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

MGM CHINA HOLDINGS LIMITED

美高梅中國控股有限公司

(incorporated in the Cayman Islands with limited liability)

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

**(I) TERMINATION OF
CONTINUING CONNECTED TRANSACTION
(II) CONTINUING CONNECTED TRANSACTIONS: MGM GRAND
PARADISE INTERNATIONAL MARKETING AGREEMENT**

Reference is made to the announcement of MGM China Holdings Limited (the “**Company**”) dated December 8, 2022 (the “**Announcement**”) in relation to, among others, the renewal of the Fifth Renewed MGM Marketing Agreement. As disclosed in the Announcement, pursuant to the Sixth Renewed MGM Marketing Agreement, MGM Resorts International and its designated affiliates will be entitled to receive marketing fees in consideration of referrals of gaming customers made to resort, hotel and casino properties owned or operated by the Company and its subsidiaries. The Sixth Renewed MGM Marketing Agreement would expire on December 31, 2025.

The Board announces that (i) on March 29, 2023, it was approved by the Board that the Sixth Renewed MGM Marketing Agreement will be terminated effective from April 1, 2023; and that (ii) on March 31, 2023, the Company entered into the MGM Grand Paradise International Marketing Agreement (the “**International Marketing Agreement**”) with MGM Resorts International, MGM Resorts International Marketing, Ltd, MGM Grand International Pte, Ltd and MGM Grand Paradise (“**MGMGP**”), which will be effective from April 1, 2023.

In view of the change in nature and collaboration model between the MGM Group and the Macau Group in terms of marketing activities, the Parties wish to terminate the Sixth Renewed MGM Marketing Agreement and to enter into the International Marketing Agreement to regulate and govern the rights and obligations relating to the utilisation and overall management of the Marketing Offices and such marketing activities for the period from the Effective Date up to December 31, 2025 (the “**Term**”), provided that those provisions of the International Marketing Agreement which by their terms continue thereafter shall survive the expiry of the Term.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to the note to Rule 14A.35 of the Listing Rules, if there is any material variation of the terms or material delay in the completion of a connected transaction, the issuer must, announce this fact as soon as practicable. As the Sixth Renewed MGM Marketing Agreement will be terminated and the International Marketing Agreement was entered into, the Company is required to re-comply with the relevant requirements under Chapter 14A of the Listing Rules.

MGM Resorts International is a connected person of the Company as it holds, through its wholly-owned subsidiaries, approximately 55.95% of the issued share capital of the Company and is the controlling shareholder of the Company. MGM Resorts International Marketing, Ltd. and MGM Grand International Pte, Ltd. are both wholly-owned subsidiaries of MGM Resorts International and are therefore also connected persons of the Company. As MGM Resorts International, MGM Resorts International Marketing, Ltd. and MGM Grand International Pte, Ltd. are connected persons, the transactions contemplated under the International Marketing Agreement constitute continuing connected transactions of the Company pursuant to Rule 14A.31 of the Listing Rules.

As one or more of the applicable percentage ratios (other than the profits ratio) under Rule 14.07 of the Listing Rules in respect of each of the Macau Group Annual Cap and the MGM Group Annual Cap for the period from January 1, 2023 to December 31, 2025 for the transactions contemplated under the International Marketing Agreement are more than 0.1% but less than 5%, such continuing connected transactions are only subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Appropriate disclosure will be made in the annual reports and accounts of the Company in accordance with the Listing Rules.

I. INTRODUCTION

Reference is made to the announcement of MGM China Holdings Limited (the “**Company**”) dated December 8, 2022 (the “**Announcement**”) in relation to, among others, the renewal of the Fifth Renewed MGM Marketing Agreement. As disclosed in the Announcement, pursuant to the Sixth Renewed MGM Marketing Agreement, MGM Resorts International and its designated affiliates will be entitled to receive marketing fees in consideration of referrals of gaming customers made to resort, hotel and casino properties owned or operated by the Company and its subsidiaries. The Sixth Renewed MGM Marketing Agreement would expire on December 31, 2025.

The diversification of the Macau economy has been one of the primary goals that have guided the tender conditions for the New Concession Contract. Diversification of revenue sources is one specific requirement laid out by the Macau Government and as such, all concessionaires are required to invest in growing revenue from overseas markets thereby reducing the proportion of business generated from domestic markets which includes Macau, Hong Kong, Mainland China and Taiwan.

