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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 and Debt Stock Codes: 6028, 40258, 40634, 5036)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED DECEMBER 31, 2024

The Board of MGM China Holdings Limited (the “Company”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the “Group”) for the year ended December 31, 2024 as follows:

FINANCIAL HIGHLIGHTS

	For the year ended	
	December 31	
	2024	2023
	HK\$'000	HK\$'000
Casino revenue	27,282,911	21,821,840
Other revenue	4,104,244	2,862,370
Operating revenue	31,387,155	24,684,210
Adjusted EBITDA (unaudited)	9,058,637	7,235,246
Operating profit	6,156,404	4,547,486
Profit for the year attributable to owners of the Company	4,603,408	2,638,304
Earnings per Share		
— Basic	HK121.1 cents	HK69.4 cents
— Diluted	HK120.6 cents	HK69.2 cents

Profit attributable to owners of the Company increased from HK\$2,638.3 million for the year ended December 31, 2023 to HK\$4,603.4 million for the year ended December 31, 2024. This increase was attributable to the improved financial performance of the Group primarily due to the continued ramp up of operations after the relaxation of COVID-19 related travel restrictions to Macau beginning in late 2022.

DIVIDENDS

In accordance with the dividend policy announced by the Company on February 28, 2013, as updated on March 20, 2025, the semi-annual dividends, may not, in aggregate, exceed more than 50% of the anticipated consolidated annual profits in any one year. The Company may also declare special distributions from time to time in addition to the semi-annual dividends. The Board recommends a final dividend of HK\$0.251 per Share (the “Final Dividend”), amounting to approximately HK\$953.8 million in aggregate for the year ended December 31, 2024, representing approximately 20.7% of the Group’s profit attributable to owners of the Company for the year ended December 31, 2024. This Final Dividend is expected to be paid on or about June 12, 2025 to the Shareholders whose names would appear on the register of members on June 3, 2025.

The Board has resolved to recommend the payment of the Final Dividend after consideration of the Group’s latest general financial position, existing cash flow, capital requirements going forward and other factors that the Board considered relevant, and determined that the Group has sufficient resources, after the payment of the Final Dividend, subject to the Shareholders’ approval, to finance its operations, development of its business, and investment commitments made by MGM Grand Paradise S.A. to the Macau Government under its Macau gaming concession.

The Directors consider that the recommendation and proposed payment of Final Dividend is in the interests of the Company and the Stakeholders as a whole. The Final Dividend should not be taken as an indication of the level of profit or dividend going forward.

On August 29, 2024, the Board declared a special dividend of HK\$0.353 per Share, amounting to HK\$1,341.9 million in aggregate, which was paid to Shareholders on October 4, 2024.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the year ended December 31	
		2024	2023
	<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Operating revenue	4	31,387,155	24,684,210
OPERATING COSTS AND EXPENSES			
Gaming taxes and levies		(13,874,497)	(10,809,256)
Inventories consumed		(1,128,737)	(787,777)
Staff costs		(4,698,731)	(3,957,777)
Loss allowance on trade receivables, net		(50,821)	(39,212)
Other expenses and losses	5	(3,623,787)	(2,656,599)
Depreciation and amortization		(1,854,178)	(1,886,103)
		(25,230,751)	(20,136,724)
Operating profit		6,156,404	4,547,486
Interest income		75,204	83,020
Finance costs	6	(1,656,907)	(1,913,522)
Net foreign currency gain/(loss)		88,831	(31,945)
Profit before tax		4,663,532	2,685,039
Income tax expense	7	(60,124)	(46,735)
Profit for the year attributable to owners of the Company		<u>4,603,408</u>	<u>2,638,304</u>
Other comprehensive loss:			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of foreign operations		(3,112)	(1,623)
Total comprehensive income for the year attributable to owners of the Company		<u>4,600,296</u>	<u>2,636,681</u>
Earnings per Share — Basic	9	<u>HK121.1 cents</u>	<u>HK69.4 cents</u>
Earnings per Share — Diluted	9	<u>HK120.6 cents</u>	<u>HK69.2 cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At December 31	
		2024	2023
	NOTES	HK\$'000	HK\$'000
ASSETS			
Non-current assets			
Property and equipment		20,233,310	20,394,577
Right-of-use assets		1,189,338	1,191,161
Gaming concession right	10	1,414,428	1,591,232
Show production costs		442,398	125,344
Other assets		18,629	1,497
Prepayments, deposits and other receivables		67,274	54,889
Pledged bank deposits		680,000	680,000
Total non-current assets		24,045,377	24,038,700
Current assets			
Inventories		216,694	188,153
Trade receivables	11	825,165	594,473
Prepayments, deposits and other receivables		191,672	120,606
Amounts due from related companies		9,300	7,386
Cash and cash equivalents		5,315,440	4,231,986
Total current assets		6,558,271	5,142,604
TOTAL ASSETS		30,603,648	29,181,304

		At December 31	
		2024	2023
NOTES		HK\$'000	HK\$'000
EQUITY			
Capital and reserves			
		3,800,000	3,800,000
		(3,272,473)	(5,127,220)
TOTAL EQUITY/(DEFICIT)		527,527	(1,327,220)
LIABILITIES			
Non-current liabilities			
	12	19,041,640	18,248,369
		173,941	168,362
	13	130,611	59,107
	10	1,609,907	1,672,696
		—	29,940
Total non-current liabilities		20,956,099	20,178,474
Current liabilities			
	12	3,878,299	5,850,362
		56,098	30,756
	13	4,959,021	4,294,707
	10	61,488	54,868
		105,441	53,197
		59,675	46,160
Total current liabilities		9,120,022	10,330,050
TOTAL LIABILITIES		30,076,121	30,508,524
TOTAL EQUITY AND LIABILITIES		30,603,648	29,181,304

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

MGM China Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability on July 2, 2010. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are the operation of casino games of chance and the related hotel and resort facilities, and the development of integrated resorts in Macau. The Group owns and operates MGM MACAU and MGM COTAI which opened on December 18, 2007 and February 13, 2018, respectively. The Company’s Shares were listed on the Hong Kong Stock Exchange on June 3, 2011. The Company’s immediate holding company is MGM Resorts International Holdings, Ltd., a company incorporated in the Isle of Man. The Company’s ultimate holding company is MGM Resorts International, a company incorporated in Delaware, the United States of America, which is listed on the New York Stock Exchange. The address of the registered office of the Company is Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands and its principal place of business is Avenida Dr. Sun Yat Sen, Edificio MGM MACAU, NAPE, Macau.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards on the historical cost basis of accounting. Historical cost is generally based upon fair value of the consideration given in exchange for goods and services. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and the Hong Kong Companies Ordinance. The consolidated financial statements are presented in HK\$, which is the functional currency of the Company and its subsidiaries.

Prior year comparatives of other assets amounting to HK\$125.3 million were separately presented as show production costs to conform with the current year’s presentation.

As at December 31, 2024, the Group had a net current liability of HK\$2,561.8 million (December 31, 2023: net current liability of HK\$5,187.4 million) as the final maturity date of one tranche of the unsecured senior note indebtedness is June 18, 2025 (refer Note 12) which falls due within twelve months from the end of the reporting period. The Group had total cash and cash equivalents of HK\$5,315.4 million as at December 31, 2024 (December 31, 2023: HK\$4,232.0 million), and access to approximately HK\$11,890 million of available undrawn credit facilities under its Unsecured Credit Facilities. Given the Group’s liquidity position as at December 31, 2024 and estimated cash flows for the twelve months ending December 31, 2025, the Group believes it is able to meet its financial obligations as they fall due for the twelve months from the end of the reporting period.

Application of new and amendments to IFRS Accounting Standards

In the current year, the Group has applied the following amendments to IFRS Accounting Standards which are effective for the Group's annual period beginning on January 1, 2024:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current (the "2020 Amendments")
Amendments to IAS 1	Non-current Liabilities with Covenants (the "2022 Amendments")
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

Except as described below, the application of the above amendments to IFRS Accounting Standards in the current year has had no material effect on the amounts reported and/or disclosures set out in these consolidated financial statements.

Impacts on application of the 2020 Amendments and the 2022 Amendments

The 2020 and 2022 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current. The Amendments specify that the classification should be based on rights that are in existence at the end of the reporting period and the classification should not be affected by management intentions or expectations to settle the liability within 12 months. Only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date and future covenants do not affect the classification of a liability as current or non-current at the reporting date.

The Group's right to defer settlement for borrowings under the Unsecured Credit Facilities of HK\$3.7 billion as at December 31, 2024 is subject to compliance with certain financial covenants which apply only after the reporting period as described in Note 12. Upon the application of the 2020 and 2022 Amendments, such borrowings are classified as non-current as the final maturity date of the Unsecured Credit Facilities is May 15, 2026 and the Group has complied with the general covenants for the year ended December 31, 2024.

3. SEGMENT INFORMATION

The Group has determined its operating segments based upon the reports reviewed by the chief operating decision-maker when allocating resources and assessing performance of the Group.

The Group's principal operating activities occur in Macau, which is the primary geographic area in which the Group is domiciled. The Group reviews the results of operations for each of its properties being MGM MACAU and MGM COTAI. Each of the properties derives its revenue primarily from casino, hotel rooms, food and beverage and retail operations. MGM MACAU and MGM COTAI have been aggregated into one reportable segment on the basis that they have similar economic characteristics, customers, services and products provided, and the regulatory environment in which they operate.

Adjusted EBITDA is considered to be the primary profit measure for the reportable segment. Adjusted EBITDA is profit before finance costs, income tax expense, depreciation and amortization, loss on disposal/write-off of property and equipment and other assets, interest income, net foreign currency difference, share-based payments, pre-opening costs and corporate expenses which mainly include administrative expenses of the corporate office and license fee paid to a related company.

The following table presents the reconciliation of the adjusted EBITDA of the Group's reportable segment to profit for the year attributable to owners of the Company:

	2024	2023
	HK\$'000	HK\$'000
Adjusted EBITDA (unaudited)	9,058,637	7,235,246
Share-based payments	(61,862)	(49,147)
Corporate expenses (unaudited)	(881,731)	(731,141)
Pre-opening costs (unaudited)	(49,669)	—
Loss on disposal/write-off of property and equipment and other assets	(54,793)	(21,369)
Depreciation and amortization	(1,854,178)	(1,886,103)
Operating profit	6,156,404	4,547,486
Interest income	75,204	83,020
Finance costs	(1,656,907)	(1,913,522)
Net foreign currency gain/(loss)	88,831	(31,945)
Profit before tax	4,663,532	2,685,039
Income tax expense	(60,124)	(46,735)
Profit for the year attributable to owners of the Company	4,603,408	2,638,304

Almost all of the non-current assets of the Group are located in Macau.

4. OPERATING REVENUE

Operating revenue comprises:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Casino	27,282,911	21,821,840
Food and beverage	2,074,357	1,265,216
Hotel rooms	1,699,749	1,386,245
Retail and other	330,138	210,909
	<u>31,387,155</u>	<u>24,684,210</u>

5. OTHER EXPENSES AND LOSSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Advertising and promotion	1,694,367	1,040,056
License fee	549,275	431,974
Other support services	387,014	337,823
Repairs and maintenance	310,387	273,218
Utilities and fuel	272,321	261,655
Loss on disposal/write-off of property and equipment and other assets	54,793	21,369
Auditor's remuneration	10,019	11,845
Other	345,611	278,659
	<u>3,623,787</u>	<u>2,656,599</u>

6. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on unsecured senior notes	1,086,177	1,144,723
Interest on unsecured credit facilities	275,605	436,107
Interest on gaming concession right payable	129,886	133,331
Amortization of debt finance costs	125,501	118,175
Interest on lease liabilities	14,249	12,223
Standby charges on MGM Resorts International Revolving Credit Facility	13,026	59,461
Bank fees, charges and other	12,463	9,502
	<u>1,656,907</u>	<u>1,913,522</u>
Total finance costs	<u>1,656,907</u>	<u>1,913,522</u>

7. INCOME TAX EXPENSE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current income tax expense:		
Payment in lieu of Macau Complementary Tax on dividends	59,288	45,990
Mainland China Income Tax	840	709
Hong Kong Profit Tax	—	36
Over provision in prior year	(4)	—
	<u>60,124</u>	<u>46,735</u>
Income tax expense	<u>60,124</u>	<u>46,735</u>

On March 30, 2023, MGM Grand Paradise applied for exemption from Macau Complementary Tax for profits generated from gaming operations for the term of the Concession from January 1, 2023 to December 31, 2032. Pursuant to the approval notice 19/2024 issued by the Macau Government dated January 29, 2024, this exemption was granted for the period from January 1, 2023 to December 31, 2027. MGM Grand Paradise's non-gaming profit and the Group's other subsidiaries that carry on business in Macau remain subject to Macau Complementary Tax, which is calculated at progressive rates up to a maximum of 12% of the estimated assessable profit for the current and prior years.

