

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

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 and Debt Stock Codes: 6026, 6028, 40258, 40634)

INSIDE INFORMATION

REVERSION OF CASINO AREAS AND RELEVANT GAMING EQUIPMENT

This announcement is issued by MGM China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2)(a) and 37.47B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

Reference is made to the announcement of the Company dated December 18, 2022 in relation to the formal award of gaming concession from the government of Macau Special Administrative Region of the People’s Republic of China (“**Macau**”) to MGM Grand Paradise S.A. (“**MGM Grand Paradise**”), a non-wholly-owned subsidiary of the Company pursuant to the gaming concession contract entered into with the Macau government dated December 16, 2022 (the “**Gaming Concession Contract**”).

PROPERTY TRANSFER AGREEMENTS

The board (“**Board**”) of the directors (“**Directors**”) of the Company announces that, on December 30, 2022 (after trading hours), MGM Grand Paradise entered into the property transfer agreements (the “**Property Transfer Agreements**”) with the Macau government, pursuant to which:

- (i) MGM Grand Paradise will revert the casino areas (the “**Casino Areas**”) in the integrated casino, hotel and entertainment resorts in each of the Macau peninsula (“**MGM Macau**”) and Cotai (“**MGM Cotai**”) owned by MGM Grand Paradise as designated by the Gaming Inspection and Coordination Bureau of Macau and the relevant gaming equipment to the Macau government without compensation and free of encumbrance on December 31, 2022 pursuant to the Macau Law No. 16/2001 (the “**Macau Gaming Law**”), as amended by Law No. 7/2022 and the gaming sub-concession contract approved and authorized by the Macau government and granted by SJM Resorts, S.A. on April 19, 2005; and
- (ii) upon the above reversion of the Casino Areas and the relevant gaming equipment to the Macau government, the Macau government has agreed to the transfer of the Casino Areas and the relevant gaming equipment back to MGM Grand Paradise for use of its operation of games of chance or other games in MGM Macau and MGM Cotai beginning on January 1, 2023 and expiring upon the expiration of the Gaming Concession Contract. MGM Grand Paradise will pay the Macau government an annual amount calculated based on: (i) MOP750 (equivalent to approximately HK\$728) per square meter of the Casino Areas for the first year payable in March 2023, as adjusted annually in accordance with the average price index in Macau pursuant to the Macau Gaming Law for the second and third year payable in March 2024 and March 2025, respectively; and (ii) MOP2,500 (equivalent to approximately HK\$2,427) per square meter of the Casino Areas for the fourth year in March 2026, as adjusted annually for the remaining years payable in March each year in accordance with the average price index in Macau pursuant to the Macau Gaming Law.

REASONS FOR AND BENEFITS OF THE PROPERTY TRANSFER AGREEMENTS

The entering into of the Property Transfer Agreements allows the Group to use the Casino Areas and the relevant gaming equipment related to its operation of games of chance or other games in MGM Macau and MGM Cotai, the two integrated destination casino resorts of the Group, during the term of the Gaming Concession Contract. The Board considers that the terms of the Property Transfer Agreements are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE PARTIES TO THE PROPERTY TRANSFER AGREEMENTS

The Company, through MGM Grand Paradise, is a developer, owner and operator of destination casino resorts in Macau. MGM Grand Paradise currently owns and operates MGM Macau and MGM Cotai. MGM Grand Paradise is the land concessionaire of MGM Macau and MGM Cotai.

The Macau government, which is the local government of Macau, was established on December 20, 1999.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Macau government is a third party 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.

For the purpose of this announcement, amounts in MOP are converted to HK\$ at the conversion rates of MOP1.03 = HK\$1.00 for illustration only. No representation was made that any amounts in MOP could have been or could be converted into HK\$ at such rate or any other rates.

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

Hong Kong, December 30, 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.