For the purpose of fulfilling its obligations under the New Concession Contract, and pursuant to the commitment by the Macau Group to the Macau Government to expand overseas markets and to increase the growth of non-gaming revenue, the Macau Group desires to utilize the know-how and international resources and reputation of MGM Resorts International and its designated Affiliates to conduct marketing activities via the existing and future Marketing Offices that will result in additional international customers visiting the Macau Properties for non-gaming attractions and also casino gaming.

The Macau Group intends to operate an international marketing network of Marketing Offices under the overall management of the senior manager (such person “**Senior Manager**”) designated by the Company. Under the overarching principle of cost-sharing between the Marketing Offices of each Group, the Macau Group will initially pay the full amount of the operating costs of the Marketing Offices with subsequent apportionment of such costs between the Macau Group and the MGM Group based on the aggregate gaming and non-gaming revenues generated for each Group.

The Board announces that (i) on March 29, 2023, it was approved by the Board that the Sixth Renewed MGM Marketing Agreement will be terminated effective from April 1, 2023; and that (ii) on March 31, 2023, the Company entered into the International Marketing Agreement with MGM Resorts International, MGM Resorts International Marketing, Ltd, MGM Grand International Pte, Ltd and MGMGP, which will be effective from April 1, 2023.

II. TERMINATION OF THE SIXTH RENEWED MGM MARKETING AGREEMENT

In view of the change in nature and collaboration model between the MGM Group and the Macau Group in terms of marketing activities, the Parties will terminate the Sixth Renewed MGM Marketing Agreement and have entered into the International Marketing Agreement to regulate and govern the rights and obligations relating to the utilisation and overall management of the Marketing Offices and such marketing activities for the period of the Term, provided that those provisions of the International Marketing Agreement which by their terms continue thereafter shall survive the expiry of the Term.

III. THE INTERNATIONAL MARKETING AGREEMENT

For their mutual benefit, the Parties have entered into the International Marketing Agreement which sets out the collaboration framework for the operation and cost sharing of the Marketing Offices in support of the expansion plans of the Macau Group. The Marketing Offices will include the MGM Marketing Offices currently in operation as well as new sales marketing offices to be established by the Macau Group and/ or the MGM Group in accordance with a sales and marketing plan agreed between the Parties.

Details of the International Marketing Agreement subject to disclosure requirements under Chapter 14A of the Listing Rules are set out below:

Date: March 31, 2023

Parties:

- (1) MGM Resorts International
- (2) MGM Resorts International Marketing, Ltd.
- (3) MGM Grand International Pte, Ltd.
- (4) The Company
- (5) MGMGP

Term: The International Marketing Agreement will be effective from April 1, 2023 and will expire on December 31, 2025.

Principal terms: The International Marketing Agreement governs the operational framework of the international marketing network comprising of the existing MGM Marketing Offices and additional Marketing Offices that may be subsequently established by the Parties.

The MGM Group currently operates overseas branch offices which have been directing gaming and non-gaming customer referrals to the Macau Properties and the MGM Properties. To further expand the international business of the Macau Group, and in particular expand the growth of non-gaming revenue pursuant to the commitment under the New Concession Contract, the Parties intend to establish additional Marketing Offices in new markets as agreed between them under the annual expansion plan.

The overall management of the Marketing Offices' operations will be led by a Senior Manager. The first Senior Manager shall be Mr. Sean Lanni, the Senior Vice President, International Marketing of the Company as of the date hereof. Subject to the prior written consent of the MGM Group, the Company shall be entitled to replace and designate such other person as the Senior Manager as agreed from time to time.

Both Groups shall each appoint a Designated Representative, whose role is set forth in the International Marketing Agreement. Any appointment and/or change of a Designated Representative by either Group shall be notified to the other Group by way of email notification.