The Company is subject to Macau Complementary Tax at a progressive rate of up to a maximum of 12% on dividends it receives from MGM Grand Paradise. However, in February 2024, MGM Grand Paradise finalized a tax concession arrangement with the Macau Government for the years ended/ending December 31, 2023 to December 31, 2025, which requires MGM Grand Paradise to make annual payment based on a pre-determined rate in lieu of Macau Complementary Tax otherwise payable by the shareholders of MGM Grand Paradise on dividend distributions received by them from gaming profit. The amount for the year ended December 31, 2024 is approximately MOP61.1 million (equivalent to approximately HK\$59.3 million) (2023: MOP47.4 million, equivalent to approximately HK\$46.0 million). Such tax payments were required regardless of whether dividends were actually distributed or whether MGM Grand Paradise had distributable profits in the relevant years.

Hong Kong Profits Tax is calculated at the maximum rate of 16.5% of the estimated assessable profit for the current and prior years. Taxation assessable on profit generated in mainland China has been provided at the rates of taxation prevailing in the areas in which those profit arose ranging from 15% to 20%.

8. DIVIDENDS

On March 21, 2024, a special dividend of HK\$0.104 per Share was declared by the Directors of the Company. The special dividend amounting to HK\$395.3 million in aggregate, was paid to Shareholders on April 23, 2024.

On May 31, 2024, a final dividend of HK\$0.243 per Share for the year ended December 31, 2023, was approved by the Shareholders of the Company. The final dividend amounting to HK\$924.3 million in aggregate was paid to Shareholders on June 20, 2024.

The Board did not recommend an interim dividend payment for the six months ended June 30, 2024.

On August 29, 2024, a special dividend of HK\$0.353 per Share was declared by the Directors of the Company. The special dividend amounting to HK\$1,341.9 million in aggregate was paid to Shareholders on October 4, 2024.

On March 20, 2025, a final dividend of HK\$0.251 per Share, amounting to approximately HK\$953.8 million in aggregate for the year ended December 31, 2024, has been recommended by the Directors of the Company and is subject to approval by the Shareholders of the Company in the forthcoming annual general meeting.

9. EARNINGS PER SHARE

The calculation of basic and diluted earnings per Share is based upon the following:

	2024	2023
Profit		
Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per Share (HK\$'000)	<u>4,603,408</u>	<u>2,638,304</u>
Weighted average number of Shares		
Weighted average number of Shares for the purpose of basic earnings per Share ('000) ⁽¹⁾	3,801,202	3,800,245
Number of dilutive potential Shares arising from exercise of share options and vesting of restricted stock units ('000)	<u>17,013</u>	<u>12,792</u>
Weighted average number of Shares for the purpose of diluted earnings per Share ('000)	<u>3,818,215</u>	<u>3,813,037</u>
Earnings per Share — Basic	<u>HK121.1 cents</u>	<u>HK69.4 cents</u>
Earnings per Share — Diluted	<u>HK120.6 cents</u>	<u>HK69.2 cents</u>

- ⁽¹⁾ The weighted average number of Shares for the year ended December 31, 2024 and 2023 excludes Shares repurchased and Shares held under the Trust for the Restricted Stock Unit Plan.

10. GAMING CONCESSION

Pursuant to the Concession Contract signed with the Macau Government for the 10-year period ending on December 31, 2032, MGM Grand Paradise shall pay the Macau Government the following contributions:

- i) a fixed annual premium of MOP30.0 million (equivalent to approximately HK\$29.1 million).
- ii) a variable premium depending upon the type and the number of gaming tables and electric or mechanical gaming machines, including slot machines that the Group operates. The variable premium is calculated as follows:
 - MOP300,000 (equivalent to approximately HK\$291,262) per annum per gaming table reserved to certain games and players, including gaming tables in special gaming rooms or special gaming areas;
 - MOP150,000 (equivalent to approximately HK\$145,631) per annum per gaming table not reserved to certain games and players; and
 - MOP1,000 (equivalent to approximately HK\$971) per annum per electric or mechanical gaming machines, including slot machines.

The variable premium shall not be less than the amount payable with respect to the operation of 500 gaming tables and 1,000 electric or mechanical gaming machines, including slot machines.

- iii) an annual amount of approximately MOP44.5 million (equivalent to approximately HK\$43.2 million) for the first three years and an annual amount of MOP148.4 million (equivalent to approximately HK\$144.1 million) for the remaining years 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.

The minimum future payments described above represent in-substance consideration for the Concession Contract for the right to conduct gaming activities and are not tied to casino revenue generated by future operations.

Movement of the intangible asset recognized is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Carrying amount at January 1	1,591,232	—
Additions	—	1,768,036
Amortization	<u>(176,804)</u>	<u>(176,804)</u>
Carrying amount at December 31	<u><u>1,414,428</u></u>	<u><u>1,591,232</u></u>

11. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	1,050,397	824,187
Less: Loss allowance	<u>(225,232)</u>	<u>(229,714)</u>
	<u><u>825,165</u></u>	<u><u>594,473</u></u>

Trade receivables mainly consist of casino receivables. During the year ended December 31, 2024, the Group issued markers and credit to approved gaming customers (“VIP gaming customers”) and gaming promoters following background checks and assessments of creditworthiness. The Group generally allows a credit period up to 28 days to VIP gaming customers and 30 days on issuance of markers to gaming promoters. Effective from August 1, 2024 with the adoption of the New Gaming Credit Law (Law 7/2024), the Company discontinued the credit operations with gaming promoters.

Trade receivables are unsecured and non-interest bearing.

Trade receivables from hotel customers are not significant at the end of the reporting period.

As at January 1, 2023, trade receivables from contracts with customers amounted to HK\$239.5 million.

The following is an analysis of trade receivables, net of loss allowance, by age presented based upon marker issuance date or invoice date:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	306,800	336,674
31 — 90 days	265,577	81,250
91 — 180 days	100,728	99,567
Over 180 days	152,060	76,982
	<u>825,165</u>	<u>594,473</u>

12. BORROWINGS

At December 31, 2024, the Group's unsecured borrowings included senior notes and credit facilities.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Unsecured senior notes payable due:		
Within a period not exceeding one year	3,884,275	5,857,800
Within a period of more than one year but not exceeding two years	5,826,413	3,905,200
Within a period of more than two years but not exceeding five years	5,826,413	11,715,600
Within a period of more than five years	3,884,275	—
	<u>19,421,376</u>	<u>21,478,600</u>
Less: Debt finance costs	(107,683)	(104,261)
	<u>19,313,693</u>	<u>21,374,339</u>

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Unsecured credit facilities payable:		
Within a period of more than one year but not exceeding two years	3,710,000	—
Within a period of more than two years but not exceeding five years	—	2,900,000
	<u>3,710,000</u>	<u>2,900,000</u>
Less: Debt finance costs	<u>(103,754)</u>	<u>(175,608)</u>
	<u><u>3,606,246</u></u>	<u><u>2,724,392</u></u>
 The Group's borrowings are classified as:		
Current	3,878,299	5,850,362
Non-current	<u>19,041,640</u>	<u>18,248,369</u>
	<u><u>22,919,939</u></u>	<u><u>24,098,731</u></u>

Unsecured Senior Notes

On May 16, 2019, the Company issued two series of senior unsecured notes with an aggregate principal amount of US\$1.50 billion, consisting of US\$750 million of 5.375% senior notes due May 15, 2024 and US\$750 million of 5.875% senior notes due May 15, 2026. The net proceeds from the issuance were used to repay a portion of amounts outstanding under the Senior Secured Credit Facility and for general corporate purposes. Interest on the 2024 Notes and 2026 Notes is payable semi-annually in arrears on each May 15 and November 15, commencing on November 15, 2019. On May 15, 2024, the 2024 Notes and all accrued and unpaid interest were repaid in full.

On June 18, 2020, the Company issued 5.25% senior notes with an aggregate principal amount of US\$500 million due June 18, 2025. The net proceeds from the issuance were used to repay a portion of amounts outstanding under the Revolving Credit Facility and for general corporate purposes. Interest on the 2025 Notes is payable semi-annually in arrears on each June 18 and December 18, commencing on December 18, 2020.

On March 31, 2021, the Company issued 4.75% senior notes with an aggregate principal amount of US\$750 million due February 1, 2027. The net proceeds from the issuance were used to repay a portion of amounts outstanding under the Revolving Credit Facility and for general corporate purposes. Interest on the 2027 Notes is payable semi-annually in arrears on each February 1 and August 1, commencing on February 1, 2022.

On June 26, 2024, the Company issued 7.125% senior notes with an aggregate principal amount of US\$500 million due June 26, 2031. The net proceeds from the issuance were used to repay a portion of amounts outstanding under the Amended Revolving Credit Facility. Interest on the 2031 Notes is payable semi-annually in arrears on each June 26 and December 26, commencing on December 26, 2024.

The 2024 Notes and the 2026 Notes were issued pursuant to an indenture, dated May 16, 2019, between the Company and U.S. Bank National Association, as trustee. The 2025 Notes, the 2027 Notes and the 2031 Notes were issued pursuant to an indenture, dated June 18, 2020, March 31, 2021 and June 26, 2024, respectively, between the Company and Wilmington Savings Fund Society, FSB, as trustee.

The Unsecured Senior Notes are general unsecured obligations of the Company. The Unsecured Senior Notes rank equally in right of payment with all of the Company's existing and future unsecured senior indebtedness. The Unsecured Senior Notes are subordinated to all of the Company's future secured indebtedness, if any, to the extent of the value of the collateral securing any such debt and rank senior to all of the Company's future subordinated indebtedness, if any. None of the Company's subsidiaries have guaranteed the Unsecured Senior Notes.

The Unsecured Senior Notes contain covenants that limit the ability of the Company to, among other things, whether directly or indirectly, (1) consolidate or merge with or into another entity; or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company and its subsidiaries.

The Unsecured Senior Notes provide for certain events of default, including certain insolvency related proceedings relating to the Group. If the Company experiences a change of control and a ratings event, each holder of the Unsecured Senior Notes will have the right to require the Company to repurchase all or any part of that holder's Unsecured Senior Notes at 101% of their principal amount plus accrued and unpaid interest, if any, but not including the date of such repurchase in accordance with the terms of the Indentures. The circumstances that will constitute a change of control include the occurrence of any of the following: (1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its subsidiaries, taken as a whole, to any "person" (as that term is used in Section 13(d)(3) of the United States Securities Exchange Act of 1934, as amended), other than to MGM Resorts International or a related party thereof as described in the Indentures; (2) the adoption of a plan relating to the liquidation or dissolution of the Company or any successor thereto; (3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as that term is used in Section 13(d)(3) of the United States Securities Exchange Act of 1934, as amended), other than MGM Resorts International and any of its related parties (as described in the Indentures) becomes the beneficial owner, directly or indirectly, of more than 50% of the outstanding voting stock of the Company, measured by voting power rather than number of equity interests; or (4) the first day on which the Company ceases to own, directly or indirectly, at least 60% of the outstanding equity interests of (and at least a 60% economic interest in) MGM Grand Paradise.

Under the Indentures, certain events relating to the loss, termination, rescission, revocation or modification of the Group's gaming license in Macau, where such events have a material adverse effect on the financial condition, business, properties, or results of operations of the Group, taken as a whole, may result in a special put option triggering event. If the special put option triggering event occurs, each holder of the Unsecured Senior Notes will have the right to require the Group to repurchase all or any part of such holder's Unsecured Senior Notes at a purchase price in cash equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, and Additional Amounts (as defined in the Indentures), if any, calculated up to, but not including, the date of repurchase. Within ten days following the occurrence of a special put option triggering event, the Company shall mail a notice to each holder of the Unsecured Senior Notes stating the repurchase date which shall be no earlier than ten days nor later than sixty days from the date such notice is mailed.

As at the date of this announcement, the Company has no secured indebtedness and no subordinated indebtedness.

Unsecured Credit Facilities

Overview

On August 12, 2019, the Company entered into agreements with certain lenders pursuant to which the lenders agreed to make available to the Company an unsecured revolving credit facility in an aggregate amount of HK\$9.75 billion with a final maturity date on May 15, 2024. The Revolving Credit Facility became effective on August 14, 2019. The proceeds of the Revolving Credit Facility were used to repay a portion of amounts outstanding under the Senior Secured Credit Facility, ongoing working capital needs and general corporate purposes of the Group.

