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Melco International Development Limited

(Incorporated in Hong Kong with limited liability)

Website : www.melco-group.com

(Stock Code : 200)

AWARD OF GAMING CONCESSION

<p>The Macau SAR has granted a ten-year concession to operate games of fortune and chance in casinos in Macau to Melco Resorts Macau.</p>

This announcement is made by Melco International Development Limited (the “**Company**”) under Rule 13.09(2) of the Listing Rules and the Inside Information Provisions of Part XIVA of the Securities and Future Ordinance.

Further to the Company’s announcement on 27 November 2022, Melco Resorts & Entertainment Limited (“**Melco Resorts**”), in its press release on 16 December 2022, announced that the government of the Macau Special Administrative Region of the People’s Republic of China (“**Macau SAR**”) has granted a ten-year concession to operate games of fortune and chance in casinos in Macau (“**Concession**”) to Melco Resorts (Macau) Limited (“**Melco Resorts Macau**” or “**Concessionaire**”), a subsidiary of Melco Resorts.

The Concession is granted by the Macau SAR to Melco Resorts Macau as the Concessionaire. The term of the Concession commences on 1 January 2023 and ends on 31 December 2032. Under the Concession, Melco Resorts Macau is authorised to operate the “Altira Casino”, the “City of Dreams Casino” and the “Studio City Casino” as well as the “Grand Dragon Casino” and the “Mocha Clubs”. The Macau SAR government has allocated 750 gaming tables and 2,100 electronic gaming machines for operation by the Concessionaire during the Concession.

Under the Concession, Melco Resorts Macau will pay an annual premium to the Macau SAR of MOP30,000,000 (equivalent to approximately HK\$29,400,000) plus a variable amount calculated in accordance with the number of gaming tables and electronic gaming machines operated by Melco Resorts Macau. The variable amount of the annual premium is MOP300,000 (equivalent to approximately HK\$294,000) for each gaming table reserved exclusively to certain kinds of games or players, MOP150,000 (equivalent to approximately HK\$147,000) for each gaming table not so exclusively reserved and MOP1,000 (equivalent to approximately HK\$980) for each electronic gaming machine, subject to a minimum annual payment of an amount required for the operation of 500 gaming tables and 1,000 electronic gaming machines. The Concession provides for the payment of special gaming tax on gross gaming revenue. Special gaming tax is currently payable at a rate of 35%. Contributions of 2% and 3% of gross gaming revenue is payable by the Concessionaire to a public fund, and to urban development, touristic promotion and social security, respectively. These contributions may be waived or reduced with respect to gross gaming revenue generated by foreign patrons under certain

circumstances. In addition, a special premium may be due by the Concessionaire in the event the average gross gaming revenue of the Concessionaire's gaming tables does not reach the annual minimum of MOP7,000,000 (equivalent to approximately HK\$6,860,000) and the average gross gaming revenue of the electronic gaming machines does not reach the annual minimum of MOP300,000 (equivalent to approximately HK\$294,000). The amount of the special premium is equivalent to the difference between the amount of the special gaming tax paid by the Concessionaire and the amount that would be paid under the annual minimum set average gross gaming revenue for gaming tables and electronic gaming machines.

Under the Concession, the registered share capital and net asset value of Melco Resorts Macau cannot be less than MOP5,000,000,000 (equivalent to approximately HK\$4,900,000,000) and, to guarantee its performance of certain of its legal and contractual obligations, including labour obligations, Melco Resorts Macau must maintain a guarantee issued by a Macau SAR bank in favour of the Macau SAR in the amount of MOP1,000,000,000 (equivalent to approximately HK\$980,000,000) until 180 days after the earlier of the expiration and termination of the Concession. The Concession requires that the managing director of Melco Resorts Macau must be a permanent resident of the Macau SAR and must hold at least 15% of the registered share capital of Melco Resorts Macau. Melco Resorts Macau is compliant with these requirements.

In connection with the Concession, Melco Resorts Macau has undertaken to carry out investment in the overall amount of MOP11,823,700,000 (equivalent to approximately HK\$11,587,226,000). The investment plan can include gaming and non-gaming related projects in the expansion of foreign market patrons, conventions and exhibitions, entertainment shows, sports events, art and culture, health and well-being, thematic entertainment, gastronomy, community and maritime tourism and others. Of the total investment amount referred to above, MOP10,008,000,000 (equivalent to approximately HK\$9,807,840,000) will be applied to non-gaming related projects, with the balance applied to gaming related projects.