International Marketing Budget

- (1) Prior to January 1 of each calendar year during the Term, the Parties shall determine and agree on a budget (the “**International Marketing Budget**”) taking into account the sales and marketing plan, as well as the expansion plan (including, without limitation, the Parties’ agreement with respect to any new hires) of all the Marketing Offices. In the event that any of the Parties establish a new Marketing Office during a calendar quarter, in accordance with the expansion plan or as otherwise agreed by the Parties, the Parties shall agree on the appropriate adjustments to the International Marketing Budget.
- (2) Notwithstanding any provision to the contrary, if, at any time either Group disputes whether a marketing office is a Macau Marketing Office or a MGM Marketing Office; such marketing office will only be deemed a Macau Marketing Office or a MGM Marketing Office (as applicable) if both Designated Representatives so agree, and in the absence of such agreement, the Group which established the marketing office in question shall be solely responsible for the management and payment of any expenses related to such office.
- (3) The International Marketing Budget shall include the projected MGM Group Expenses and the projected Macau Group Expenses for the calendar year and shall be reviewed and approved by the Designated Representatives of each of the Groups on an annual basis, subject to variation and negotiation mechanism in case of any disagreement set out in the International Marketing Agreement where the Designated Representatives will discuss and agree in good faith the International Marketing Budget for the relevant year or any proposed changes thereto, as appropriate, subject to compliance with the Listing Rules.

- (4) The Parties agree that either MGM Group or Macau Group may incur any expenses, including but not limited to the hiring cost of any employees of any Marketing Office (the “**Marketing Office Employees**”, each a “**Marketing Office Employee**”), as contemplated by the approved International Marketing Budget or if consented to by the Designated Representatives of the other Group. If the incurred expenses are not contemplated by the International Marketing Budget and the other Group has not consented to such expense or hiring being incurred (such hiring an “**Out of Scope Employee**”), then such incurred expense shall not be accounted towards the MGM Group Expenses or the Macau Group Expenses (as appropriate) for the purposes of any payment or reimbursement under the International Marketing Agreement, unless subsequently agreed otherwise. Pending any such agreement, the relevant Group agreeing to any such expense shall be solely responsible for the full payment related thereto.

Expenses and Reimbursement

(1) Payment for MGM Marketing Offices

The Company shall be initially responsible for the MGM Group Expenses in accordance with the International Marketing Budget (as may be agreed or varied from time to time in accordance with the International Marketing Agreement) in consideration for the provision of referral services by MGM Group to the Macau Group.

(2) Payment for Macau Marketing Offices

The Company shall be responsible for the Macau Group Expenses in accordance with the International Marketing Budget (as may be agreed or varied from time to time in accordance with the International Marketing Agreement), and upon the relevant establishment of the Macau Marketing Offices; provided that the relevant cost shall be reimbursed by MGM Group proportionately in accordance with the International Marketing Agreement.

(3) **Reimbursement**

The MGM Group and Macau Group agree to share the costs of the Marketing Offices by reference to the provision of Referrals to the MGM Properties by the Marketing Offices. To give effect to the foregoing principle, the Macau Group shall be entitled to receive reimbursement from the MGM Group for (i) a portion of the MGM Group Expenses (such amount, the “**MGM Group Reimbursable Amount**”) and (ii) a portion of the Macau Group Expenses (such amount, the “**Macau Group Reimbursable Amount**”) for each Marketing Office. Such MGM Group Reimbursable Amount and Macau Group Reimbursable Amount will be calculated by reference to the proportion of the total revenue generated by each Group’s Marketing Offices which is attributable to Referrals to the MGM Properties by way of marketing activities undertaken by such Group’s Marketing Offices and shall be calculated in accordance with the following formulae for each Period:

The Macau Group Reimbursable Amount for the Period	=	$\frac{\text{Total Macau Group Expenses for the Period} \times \text{(The Total Revenue generated by the Macau Marketing Offices attributable to Referrals to MGM Properties for the Period)}}{\text{The Total Revenue generated by the Macau Marketing Offices for the Period}}$
The MGM Group Reimbursable Amount for the Period	=	$\frac{\text{Total MGM Group Expenses for the Period} \times \text{(The Total Revenue generated by the MGM Marketing Offices attributable to Referrals to MGM Properties for the Period)}}{\text{The Total Revenue generated by the MGM Marketing Offices for the Period}}$
The Total Reimbursable Amount	=	The Macau Group Reimbursable Amount + the MGM Group Reimbursable Amount

Where:

- (i) the “**Total Revenue**” generated by each Group’s Marketing Offices shall comprise the aggregate of the:
 - (i) gaming revenue calculated based on Theoretical Win for gaming Customers and (ii) actual revenue received in respect of non-gaming Customers for both the Macau Properties and the MGM Properties.
- (ii) “**Period**” means calendar quarter.