On May 26, 2020, the Company entered into agreements with certain lenders pursuant to which the lenders agreed to make available to the Company a second unsecured revolving credit facility in an aggregate amount of HK\$2.34 billion with a final maturity date of May 15, 2024. The Company has the option to increase the amount of the facility up to HK\$3.9 billion subject to certain conditions. The Second Revolving Credit Facility is available for drawdown from the date of the agreement to and including the date falling one month prior to the final maturity date, subject to satisfaction of conditions precedent, including evidence that the Revolving Credit Facility (in an aggregate amount of HK\$9.75 billion) has been fully drawn. The proceeds of the Second Revolving Credit Facility are used for ongoing working capital needs and general corporate purposes of the Group. On June 29, 2020, the Company increased the available credit facilities of the Second Revolving Credit Facility by HK\$780 million to HK\$3.12 billion.

On June 30, 2023, the Company entered into amendments of the Revolving Credit Facility and the Second Revolving Credit Facility which extended the final maturity date from May 15, 2024 to May 15, 2026.

Under the Amended Second Revolving Credit Facility, the Company's option to increase the amount of the facility was amended on June 30, 2023 to HK\$5.85 billion subject to certain conditions. In addition, among the conditions precedent documents required for the purpose of requesting a loan, evidence that the Revolving Credit Facility has been fully drawn will no longer be required under the Amended Second Revolving Credit Facility. During the year ended December 31, 2023, the Company increased the available credit facilities of the Amended Second Revolving Credit Facility by HK\$1.48 billion to HK\$4.60 billion and during the year ended December 31, 2024, the Company increased the remaining available undrawn credit facilities of the Amended Second Revolving Credit Facility to HK\$5.85 billion.

As at December 31, 2024, HK\$11.89 billion (2023: HK\$11.45 billion) of the Unsecured Credit Facilities was undrawn and available for utilization.

Principal and Interest

The Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility bear interest at a floating rate per annum based on HIBOR plus a margin (in the range of 1.625% to 2.75%), which will be determined based upon the Company's leverage ratio.

As at December 31, 2024, HK\$3.71 billion of the Amended Revolving Credit Facility was drawn. HK\$6.04 billion of the Amended Revolving Credit Facility and HK\$5.85 billion of the Amended Second Revolving Credit Facility was undrawn and available for utilization up to and including the date falling one month prior to the final maturity date, on May 15, 2026. Each drawdown is to be repaid in full no later than May 15, 2026. As at December 31, 2024, the Group paid interest at HIBOR plus 2.00% per annum (2023: HIBOR plus 2.75% per annum).

General Covenants

The Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility contain general covenants restricting the ability of the obligor group (the Company and certain of its subsidiaries, namely the "Restricted Group") from incurring liens or engaging in certain asset dispositions. With the approval of the lenders there are certain permitted exceptions to these restrictions.

Financial Covenants

The leverage ratio under the Revolving Credit Facility was required to be no greater than 4.5 to 1.0 at each quarter end. In addition, the Group was required to maintain an interest coverage ratio of no less than 2.5 to 1.0 at each quarter end. Under the Second Revolving Credit Facility, the Company was to ensure that the leverage ratio does not, on each accounting date occurring on and after September 30, 2021, exceed 4.50 to 1.00. In addition, the Company was to ensure that, on any accounting date occurring on and after September 30, 2021, the interest coverage ratio was not less than 2.50 to 1.

Due to the impact of the COVID-19 pandemic, the Company entered into a number of amendments between the year 2020 and the year 2022 to provide a waiver of its financial covenants under the Revolving Credit Facility and the Second Revolving Credit Facility.

The financial covenants were further amended under the Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility on June 30, 2023 to cover the extended maturity period which waived the financial covenants from each quarter ended on and after March 31, 2023 through December 31, 2024.

Subsequent to the execution of the amendments referred to above, the permitted leverage ratio and the permitted interest coverage ratio under the Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility are as follows:

Accounting Date	Interest Coverage Ratio	Leverage Ratio
Each quarter ended on and after March 31, 2023 through December 31, 2024	Not Applicable	Not Applicable
March 31, 2025	2.50:1.00	5.50:1.00
June 30, 2025	2.50:1.00	5.25:1.00
September 30, 2025	2.50:1.00	5.00:1.00
December 31, 2025	2.50:1.00	4.75:1.00
March 31, 2026	2.50:1.00	4.50:1.00

Compliance with Covenants

The Group has complied with the general covenants under the Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility for the year ended December 31, 2024.

Cancellation

Pursuant to the Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility, the total commitments shall be cancelled immediately and all outstanding loans, together with accrued interest and all other amounts accrued under the finance documents shall become immediately due and payable if a Change of Control occurs or there is a sale of all or substantially all of the assets or business of the Group. Change of Control is defined as: MGM Resorts International fails to be the legal and beneficial owner, directly or indirectly, of more than 50% of the capital stock of the Company having ordinary voting rights; or the Company ceases to be the beneficial owner directly or indirectly of all of the share capital of MGM Grand Paradise (other than any portion of the share capital of MGM Grand Paradise with only nominal economic interests created for the purposes of complying with Macanese ownership requirements).

Events of Default

The Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility contain certain events of default and certain insolvency related proceedings relating to the Group. If the Group does not own or manage casino or gaming areas or operate casino games of fortune and chance for a period of ten consecutive days or more and such event has a material adverse effect on the financial condition or business, or in case of termination, rescission, revocation or modification of any gaming concession which has a material adverse effect on the financial condition, business, properties, or results of operations of the Group, taken as a whole, excluding any termination or rescission resulting from or in connection with any renewal, tender or other process conducted by the Macau Government in connection with the granting or renewal of any gaming concession; provided that such renewal, tender or other process results in the granting or renewal of the relevant gaming concession, an event of default will be triggered. Under the applicable acceleration provisions, if an event of default is outstanding, the facility agent may, and must if so instructed by the majority lenders, by notice to the Company, cancel all or any part of the total commitments; or declare that all or part of any amounts outstanding under the finance documents are immediately due and payable; or payable on demand by the facility agent acting on the instructions of the majority lenders.

Security and Guarantees

No security or guarantees were provided in relation to the Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility.

MGM Resorts International Revolving Credit Facility

On November 10, 2022, the Company entered into an agreement with MGM Resorts International as lender pursuant to which that entity agreed to make available to the Company an unsecured revolving credit facility of US\$750 million (equivalent to approximately HK\$5.83 billion) with a final maturity date on November 10, 2024.

The interest rate on any drawn amounts will be the greater of 4.0% per annum and the prevailing market rate. The Company is also required to pay a commitment fee based upon the undrawn amount of the facility. The commitment fee rate on undrawn amounts is based on the lower of the commitment fee rate from the Unsecured Credit Facilities and any future revolving credit facilities.

The MGM Resorts International Revolving Credit Facility was amended on June 29, 2023, (the “Amendment Effective Date”) so that no payment of any financial costs, including interest payment and commitment fee, and no principal repayment shall be made by the Company to the lender under the MGM Resorts International Revolving Credit Facility, up to the end of the financial covenants waiver period under the existing Unsecured Credit Facilities, on December 31, 2024 (the “June 29, 2023 Amendment”).

The Company cancelled the whole US\$750 million (equivalent to approximately HK\$5.83 billion) unutilized commitment under the MGM Resorts International Revolving Credit Facility, effective from March 20, 2024 (the “Effective Date of Cancellation”). The commitment fee due for the period from the Amendment Effective Date to the Effective Date of Cancellation amounted to HK\$42.7 million and is payable in the quarter ending on March 31, 2025, as provided in the June 29, 2023 Amendment.

13. PAYABLES AND ACCRUED CHARGES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Gaming taxes payables	1,199,254	1,255,070
Customer advances and other	1,176,763	953,354
Accrued staff costs	974,360	764,039
Other payables and accrued charges	423,498	349,043
Outstanding chips liability	405,967	433,328
Construction payables and accruals	321,093	87,286
Loyalty programs liability	223,315	191,888
Interest payable	181,898	222,947
Trade payables	97,560	76,447
Construction retention payable	78,357	10,395
Other casino liabilities	7,567	10,017
	<u>5,089,632</u>	<u>4,353,814</u>
Classified as:		
Current	4,959,021	4,294,707
Non-current	<u>130,611</u>	<u>59,107</u>
	<u>5,089,632</u>	<u>4,353,814</u>

The following is an analysis of trade payables by age based upon the invoice date:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	42,297	64,900
31 — 60 days	51,827	9,736
61 — 90 days	571	344
91 — 120 days	11	315
Over 120 days	2,854	1,152
	97,560	76,447

The average credit period on purchases of goods and services is one month.

14. GUARANTEES

As at December 31, 2024, the Group has given bank guarantees totaling HK\$978.7 million (2023: HK\$978.7 million) to certain parties including:

- HK\$970.9 million (2023: HK\$970.9 million) was issued in favor of the Macau Government as required in the Concession Contract;
- HK\$4.0 million (2023: HK\$4.0 million) was issued in favor of the Macau Government as required in the land-concession contract in respect of MGM COTAI as well as other regulatory requirements;
- HK\$0.6 million (2023: HK\$0.6 million) was issued in favor of a company in which one of the Directors of the Company has non-controlling beneficial interests; and
- HK\$3.2 million (2023: HK\$3.2 million) was issued in favor of certain vendors.

During the years ended December 31, 2024 and 2023, pledged bank deposits of MOP700.4 million (equivalent to HK\$680.0 million) were provided in relation to the bank guarantees provided to the Macau Government for the Concession Contract as mentioned above.

15. LEGAL PROCEEDINGS

The Group was named as a defendant in legal proceedings filed in the Macau courts against gaming promoters by individuals who claimed to have placed deposits with gaming promoters who had operations at the Group's properties and the gaming promoters failed to honor the withdrawal of such deposits. The Group was sued in these proceedings based solely upon the joint liability of the concessionaire for the actions and conduct of the gaming promoters carried out at the Group's casino premises. Certain of these legal proceedings were closed in early 2025 in which the Group was acquitted from the claims, while the legal proceedings for other cases remain on-going.

Management has made estimates for potential litigation costs and recognized liabilities based upon consultation with legal counsel. While actual outcomes might differ from these estimates, management considers that such litigation and claims will not have a significant impact on the results of operations, financial position and cash flows of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

We are a leading developer, owner and operator of two integrated casino, hotel and entertainment resorts in Macau, being MGM MACAU and MGM COTAI, where we offer high-quality gaming, hospitality and entertainment experiences to attract and retain our customers. MGM Grand Paradise, our subsidiary, holds one of the six gaming concessions permitted by the Macau Government to operate casinos or gaming areas in Macau.

The Company's Shares have been listed on the Hong Kong Stock Exchange since June 3, 2011. The Company's immediate holding company is MRIH, a company incorporated in the Isle of Man. The Company's ultimate holding company is MGM Resorts International, a company incorporated in Delaware, the United States of America, which is listed on the New York Stock Exchange. MGM Resorts International is our controlling Shareholder (with an interest in 55.95% of our issued share capital) and Ms. Pansy Ho and her controlled companies are our substantial Shareholders (with an interest in 22.49% of our issued share capital). We benefit from the complementary expertise of MGM Resorts International and Ms. Pansy Ho.

GAMING CONCESSION

Pursuant to the Concession Contract executed with the Macau Government, MGM Grand Paradise is entitled to operate a total of 750 gaming tables and 1,700 electric or mechanical gaming machines, including slot machines, under the Gaming Concession with a duration of 10 years starting from January 1, 2023 to December 31, 2032. As a Concessionaire, MGM Grand Paradise is subject to the regulatory control of the Macau Government. The Macau Government has adopted laws and administrative regulations governing the operations of casinos in Macau. The Concession Contract, together with the laws and administrative regulations enacted by the Macau Government, forms the framework for the regulation of the activities of MGM Grand Paradise.

MGM MACAU

MGM MACAU opened in December 2007. The casino floor offers approximately 23,283 square meters, with 961 slot machines, 340 gaming tables, and multiple VIP and private gaming areas as at December 31, 2024. The resort features 585 hotel rooms, suites and villas, and we have a service agreement with the Mandarin Oriental Hotel, through which they supplement our room offerings with additional room availability when there is excess demand by our customers. In addition, the resort offers luxurious amenities, including 8 diverse restaurants, retail outlets, approximately 1,600 square meters of convertible convention space and other non-gaming offerings. The resort's focal point is the signature Grande Praça and features Portuguese-inspired architecture, dramatic landscapes and a glass ceiling rising 25 meters above the floor of the resort. MGM MACAU is directly connected to the One Central complex, which features many of the world's leading luxury retailers and includes Mandarin Oriental Hotel and serviced apartments. On November 2, 2024, MGM China officially opened the world-class Poly MGM Museum at MGM MACAU, in collaboration with Poly Culture Group Corporation Limited.

