Directors (including the independent non-executive Directors) consider that the entering into the Consultancy Services Agreement is in the ordinary and usual course of business of the MGM Group and on normal commercial terms, and that the terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(VI) IMPLICATIONS UNDER THE LISTING RULES

Ms. Pansy Ho is the Co-Chairperson, Executive Director and a substantial shareholder of the Company and is therefore a connected person of the Company. Since September 2020, Ms. Pansy Ho indirectly holds 50% of the entire issued share capital of Occasions. Therefore, Occasions has become an associate of Ms. Pansy Ho and a connected person of the Company since September 2020. As a result, the transactions contemplated under the Consultancy Services Agreement will constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (other than the profits ratio) under Rule 14.07 of the Listing Rules in respect of the annual caps under the Consultancy Services Agreement are, on an annual basis, more than 0.1% but less than 5%, the continuing connected transactions contemplated thereunder are subject to reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules. Appropriate disclosures will be made in the annual reports and accounts of the Company in accordance with the Listing Rules.

(VII) INFORMATION OF PARTIES

The Company

The Company is incorporated in the Cayman Islands with limited liability and its shares are listed on the Stock Exchange (stock code: 2282). The Company, through its principal subsidiary, MGMGP, is engaged 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 in Asia.

MGMGP

MGMGP is a private company limited by shares incorporated in Macau and is one of the subsidiaries of the Company. MGMGP is a casino gaming resort developer, owner and operator in the Greater China region holding a sub-concession for the operation of casino games in Macau.

Occasions

Occasions is a company incorporated in Hong Kong that provides public relations, marketing, performing artist sourcing and event management consultancy services. It has become an associate of Ms. Pansy Ho and a connected person of the Company since September 2020.

Ms. Pansy Ho

Ms. Pansy Ho holds directly and indirectly approximately 22.49% of the entire issued share capital of the Company and is a substantial shareholder of the Company. She is also the co-chairperson of the Company and an executive Director.

(VIII) GENERAL

By virtue of Ms. Pansy Ho's interests in Occasions as mentioned above, she is deemed to have a material interest in the Consultancy Services Agreement. Ms. Pansy Ho has thus abstained from voting on the relevant Board resolutions in respect of the Consultancy Services Agreement.

Save for the above, none of the Directors has a material interest in any of the abovementioned continuing connected transactions under the Consultancy Services Agreement.

(IX) DEFINITIONS

Unless the context requires otherwise, the following terms shall have the following meanings in this announcement:

“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	MGM China Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability, and the shares of which are listed on the Stock Exchange (stock code: 2282)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Consultancy Services Agreement”	the consultancy services agreement dated January 13, 2021 entered into between MGMGP and Occasions
“Director(s)”	the director(s) of the Company
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“MGM Group”	the Company and its subsidiaries
“MGMGP”	MGM Grand Paradise Limited, a company incorporated under the laws of Macau and a subsidiary of the Company
“Ms. Pansy Ho”	Ho, Pansy Catilina Chiu King, a substantial shareholder, the co-chairperson of the Company and an executive Director
“Occasions”	Occasions Asia Pacific Limited, is a company incorporated in Hong Kong that provides public relations, marketing, perform artist sourcing and event management consultancy services
“Occasions Group”	Occasions, its subsidiaries and/or its associated companies
“Services”	certain services to be provided by any member of Occasions Group to any member of MGM Group from time to time pursuant to the Consultancy Services Agreement, including project management and client servicing and reporting; brand consultancy and marketing; public relations and media relations; KOL, celebrities and VIP customer relationship building; social media campaign creative and execution; new and current partnership, co-brand opportunities identification and collaboration (brands, tenants, art, retail space, restaurants, spectacle or theatre); campaign activations; retail marketing; and casino marketing

“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto in the Listing Rules
“%”	per cent

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

Hong Kong, January 13, 2021

As at the date of this announcement, the Directors are William Joseph HORNBUCKLE, Pansy Catilina Chiu King HO, Chen Yau WONG and John M. MCMANUS as executive Directors, Kenneth Xiaofeng FENG, James Armin FREEMAN, Daniel J. TAYLOR and Ayesha Khanna MOLINO as non-executive Directors, and Zhe SUN, Sze Wan Patricia LAM, Russell Francis BANHAM and Simon MENG as independent non-executive Directors.