For the avoidance of doubt, (i) any Referral generated by an Out of Scope Employee shall not be counted as revenue generated by a Marketing Office unless such Out of Scope Employee’s compensation are counted as MGM Group Expenses or Macau Group Expenses in accordance with the International Marketing Agreement, and (ii) any revenue generated by an out of scope office (if any) shall not be counted as revenue generated by a Marketing Office for the purpose of accounting under the International Marketing Agreement.

Within 30 days following the end of each Period, the MGM Group will pay to the Company the Total Reimbursable Amount, for the preceding Period. Such Total Reimbursable Amount shall be paid in cash or other reasonably acceptable manner as agreed by the Parties.

(4) *Periodic Reports*

Each of the Macau Group and the MGM Group shall deliver monthly reports to the other Group in respect to Referrals setting forth (a) the applicable Referrals, amounts collected, amounts owed, receivables balances, dates of relevant Referral visits, (b) the gaming revenue and non-gaming revenue derived from such Referrals. In connection with the calculation of the Total Reimbursable Amount, each Group shall deliver a consolidated quarterly report. Each Group shall have the right to audit any of the reports provided by the other Group and the Parties will cooperate and liaise in good faith to correct any perceived discrepancies in the reports.

Payment of fees:

The Company will pay to the MGM Group 1/12 of the MGM Group Expenses set out under the International Marketing Budget for the year within 10 days following the 1st day of each month during the calendar year. With respect to the calendar year ending December 31, 2023, the Parties agree that the MGM Group Expenses shall be HK\$53,069,000. The Parties further agree that commencing on April 1, 2023, the Company will pay to MGM Group HK\$4,422,417 for each full month through to December 31, 2023. In the event that the final amount of the MGM Group Expenses for the relevant year is less than the amount set out in the International Marketing Budget for such year, the relevant excess amount (taking into account any reimbursements by the MGM Group made pursuant to the International Marketing Agreement), shall be applied towards the Company's payment obligations for the following year.

Regarding the annual caps as set forth below, in the event that the Parties anticipate that the MGM Group Annual Cap and the Macau Group Annual Cap will be exceeded, the Parties shall negotiate in good faith in accordance with the International Marketing Agreement to increase the respective annual cap subject to compliance with the applicable requirements of the Listing Rules.

Annual caps

The annual cap for the continuing connected transactions contemplated under the International Marketing Agreement for each of the years ending December 31, 2023, 2024 and 2025 are as follows:

- (i) *The total amount of the MGM Group Expenses payable by the Macau Group to MGM Group in respect of the MGM Marketing Offices (the "MGM Group Annual Cap") are set out as follows:*

	For the year ending December 31, 2023 (HK\$'000)	For the year ending December 31, 2024 (HK\$'000)	For the year ending December 31, 2025 (HK\$'000)
MGM Group Annual Cap	64,000[#]	82,000	113,000

- [#] *the annual cap amount for the year ending December 31, 2023 has taken into account the actual amount incurred by the Macau Group payable to the MGM Group in respect of marketing fee pursuant to the Sixth Renewed MGM Marketing Agreement.*

Pursuant to the operation of the Fifth Renewed MGM Marketing Agreement and Sixth Renewed MGM Marketing Agreement, the historical marketing fees paid by the Macau Group to the MGM Group are set out as follows:

	For the year ended December 31, 2020 (HK\$'000)	For the year ended December 31, 2021 (HK\$'000)	For the year ended December 31, 2022 (HK\$'000)	For the three months ended March 31, 2023 (HK\$'000) (unaudited)
Historical transaction amount	4,165	3,363	1,200	1,100

The total amount of the MGM Group Expenses payable under the International Marketing Agreement were determined based on, amongst others, the assessment of the greater involvement of the MGM Marketing Offices and costs that would be incurred according to expansion plans for sales network to attract gaming and non-gaming Customers in contemplation of the expansion plan of the Macau Group, as well as the historical fee arrangement under the Sixth Renewed MGM Marketing Agreement.