MGM COTAI

MGM COTAI opened on February 13, 2018. The resort is conveniently located with multiple access points from other Cotai hotels and public amenities. The casino floor offers approximately 24,549 square meters, with 972 slot machines and 410 gaming tables as at December 31, 2024. The resort features 1,418 hotel rooms, suites, skylofts, Emerald villas and The Mansion villas, 12 diverse restaurants and bars, retail outlets, approximately 2,870 square meters of meeting space and other non-gaming offerings. The scale of MGM COTAI allows us to capitalize on our international expertise in providing exciting and diversified entertainment offerings. The Spectacle, situated at the heart of MGM COTAI, is enriched with experiential technology elements to entertain our guests. MGM COTAI offers Asia's first dynamic theater introducing advanced and innovative entertainment to Macau. MGM China's first residency show "Macau 2049", directed by world-renowned Chinese filmmaker Zhang Yimou, made its debut on December 15, 2024.

Our Competitive Strengths and Operating Strategies

We have a number of competitive strengths including:

- One of the most recognizable resort brands in the industry with world-class gaming properties in Macau;
- Unique strategic position towards the premium mass market gaming segment;
- Continuous focus on “Tourism +” with diversified resort offerings including innovative entertainment and art attractions;
- Strong leadership from our Managing Director of MGM Grand Paradise, Ms. Pansy Ho;
- Experienced management team with a proven track record;
- Extensive distribution network of MGM Resorts International for sourcing customers;
- Dedicated commitment to Macau community such as small and medium-sized enterprises and local talent development; and
- Comprehensive corporate governance and legal compliance standards.

To build on our competitive strengths, operationally we focus on continuously improving customer experience through product and service enhancement, greater asset utilization and the maximization of operational efficiencies in all areas of our business including sales and marketing, VIP and mass markets development, and entertainment. We conduct business with a focus on creating economic benefits across both our properties on the Macau Peninsula and Cotai. We continue to implement the following business strategies to enhance our position as the leading developer and operator of two integrated casino, hotel and entertainment resorts in Macau:

- Develop and diversify our offerings to cater to different market segments;
- Continuously improve scale of operations to create optimal financial performance;
- Position The Mansion, Mansion One and Emerald Villa to attract ultra-high end customers, while maintaining our focus on the high margin premium mass market gaming segment; and
- Identify innovative investment opportunities in gaming and non-gaming facilities.

Our competitive strengths and operating strategies are aligned with the Macau Government's emphasis on developing international tourist markets and non-gaming offerings. MGM Grand Paradise has committed to make a total investment of MOP19.7 billion (equivalent to approximately HK\$19.1 billion) over the duration of the Concession Contract, of which MOP18 billion (equivalent to approximately HK\$17.5 billion) (approximately 91%) is expected to be directed towards the development of international tourist markets and non-gaming projects and programming to drive tourism to the region.

We continue to work together with the Macau Government to promote the economic diversification of Macau, with an aim to consolidate Macau's position as a World Center of Tourism and Leisure. Since 2023, we expanded our overseas sales networks in Kuala Lumpur, Manila, Seoul and Osaka and we expect to continue leveraging the extensive sales network of MGM Resorts International to further our reach into international markets. We also increased our non-gaming offerings in terms of entertainment, art, gastronomy, meetings, incentives, conferences and exhibitions ("MICE") and wellness tourism through redesign and upgrade of facilities in MGM MACAU and MGM COTAI. In particular, our new Poly MGM Museum and first residency show "Macau 2049" launched in 2024 have expanded our non-gaming offerings and become Macau's latest world-class tourism attractions.

Factors Affecting Our Results of Operations and Financial Position

Our results of operations and the year-to-year comparability of our financial condition are affected by a number of factors, including:

Macau Gaming Market and Tourism

Macau is one of the largest casino gaming markets in the world. Additional capacity continues to be added with several new large-scale integrated resorts being opened in Cotai in recent years. Infrastructure investment and growth in room supply have been supporting increased visitation, including overnight visitors, to Macau.

Customers travelling to Macau are typically from nearby regions in Asia including mainland China, Hong Kong, Taiwan, South Korea and Japan. According to the DSEC, approximately 70.1% and 67.5% of visitors to Macau were from mainland China in 2024 and 2023, respectively.

Total visitor arrivals into Macau and Macau gross gaming revenue continued to increase following the easing of travel restrictions to Macau which began in late 2022. Total visitor arrivals into Macau increased by 23.8% and total visitation from mainland China to Macau increased by 28.6% for the year ended December 31, 2024, respectively, over 2023. Macau gross gaming revenue increased by 23.9% to HK\$220.2 billion for the year ended December 31, 2024 over 2023. Total visitor arrivals into Macau and Macau gross gaming revenue for the year ended December 31, 2024 were 11.4% and 22.5% lower than the pre-pandemic comparable period in 2019, respectively.

We are optimistic about the long-term growth of the Macau market due to:

- The financial investments made to date and the investments committed to be made during the 10-year term of the new gaming concessions by the six gaming concessionaires to provide superior and diversified gaming and non-gaming offerings to enhance the position of Macau as a world class tourism center;
- The infrastructure improvements in Macau and the Greater Bay area, such as the opening of the Hong Kong-Zhuhai-Macau bridge; the expansion of the Macau Airport; the opening of the fourth Macau-Taipa bridge (“Macau Bridge”); the opening of Qingmao border and Hengqin border 24-hour checkpoints; the ongoing expansion of the Macau Light Rapid Transit (“Macau LRT”) System; the ongoing expansion of the China High Speed Rail routes to Zhuhai border gate from key cities in mainland China; launch of additional direct flights between Macau and international destinations. All these improvements facilitate more convenient travel to Macau;
- The development of Hengqin into a tourism island which, together with Macau, have been designated as a key tourism hub by the Chinese Government;
- The rolling-out of favorable measures by the Chinese Government aimed at supporting recovery and growth in Macau and Hong Kong, including expansion of cities in the individual visa scheme;
- The continuous growth of mainland China outbound tourism, particularly in light of the growing middle class with increasing wealth and demand for travel and leisure experiences; and
- The strong efforts to promote Macau as a safe and quality tourism destination by the Macau Government.

Nonetheless, the Macau gaming market and tourism is also affected by factors, such as economic disruption or uncertainty in mainland China; changes in gaming laws and regulations in Macau; global trade tensions; restriction on exit visas from mainland China for travel to Macau and Hong Kong; anti-smoking legislation; anti-corruption campaigns; currency transfer restrictions; depreciation of the renminbi against the US\$; introduction of a border currency declaration system; monetary outflow policies and legislation on cross-border gambling. These factors may affect the number of visitors and amount of capital outflow from mainland China to Macau. Outbreaks of highly infectious diseases and extreme weather conditions such as typhoons also affect the number of visitors to Macau.

Competition

There are six gaming operators in Macau and as at December 31, 2024, there were 30 casinos in Macau. We continue to outperform the Macau gaming industry compared to pre-COVID-19 levels. Driven by the premium mass market which both MGM MACAU and MGM COTAI are well positioned to capture and the additional 198 gaming tables awarded under the Gaming Concession, our overall gaming market share reached 15.8% and 15.2% for the year ended December 31, 2024 and 2023 respectively, compared to 9.5% for the year ended December 31, 2019 before the COVID-19 pandemic.

Our competition is not geographically limited to the Macau market. We compete with similar businesses in other parts of the world including, but not limited to, integrated resorts in Cambodia, Vietnam, South Korea, Singapore, the Philippines, Australia and Las Vegas.

Gaming Patrons

Our results of operations are substantially dependent upon casino revenue in the main floor gaming, VIP gaming and slot machines gaming operations. Our gaming patrons include main floor players and VIP players.

Main Floor Table Gaming Operations

Main floor table gaming operations in the Macau market are also referred to as the “mass market gaming operation”. Main floor players, including the premium mass market players we aim to attract, come to our properties for a variety of reasons, including our dual locations in the Macau market, direct marketing efforts, brand recognition, the quality and comfort of our mass market gaming floors, and our non-gaming offerings. The main floor business is the most profitable part of our operations as well as for the Macau gaming market as a whole. Our mass market gaming operation accounted for 88% of our GGR for the year ended December 31, 2024. Unlike VIP players, main floor players, including premium and mass market players, do not receive commissions from the Group.

We have made continuous efforts to improve the gaming experience of our premium and mass market players by renovating the dedicated exclusive gaming spaces for their use. Subject to DICJ’s approval, we continue to reallocate tables between our main floor and VIP gaming areas to maximize our yield. We leveraged our Golden Lion Club as a vehicle to attract and retain those high value main floor players through exclusive customer service and promotions.

VIP Gaming Operations

The majority of our VIP casino players are sourced directly through our own marketing channels. These in-house VIP players typically receive a commission and an allowance for hotel rooms, food and beverage based upon a percentage of their rolling chip turnover. Alternately, our VIP clients may come under our gaming promoters’ programs. We selectively grant credit to certain VIP players whose level of play and financial resources meet our approval criteria and as a result of the adoption of the New Gaming Credit Law (Law 7/2024) effective from August 1, 2024, we discontinued our credit operations with gaming promoters.

In order to minimize the credit risk with VIP players, the Group has a designated management team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover all receivables. We conduct a number of credit checking procedures including the receipt of various signed documents from each credit recipient. If permitted by applicable laws, these documents may aid in legally enforcing collections in countries where the VIP players reside. The Group has a legally enforceable right to set off the receivables against the deposits, commissions and incentives liabilities that are to be settled simultaneously. We generally do not charge interest for credit granted but require a personal cheque or other acceptable form of security. The Group regularly reviews the recoverable amount of each individual debt to ensure that adequate loss allowances are made for irrecoverable amounts. We have been successful in collecting some receivables previously considered to be at risk of recoverability.

Non-Gaming Attractions and Branding Activities

We recognize the importance of brand awareness in growing our business. We have enhanced our marketing activities to take advantage of our internationally recognized brand. Brand-building initiatives are driven through promotions, events, strategic alliances and public relations activities. We continue to improve our customer experience by enhancing our hotel rooms, food, beverage, retail and entertainment offerings, and expanding and refurbishing our non-gaming areas.

Hospitality

MGM MACAU opened in December 2007 and the resort features 585 hotel rooms comprising 468 standard guestrooms, 99 luxury suites and 18 private luxury villas. MGM COTAI opened in February 2018, and the resort features 1,418 hotel rooms comprising 1,248 standard guestrooms, 99 luxury suites, 16 skylofts, 28 Emerald villas and 27 The Mansion villas. The expansive and unique offerings associated with The Mansion and Emerald Villa were designed to better position the Group to acquire high-end customers. In addition, the resorts offer luxurious amenities, including 8 diverse restaurants, retail outlets, approximately 1,600 square meters of convertible convention space and other non-gaming offerings at MGM MACAU and 12 diverse restaurants and bars, retail outlets, approximately 2,870 square meters of meeting space and other non-gaming offerings at MGM COTAI.

Our hospitality services and premium quality facilities are highly recognized by world-class awards. In 2024, our resorts have received a total of seven Forbes Travel Guide Five-Star Awards, two One-Diamond restaurants from the Black Pearl Restaurant Guide, and a One Star in the MICHELIN Guide Hong Kong and Macau.

We are proactive in addressing customer preferences, and, as a result, have been undertaking renovation and development works to upgrade and expand our hotel, food and beverage and MICE offerings.

Arts and Culture

Precious works of art can be found throughout MGM MACAU including the massive “Fiori di Paradiso Ceiling” by renowned artist Dale Chihuly, which is located at the hotel lobby. Additional artwork, including lion sculptures and paintings by local and international artists are located elsewhere on the grounds. On November 2, 2024, MGM China, in collaboration with Poly Culture Group Corporation Limited, officially opened the world-class Poly MGM Museum at MGM MACAU. The inaugural exhibition “The Maritime Silk Road — Discover the Mystical Seas and Encounter the Treasures of the Ancient Trade Route,” showcases artifacts, artworks and cultural relics, including the Grade-One cultural relics of four Bronze Zodiac Heads of the Old Summer Palace.

The MGM COTAI Art Collection features over 300 captivating and thought-provoking works seamlessly integrated with MGM COTAI’s public spaces. Headlining the MGM COTAI Art Collection are 28 Chinese imperial carpets dating from Qing Dynasty that once adorned the Forbidden City in Beijing. In addition, our Chairman’s Collection, comprised of highly-collectible artworks — paintings, sculptures and installations at MGM COTAI, provides a stunning visual complement to MGM COTAI. The Chairman’s Collection demonstrates our commitment to create world-class destinations that epitomize entertainment, creativity and style.

As a supporter of cultural tourism, MGM China collaborates with world-renowned artists, art institutions and luxury brands to bring in exhibitions, art installations and performing arts to the two properties. In 2024, MGM China presented the “Living Heritage: Poly Culture MGM Charity Auction Gala”, Chinese contemporary artist Liu Ye’s debut exhibition in Macau “Liu Ye: at High Peak”, and Chinese contemporary sculptor Ren Zhe’s first solo selling exhibition in Macau “MGM X Ren Zhe — “Legend of Chivalry” Selling Exhibition”.