The Concessionaire has undertaken to carry out incremental additional non-gaming investment in the amount of approximately 20% of its initial non-gaming investment, or MOP2,003,000,000 (equivalent to approximately HK\$1,962,940,000), in the event the Macau SAR annual gross gaming revenue reaches MOP180,000,000,000 (equivalent to approximately HK\$176,400,000,000) ("**Incremental Investment Trigger**"). This incremental investment amount is reduced to 16%, 12%, 8%, 4% of the initial non-gaming investment amount or nil, if the Incremental Investment Trigger occurs in year 6, year 7, year 8, year 9 or year 10 of the Concession, respectively.

Transfers of property and credit rights of Melco Resorts Macau exceeding MOP100,000,000 (equivalent to approximately HK\$98,000,000) and loan agreements or similar arrangements executed by Melco Resorts Macau as borrower or creditor equal to or exceeding that amount are each subject to approval by the Macau SAR government, except for those loan agreements related to credit granted for gaming purposes. The issue of debt securities by Melco Resorts Macau is also subject to approval by the Macau SAR government and the Concession prohibits the Concessionaire from being listed on a stock exchange. The Concession requires that prior notice be given to the Macau SAR government of financial decisions relating to the internal movement of funds of Melco Resorts Macau exceeding 50% of its registered capital, financial decisions relating to salaries, remuneration or benefits of employees, among others, exceeding 10% of its registered capital and other financial decisions exceeding 10% of its registered capital.

The Concession may be terminated by the Macau SAR government by mutual agreement with the Concessionaire, for breach of obligations by the Concessionaire, for reasons of public interest, by reason of threat to national security, or for lack of suitability of the Concessionaire.

In addition, the Macau SAR government may, from the eighth year of the Concession, redeem the Concession by notice to the Concessionaire at least one year in advance. Pursuant to such redemption, the Macau SAR government would assume all rights and obligations of the Concessionaire resulting from business legally and validly conducted by the Concessionaire before the date of the redemption notice and the Concessionaire would have a right to obtain reasonable and fair compensation under applicable Macau SAR law.

The Concession provides for Melco Resorts Macau's right to use the casino premises and related land for the purpose of operating games of chance under the Concession during the term of the Concession. On the termination or expiry of the Concession, the casino premises operated under the Concession and the gaming equipment would automatically revert to the Macau SAR without compensation.

The Company enthusiastically welcomes the grant of the Concession to Melco Resorts Macau, which will enable Melco Resorts Macau to continue its core gaming and entertainment business in the Macau SAR for the next decade. The directors of the Company believe that the terms of the Concession are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The full text of the Concession is available at the following links:

https://bo.io.gov.mo/bo/ii/2022/50/extractos_cn.asp#dsf4 (Chinese)

<https://bo.io.gov.mo/bo/ii/2022/50/extractos.asp#dsf4> (Portuguese)

General Information

Melco Resorts, a listed subsidiary of the Company with its American depository shares listed on the Nasdaq Global Select Market in the United States of America, is a developer, owner and operator of integrated resort facilities in Asia and Europe.

Melco Resorts Macau, a subsidiary of Melco Resorts, is one of six companies holding a concession or sub-concession to operate games of fortune and chance in casinos in Macau.

By Order of the Board of
Melco International Development Limited
Ho, Lawrence Yau Lung
Chairman and Chief Executive Officer

Hong Kong, 18 December 2022

Unless indicated otherwise, in this announcement, translations of quoted currency values are made on an approximate basis and at the rate of MOP 1.00 = HK\$0.98 for illustration purposes only.

As at the date of this announcement, the board of directors of the Company comprises three Executive Directors, namely Mr. Ho, Lawrence Yau Lung (Chairman and Chief Executive Officer), Mr. Evan Andrew Winkler (President and Managing Director) and Mr. Chung Yuk Man, Clarence; one Non-executive Director, namely Mr. Ng Ching Wo; and three Independent Non-executive Directors, namely Mr. John William Crawford, Mr. Tsui Che Yin, Frank and Ms. Karuna Evelyne Shinsho.