

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

OVERVIEW

Our business was principally founded by David Chow with the establishment of The Landmark Macau in 1997 and the opening of VIP rooms in The Landmark Macau in 1999 with the support of Lam Fong Ngo, the mother of David Chow. Pharaoh's Palace Casino began operations in January 2003 and the hotel in The Landmark Macau began operations in November 2003. David Chow has more than 30 years of experience in gaming and gaming promotion in key gaming and entertainment destinations. Lam Fong Ngo also has more than 30 years of experience in the Macau gaming industry and has worked for STDM in the 1980s.

On 5 October 2006, Macau Legend Development Limited was incorporated under the laws of the Cayman Islands. In December 2006, we acquired substantially all the equity interests in Hong Hock and New Macau Landmark. During the Track Record Period, we operated our gaming services business in relation to the Casinos through Hong Hock and our business in the hotel in The Landmark Macau through New Macau Landmark, both of which are Macanese corporate entities. In May 2012, we acquired 100% of the issued share capital of MFW Investment, which owns Macau Fisherman's Wharf, situated at Macau's outer harbor in the Macau Peninsula and within walking distance of the Macau Ferry Terminal. Macau Fisherman's Wharf has been in operation since 31 December 2005 and was officially opened on 23 December 2006.

The following table sets out the key milestones of our development:

1992	<ul style="list-style-type: none">• Incorporation of Hong Hock
1997	<ul style="list-style-type: none">• Opening of The Landmark Macau and commencement of leasing operations
1999	<ul style="list-style-type: none">• Opening of VIP rooms in The Landmark Macau
2002	<ul style="list-style-type: none">• Incorporation of New Macau Landmark
2003	<ul style="list-style-type: none">• Opening of Pharaoh's Palace Casino• Commencement of hotel operations in The Landmark Macau
2005	<ul style="list-style-type: none">• Opening of the slot machine hall in The Landmark Macau
2006	<ul style="list-style-type: none">• Entry by SJM and Hong Hock into the 2006 Service Agreement• Incorporation of our Company on 5 October 2006
2009	<ul style="list-style-type: none">• Entry by SJM and Hong Hock into the 2009 Amendment to the Service Agreement

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

- 2010
 - Melinda Chan, through Fortune More, her wholly owned investment holding company, purchased all outstanding Non-redeemable Preferred Shares that were issued to the syndicated investors in December 2006
- 2011
 - Transfer of all Non-redeemable Preferred Shares held by Melinda Chan through Fortune More to All Landmark, Grand Bright and Elite Success in April 2011
 - Conversion of all Non-redeemable Preferred Shares held by All Landmark, Grand Bright and Elite Success into Shares in October 2011
- 2012
 - Completed acquisition of MFW Investment in May 2012
 - Completed SJM Pre-IPO Investment in our Company

OUR HISTORY AND DEVELOPMENT

Incorporation and Shareholding Changes of Hong Hock

David Chow, together with Lam Fong Ngo and Li Chi Keung⁽¹⁾, incorporated Hong Hock on 8 June 1992 in Macau to engage in real estate operations. At the time of its incorporation, Hong Hock was held as to 35% by David Chow, 35% by Lam Fong Ngo and 30% by Li Chi Keung.

On 10 December 2002, following the completion of various transfer of shares, Hong Hock was held as to 35% by Honestway Investment Limited ("**Honestway**"), a company controlled by Stanley Ho, 18% by Elite Success, a company wholly owned by Li Chi Keung and his family, 26% by All Landmark, a company controlled by David Chow, and 21% by Grand Bright, a company wholly owned by Lam Fong Ngo and her family. See our corporate structure chart, immediately

Note:

- (1) Li Chi Keung is an established businessman who has been active in property investment businesses in Hong Kong since the 1990s. He has been a long term business partner of David Chow and Lam Fong Ngo since the establishment of Hong Hock and had been a director of our Company and its subsidiaries until December 2012, when he resigned from all directorships within our Group. During the Track Record Period, Mr. Li had not been involved in the day-to-day management of the Group's operations and had not assumed any executive function within the Group. While Mr. Li had been kept informed of the Group's financial and operational results on a regular basis, his involvement in the Group was passive, and was mostly limited to attending shareholders' and board meetings and voting in his capacity as Shareholder and/or Director, respectively, only in respect of transactions and matters that required the approval of the Board and/or resolutions of Shareholders. The Directors are of the view that Li Chi Keung's resignation from all directorships within the Group has had no material impact on the Group's operations. As at the Latest Practicable Date, Li Chi Keung held 3% of our total issued capital directly and 13.4% of our total issued capital indirectly through Elite Success. Upon completion of the Global Offering, Li Chi Keung is expected to hold 2.2% directly and 10.1% indirectly of our total issued capital (assuming that no Shares have been transferred by Li Chi Keung to SJM pursuant to the SJM Adjustment Right and without taking into account any Directors' Reward Shares and any Shares that may be issued pursuant to the David Chow Share Options and any options that may be granted under the Share Option Scheme).

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

prior to the commencement of the Reorganization, under “— Reorganization.” Hong Hock developed and opened The Landmark Macau in 1997 and opened VIP rooms in The Landmark Macau in 1999. Pharaoh’s Palace Casino commenced operations in January 2003. It was operated by SJM between February 2003 and September 2006, during which Hong Hock generated fixed monthly rental, management and dining service fees for the use of our premises, facilities and services.

On 17 June 2006, Honestway sold all of the issued shares it then held in Hong Hock to David Chow for a total consideration of HK\$1,864.1 million, which was determined upon an arm’s length negotiation. Following the completion of this share sale, Hong Hock was held as to 35%, 26%, 18% and 21% by David Chow, All Landmark, Elite Success and Grand Bright, respectively, and Honestway ceased to hold any equity interest in Hong Hock.

Since September 2006, Hong Hock has been engaged by SJM to provide Gaming Services in respect of the Casinos pursuant to the 2006 Service Agreement. The 2006 Service Agreement was extended in 2009 to cover the VIP rooms in The Landmark Macau. See “Gaming Services Model — The Service Agreement.” According to SJM, the entry into service agreements with gaming services providers like our Group is part of its expansion strategy to diversify its presence in Macau without incurring significant capital expenditure. We believe that entering into service agreements with gaming services providers like our Group has allowed SJM to enhance savings in operational costs and focus its resources in the operations of those other casinos that were promoted and marketed by its own marketing departments.

On 14 December 2006, each of David Chow, All Landmark, Elite Success and Grand Bright sold all, save for 0.02% of the issued share capital, of the issued shares they respectively held in Hong Hock to our Company. The 0.02% of the issued share capital in Hong Hock was retained by David Chow and Grand Bright in compliance with Macau laws which require each company organized by issued shares to have at least three shareholders. Each of David Chow and Grand Bright has irrevocably assigned all rights and benefits relating to such shares in favor of our Company. See our corporate structure chart, immediately prior to the commencement of the Reorganization, under “— Reorganization” and “— Incorporation of our Company and the Hong Hock Share Swap.”

Incorporation of New Macau Landmark

New Macau Landmark was incorporated in Macau on 9 December 2002 to manage the hotel, residential apartments and commercial leasing operations of The Landmark Macau. At the time of its incorporation, New Macau Landmark was held as to 35% by Honestway, 26% by All Landmark, 21% by Grand Bright and 18% by Elite Success.