Entertainment

Empowered by the latest in technology and engineering, MGM Theater, Asia's first dynamic theater, can create custom arrangements for special events. MGM China's first residency show "Macau 2049", directed by world-renowned Chinese filmmaker Zhang Yimou, made its debut on December 15, 2024 at the MGM Theater. Through the offering of this unique experience, MGM China is dedicated to enhancing non-gaming offerings and driving visitation to Macau, promoting cultural tourism and economic diversification. In addition, a number of new shows or events were performed at the MGM Theater during 2024 which included "Buddha Passion", "Together with Ekin Cheng MGM Music Show", "A-Lin Chinese New Year Concert at MGM", "2024 Michael Wong "First Time" Live", "Macao Orchestra Presents: Disney's Aladdin in Concert Live to Film", and "Eric Moo X Ella Chen Sing Together MGM Music Show".

The Spectacle, situated at the heart of MGM COTAI, comprises one of the world's largest areas of permanent indoor LED screens and showcases an exclusive array of digital art collected from around the globe, setting a platform for world renowned artists to reveal the beauty of the world. Our innovative "Sea Odyssey" show is another exclusive attraction at MGM COTAI which takes advantage of the LED displays at the Spectacle.

In addition, MGM COTAI also hosted outdoor concerts which included "Bruno Mars The One & Only Night at MGM", "Melody Journey" Music Festival, "Oktoberfest Macau at MGM 2024", and "2024 MGM Chef Nic Gastronomusic Fest" in 2024.

Segment Information

The Group has determined its operating segments based upon the reports reviewed by the chief operating decision-maker when allocating resources and assessing performance of the Group.

The Group's principal operating activities occur in Macau, which is the primary geographic area in which the Group is domiciled. The Group reviews the results of operations for each of its properties being MGM MACAU and MGM COTAI. Each of the properties derives its revenue primarily from casino, hotel rooms, food and beverage and retail operations. MGM MACAU and MGM COTAI have been aggregated into one reportable segment on the basis that they have similar economic characteristics, customers, services and products provided, and the regulatory environment in which they operate. Adjusted EBITDA is considered to be the primary profit/loss measure for the reportable segment.

Adjusted EBITDA

Adjusted EBITDA is profit before finance costs, income tax expense, depreciation and amortization, loss on disposal/write-off of property and equipment and other assets, interest income, net foreign currency difference, share-based payments, pre-opening costs and corporate expenses which mainly include administrative expenses of the corporate office and license fee paid to a related company. Adjusted EBITDA is used by management as the primary measure of the Group's operating performance and to compare our operating performance with that of our competitors. Adjusted EBITDA should not be considered in isolation, construed as an alternative to profit or operating profit as reported under IFRS Accounting Standards or other combined operations or cash flow data, or interpreted as an alternative to cash flow as a measure of liquidity. Adjusted EBITDA presented in this announcement may not be comparable to other similarly titled measures of other companies operating in the gaming or other business sectors.

The following table presents the reconciliation of the Group's adjusted EBITDA to profit attributable to owners of the Company for the years ended December 31, 2024 and 2023:

	For the year ended	
	December 31	
	2024	2023
	HK\$'000	HK\$'000
Profit for the year attributable to owners of the Company	4,603,408	2,638,304
Income tax expense	60,124	46,735
Net foreign currency (gain)/loss	(88,831)	31,945
Finance costs	1,656,907	1,913,522
Interest income	(75,204)	(83,020)
Operating profit	6,156,404	4,547,486
Depreciation and amortization	1,854,178	1,886,103
Loss on disposal/write-off of property and equipment and other assets	54,793	21,369
Pre-opening costs (unaudited)	49,669	—
Corporate expenses (unaudited)	881,731	731,141
Share-based payments	61,862	49,147
Adjusted EBITDA (unaudited)	9,058,637	7,235,246
MGM MACAU Adjusted EBITDA (unaudited)	3,830,017	3,170,886
MGM COTAI Adjusted EBITDA (unaudited)	5,228,620	4,064,360

Discussion of Results of Operations

Financial results for the year ended December 31, 2024 compared to financial results for the year ended December 31, 2023

Operating Revenue

The following table sets forth the operating revenue for the years ended December 31, 2024 and 2023.

	For the year ended December 31	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
MGM MACAU	13,136,761	10,845,888
Casino revenue	11,564,041	9,725,198
Other revenue	1,572,720	1,120,690
MGM COTAI	18,250,394	13,838,322
Casino revenue	15,718,870	12,096,642
Other revenue	2,531,524	1,741,680
Operating revenue	31,387,155	24,684,210

Operating revenue of HK\$31,387.2 million for the year ended December 31, 2024 was 27.2% higher than the prior year. The increase was primarily due to the continued ramp up of operations after the relaxation of COVID-19 related travel restrictions to Macau beginning in late 2022. With the premium mass market which both MGM MACAU and MGM COTAI are well positioned to capture and the additional 198 gaming tables awarded under the Gaming Concession, our overall gaming market share reached 15.8% and 15.2% for the year ended December 31, 2024 and 2023 respectively, compared to 9.5% for the year ended December 31, 2019 before the COVID-19 pandemic. The Group's operating revenue for the year ended December 31, 2024 was 37.9% higher than the comparable period in 2019.

Summary Statistics

The following table presents the key measurements we use to evaluate operating revenue.

MGM MACAU	For the year ended	
	December 31	
(in thousands, except for number of gaming units, percentage and REVPAR)	2024	2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Main floor table games drop	56,116,877	48,397,338
Main floor gross table games win ⁽¹⁾	12,158,127	9,866,398
Main floor table games win percentage	21.7%	20.4%
Average daily gross win per main floor gaming table	107.3	92.0
VIP table games turnover	33,668,460	33,463,509
VIP gross table games win ⁽¹⁾	980,894	1,030,705
VIP table games win percentage		
(calculated before commissions, complimentaries and other incentives)	2.9%	3.1%
Average daily gross win per VIP gaming table	99.2	56.9
Slot machine handle	29,346,025	23,284,538
Slot machine gross win ⁽¹⁾	1,135,258	902,325
Slot hold percentage	3.9%	3.9%
Average daily win per slot	3.3	2.7
Commissions, complimentaries and other incentives ⁽¹⁾	(2,710,238)	(2,074,230)
Room occupancy rate	94.5%	93.9%
REVPAR	2,632	2,192
	As at December 31	
	2024	2023
	(unaudited)	(unaudited)
Gaming Units:		
Tables ⁽²⁾	340	351
Slot machines	961	950

MGM COTAI**For the year ended****December 31**(in thousands, except for number of gaming units,
percentage, and REVPAR)**2024****2023****HK\$'000****HK\$'000****(unaudited)****(unaudited)**

Main floor table games drop	58,448,058	46,426,285
Main floor gross table games win ⁽¹⁾	16,445,828	11,544,706
Main floor table games win percentage	28.1%	24.9%
Average daily gross win per main floor gaming table	127.2	94.2
VIP table games turnover	115,118,551	79,442,814
VIP gross table games win ⁽¹⁾	3,066,949	2,924,422
VIP table games win percentage		
(calculated before commissions, complimentaries and other incentives)	2.7%	3.7%
Average daily gross win per VIP gaming table	160.5	169.4
Slot machine handle	29,925,023	22,028,074
Slot machine gross win ⁽¹⁾	1,088,067	784,257
Slot hold percentage	3.6%	3.6%
Average daily win per slot	3.1	2.2
Commissions, complimentaries and other incentives ⁽¹⁾	(4,881,974)	(3,156,743)
Room occupancy rate	93.8%	92.0%
REVPAR	2,258	1,805

As at December 31**2024****2023****(unaudited)****(unaudited)****Gaming Units:**

Tables ⁽²⁾	410	399
Slot machines	972	901

⁽¹⁾ Reported casino revenue is different to the total of “main floor gross table games win”, “VIP gross table games win” and “slot machine gross win” because casino revenue is reported net of commissions, complimentaries and other incentives. The following table sets forth a reconciliation of the gaming win to casino revenue.

⁽²⁾ Permanent table count as at December 31, 2024 and 2023.

Casino Revenue

	For the year ended December 31	
	2024	2023
	HK\$'000	HK\$'000
Main floor gross table games win	28,603,955	21,411,104
VIP gross table games win	4,047,843	3,955,127
Slot machine gross win	2,223,325	1,686,582
Gross casino revenue	34,875,123	27,052,813
Commissions, complimentaries and other incentives	(7,592,212)	(5,230,973)
Casino revenue	<u>27,282,911</u>	<u>21,821,840</u>

Casino revenue increased by 25.0% to HK\$27,282.9 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The increase is explained above in operating revenue. The components of our gaming operations were:

Main Floor Table Gaming Operations

Main floor gross table games win increased by 33.6% to HK\$28,604.0 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. Similarly, main floor table games drop in MGM MACAU and MGM COTAI increased by 16.0% to HK\$56,116.9 million and 25.9% to HK\$58,448.1 million during the current year, respectively.

VIP Gaming Operations

VIP gross table games win increased by 2.3% to HK\$4,047.8 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. Similarly, VIP table games turnover in MGM MACAU and MGM COTAI increased by 0.6% to HK\$33,668.5 million and 44.9% to HK\$115,118.6 million during the current year, respectively.

Slot Machine Gaming Operations

Slot machine gross win increased by 31.8% to HK\$2,223.3 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. Similarly, slot machine handle in MGM MACAU and MGM COTAI increased by 26.0% to HK\$29,346.0 million and 35.8% to HK\$29,925.0 million during the current year, respectively.

Other Revenue

Other revenue includes hotel rooms, food, beverage, retail and entertainment and increased by 43.4% to HK\$4,104.2 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The increase was primarily due to:

- increase in hotel rooms revenue by 22.6% to HK\$1,699.7 million primarily as a result of increase in revenue per available room driven by increased demand; and
- increase in food and beverage revenue by 64.0% to HK\$2,074.4 million due to continued ramp up of operations after the relaxation of COVID-19 related travel restrictions to Macau beginning in late 2022 as discussed above.

Operating Costs and Expenses

The major operating costs and expenses for the years ended December 31, 2024 and 2023 were:

	For the year ended	
	December 31	
	2024	2023
	HK\$'000	HK\$'000
Gaming taxes and levies	13,874,497	10,809,256
Inventories consumed	1,128,737	787,777
Staff costs	4,698,731	3,957,777
Loss allowance on trade receivables, net	50,821	39,212
Other expenses and losses	3,623,787	2,656,599
Depreciation and amortization	1,854,178	1,886,103
Finance costs	1,656,907	1,913,522
Income tax expense	60,124	46,735

Gaming taxes and levies

Gaming taxes and levies increased by 28.4% to HK\$13,874.5 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. This increase was attributable to the higher gross gaming revenue generated during the current year.

Inventories consumed

Inventories consumed increased by 43.3% to HK\$1,128.7 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The increase resulted from higher business activities in light of continued ramp up of operations as discussed above.

Staff costs

Staff costs increased by 18.7% to HK\$4,698.7 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The increase was primarily due to hiring of additional staff in response to increased business activities as discussed above, as compared to the year ended December 31, 2023.

Loss allowance on trade receivables, net

Loss allowance on trade receivables, net, increased by 29.6% from HK\$39.2 million for the year ended December 31, 2023 to HK\$50.8 million for the year ended December 31, 2024. During the year ended December 31, 2024, the Group recognized a loss allowance of HK\$115.5 million (for the year ended December 31, 2023: HK\$113.9 million) for outstanding trade receivables, which is offset by a reversal of loss allowance of HK\$64.7 million (for the year ended December 31, 2023: HK\$74.7 million) due to recoveries in the current year related to amounts provided for in prior years.

Other expenses and losses

Other expenses and losses increased by 36.4% to HK\$3,623.8 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023, which mainly resulted from:

Advertising and promotion expense. Advertising and promotion expense increased by 62.9% from HK\$1,040.1 million for the year ended December 31, 2023 to HK\$1,694.4 million for the year ended December 31, 2024. The increase resulted from expanded marketing activities during the current year.

License fee and marketing fees. License fee and marketing fees due to related companies increased by 26.5% from HK\$456.6 million for the year ended December 31, 2023 to HK\$577.7 million for the year ended December 31, 2024. This increase primarily resulted from higher revenue generated during the current year.

Depreciation and amortization

Depreciation and amortization decreased by 1.7% to HK\$1,854.2 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The decrease was attributable to the impact of full depreciation of certain assets in the current year.