The MGM Group Annual Cap was determined by reference to, amongst others,

- (i) the holistic assessment of operational costs to support the running of the MGM Marketing Offices as an essential part of the international marketing offices network to support the Macau Group's expansion plan;
- (ii) the amount to be paid to properly compensate for the services of the employees of MGM Marketing Offices who can contribute to the Referrals to Macau Properties;
- (iii) sufficient additional hiring capacity to address the expected growth of the Macau Group's business through Referrals by the MGM Marketing Offices; and
- (iv) the post-pandemic re-opening of Macau whereby infrastructure developments are facilitating more convenient travel to Macau, leading to an anticipated increase in marketing expenses to attract more potential Customers.

Moreover, the historical marketing fees paid by the Macau Group to the MGM Group for the three years ended December 31, 2020, 2021 and 2022 under the Fifth Renewed MGM Marketing Agreement and the Sixth Renewed MGM Marketing Agreement have been greatly affected by the pandemic and that the proposed caps reflecting the post-pandemic market forecast are in line with the annual caps in 2019, as well as the undertakings of international market expansion made by the Macau Group to the Macau Government as part of the tender process for the awarding of a new gaming concession.

(ii) *The aggregated amount of the Total Reimbursable Amount payable by the MGM Group to the Macau Group (the “Macau Group Annual Cap”) are set out as follow:*

	For the year ending December 31, 2023 (HK\$'000)	For the year ending December 31, 2024 (HK\$'000)	For the year ending December 31, 2025 (HK\$'000)
Macau Group Annual Cap	24,000	29,000	38,000
	For the year ended December 31, 2020 (HK\$'000)	For the year ended December 31, 2021 (HK\$'000)	For the year ended December 31, 2022 (HK\$'000)
Historical transaction amount*	N/A	N/A	N/A

* *Given the original structure of the Sixth Renewed MGM Marketing Agreement and that the Macau Marketing Offices are yet to be established, there was no reimbursable amount paid by the MGM Group to the Macau Group historically.*

The Macau Group Annual Cap was determined by reference to, amongst others,

- (i) the estimation of the Total Reimbursable Amount based on the expected total revenue generated to the Macau Properties by the Marketing Offices;
- (ii) the fair proportion of cost-sharing under the new structure of international Marketing Offices network; and
- (iii) the expected revenue generated by Referrals to the MGM Properties.

IV. REASONS FOR TERMINATING THE SIXTH RENEWED MGM MARKETING AGREEMENT AND ENTERING INTO THE INTERNATIONAL MARKETING AGREEMENT

In order to fulfill its obligations under the New Concession Contract, MGMGP as one of the concessionaires, is required to invest in growing revenue from overseas markets and is committed to expand the overseas sales network and resources. By leveraging the existing MGM Marketing Offices cluster operated by MGM Resorts International, the Macau Group is able to more efficiently grow its resources to reach its Key Performance Indicators (KPIs) within the set timeframe. Furthermore, pursuant to its commitment to the Macau Government, the Macau Group envisages to further open additional Marketing Offices in order to fully utilize the international marketing offices network.

In order for the Macau Group to have greater oversight and take a stronger lead in MGM Marketing Offices operations, the Parties agreed to enter into the International Marketing Agreement whereby, among others, the Macau Group should pay its fair share of the MGM Group Expenses (subject to reimbursement mechanism in relation to revenue generated by the Macau Group for the MGM Properties). Therefore, the Parties have terminated the Sixth Renewed MGM Marketing Agreement, and entered into the International Marketing Agreement which provides for a shared expenses model.

The changes brought by the International Marketing Agreement include putting in place Macau leadership, a Macau based sales and service support team, as well as new sales incentive plans and more aggressive targets. In summary, the benefits of entering into the International Marketing Agreement include providing the Macau Group (i) the ability to quickly bring on new hires in overseas markets to grow sales resources by making use of existing marketing offices, processes and set up; (ii) a more cost-effective way to establish an international sales network than building marketing network independently; (iii) with greater influence over the day-to-day operations of the Marketing Offices in order to drive a greater volume of business overall to both the Macau Group and MGM Group; and (iv) ultimately, the resources to reach its KPIs arising from the New Concession Contract.