On 5 December 2006, Honestway, All Landmark, Elite Success and Grand Bright transferred all of their respective equity interests in New Macau Landmark to Hong Hock in consideration of the Hong Hock Share Swap as detailed under “— Incorporation of our Company and the Hong Hock Share Swap.” Upon completion of the transfers, save for 1% of its issued capital, New Macau Landmark has become a direct wholly owned subsidiary of Hong Hock. The 1% of the issued share capital in New Macau Landmark was retained by David Chow in compliance with Macau laws which require each company to have at least two shareholders. David Chow has irrevocably assigned all rights and benefits relating to such shares in favor of our Company.

Incorporation of Hong Kong subsidiaries

Between May 2006 and May 2007, we incorporated three subsidiaries in Hong Kong, namely Macau Legend Company, Macau Landmark and Macau Legend (Hong Kong).

Macau Legend Company was incorporated on 9 May 2006, with an issued capital of HK\$10,000, as a holding company wholly owned by our Company. Macau Legend Company has not conducted any operations since its incorporation.

Macau Landmark was incorporated on 15 June 2006, with an issued capital of HK\$10,000, as a holding company wholly owned by Theme Consultants Limited. Macau Landmark has not conducted any operations since its incorporation. On 23 July 2008, Theme Consultants Limited transferred all the shares in Macau Landmark to our Company.

Macau Legend (Hong Kong) was incorporated on 4 May 2007, with an issued capital of HK\$10,000, as our wholly owned subsidiary for the purposes of making rental payments and conducting other administrative tasks in relation to our Group's Hong Kong office.

Incorporation of our Company and the Hong Hock Share Swap

Our Company was incorporated on 5 October 2006 as a holding company to hold all interests in our Group. On 14 December 2006, after an arm's length negotiation, our Company and Hong Hock entered into an arrangement (the "**Hong Hock Share Swap**") with All Landmark, Elite Success and Grand Bright to acquire all the issued capital they then held in Hong Hock in return for our issuance to them of 877,499,999, 292,500,000, and 682,500,000 Shares, respectively. See our corporate structure chart, immediately prior to the commencement of the Reorganization, under "— Reorganization." The Hong Hock Share Swap was completed on 20 December 2006. On the same day, David Chow also transferred at par value the one Share he then held in our Company to All Landmark.

Immediately after the above transfers:

- Elite Success transferred an additional 32,500,000 Shares to All Landmark for a consideration of HK\$2.00 per share; and
- Each of David Chow and Elite Success subscribed at par value of HK\$0.10 for 1,137,500,000 and 260,000,000 Non-redeemable Preferred Shares in our Company.

The 2006 Syndicated Investment Agreement

On 20 December 2006, our Company, together with David Chow, All Landmark and Elite Success, entered into a sale and purchase agreement with a syndicate comprising 14 corporate investors (the "**Syndicated Investors**") in relation to the acquisition of 1,514,050,000 Non-redeemable Preferred Shares in aggregate by the Syndicated Investors (the "**2006 Syndicated Investment Agreement**"), for an aggregate consideration of approximately HK\$3.0 billion. The Syndicated Investors are financial institutions or private equity funds that are independent third parties.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Pursuant to the 2006 Syndicated Investment Agreement, all of the aforesaid 1,137,500,000 and 260,000,000 Non-redeemable Preferred Shares subscribed by David Chow and Elite Success respectively were sold to the Syndicated Investors at a consideration of HK\$2.00 per share (the “**Sale Share Tranche**”) and an additional 116,550,000 Non-redeemable Preferred Shares were issued to one of the Syndicated Investors at the same offer price (the “**Subscription Tranche**”). The Non-redeemable Preferred Shares were sold under the Sale Share Tranche and issued under the Subscription Tranche on a non-redeemable basis. The structure of the investment, which included both the Sale Share Tranche and the Subscription Tranche, together with the respective consideration thereof, was a commercial decision reached collectively by the Syndicated Investors, our Company, David Chow, All Landmark and Elite Success after an arm’s length negotiation having taken into account the then prospects of a qualifying initial public offering (the “**2006 Qualifying IPO**”) of the Company and the then value of the Group’s operations as appraised by the respective parties. As provided, among other things, pursuant to the 2006 Syndicated Investment Agreement:

- a shareholders’ agreement dated 20 December 2006 (the “**2006 Shareholders Agreement**”) was entered into by the then shareholders of our Company, including the Syndicated Investors, David Chow, All Landmark, Elite Success and Grand Bright, pursuant to which the Syndicated Investors were granted, among other things, pre-emptive rights to purchase the Non-redeemable Preferred Shares held by each of All Landmark, Elite Success and Grand Bright (the “**Pre-Emptive Rights**”);
- an acquisition agreement dated 20 December 2006 (the “**2006 MFW Acquisition Agreement**”) was entered into between Stanley Ho, Lam Fong Ngo, David Chow, Hong Hock and New Macau Landmark in respect of the proposed acquisition of MFW Investment by Hong Hock and New Macau Landmark;
- the 2006 David Chow Employment Agreement; and
- an employee benefits plan,

was adopted immediately upon the completion of the 2006 Syndicated Investment Agreement. For further details relating to MFW Investment, the 2006 MFW Acquisition Agreement and the 2006 David Chow Employment Agreement, please refer to the paragraphs headed “MFW Investment and its subsidiaries,” “2006 MFW Acquisition Agreement” and “2006 David Chow Employment Agreement” in this section.

Given the deterioration in the financial markets and the global appetite for equity offerings in and subsequent to 2008, the prospects of the 2006 Qualifying IPO and the expected value of the Group’s operations were significantly reduced around 2008. Following an arm’s length negotiation (which the Company believed to have been initiated by the Syndicated Investors), Melinda Chan offered to buy the Non-redeemable Preferred Shares from the Syndicated Investors (or their respective transferees) in 2010. Between July 2010 and October 2010, each of the Syndicated Investors (or their respective transferees) entered into an agreement (“**Repurchase Agreement**”) with Fortune More, an investment company wholly owned by Melinda Chan, to sell all the Non-redeemable Preferred Shares then held by each of them for a consideration of HK\$0.64 per Non-redeemable Preferred Share, which was

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

determined with reference to the value of the Group's operation as appraised by the parties in the then market conditions. Pursuant to the Repurchase Agreements, the Syndicated Investors (or their respective transferees) waived all of their Pre-Emptive Rights.

On 19 July 2010, Fortune More transferred one Non-redeemable Preferred Share to Melinda Chan for a consideration of HK\$0.10, the nominal value of the Non-redeemable Preferred Share. On 23 December 2010, following the completion of this and all of the transfers under the Repurchase Agreements, Fortune More and Melinda Chan became the beneficial owner of 1,514,050,000 and one Non-redeemable Preferred Share(s) then outstanding, respectively.

On 12 April 2011, Fortune More transferred 567,768,750, 567,768,750 and 378,512,499 of the Non-redeemable Preferred Shares it then held to All Landmark, Elite Success and Grand Bright, respectively, for a consideration of approximately HK\$0.75 per Non-redeemable Preferred Share, which was determined on an arm's length basis. On the same day, Melinda Chan transferred one Non-redeemable Preferred Share to Grand Bright for a consideration of HK\$0.75, which was determined on an arm's length basis. Upon completion of the transfers, the capital of the Non-redeemable Preferred Shares was held as to 37.5%, 37.5% and 25% by All Landmark, Elite Success and Grand Bright, respectively, and Fortune More and Melinda Chan ceased to hold any equity interest in our Company.