Finance costs

Total finance costs decreased from HK\$1,913.5 million for the year ended December 31, 2023 to HK\$1,656.9 million for the year ended December 31, 2024. The decrease was primarily due to:

- decrease of HK\$160.5 million in interest expense attributable to the weighted average balance of unsecured credit facilities which decreased from HK\$5,689.8 million for the year ended December 31, 2023 to HK\$2,672.4 million for the year ended December 31, 2024, resulting from repayments during the year;
- decrease of HK\$58.5 million in interest expense attributable to the weighted average balance of unsecured senior notes which decreased from HK\$21,534.9 million for the year ended December 31, 2023 to HK\$19,832.9 million for the year ended December 31, 2024, resulting from the repayment of 2024 Notes with an aggregate principal amount of US\$750 million, partly offset by the issuance of the 2031 Notes with an aggregate principal amount of US\$500 million; and
- decrease of HK\$46.4 million in interest expense attributable to cancellation of the MGM Resorts International Revolving Credit Facility, effective from March 20, 2024.

Income tax expense

MGM Grand Paradise was granted an exemption from Macau Complementary Tax for profits generated from gaming operations and entered into a tax concession arrangement with the Macau Government to make annual payment based on a pre-determined rate in lieu of Macau Complementary Tax otherwise payable by the shareholders of MGM Grand Paradise on dividend distributions received by them from gaming profit. Income tax expense in the current and prior years primarily related to the provision for the payment in lieu of Macau Complementary Tax on dividends.

Profit attributable to owners of the Company

Profit attributable to owners of the Company increased from HK\$2,638.3 million for the year ended December 31, 2023 to HK\$4,603.4 million for the year ended December 31, 2024. This increase was attributable to the improved financial performance of the Group as discussed.

LIQUIDITY AND CAPITAL RESOURCES

Capital Resources

As at December 31, 2024, our cash and cash equivalents and available undrawn unsecured credit facilities were HK\$5.32 billion and HK\$11.89 billion respectively. These balances are available for operations and implementation of our investment plan.

Gearing Ratio

The Group's gearing ratio is calculated as net debt divided by equity plus net debt. Net debt comprises borrowings, net of debt finance costs, less cash and cash equivalents and pledged bank deposits. Equity comprised all capital and reserves of the Group. The following table presents the calculation of the Group's gearing ratio as at December 31, 2024 and 2023.

	As at	
	December 31 2024 HK\$'000	December 31 2023 HK\$'000
Borrowings, net of debt finance costs	22,919,939	24,098,731
Less: cash and cash equivalents pledged bank deposits	(5,315,440) (680,000)	(4,231,986) (680,000)
Net debt	16,924,499	19,186,745
Total equity (deficit)	527,527	(1,327,220)
Total equity plus net debt	17,452,026	17,859,525
Gearing ratio ⁽¹⁾	97.0%	107.4%

⁽¹⁾ The gearing ratio as at December 31, 2024 and December 31, 2023 was higher than the gearing ratio of 56.0% as at December 31, 2019 before the COVID-19 pandemic due to the losses incurred and borrowings raised during the COVID-19 pandemic periods between 2020 and 2022.

Group Cash Flows

The following table presents a summary of the Group's cash flows for the years ended December 31, 2024 and 2023.

	For the year ended December 31	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net cash generated from operating activities	8,265,575	8,267,865
Net cash used in investing activities	(1,522,959)	(124,645)
Net cash used in financing activities	(5,655,992)	(10,616,178)
Net increase/(decrease) in cash and cash equivalents	1,086,624	(2,472,958)
Cash and cash equivalents at the beginning of the year	4,231,986	6,706,591
Effect of foreign exchange rate changes, net	(3,170)	(1,647)
Cash and cash equivalents at the end of the year	5,315,440	4,231,986

Net cash generated from operating activities

Our net cash generated from operating activities was primarily affected by operating profit generated and changes in working capital. Net cash generated from operating activities was HK\$8,265.6 million for the year ended December 31, 2024 compared to HK\$8,267.9 million for the year ended December 31, 2023.

Net cash used in investing activities

Net cash used in investing activities was HK\$1,523.0 million for the year ended December 31, 2024 compared to HK\$124.6 million for the year ended December 31, 2023.

Net cash used in investing activities for the year ended December 31, 2024 was primarily related to HK\$1,524.7 million of payments for the development and renovation works at our properties as well as purchase of property and equipment, and payment of show production costs.

Net cash used in investing activities for the year ended December 31, 2023 was primarily due to:

- HK\$415.9 million of payments for the development and renovation works at our properties as well as purchase of property and equipment, and payment of show production costs; and partly offset by
- the release of pledged bank deposits of HK\$291.3 million.

Net cash used in financing activities

Net cash used in financing activities was HK\$5,656.0 million for the year ended December 31, 2024 compared to HK\$10,616.2 million for the year ended December 31, 2023.

Net cash used in financing activities for the year ended December 31, 2024 was primarily due to:

- HK\$5,873.1 million repayment of the 2024 Notes;
- HK\$2,661.5 million of dividend payment;
- HK\$1,548.0 million of interest payments; partially offset by
- HK\$3,906.0 million of proceeds from the issuance of the 2031 Notes; and
- HK\$810.0 million of net draw down on the credit facilities.

Net cash used in financing activities for the year ended December 31, 2023 was primarily due to:

- HK\$8,600.0 million of net repayments on the credit facilities; and
- HK\$1,754.3 million of interest payments.

Capital Commitments

As at December 31, 2024, the Group had the following capital commitments under construction contracts and other capital related agreements that are not recorded in the consolidated financial statements:

	As at	
	December 31	December 31
	2024	2023
	HK\$'000	HK\$'000
Contracted but not accounted for	<u>488,625</u>	<u>464,191</u>

Guarantees

As at December 31, 2024, the Group has given bank guarantees totaling HK\$978.7 million (2023: HK\$978.7 million) to certain parties including:

- HK\$970.9 million (2023: HK\$970.9 million) was issued in favor of the Macau Government as required in the Concession Contract;
- HK\$4.0 million (2023: HK\$4.0 million) was issued in favor of the Macau Government as required in the land-concession contract in respect of MGM COTAI as well as other regulatory requirements;
- HK\$0.6 million (2023: HK\$0.6 million) was issued in favor of a company in which one of the Directors of the Company has non-controlling beneficial interests; and
- HK\$3.2 million (2023: HK\$3.2 million) was issued in favor of certain vendors.

During the years ended December 31, 2024 and 2023, pledged bank deposits of MOP700.4 million (equivalent to HK\$680.0 million) were provided in relation to the bank guarantees provided to the Macau Government for the Concession Contract as mentioned above.

Legal Proceedings

The Group was named as a defendant in legal proceedings filed in the Macau courts against gaming promoters by individuals who claimed to have placed deposits with gaming promoters who had operations at the Group's properties and the gaming promoters failed to honor the withdrawal of such deposits. The Group was sued in these proceedings based solely upon the joint liability of the concessionaire for the actions and conduct of the gaming promoters carried out at the Group's casino premises. Certain of these legal proceedings were closed in early 2025 in which the Group was acquitted from the claims, while the legal proceedings for other cases remain on-going.

Management has made estimates for potential litigation costs and recognized liabilities based upon consultation with legal counsel. While actual outcomes might differ from these estimates, management considers that such litigation and claims will not have a significant impact on the results of operations, financial position and cash flows of the Group.

Indebtedness

	As at	
	December 31	December 31
	2024	2023
	HK\$'000	HK\$'000
Unsecured Senior Notes	19,421,376	21,478,600
Unsecured Credit Facilities	3,710,000	2,900,000
Less: debt finance costs	(211,437)	(279,869)
	<u>22,919,939</u>	<u>24,098,731</u>
Total borrowings	<u>22,919,939</u>	<u>24,098,731</u>

Unsecured Senior Notes

On May 16, 2019, the Company issued two series of senior unsecured notes with an aggregate principal amount of US\$1.50 billion, consisting of US\$750 million of 5.375% senior notes due May 15, 2024 and US\$750 million of 5.875% senior notes due May 15, 2026. The net proceeds from the issuance were used to repay a portion of amounts outstanding under the Senior Secured Credit Facility and for general corporate purposes. Interest on the 2024 Notes and 2026 Notes is payable semi-annually in arrears on each May 15 and November 15, commencing on November 15, 2019. On May 15, 2024, the 2024 Notes and all accrued and unpaid interest were repaid in full.

On June 18, 2020, the Company issued 5.25% senior notes with an aggregate principal amount of US\$500 million due June 18, 2025. The net proceeds from the issuance were used to repay a portion of amounts outstanding under the Revolving Credit Facility and for general corporate purposes. Interest on the 2025 Notes is payable semi-annually in arrears on each June 18 and December 18, commencing on December 18, 2020.

On March 31, 2021, the Company issued 4.75% senior notes with an aggregate principal amount of US\$750 million due February 1, 2027. The net proceeds from the issuance were used to repay a portion of amounts outstanding under the Revolving Credit Facility and for general corporate purposes. Interest on the 2027 Notes is payable semi-annually in arrears on each February 1 and August 1, commencing on February 1, 2022.

On June 26, 2024, the Company issued 7.125% senior notes with an aggregate principal amount of US\$500 million due June 26, 2031. The net proceeds from the issuance were used to repay a portion of amounts outstanding under the Amended Revolving Credit Facility. Interest on the 2031 Notes is payable semi-annually in arrears on each June 26 and December 26, commencing on December 26, 2024.

The 2024 Notes and the 2026 Notes were issued pursuant to an indenture, dated May 16, 2019, between the Company and U.S. Bank National Association, as trustee. The 2025 Notes, the 2027 Notes and the 2031 Notes were issued pursuant to an indenture, dated June 18, 2020, March 31, 2021 and June 26, 2024, respectively, between the Company and Wilmington Savings Fund Society, FSB, as trustee.

The Unsecured Senior Notes are general unsecured obligations of the Company. The Unsecured Senior Notes rank equally in right of payment with all of the Company's existing and future unsecured senior indebtedness. The Unsecured Senior Notes are subordinated to all of the Company's future secured indebtedness, if any, to the extent of the value of the collateral securing any such debt and rank senior to all of the Company's future subordinated indebtedness, if any. None of the Company's subsidiaries have guaranteed the Unsecured Senior Notes.

The Unsecured Senior Notes contain covenants that limit the ability of the Company to, among other things, whether directly or indirectly, (1) consolidate or merge with or into another entity; or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company and its subsidiaries.

The Unsecured Senior Notes provide for certain events of default, including certain insolvency related proceedings relating to the Group. If the Company experiences a change of control and a ratings event, each holder of the Unsecured Senior Notes will have the right to require the Company to repurchase all or any part of that holder's Unsecured Senior Notes at 101% of their principal amount plus accrued and unpaid interest, if any, but not including the date of such repurchase in accordance with the terms of the Indentures. The circumstances that will constitute a change of control include the occurrence of any of the following: (1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its subsidiaries, taken as a whole, to any "person" (as that term is used in Section 13(d)(3) of the United States Securities Exchange Act of 1934, as amended), other than to MGM Resorts International or a related party thereof as described in the Indentures; (2) the adoption of a plan relating to the liquidation or dissolution of the Company or any successor thereto; (3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as that term is used in Section 13(d)(3) of the United States Securities Exchange Act of 1934, as amended), other than MGM Resorts International and any of its related parties (as described in the Indentures) becomes the beneficial owner, directly or indirectly, of more than 50% of the outstanding voting stock of the Company, measured by voting power rather than number of equity interests; or (4) the first day on which the Company ceases to own, directly or indirectly, at least 60% of the outstanding equity interests of (and at least a 60% economic interest in) MGM Grand Paradise.

Under the Indentures, certain events relating to the loss, termination, rescission, revocation or modification of the Group's gaming license in Macau, where such events have a material adverse effect on the financial condition, business, properties, or results of operations of the Group, taken as a whole, may result in a special put option triggering event. If the special put option triggering event occurs, each holder of the Unsecured Senior Notes will have the right to require the Group to repurchase all or any part of such holder's Unsecured Senior Notes at a purchase price in cash equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, and Additional Amounts (as defined in the Indentures), if any, calculated up to, but not including, the date of repurchase. Within ten days following the occurrence of a special put option triggering event, the Company shall mail a notice to each holder of the Unsecured Senior Notes stating the repurchase date which shall be no earlier than ten days nor later than sixty days from the date such notice is mailed.

As at the date of this announcement, the Company has no secured indebtedness and no subordinated indebtedness.

Unsecured Credit Facilities

Overview

On August 12, 2019, the Company entered into agreements with certain lenders pursuant to which the lenders agreed to make available to the Company an unsecured revolving credit facility in an aggregate amount of HK\$9.75 billion with a final maturity date on May 15, 2024. The Revolving Credit Facility became effective on August 14, 2019. The proceeds of the Revolving Credit Facility were used to repay a portion of amounts outstanding under the Senior Secured Credit Facility, ongoing working capital needs and general corporate purposes of the Group.