The Directors (including the independent non-executive Directors) consider that the entry into the International Marketing Agreement is in the ordinary and usual course of business of the Macau Group and on normal commercial terms, and that the terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

V. IMPLICATIONS UNDER THE LISTING RULES

Pursuant to the note to Rule 14A.35 of the Listing Rules, if there is any material variation of the terms or material delay in the completion of a connected transaction, the issuer must, announce this fact as soon as practicable. As the Sixth Renewed MGM Marketing Agreement will be terminated and the International Marketing Agreement was entered into, the Company is required to re-comply with the relevant requirements under Chapter 14A of the Listing Rules.

MGM Resorts International is a connected person of the Company as it holds, through its wholly-owned subsidiaries, approximately 55.95% of the issued share capital of the Company and is the controlling shareholder of the Company. MGM Resorts International Marketing, Ltd. and MGM Grand International Pte, Ltd. are both wholly-owned subsidiaries of MGM Resorts International and are therefore also connected persons of the Company. As MGM Resorts International, MGM Resorts International Marketing, Ltd. and MGM Grand International Pte, Ltd. are connected persons, the transactions contemplated under the International Marketing Agreement constitute continuing connected transactions of the Company pursuant to Rule 14A.31 of the Listing Rules

As one or more of the applicable percentage ratios (other than the profits ratio) under Rule 14.07 of the Listing Rules in respect of each of the Macau Group Annual Cap and the MGM Group Annual Cap for the period from January 1, 2023 to December 31, 2025 for the transactions contemplated under the International Marketing Agreement are more than 0.1% but less than 5%, such continuing connected transactions are only subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Appropriate disclosure will be made in the annual reports and accounts of the Company in accordance with the Listing Rules.

VI. INFORMATION OF PARTIES

The Company

The Company is incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange (stock code: 2282). The Company, through its principal subsidiary, MGMGP, is engaged in the development and operation of casino games of chance and other casino games, where permitted by applicable laws, and the related hotel and resort facilities in Macau and/or in other parts in Asia. It owns and operates MGM Macau and MGM Cotai through MGMGP.

MGMGP

MGMGP is a private company limited by shares (“**sociedade anónima**”) incorporated in Macau, and one of the subsidiaries of the Company and one of the six concessionaires which holds a concession for the operation of casino games in Macau. The Company holds 100% of the Class A shares in MGMGP, which represent 84.6% of the voting power of the share capital of MGMGP. Ms. Pansy Catilina Chiu King Ho and MRIH each owns 97.4% (representing 15% voting power) and 2.6% (representing 0.4% voting power) respectively of the Class B shares. MGMGP is a casino gaming resort developer, owner and operator in the greater China region. It owns and operates MGM Macau and MGM Cotai.

MGM Resorts International

MGM Resorts International is a company incorporated in Delaware and listed on the New York Stock Exchange under the ticker symbol MGM. MGM Resorts International, through its wholly-owned subsidiaries, holds approximately 55.95% of the issued share capital of the Company and is the controlling shareholder of the Company. The MGM Resorts International group is engaged in the business of owning, operating, developing and managing resort properties on a global basis including the casino gaming business where permitted by applicable laws. For more information on MGM Resorts International, please visit MGM Resorts International website at <http://www.mgmresorts.com> (the information appearing in the website does not form part of this announcement).

MGM Resorts International Marketing, Ltd.

MGM Resorts International Marketing, Ltd. is a company incorporated in Hong Kong. It is a wholly-owned subsidiary of MGM Resorts International. It is an investment holding company.

MGM Grand International Pte, Ltd.

MGM Grand International Pte, Ltd. is a company incorporated in Singapore. It is a wholly-owned subsidiary of MGM Resorts International. It is an investment holding company.

VII. DEFINITIONS

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

“Affiliate”	with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or under common control with, the Person specified; provided that for the purposes of the International Marketing Agreement, none of the Company and its subsidiaries shall be deemed to be Affiliates of MGM and its subsidiaries
“Board”	the board of Directors
“Company”	MGM China Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability, and the shares of which are listed on the Stock Exchange (stock code: 2282)
“Customer”	a natural Person gaming or non-gaming customer
“Designated Representative”	means a member of the senior management team from each of the Macau Group and the MGM Group (appointed prior to the discussion of the annual International Marketing Budget) who are responsible for determining the International Marketing Budget, including projection of the annual Macau Group Expenses and MGM Group Expenses respectively
“Director(s)”	the director(s) of the Company
“Group”	any of the MGM Group or the Macau Group, as the context of the International Marketing Agreement requires
“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