On 14 October 2011, each of All Landmark, Elite Success and Grand Bright converted all of the Non-redeemable Preferred Shares on a "one-for-one" basis into Shares of our Company. See "— Reorganization — Offshore Restructuring" in this section for details.

On 11 December 2012, each of David Chow, All Landmark, Elite Success and Grand Bright, in their capacity as shareholders of the Company, entered into a deed of agreement with the Company to (i) set off dividends of HK\$1,000,000,000 in aggregate payable to them, respectively, against the same aggregate amount due from them; and (ii) unconditionally waive any and all their rights and entitlements to the remaining dividend of HK\$2,033,409,000 in aggregate payable to them. This right and entitlement to dividends which were subsequently set-off and waived were attached to the Non-redeemable Preferred Shares which were transferred from Syndicated Investors to Fortune More and Melinda Chan in 2010 and to All Landmark, Elite Success and Grand Bright in 2011.

MFW Investment and its subsidiaries

MFW Investment was incorporated by David Chow, Stanley Ho and Lam Fong Ngo on 28 August 2000 in Macau to develop and operate Macau Fisherman's Wharf. At the time of its incorporation, MFW Investment was held as to 41% by David Chow, 51% by Stanley Ho and 8% by Lam Fong Ngo (the "**Original MFW Shareholders**").

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

The following table sets out the key milestones of the development of MFW Investment:

2000	<ul style="list-style-type: none">• Incorporation of MFW Investment and submission of Macau Fisherman's Wharf development plans to the Macau Government
2004	<ul style="list-style-type: none">• Awarded the land concession to develop Macau Fisherman's Wharf
2005	<ul style="list-style-type: none">• Soft opening of Macau Fisherman's Wharf⁽¹⁾
2006	<ul style="list-style-type: none">• Official opening of Macau Fisherman's Wharf• Opening of Rocks Hotel and Babylon Casino

On 25 August 2006, MFW Investment incorporated Grand Merit in Macau to manage the retail operations of Macau Fisherman's Wharf through establishing strategic relationships and franchises with renowned retail brands. At the time of its incorporation, Grand Merit was held as to 99% by MFW Investment and 1% by David Chow.

On 25 August 2006, MFW Investment incorporated Legend King in Macau. At the time of its incorporation, Legend King was held as to 99% by MFW Investment and 1% by David Chow.

David Chow and Lam Fong Ngo had been shareholders and directors of MFW Investment throughout the Track Record Period.

Our cooperation with MFW Investment and its subsidiaries began in 2006 when we started providing the Gaming Services to SJM in respect of its operations in Babylon Casino pursuant to the Service Agreement for the benefit of MFW Investment. In addition, we also leased certain retail space in The Landmark Macau to Grand Merit for its expanding retail operations. For details relating to the business and operations of Macau Fisherman's Wharf, please refer to the section headed "Business — Our Properties and Projects — Macau Fisherman's Wharf" in this prospectus.

Our Directors were of the view that the operations of MFW Investment, including the operations of Macau Fisherman's Wharf, the Rocks Hotel and Babylon Casino, were highly complementary to our hotel operations and provision of Gaming Services, and the acquisition thereof is in line with the growth of our business.

Note:

(1) The operations of Rocks Hotel and Babylon Casino did not commence until their respective opening in 2006.

2006 MFW Acquisition Agreement

Pursuant to the 2006 MFW Acquisition Agreement, the Original MFW Shareholders agreed to sell, and Hong Hock and New Macau Landmark agreed to purchase, all (except for one share to be retained by David Chow in compliance with Macau laws requiring each company limited by issued shares to have at least three shareholders) of the issued shares in MFW Investment for a consideration to be determined by the following formula:

10.0 x (actual earnings before interests and taxes of MFW Investment for the year 2007)

According to the terms of the 2006 MFW Acquisition Agreement, the parties agreed that, among other things:

- an aggregate of HK\$200 million (the “**2006 MFW Deposit**”) would be paid by Hong Hock and New Macau Landmark to the Original MFW Shareholders prior to the closing of the 2006 Syndicated Investment Agreement, which shall in turn be advanced by the Original MFW Shareholders to our Company as a shareholder loan; and
- the acquisition would be completed on the earlier of the closing date of the qualifying IPO or the second anniversary (that is 20 December 2008) of the 2006 MFW Acquisition Agreement.

The 2006 Qualifying IPO did not take place prior to 20 December 2008. The parties to the 2006 MFW Acquisition Agreement did not proceed to complete the acquisition for commercial reasons, taking into account the then uncertain economic and financial environment. The 2006 MFW Acquisition Agreement had since lapsed and the 2006 MFW Deposit had been accounted for by MFW Investment as a shareholder loan from the Original MFW Shareholders and by Hong Hock and New Macau Landmark as prepayment of the purchase price for acquiring shares in MFW Investment in the future. The 2006 MFW Deposit became deductible from the total consideration in the 2012 MFW Acquisition. See “— Reorganization.”

On 18 December 2010, Stanley Ho transferred all issued shares he held in MFW Investment to Ina Chan. Following the transfer, MFW Investment was held as to 41%, 51% and 8% by David Chow, Ina Chan and Lam Fong Ngo, respectively, and Stanley Ho ceased to hold any equity interest in MFW Investment.

2006 David Chow Employment Agreement

Pursuant to the terms of the 2006 David Chow Employment Agreement, David Chow was appointed as the chief executive officer of our Company for a term of four years. In addition, pursuant to the 2006 Employee Benefits Plan and the 2006 David Chow Employment Agreement, David Chow was issued with an additional 8,416,375 and 4,208,188 Shares at a subscription price of HK\$2.00 per Share in March 2009 and December 2009, respectively, and an option to subscribe for 12,624,563 Shares in November 2011, exercisable any time within five years of issue at an exercise price of HK\$2.00 per Share.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