On May 26, 2020, the Company entered into agreements with certain lenders pursuant to which the lenders agreed to make available to the Company a second unsecured revolving credit facility in an aggregate amount of HK\$2.34 billion with a final maturity date of May 15, 2024. The Company has the option to increase the amount of the facility up to HK\$3.9 billion subject to certain conditions. The Second Revolving Credit Facility is available for drawdown from the date of the agreement to and including the date falling one month prior to the final maturity date, subject to satisfaction of conditions precedent, including evidence that the Revolving Credit Facility (in an aggregate amount of HK\$9.75 billion) has been fully drawn. The proceeds of the Second Revolving Credit Facility are used for ongoing working capital needs and general corporate purposes of the Group. On June 29, 2020, the Company increased the available credit facilities of the Second Revolving Credit Facility by HK\$780 million to HK\$3.12 billion.

On June 30, 2023, the Company entered into amendments of the Revolving Credit Facility and the Second Revolving Credit Facility which extended the final maturity date from May 15, 2024 to May 15, 2026.

Under the Amended Second Revolving Credit Facility, the Company's option to increase the amount of the facility was amended on June 30, 2023 to HK\$5.85 billion subject to certain conditions. In addition, among the conditions precedent documents required for the purpose of requesting a loan, evidence that the Revolving Credit Facility has been fully drawn will no longer be required under the Amended Second Revolving Credit Facility. During the year ended December 31, 2023, the Company increased the available credit facilities of the Amended Second Revolving Credit Facility by HK\$1.48 billion to HK\$4.60 billion and during the year ended December 31, 2024, the Company increased the remaining available undrawn credit facilities of the Amended Second Revolving Credit Facility to HK\$5.85 billion.

As at December 31, 2024, HK\$11.89 billion of the Unsecured Credit Facilities was undrawn and available for utilization.

Principal and Interest

The Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility bear interest at a floating rate per annum based on HIBOR plus a margin (in the range of 1.625% to 2.75%), which will be determined based upon the Company's leverage ratio.

As at December 31, 2024, HK\$3.71 billion of the Amended Revolving Credit Facility was drawn. HK\$6.04 billion of the Amended Revolving Credit Facility and HK\$5.85 billion of the Amended Second Revolving Credit Facility was undrawn and available for utilization up to and including the date falling one month prior to the final maturity date, on May 15, 2026. Each drawdown is to be repaid in full no later than May 15, 2026. As at December 31, 2024, the Group paid interest at HIBOR plus 2.00% per annum.

General Covenants

The Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility contain general covenants restricting the ability of the obligor group (the Company and certain of its subsidiaries, namely the "Restricted Group") from incurring liens or engaging in certain asset dispositions. With the approval of the lenders there are certain permitted exceptions to these restrictions.

Financial Covenants

The leverage ratio under the Revolving Credit Facility was required to be no greater than 4.5 to 1.0 at each quarter end. In addition, the Group was required to maintain an interest coverage ratio of no less than 2.5 to 1.0 at each quarter end. Under the Second Revolving Credit Facility, the Company was to ensure that the leverage ratio does not, on each accounting date occurring on and after September 30, 2021, exceed 4.50 to 1.00. In addition, the Company was to ensure that, on any accounting date occurring on and after September 30, 2021, the interest coverage ratio was not less than 2.50 to 1.

Due to the impact of the COVID-19 pandemic, the Company entered into a number of amendments between the year 2020 and the year 2022 to provide a waiver of its financial covenants under the Revolving Credit Facility and the Second Revolving Credit Facility.

The financial covenants were further amended under the Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility on June 30, 2023 to cover the extended maturity period which waived the financial covenants from each quarter ended on and after March 31, 2023 through December 31, 2024.

Subsequent to the execution of the amendments referred to above, the permitted leverage ratio and the permitted interest coverage ratio under the Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility are as follows:

Accounting Date	Interest Coverage Ratio	Leverage Ratio
Each quarter ended on and after March 31, 2023 through December 31, 2024	Not Applicable	Not Applicable
March 31, 2025	2.50:1.00	5.50:1.00
June 30, 2025	2.50:1.00	5.25:1.00
September 30, 2025	2.50:1.00	5.00:1.00
December 31, 2025	2.50:1.00	4.75:1.00
March 31, 2026	2.50:1.00	4.50:1.00

Compliance with Covenants

The Group has complied with the general covenants under the Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility for the year ended December 31, 2024.

Cancellation

Pursuant to the Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility, the total commitments shall be cancelled immediately and all outstanding loans, together with accrued interest and all other amounts accrued under the finance documents shall become immediately due and payable if a Change of Control occurs or there is a sale of all or substantially all of the assets or business of the Group. Change of Control is defined as: MGM Resorts International fails to be the legal and beneficial owner, directly or indirectly, of more than 50% of the capital stock of the Company having ordinary voting rights; or the Company ceases to be the beneficial owner directly or indirectly of all of the share capital of MGM Grand Paradise (other than any portion of the share capital of MGM Grand Paradise with only nominal economic interests created for the purposes of complying with Macanese ownership requirements).

Events of Default

The Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility contain certain events of default and certain insolvency related proceedings relating to the Group. If the Group does not own or manage casino or gaming areas or operate casino games of fortune and chance for a period of ten consecutive days or more and such event has a material adverse effect on the financial condition or business, or in case of termination, rescission, revocation or modification of any gaming concession which has a material adverse effect on the financial condition, business, properties, or results of operations of the Group, taken as a whole, excluding any termination or rescission resulting from or in connection with any renewal, tender or other process conducted by the Macau Government in connection with the granting or renewal of any gaming concession; provided that such renewal, tender or other process results in the granting or renewal of the relevant gaming concession, an event of default will be triggered. Under the applicable acceleration provisions, if an event of default is outstanding, the facility agent may, and must if so instructed by the majority lenders, by notice to the Company, cancel all or any part of the total commitments; or declare that all or part of any amounts outstanding under the finance documents are immediately due and payable; or payable on demand by the facility agent acting on the instructions of the majority lenders.

Security and Guarantees

No security or guarantees were provided in relation to the Amended Revolving Credit Facility and the Amended Second Revolving Credit Facility.

MGM Resorts International Revolving Credit Facility

On November 10, 2022, the Company entered into an agreement with MGM Resorts International as lender pursuant to which that entity agreed to make available to the Company an unsecured revolving credit facility of US\$750 million (equivalent to approximately HK\$5.83 billion) with a final maturity date on November 10, 2024.

The interest rate on any drawn amounts will be the greater of 4.0% per annum and the prevailing market rate. The Company is also required to pay a commitment fee based upon the undrawn amount of the facility. The commitment fee rate on undrawn amounts is based on the lower of the commitment fee rate from the Unsecured Credit Facilities and any future revolving credit facilities.

The MGM Resorts International Revolving Credit Facility was amended on June 29, 2023, (the “Amendment Effective Date”) so that no payment of any financial costs, including interest payment and commitment fee, and no principal repayment shall be made by the Company to the lender under the MGM Resorts International Revolving Credit Facility, up to the end of the financial covenants waiver period under the existing Unsecured Credit Facilities, on December 31, 2024 (the “June 29, 2023 Amendment”).

The Company cancelled the whole US\$750 million (equivalent to approximately HK\$5.83 billion) unutilized commitment under the MGM Resorts International Revolving Credit Facility, effective from March 20, 2024 (the “Effective Date of Cancellation”). The commitment fee due for the period from the Amendment Effective Date to the Effective Date of Cancellation amounted to HK\$42.7 million and is payable in the quarter ending on March 31, 2025, as provided in the June 29, 2023 Amendment.

OFF BALANCE SHEET ARRANGEMENTS

The Group has not entered into any transactions with special purpose entities nor do we engage in any transactions involving derivatives that would be considered speculative positions. The Group does not have any retained or contingent interest in assets transferred to an unconsolidated entity.

OTHER LIQUIDITY MATTERS

In the ordinary course of business, in response to market demands, we continue to incur capital expenditures on enhancements and refinements to our resorts.

Taking into consideration our financial resources, including the Group’s cash and cash equivalents, available undrawn unsecured credit facilities and internally generated funds, the Group believes it is able to meet its financial obligations as they fall due for the following twelve months from the end of the reporting period.

EMPLOYEES AND REMUNERATION POLICY

As at December 31, 2024, the Group employed 13,327 (2023: 11,786) full-time and part-time employees in Macau, Hong Kong and Zhuhai which includes MGM MACAU, MGM COTAI and shared services team members.

The Group's remuneration philosophy is a market-based job compensation grading approach, which we believe is the best strategy to fulfill the Company's fundamental goal of attracting and retaining a diverse and highly skilled workforce. To accomplish this, the Company intends our remuneration system to be:

- Competitive — in the local labor market, considering both MGM China's market niche and the larger industries in which we compete for talent.
- Comprehensive — to be viewed through the lens of total rewards, including, among others, base pay, health benefits, incentive pay, bonus, equity and retirement plans.
- Objective — to be consistent with local market rates.
- Developmental — to encourage career and professional development within the workforce and retain quality talents.

A group-wide performance based incentive program has been implemented since 2011 for all managerial level employees. The objective of developing such an incentive bonus program is to focus all members of the team in creating and sustaining the enterprise value of the Group. The program consists of several components, including share options and restricted stock units, designed to encourage targeted individuals and groups based upon clear and measurable objectives designed to support the Group's strategy.

In addition to the above performance incentives, it is customary in Macau to provide additional months of salary to line staff during the Chinese New Year period as a gratuity for their hard work during the year. Such additional bonus is subject to the Board's discretion.

DISCLOSURE OF FINANCIAL RESULTS IN MACAU

In February 2025, MGM Grand Paradise, our subsidiary and the holder of our gaming Concession, filed its statutory consolidated financial statements in accordance with Financial Reporting Standards of Macau Special Administrative Region of the People's Republic of China (the "MFRS") for the year ended December 31, 2024 (the "MFRS Consolidated Financial Statements") to the Gaming Inspection and Coordination Bureau of Macau, in compliance with the relevant provisions of its Concession Contract and applicable law. In addition, MGM Grand Paradise expects to publish its MFRS Condensed Consolidated Financial Statements in the Macau Official Gazette and local newspapers in Macau by the end of April 2025. The MFRS Consolidated Financial Statements and the MFRS Condensed Consolidated Financial Statements may not be directly comparable with our Company's financial results disclosed herein, which are prepared under IFRS Accounting Standards.

ANNUAL GENERAL MEETING

Notice of annual general meeting of the Company will be published and dispatched to the Company's shareholders in the manner required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

Final Dividend

Subject to the Shareholders' approval for the Final Dividend in the forthcoming Annual General Meeting, the register of members of the Company will be closed from May 30, 2025 (Friday) to June 3, 2025 (Tuesday), both days inclusive, during which period no transfer of Shares of the Company will be effected, for the purpose of ascertaining the members who are entitled to the Final Dividend. In order to qualify for the Final Dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on May 29, 2025.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended December 31, 2024, the Company repurchased a total of 23,381,800 Shares at an aggregate purchase price of HK\$320.5 million on the Hong Kong Stock Exchange. Particulars of the repurchases are as follows:

Month of repurchase	Total number of Shares repurchased	Highest price paid per Share HK\$	Lowest price paid per Share HK\$	Aggregate consideration paid HK\$'000
March 2024	2,271,800	13.62	12.30	30,453
May 2024	12,402,400	15.48	13.34	182,543
June 2024	5,965,700	14.40	12.74	79,988
September 2024	1,530,500	10.34	9.40	15,546
November 2024	382,800	9.70	9.50	3,686
December 2024	828,600	10.22	9.73	8,285
	<u>23,381,800</u>			<u>320,501</u>

New shares were issued pursuant to the exercise of share options by qualifying grantees under the 2011 Share Option Scheme and the 2020 Share Option Scheme adopted by the Company. During the year ended December 31, 2024, the Company repurchased the aggregate number of shares equivalent to the aggregate number of all such new shares being issued previously in accordance with Rule 10.06 of the Listing Rules, and all repurchased shares were subsequently cancelled. The total issued share capital of the Company remains the same. The Board considered that such repurchases were made for the benefit of the Company and its Shareholders as a whole with the view of maintaining the same total issued share capital and enhancing stability of the Company's share capital and hence the net value of the Company and its assets and/or earnings per Share.

Except as disclosed above, there was no repurchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the year ended December 31, 2024.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to the establishment of good corporate governance practices and procedures to attain high ethical standards as well as high levels of accountability, transparency and equity in all areas of its operations and in all interactions with its stakeholders. It is believed that effective corporate governance is fundamental to enhancing Shareholders' values and safeguarding interests of employees, business partners, and the communities in which it operates.

During the year ended December 31, 2024, the Company has complied with all provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules.