“International Marketing Agreement”	the MGM Grand Paradise International Marketing Agreement effective from April 1, 2023 to December 31, 2025 entered into among MGM Resorts International, MGM Resorts International Marketing Ltd., MGM Grand International Pte, Ltd., MGMGP and the Company, governing rights and obligations relating to the utilisation and overall management of the Marketing Offices and such marketing activities
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Macau Government”	the government of Macau
“Macau Group”	collectively, MGM China, MGMGP and their respective controlled Affiliates (without duplication) which carry on the casino gaming or non-gaming businesses
“Macau Group Expenses”	collectively, the fully loaded employment costs (including salary, bonus, the applicable portion of employment taxes and the cost of other employee benefits) and other expenses (including but not limited to rent and professional fee) incurred in connection with the operation of any Macau Marketing Office
“Macau Marketing Executives”	the individuals employed by the Macau Group for marketing purposes from time to time
“Macau Marketing Offices”	(i) any marketing office owned, leased or operated by the MGM China Group that primarily provides referrals to the Macau Properties that exist or are established to provide, at least in part, marketing referrals to the Macau Properties and (ii) any marketing agents, wherever located, to the extent such agents engage, at least in part, in marketing referrals to the Macau Properties; any one of the Macau Marketing Offices is herein referred to as a “ Macau Marketing Office ”

“Macau Properties”	all resort, hotel and casino properties owned or operated during the Term by any Macau Group Member; any one of the Macau Properties in herein referred to as a " Macau Property "
“Marketing Offices”	as the context requires, either the Macau Marketing Offices or the MGM Marketing Offices
“MGM Group Expenses”	collectively, the fully loaded employment costs (including salary, bonus, the applicable portion of employment taxes and the cost of other employee benefits) and other expenses (including but not limited to rent and professional fee) incurred in connection with the operation of the existing and additional MGM Marketing Offices
“MGM”	MGM Marketing and MGM Resorts International
“MGM Group”	MGM and its controlled Affiliates which carry on the casino gaming business but shall not include the Macau Group
“MGMGP”	MGM Grand Paradise S.A., a company incorporated under the laws of Macau S.A.R. and a wholly-owned subsidiary of MGM China
“MGM Marketing”	MGM Resorts International Marketing Ltd., and MGM Grand International Pte, Ltd.
“MGM Marketing Executives”	the individuals employed by MGM for marketing purposes from time to time
“MGM Marketing Offices”	(i) the marketing offices owned, leased or operated by the MGM Group that primarily provides referrals to the Macau Properties that exist or are established to provide, at least in part, marketing referrals to the Macau Properties and (ii) any marketing agents, wherever located, to the extent such agents engage, at least in part, in marketing referrals to the Macau Properties; any one of the MGM Marketing Offices is herein referred to as an “ MGM Marketing Office ”

“MGM Properties”	all resort, hotel and casino properties owned or operated during the Term by any MGM Group Member; any one of the MGM Properties is herein referred to as an “ MGM Property ”
“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
“New Concession Contract”	the new concession contract between MGMGP and the Macau Government, for a term of 10 years effective from 1 January 2023, as the same may be extended from time to time in accordance with Law following its expiry
“Parties”, and each a “Party”	MGM, MGMGP and the Company
“Referral”	any Visit which is arranged or referred by a Marketing Office to any Property as evidenced by pre-arrangements made by the Marketing Office making the referral and as detailed in the periodic reports set out pursuant to the International Marketing Agreement
“Share(s)”	ordinary share(s) with a nominal value of HK\$1.00 each in the share capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Sixth Renewed MGM Marketing Agreement”	the sixth renewed MGM Marketing Agreement effective on January 1, 2023, and entered into among MGM Resorts International, MGM Resorts International Marketing Ltd., MGM Grand International Pte, Ltd., MGMGP and the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Theoretical Win”

in respect of any Customer, (i) in the case of cash chip play, the total amount wagered multiplied by the game house advantage, and (ii) in the case of rolling chip, turnover amount multiplied by the theoretical rolling chip win percentage of 2.7%, in each case ignoring the actual win or loss experienced as a result of that Customer’s play

“%”

per cent

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

Hong Kong, March 31, 2023

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