2010 David Chow Employment Agreement

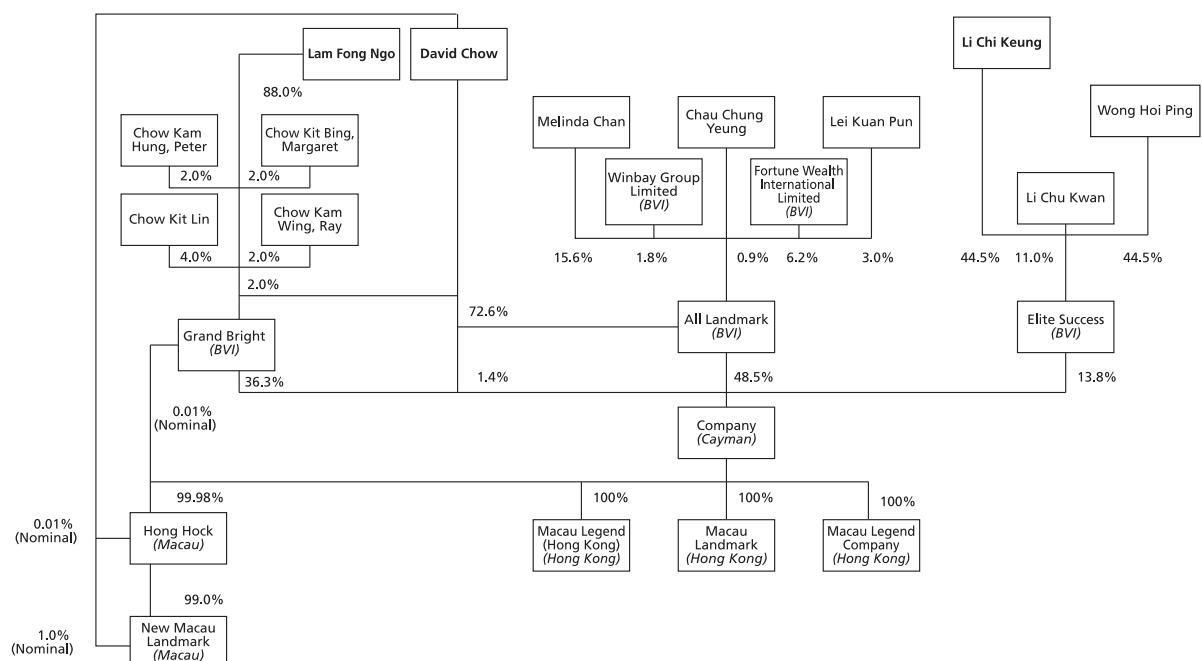
On 21 December 2010, we entered into the 2010 David Chow Employment Agreement, pursuant to which David Chow was appointed as the chief executive officer of our Company for another term of four years. Pursuant to the 2010 David Chow Employment Agreement, David Chow was issued with an additional 12,671,905 Shares at a subscription price of HK\$2.00 per Share in November 2011 and an option to subscribe for 12,671,905 Shares in November 2011, exercisable any time within five years of issue at an exercise price of HK\$2.00 per Share.

Following completion of the 2012 MFW Acquisition on 18 May 2012, the aggregate number of Shares under the David Chow Share Options was adjusted to 24,412,724, so as to maintain the valuation of the David Chow Share Options following completion of the 2012 MFW Acquisition.

REORGANIZATION

We have taken various steps to restructure our Group for the purpose of the Listing. The steps we took in connection with our Reorganization can be categorized into two parts, namely an offshore restructuring (the “**Offshore Restructuring**”) of our Company and the acquisition of MFW Investment (the “**2012 MFW Acquisition**”), which comprised of the steps we took to acquire MFW Investment from its existing shareholders in Macau.

The following chart sets out our corporate structure immediately prior to the commencement of the Reorganization:



HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Notes:

- (1) Elite Success was owned as to 44.5% by Li Chi Keung, 44.5% by Wong Hoi Ping, Li Chi Keung's wife, and 11.0% by Li Chu Kwan, son of Li Chi Keung.
- (2) Grand Bright was owned as to 88.0% by Lam Fong Ngo, 4.0% by Chow Kit Lin, 2.0% by David Chow, 2.0% by Chow Kam Hung, Peter, 2.0% by Chow Kit Bing, Margaret, and 2.0% by Chow Kam Wing, Ray as at the Latest Practicable Date. Each of Chow Kit Lin, Chow Kam Hung, Peter, Chow Kit Bing, Margaret and Chow Kam Wing, Ray is a son or daughter of Lam Fong Ngo.
- (3) Immediately prior to the commencement of the Reorganization, All Landmark was owned as to 72.6% by David Chow, 15.6% by Melinda Chan, 6.2% by Fortune Wealth International Limited, 3.0% by Lei Kuan Pun, 1.8% by Winbay Group Limited, and 0.9% by Chau Chung Yeung. Each of Lei Kuan Pun, and Chau Chung Yeung is an independent third party. Fortune Wealth International Limited is an investment holding company incorporated in the BVI, indirectly wholly owned by a private family trust whose trustee and beneficiaries are independent third parties. Winbay Group Limited is an investment holding company incorporated in the BVI wholly owned by Ho Cheung Lai Kwan and Lee Lai Ying, who are also independent third parties.
- (4) 0.01% of the issued capital in Hong Hock was retained by David Chow and the remaining 0.01% was retained by Grand Bright in compliance with Macau laws which require each company organized by issued shares to have at least three shareholders. Each of David Chow and Grand Bright has irrevocably assigned all rights and benefits relating to such shares in favor of our Company.
- (5) 1% of the issued share capital in New Macau Landmark was retained by David Chow in compliance with Macau laws which require each company organized by quotas (non-issued shares) to have at least two shareholders. David Chow has irrevocably assigned all rights and benefits relating to such shares in favor of our Company.
- (6) Macau Landmark and Macau Legend Company are dormant companies within the Group.

Offshore Restructuring

Immediately prior to the commencement of the Offshore Restructuring, our issued share capital comprised Shares and Non-redeemable Preferred Shares held by David Chow, All Landmark, Elite Success and Grand Bright (the "Original Shareholders") as described in the table below:

	Shares		Non-redeemable Preferred Shares	
	Number	%	Number	%
David Chow	12,624,563	0.7%	—	—
All Landmark	910,000,000	48.8%	567,768,750	37.5%
Elite Success	260,000,000	13.9%	567,768,750	37.5%
Grand Bright.	682,500,000	36.6%	378,512,500	25.0%
Total	1,865,124,563	100.0%	1,514,050,000	100.0%

On 14 October 2011, the Original Shareholders passed unanimous resolutions to increase our authorized share capital from HK\$715,167,500, divided into (i) 3,366,550,000 Shares; and (ii) 3,785,125,000 Non-redeemable Preferred Shares, to HK\$716,429,956.3, divided into (i) 3,379,174,563 Shares; and (ii) 3,785,125,000 Non-redeemable Preferred Shares, by the creation of an additional 12,624,563 Shares.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

On 14 October 2011, our Company converted 378,512,500 Non-redeemable Preferred Shares registered in the name of Grand Bright into 378,512,500 Shares.

On 14 October 2011, our Company converted 567,768,750 Non-redeemable Preferred Shares registered in the name of Elite Success into 567,768,750 Shares.