The Company has adopted its own code of conduct regarding securities transactions by Directors and senior management of the Group (the "Code for Securities Transactions by Officers") in terms which are no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules.

The Company has made specific inquiries and has received confirmations from all the Directors that they have complied with the required standard as set out in the Code for Securities Transactions by Officers for the year ended December 31, 2024.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on March 20, 2025. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

AUDIT COMMITTEE

The Audit Committee is currently comprised of three independent non-executive Directors and two non-executive Directors. The major duties of the Audit Committee under its terms of reference adopted by a resolution of the Board passed on February 16, 2012 and amended by a resolution of the Board passed on November 5, 2015 include overseeing the relationship between the Company and its external auditor, monitoring the integrity of the financial statements, annual and interim reports and reviewing significant financial reporting judgments contained therein, monitoring compliance with statutory and the Listing Rules requirements in relation to financial reporting, and reviewing the Group's financial controls, internal controls and risk management systems. The Management Risk Committee, appointed by and subject to the oversight of the Audit Committee assists the Audit Committee, the Board and senior management as appropriate to oversee the overall risk management framework of the Group and to identify and effectively manage risks considered by the Management Risk Committee to be significant to the Group, including strategic, financial, business, operational, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks on an ongoing basis. The Audit Committee has reviewed the Group's annual results for the year ended December 31, 2024.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is published on the Company's and the Hong Kong Stock Exchange's websites. The Company's annual report for the year ended December 31, 2024 in accordance with the relevant requirements of the Listing Rules will be dispatched to the Shareholders and published on the Company's and the Hong Kong Stock Exchange's websites in due course.

Definitions and Glossary Used in this Announcement

“2024 Notes”	US\$750 million aggregate principal amount of 5.375% senior unsecured notes due May 15, 2024, paid and cancelled on May 15, 2024
“2025 Notes”	US\$500 million aggregate principal amount of 5.25% senior unsecured notes due June 18, 2025
“2026 Notes”	US\$750 million aggregate principal amount of 5.875% senior unsecured notes due May 15, 2026
“2027 Notes”	US\$750 million aggregate principal amount of 4.75% senior unsecured notes due February 1, 2027
“2031 Notes”	US\$500 million aggregate principal amount of 7.125% senior unsecured notes due June 26, 2031
“Amended Revolving Credit Facility” or “Revolving Credit Facility”	the revolving credit facility dated August 12, 2019 entered into between the Company and certain lenders, pursuant to which the lenders agreed to make available to the Company an unsecured revolving credit facility in an aggregate amount of HK\$9.75 billion with a final maturity date on May 15, 2024, as amended on February 21, 2020, April 9, 2020, October 15, 2020, February 24, 2021, February 10, 2022 and June 30, 2023. The June 30, 2023 amendment extended the final maturity of the revolving credit facility to May 15, 2026

“Amended Second Revolving Credit Facility” or “Second Revolving Credit Facility”	the second revolving credit facility dated May 26, 2020 entered into between the Company and certain lenders, pursuant to which the lenders agreed to make available to the Company an unsecured revolving credit facility with a final maturity date on May 15, 2024, in an initial aggregate amount of HK\$2.34 billion, increased to HK\$3.12 billion on June 29, 2020, and with an increase option pursuant to which the Company may increase the amount of the facility up to HK\$3.9 billion, subject to certain conditions, as amended on October 14, 2020, February 24, 2021 and February 10, 2022. The second revolving credit facility was amended and extended on June 30, 2023, to, among others, i) extend the final maturity of the second revolving credit facility to May 15, 2026; and ii) amend the increase option pursuant to which the Company may increase the amount of the facility up to HK\$5.85 billion, subject to certain conditions. The increase option under the second revolving credit facility has been fully exercised to date
“Board of Directors” or “Board”	the board of Directors of the Company
“casino”	a gaming facility that provides casino games consisting of table games, slot machines and other electronic games and other games of chance
“Casino Areas”	the casino areas including casino support areas in MGM MACAU and MGM COTAI with 59,355 square meters designated by DICJ and the relevant gaming equipment reverted by MGM Grand Paradise to the Macau Government without compensation and free of encumbrance under Property Transfer Agreements on December 31, 2022
“casino revenue”	revenue from casino gaming activities (gross table games win and slot machines gross win), calculated net of commissions, complimentaries and other incentives and in accordance with IFRS Accounting Standards
“Chief Executive”	the chief executive of the Macau Special Administrative Region of the People’s Republic of China

“chips”	tokens, usually in the form of plastic discs issued by a casino to patrons in exchange for cash or credit, which may be used (in lieu of cash) to place bets on gaming tables
“Company” 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
“Concessionaire(s)”	the holder(s) of a concession for the operation of games of fortune and chance or other games in casino in Macau
“Concession” or “Concession Contract”	the concession contract for the operation of casino games in the Special Administrative Region of Macau executed between the Macau Government and MGM Grand Paradise, dated December 16, 2022, for a term of 10 years, commencing on January 1, 2023, and expiring on December 31, 2032, as the same may be extended from time to time in accordance with law, following the expiry of the Sub-Concession Contract on December 31, 2022
“Cotai”	an area of reclaimed land located between the islands of Taipa and Coloane in Macau
“DICJ”	the Gaming Inspection and Coordination Bureau of Macau (“Direcção de Inspeção e Coordenação de Jogos” in Portuguese), a department of the Public Administration of Macau
“Director(s)”	the director(s) of the Company
“drop”	the sum of markers exchanged for chips at the gaming table and the amount of cash deposited in a gaming table’s drop box
“DSEC”	Statistics and Census Service of the Macau Government
“gaming area”	a gaming facility that provides casino games consisting of table games, electronic games and slot machines but has not been designated as a casino by the Macau Government

“Gaming Concession”	the concession for the operation of games of fortune or chance in casino in Macau, for a term of 10 years, commencing on January 1, 2023, and expiring on December 31, 2032, as the same may be extended from time to time in accordance with law, following the expiry of the gaming sub-concession on December 31, 2022
“gaming promoters”	corporations licensed by and registered with the DICJ to promote games of fortune and chance to patrons, through the arrangement of certain services, including transportation, accommodation, dining and entertainment, whose activity is regulated by the Gaming Promoters Law (Macau Law No. 16/2022)
“GGR” or “gross gaming revenue”	the total win generated by all casino gaming activities combined, calculated before deduction of commissions, complimentaries and other incentives
“gross table games win”	the amount of drop (in our main floor casino operation) or turnover (in our VIP casino operation) that is retained as winnings. We record this amount and slot machine gross win as casino revenue after deduction of commissions, complimentaries and other incentives
“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
“HIBOR”	Hong Kong InterBank Offer Rate
“high value main floor players”	consists of predominantly walk-in, day-trip visitors to Macau from mainland China. Our premium mass market clients generally do not take advantage of our luxury amenities to the same degree as VIP clients, but they are offered a variety of premium mass market amenities and customer loyalty programs, such as reserved space on the regular gaming floor and various other services, that are unavailable to the general mass market

“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
“In-house VIP Program”	an internal marketing program wherein we directly market our casino resorts to gaming clients, including to high-end or premium players. These players are invited to qualify for a variety of gaming rebate programs whereby they earn cash commissions and room, food and beverage and other complimentary allowances based upon their turnover level. We often extend credit to these players based upon knowledge of the players, their financial background and payment history
“Las Vegas”	the Las Vegas gaming market as defined by the Nevada Gaming Control Board
“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 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
“Macau Government”	the local government of Macau
“main floor”	consists of the full range of our gaming products offered to our mass market players
“main floor players”	non-rolling chip players or cash chip players
“marker”	evidence of indebtedness by a player to the casino or gaming operator

“MGM COTAI”	the hotel and casino of that name in Cotai and all contiguous additions
“MGM Grand Paradise”	MGM Grand Paradise Limited, a private company limited by shares (“sociedade anónima”) incorporated on June 17, 2004 under the laws of Macau, a non-wholly owned subsidiary of the Company and one of six concessionaires authorized to operate casino games of chance in Macau
“MGM MACAU”	the hotel and casino of that name in the Macau peninsula and all contiguous additions
“MGM Resorts International”	MGM Resorts International, a company incorporated in Delaware and listed on the New York Stock Exchange under the ticker symbol MGM, and our controlling Shareholder
“MGM Resorts International Revolving Credit Facility”	the revolving loan facility dated November 10, 2022 entered into between the Company and MGM Resorts International, as amended on June 29, 2023, which was cancelled on March 20, 2024
“MRIH”	MGM Resorts International Holdings, Ltd, a company incorporated in the Isle of Man and an indirect wholly owned subsidiary of MGM Resorts International
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“MOP”	Macau Pataca, the lawful currency of Macau
“occupancy rate”	the number of total hotel room nights occupied as a percentage of the number of total hotel room nights available
“Pansy Ho”	Pansy Catilina Chiu King Ho, a substantial Shareholder, the Chairperson and an executive Director of the Company and the managing director of MGM Grand Paradise

“Property Transfer Agreements”	the Property Transfer Agreements entered into between MGM Grand Paradise and the Macau Government, pursuant to which MGM Grand Paradise reverted the Casino Areas including casino support areas in MGM MACAU and MGM COTAI and the relevant gaming equipment to the Macau Government without compensation and free of encumbrance on December 31, 2022. The Property Transfer Agreements allows MGM Grand Paradise to use the reverted Casino Areas including casino support areas and the relevant gaming equipment related to its operation of games of chance in MGM MACAU and MGM COTAI during the term of the Gaming Concession Contract
“REVPAR”	Revenue per available room includes commissions, complimentaries and other incentives
“rolling chip”	a physically identifiable chip that is used to track VIP wagering volume for purposes of calculating commissions and other allowances payable to individual VIP players and gaming promoters
“Senior Secured Credit Facility”	the Second Amended Credit Agreement, entered into between MGM China, MGM Grand Paradise, MGM Grand Paradise (HK) Limited, Superemrego Limitada, MGM — Security Services, Ltd. and Bank of America, N.A., dated June 9, 2015, as amended by the Third Supplemental Agreement, dated February 2, 2016, the Fourth Supplemental Agreement, dated February 15, 2017, the Fifth Supplemental Agreement, dated June 15, 2018 and the Sixth Supplemental Agreement, dated April 15, 2019, which was cancelled on August 14, 2019
“Share(s)”	ordinary share(s) with a nominal value of HK\$1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s) of the Company from time to time
“SJM”	SJM Resorts, S.A., formerly Sociedade de Jogos de Macau, S.A., one of six Concessionaires authorized to operate casino games in Macau

“slot handle”	the total value of slot machine credits wagered resulting from coins and bank notes in the drop box, plus the value of any electronic money transfers made to the slot machine through the use of a cashless wagering system
“slot machine gross win”	the amount of slot handle that is retained as winnings. We record this amount and gross table games win as casino revenue after deduction of complimentaries and other incentives
“slot machines”	gaming machines operated by a single player and electronic multiple-player gaming machines
“Sub-Concession”, “Sub-Concession Contract”, “Sub-Concession Extension Contract” or “Sub-Concession Further Extension Contract”	the sub-concession contract for the operation of games of fortune and chance or other games in casino in Macau, authorized by the Macau Government and entered into by SJM and MGM Grand Paradise on April 19, 2005, as extended to June 26, 2022 by the Sub-Concession Extension Contract, dated as of March 15, 2019, and further extended to December 31, 2022, by the Sub-Concession Further Extension Contract, dated June 23, 2022. The Sub-Concession Contract expired on December 31, 2022
“table games”	typical casino games, including card games such as baccarat, blackjack and sic bo as well as craps and roulette
“Trust for the Restricted Stock Unit Plan” or “Trust”	the trust established by trust deed executed on January 25, 2024 for the purposes of the restricted stock unit plan that was approved and adopted by the Board on August 4, 2023
“turnover”	the sum of all rolling chip wagers which represents wagers won by our relevant subsidiary (non-negotiable chip purchase plus non-negotiable chip exchange minus non-negotiable chip return)
“United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“US\$”	United States dollars, the lawful currency of United States

“VIP”, “VIP clients” or “VIP players”	patrons or players who participate in our In-house VIP Program or in the VIP program of any of our gaming promoters
“visitation”	with respect to visitation of our properties, the number of times our properties are entered during a fixed time period. Estimates of the number of visits to our properties are based upon information collected from digital cameras placed above every entrance to our properties capable of counting visitors (including repeat visitors) to our properties on a given day
“%”	per cent

By Order of the Board

Pansy Catilina Chiu King Ho
Chairperson and Executive Director

William Joseph Hornbuckle
Co-chairperson and Executive Director

Hong Kong, March 20, 2025

As at the date of this announcement, our directors are Pansy Catilina Chiu King HO, William Joseph HORNBuckle, John M. MCMANUS, Jeny LAU and Kenneth Xiaofeng FENG as executive directors, 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.