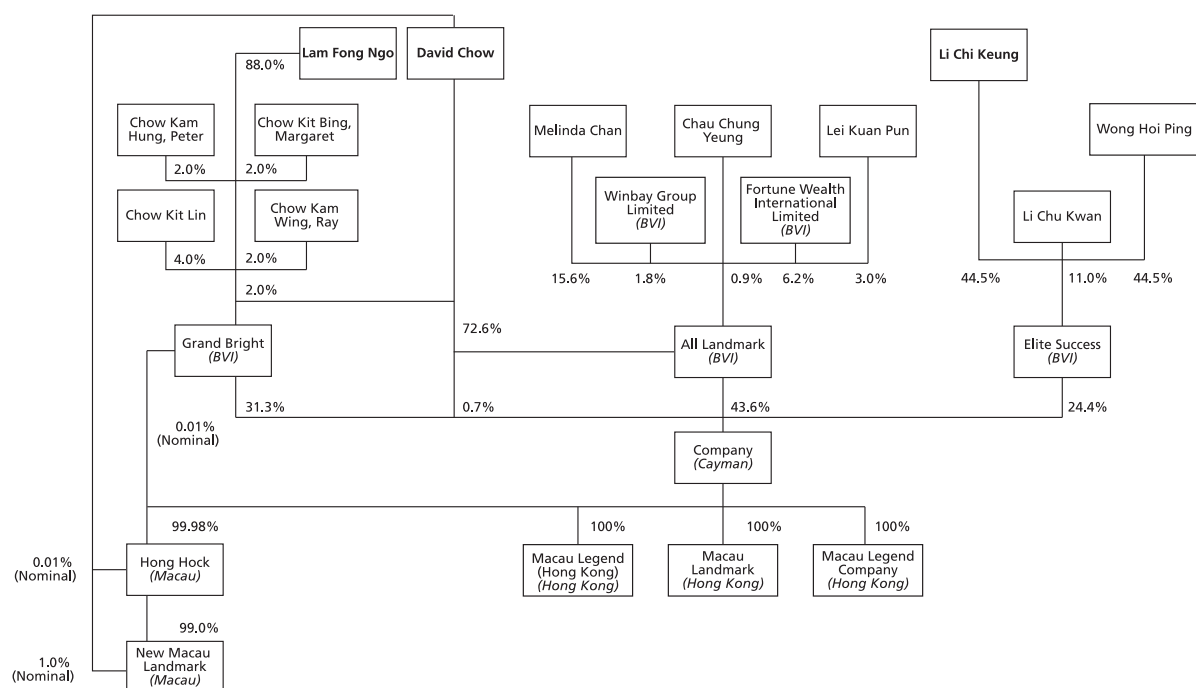
On 14 October 2011, our Company converted 567,768,750 Non-redeemable Preferred Shares registered in the name of All Landmark into 567,768,750 Shares.

The respective proportions of Shares held by the Original Shareholders after the above conversion are set out in the table below:

	Ordinary Shares		Non-redeemable Preferred Shares	
	Number	%	Number	%
David Chow	12,624,563	0.4%	—	—
All Landmark	1,477,768,750	43.7%	—	—
Elite Success	827,768,750	24.5%	—	—
Grand Bright	1,061,012,500	31.4%	—	—
Total	3,379,174,563	100.0%	—	—

On 14 October 2011, our shareholders passed unanimous resolutions to re-classify and re-designate our authorized share capital from HK\$716,429,956.3, divided into (i) 3,379,174,563 Shares; and (ii) 3,785,125,000 Non-redeemable Preferred Shares, into HK\$716,429,956.3 divided into 7,164,299,563 Shares.

The following chart sets out our corporate structure immediately after the completion of the Offshore Restructuring but prior to the completion of the Elegant Wave Purchase Agreement (see “— Acquisition of Elegant Wave by MFW Investment” below) and 2012 MFW Acquisition:



Acquisition of Elegant Wave by MFW Investment

On 30 April 2012, MFW Investment and David Chow, as purchasers, entered into a share purchase agreement (the “**Elegant Wave Purchase Agreement**”) with Tang Lai long (鄧麗容), Million Up Investments Limited, Eddie Chan, Cheong Iek Lon (張亦倫) and Mak Kit Wa (麥潔華) (together the “**Elegant Wave Sellers**”), as sellers, in respect of all issued shares in Elegant Wave for a total consideration of MOP100,000, which was determined upon an arm’s length negotiation. Each of Tang Lai long (鄧麗容), Million Up Investments Limited and Eddie Chan is an associate of David Chow and Melinda Chan. Elegant Wave operates a restaurant in Macau Fisherman’s Wharf. Upon completion of the Elegant Wave Purchase Agreement on 30 April 2012, MFW Investment and David Chow held as to 99.0% and 1.0%, respectively, of the issued capital of Elegant Wave. The 1.0% of the issued share capital in Elegant Wave was retained by David Chow in compliance with Macau laws which require each company organized by quotas (non-issued shares) to have at least two shareholders. David Chow has irrevocably assigned all rights and benefits relating to such shares in favor of MFW Investment.

2012 MFW Acquisition Agreement

Incorporation of BVI special purpose vehicles

In March 2012, we incorporated two special purpose vehicles, namely Triumphant Time and Star Pyramid in the BVI to facilitate the 2012 MFW Acquisition. Triumphant Time was incorporated on 13 March 2012 with an issued share capital of US\$1.00, and is held as to 100% by our Company. Star Pyramid was incorporated on 16 March 2012 with an issued share capital of US\$1.00, and is held as to 100% by our Company.

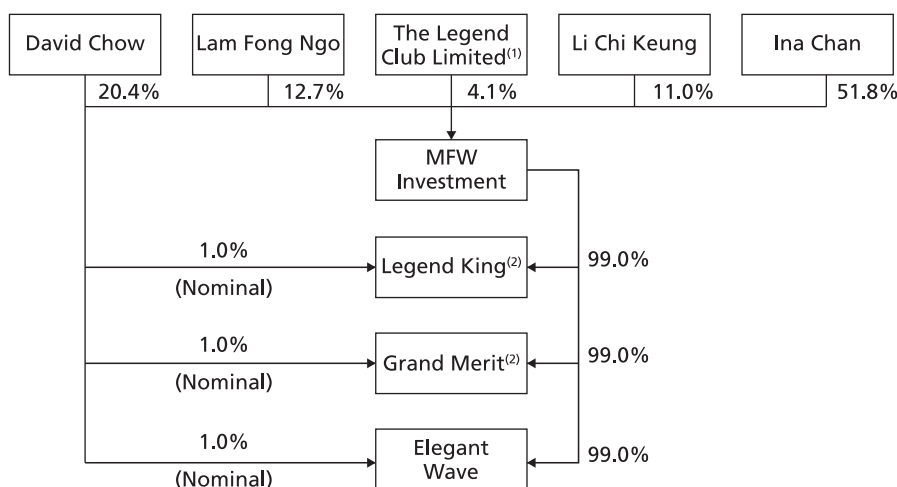
Transfers of Shares from All Landmark to David Chow

On 16 May 2012, All Landmark transferred 567,768,750 Shares to David Chow in consideration of funding contributed by David Chow in connection with the purchase of 567,768,750 Non-redeemable Preferred Shares by All Landmark from Fortune More on 12 April 2011.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Transfers of shares in MFW Investment from David Chow to Li Chi Keung, Lam Fong Ngo, The Legend Club Limited and Ina Chan

On 18 May 2012, immediately prior to the 2012 MFW Acquisition, David Chow transferred 472, 1,103, 406 and 77 shares in MFW Investment to Lam Fong Ngo, Li Chi Keung, The Legend Club Limited and Ina Chan, respectively, at nil consideration. These transfers effectively re-distributed shareholding among the aforesaid transferors and transferees to recognize their (or their successor's) respective aggregate funding contribution to MFW Investment prior to the completion of the acquisition. These transfers were effected on the basis that David Chow, Lam Fong Ngo, Li Chi Keung and The Legend Club Limited had, together, contributed an aggregate amount of HK\$1,709,261,524, and Stanley Ho, whose interests in MFW Investment were assigned to Ina Chan on 18 December 2010, had contributed a total of HK\$1,835,017,926 as at 18 May 2012. The following chart sets out the corporate structure of MFW Investment following the above share transfers and immediately prior to the 2012 MFW Acquisition:



Notes:

- (1) The Legend Club Limited was owned as to 26.9%, 10.0%, 15.4% and 13.1% by David Chow, Lam Fong Ngo, Li Chi Keung (together with his wife Wong Hoi Ping) and Stronglink-Companhia de Investimentos, Limitada, an investment holding company incorporated in Macau and an associate of Lam Fong Ngo, respectively, as at the Latest Practicable Date. The remaining issued shares of The Legend Club Limited were owned as to 14.6% by Companhia De Investimentos American-Macau, Limitada, 7.7% by Sai Hou-Fomento Predial e Diversões, Limitada, 7.7% by Chui Kwan Lim and 4.6% by Wong Yuk Shing. Each of Chui Kwan Lim and Wong Yuk Shing is an independent third party. Each of Companhia De Investimentos American-Macau, Limitada and Sai Hou-Fomento Predial e Diversões, Limitada is an investment holding company incorporated in Macau and is an independent third party.
- (2) Each of Legend King and Grand Merit was held as to 1.0% by David Chow in compliance with Macau laws which require each company organized by quotas (non-issued shares) to have at least two shareholders. David Chow has irrevocably assigned all rights and benefits relating to such shares in favor of MFW Investment.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Although the 2006 MFW Acquisition Agreement was not completed and lapsed according to its terms on 20 December 2008, the Company and the shareholders of MFW Investment remained interested to effect the Company's acquisition of MFW Investment to complement its business. Taking into account the improved economic and financial environment in 2012, we entered into a new sale and purchase agreement (the "2012 MFW Acquisition Agreement") with the then shareholders of MFW Investment (as described in the chart above) (the "2012 MFW Sellers") on 18 May 2012 to acquire all of the issued share capital of MFW Investment for an aggregate consideration of 1,834,873,063 new Shares (the "2012 MFW Acquisition Consideration Shares") to be allotted and issued to such shareholders on a pro-rated basis. The following table sets out the number of shares in MFW Investment sold by the 2012 MFW Sellers and the number of 2012 MFW Acquisition Consideration Shares allotted and issued at the completion of the 2012 MFW Acquisition Agreement:

Name of the 2012 MFW Sellers	Number of MFW Investment Shares Sold	Number of 2012 MFW Acquisition Consideration Shares
David Chow	2,042	374,612,857
Lam Fong Ngo	1,272	233,384,680
Li Chi Keung	1,103	202,351,985
The Legend Club Limited.	406	74,573,773
Ina Chan	5,177	949,949,768
Total	10,000	1,834,873,063

The consideration for the acquisition was based on an agreed value of HK\$355,965.37 per share in MFW Investment, which was determined based on the amount injected by the respective shareholders (or their respective transferors) into MFW Investment prior to the 2012 MFW Acquisition, and HK\$1.94 per Share in our Company, which was determined with reference to an independent valuation of our Group conducted in April 2011 for the purpose of bank financing. Our Directors confirmed that the parties to the 2012 MFW Acquisition Agreement had, based on their commercial decision, agreed not to carry out any independent valuation to determine the fair value of MFW Investment on a willing buyer, willing seller basis.

Completion

The 2012 MFW Acquisition was completed on 18 May 2012 when the 2012 MFW Acquisition Consideration Shares were allotted and issued to the 2012 MFW Sellers, and all the shares in MFW Investment were transferred from the respective 2012 MFW Sellers to us, as set forth in the above table. Upon completion of the 2012 MFW Acquisition Agreement, MFW Investment was held as to 80% by our Company, 10% by Star Pyramid and 10% by Triumphant Time.

Special Rights Granted to Ina Chan

According to a shareholders' agreement entered into among the Shareholders immediately after the completion of the 2012 MFW Acquisition, Ina Chan was granted the following rights with respect to the management of our Company, all of which will be terminated immediately upon Listing:

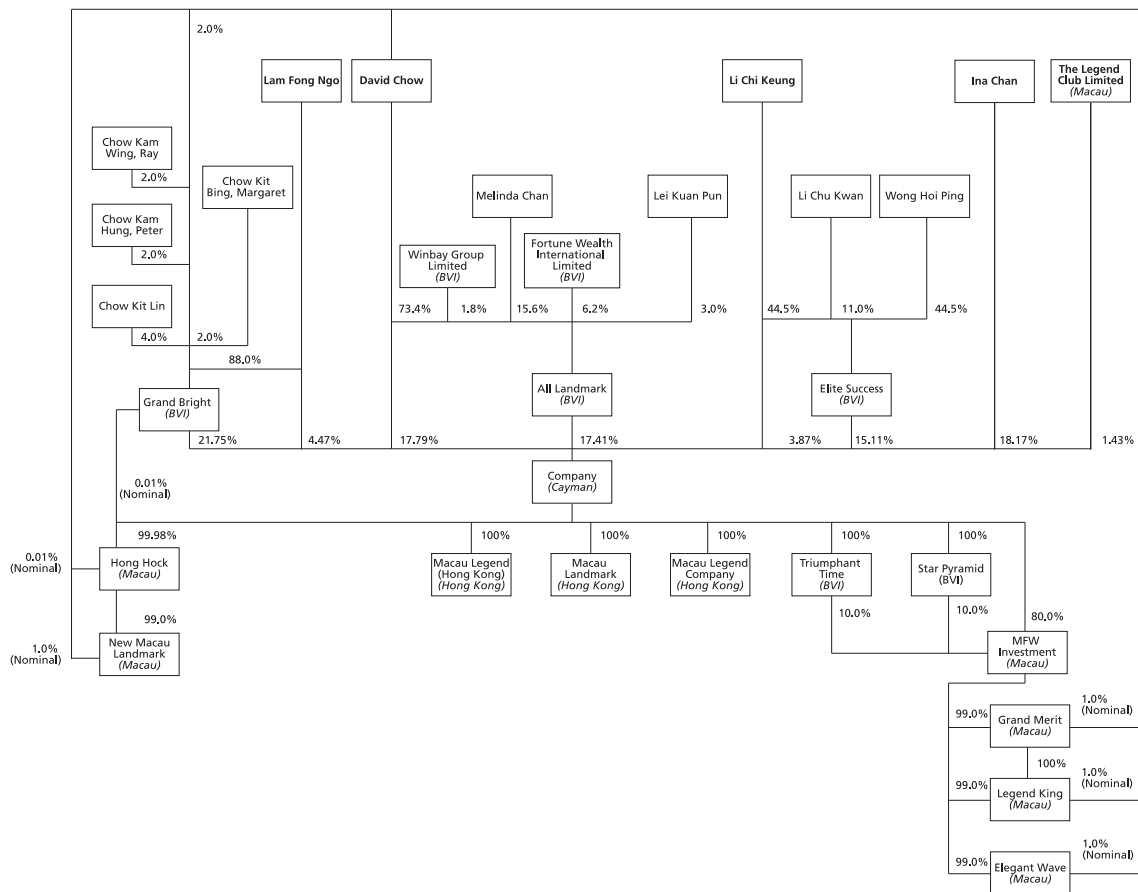
- nomination rights of up to one of the five Directors and the co-chairman of the Board;
- right of approval of the appointment of our chief financial officer; and
- veto right with respect to certain reserved matters of our Company including, among other things, (i) change of Company name; (ii) alteration to the Memorandum or the Articles; (iii) variation of rights attaching to any Shares; (iv) passing of resolutions in relation to winding up, liquidation or receivership, or making of any composition or arrangement with creditors; (v) issuance and allotment of Shares other than in an initial public offering; (vi) issuance of any debentures or other securities convertible into shares of the Company; (vii) change of financial year end or accounting policies; (viii) taking on of any loan which exceeds HK\$30 million or results in the aggregate borrowings of any subsidiary exceeding HK\$15 million; (ix) change of the nature of our business to such an extent that after such change less than 85% of the gross revenues or turnover of our Group taken as a whole would be attributable to or related to one or more of the existing business of our Company; (x) disposal of our assets representing more than 15% of our net asset value or contributing more than 15% of our revenues; and (xi) disposal of any share or loan capital held in any of our subsidiaries except to our Company or our wholly-owned subsidiaries. Such veto rights were granted to Ina Chan irrespective of her percentage of shareholding in our Company.

Transfers of Shares from Elite Success and David Chow to Grand Bright

On 22 June 2012, each of Elite Success and David Chow transferred 37,851,250 Shares to Grand Bright in consideration of HK\$1.00 after an arm's length negotiation (the "**Grand Bright Transfers**").

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

The following chart sets out our corporate structure immediately after the completion of the Elegant Wave Purchase Agreement, the 2012 MFW Acquisition Agreement and the Grand Bright Transfers, but prior to the completion of the SJM Pre-IPO Investment Agreement:



Save as disclosed herein, we have not acquired or incorporated any other business or companies, or disposed any interest in any of our subsidiaries during the Track Record Period.

PRE-IPO INVESTMENTS

On 20 July 2012, four existing Shareholders of our Company, namely David Chow, Lam Fong Ngo, Li Chi Keung and Ina Chan, (together, the “**Pre-IPO Vendors**”), entered into a sale and purchase agreement with Vast Field (the “**SJM Pre-IPO Investment Agreement**”).

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

SJM Pre-IPO Investment Agreement

Pursuant to the SJM Pre-IPO Investment Agreement, (as amended by the parties on 30 August 2012), Vast Field agreed to purchase, and the Pre-IPO Vendors agreed to transfer, 209,068,781 Shares in our Company for a total consideration of HK\$480 million (the “**SJM Pre-IPO Investment**”), which was reached by the parties after an arm’s length negotiation and based on a valuation of HK\$12 billion for a 4% stake in our Company, after taking into consideration, among others, the timing of the SJM Pre-IPO Investment, the strong business, future prospects and profitability of our Company, and the illiquidity of our Shares as a private company at the time of the SJM Pre-IPO Investment.

The following table sets out the details of the relevant transfers from each of the Pre-IPO Vendors to Vast Field, respectively.

Pre-IPO Vendors	No. of Shares Transferred	Consideration HK\$
David Chow	83,627,512	192,000,000
Lam Fong Ngo	78,400,793	180,000,000
Li Chi Keung	31,360,317	72,000,000
Ina Chan	15,680,159	36,000,000
Total	209,068,781	480,000,000
	(“SJM Pre-IPO Investment Shares”)	

Completion

The SJM Pre-IPO Investment Agreement was completed on 30 August 2012 when the SJM Pre-IPO Investment was paid by SJM in full and the transfers of the Shares as described in the table above were completed. On the basis that the SJM Pre-IPO Investment Agreement was completed at least 28 days before the date of submission of the Listing application, the Sole Sponsor confirmed that such investment has complied with the “Interim Guidance on pre-IPO investments” announced by the Listing Committee of the Stock Exchange on 13 October 2010.

SJM Coupon

Pursuant to the SJM Pre-IPO Investment Agreement, our Company issued a note instrument in favor of Vast Field on 30 August 2012, pursuant to which Vast Field is entitled to coupon payments from our Company for up to a total amount of approximately HK\$15,200,000 (which is equivalent to approximately 3.17% of the SJM Pre-IPO Investment per annum) paid on a monthly basis (being HK\$1,266,666.7 per month) in arrear (the “**SJM Coupon**”), commencing from 30 August 2012 and ending on (i) the Listing Date; (ii) the date of completion of the exercise of the SJM Put Option (defined below); or (iii) the date falling 12 months after the date of the SJM Pre-IPO Investment Agreement (whichever is earliest), and on a pro-rata basis for each incomplete month.

Special Rights

Our Company confirmed that other than those set out in this section, there are no other special rights granted to Vast Field pursuant to the SJM Pre-IPO Investment Agreement. All special rights (including all special rights disclosed herein below) which have been granted to Vast Field in connection with the SJM Pre-IPO Investment will be terminated immediately upon Listing.

SJM Put Option

In the event that an initial public offering of the Shares and Listing with a market capitalization of not less than HK\$16 billion (excluding any Shares that may be sold pursuant to the exercise of any Over-allotment Option) at the time of the Listing (the "**SJM QIPO**") does not occur within 12 months after the date of the SJM Pre-IPO Investment Agreement, Vast Field is entitled, but not obliged, to require the Pre-IPO Vendors to purchase from Vast Field (or its transferees) the SJM Pre-IPO Investment Shares for an amount equal to the SJM Pre-IPO Investment plus an interest calculated on the basis of 10% per annum on the SJM Investment (the "**SJM Put Option**"). The SJM Put Option provided automatically lapses upon a SJM QIPO taking place or upon an initial public offering of our Company proceeding in accordance with the terms and provisions set out in "— SJM Approval Right," "— SJM Anti-dilution Right," "— SJM Adjustment Right," and "— SJM Clawback" below.

SJM Approval Right

In the event the Listing results in the Shares to be held by Vast Field immediately after Listing to have a value (calculated based on the Offer Price multiplied by the total number of Shares outstanding as at the Listing Date, the "**SJM Share Value**") exceeding HK\$640,000,000 immediately after Listing, the Listing should be subject to (i) the approval of Vast Field; and (ii) the unanimous approval of Vast Field and any other pre-IPO investors and, if applicable in each case, all other regulatory approvals and/or requirements under the Listing Rules which SJM Holdings Limited may be subject to in respect of the transactions contemplated under the SJM Pre-IPO Investment Agreement having been obtained or fulfilled (collectively, the "**SJM Approval Right**"), failing which the Pre-IPO Vendors should procure our Company to consummate the Listing at a market capitalization which would not result in the SJM Share Value exceeding HK\$640,000,000 immediately after Listing. See "— Completion of the Global Offering" below for the expected SJM Share Value upon completion of the Global Offering.

SJM Anti-dilution Right

At any time following the completion of the SJM Pre-IPO Investment and prior to the Listing or the exercise of the SJM Put Option, if our Company allots and issues new Shares, the Pre-IPO Vendors shall transfer such number of their Shares to Vast Field, on a pro-rata basis, such that Vast Field shall continue to hold 4% of the Shares (the "**SJM Anti-dilution Right**").

SJM Adjustment Right

If the Listing results in Vast Field holding, immediately upon Listing, Shares of an aggregate value less than HK\$640,000,000 (calculated by reference to the final offer price for the Listing), which represented a fixed investment rate of return of approximately 33.3% on the SJM Pre-IPO Investment (excluding the SJM Coupon), the Pre-IPO Vendors shall transfer to Vast Field on or immediately prior to the Listing Date either: (i) such number of further Shares; or (ii) such amount of cash; or (iii) a combination of further Shares and cash, which shall be decided at the sole discretion of the Pre-IPO Vendors, on a pro-rata basis, such that the aggregate value of all the Shares to be held by Vast Field (calculated by reference to the final offer price for the Listing) after the transfers or the cash payments (if any), will be HK\$640,000,000.

SJM Clawback

In the event the SJM Share Value exceeds HK\$640,000,000 immediately upon Listing, and subject to the SJM Approval Right having been obtained, Vast Field shall, within seven Business Days after the Listing, transfer at its election and sole discretion (i) cash; or (ii) such number of Shares (the value of which should be calculated based on the Offer Price); or (iii) a combination of (i) and (ii), on a pro-rata basis to the Pre-IPO Vendors, at an amount or value equivalent to the excess of the SJM Share Value over HK\$640,000,000 (the “**SJM Clawback**”). See “— Completion of the Global Offering” below for the expected SJM Share Value upon completion of the Global Offering.

SJM Veto rights

Pursuant to an amended and restated shareholders’ agreement (the “**SJM SHA**”) entered into among our Company, Vast Field and all other Shareholders on 30 August 2012, it was agreed that as long as Vast Field remains a Shareholder and until the consummation of the Listing, among others, the following matters of our Company or any of our subsidiaries shall be subject to the prior written consent of Vast Field:

- change of company name;
- alteration to the articles of association;
- variation of rights attaching to any shares in the capital of our Company;
- passing of resolution to wind up, liquidate or commence receivership, or make any composition or arrangement with creditors;
- creation, issuance or allotment of any shares or other securities in its capital (except in respect of any exercise of the David Chow Share Options) other than in an initial public offering of the Shares in accordance with the terms of the SJM SHA;
- creation, issuance or allotment of debentures, options to subscribe, warrant or other securities convertible or exchangeable into shares of the Company;
- change of financial year end;

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

- change of existing accounting policies except as required by law or recommended by its auditors; or
- disposal of any share or loan capital held in our subsidiaries except for any disposal to our Company or our wholly owned subsidiary.

Completion of the Global Offering

Upon completion of the Global Offering (assuming an Offer Price of HK\$2.30, being the low end of the Offer Price range stated in this prospectus, and without taking into account any Directors' Reward Shares and any Shares that may be issued pursuant to the David Chow Share Options and any options that may be granted under the Share Option Scheme):

- the SJM Share Value would be approximately HK\$480,858,196; and
- a maximum of 69,192,089 Shares may be transferred to Vast field from the Pre-IPO Vendors on a pro-rata basis on or prior to the Listing Date pursuant to the SJM Adjustment Right.

Assuming no Shares will be transferred by the Pre-IPO Vendors to Vast Field pursuant to the SJM Adjustment Right (without taking into account any payments made by the Company to SJM pursuant to the SJM Coupon, any Shares that may be issued pursuant to the David Chow Share Options and any options that may be grant under the Share Option Scheme):

- Vast Field will have an approximately 3.0% interest in the issued share capital of our Company with an investment cost, taking into account the SJM Adjustment Right, of HK\$1.53 per Share being paid by it; and
- the discount of the investment cost, taking into account the SJM Adjustment Right, per Share of Vast Field to the Offer Price is equivalent to approximately 33.3% based on the lowest Offer Price at HK\$2.30.

Lock up

Vast Field agreed to a lock up period in respect of the SJM Pre-IPO Investment Shares (excluding any transfer of Shares under the SJM Clawback), commencing from 30 August 2012 and ending on the date which is (i) 12 months from the date of the SJM Pre-IPO Investment Agreement (if Listing has not occurred by that date); or (ii) six months from the Listing Date (if Listing has occurred within 12 months from the date of the SJM Pre-IPO Investment Agreement).

Public Float

At the time of Listing, the SJM Pre-IPO Investment Shares will be part of the public float for the purpose of Rule 8.08 of the Listing Rules as SJM is expected to hold less than 10% of our total issued capital and is an independent third party.

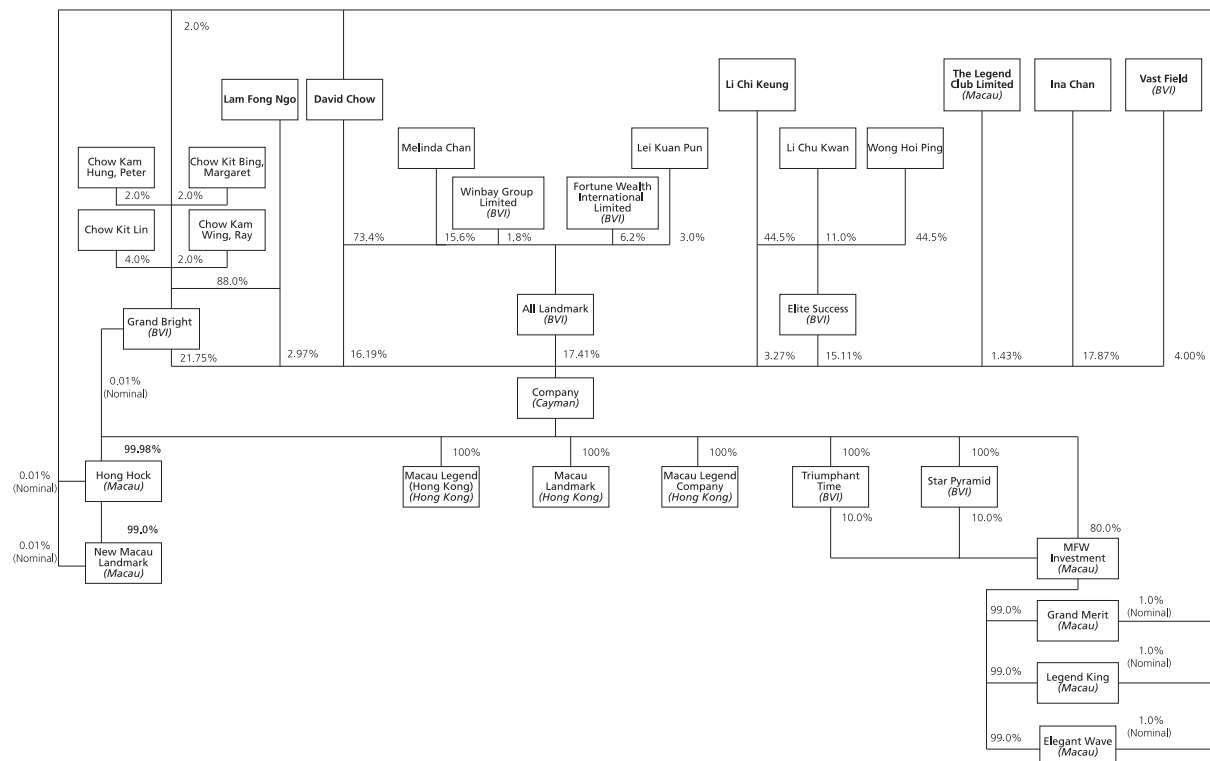
HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Background and relationship with SJM

For details relating to the background and our relationship with SJM, please refer to the section headed "Gaming Services Model."

Our Directors are of the view that the SJM Pre-IPO Investment will further enhance our strategic relationship with SJM and broaden our Shareholders' base, which in turn will benefit our Company and our Shareholders as a whole.

The following chart sets out our corporate structure immediately after the completion of the SJM Pre-IPO Investment Agreement:



INA CHAN SHARE TRANSFER

On 12 December 2012, Ina Chan transferred an aggregate of 934,269,609 Shares, being her entire shareholding in our Company to UBS Nominees Limited as nominee for Earth Group Ventures Ltd. for her assets planning purposes. The entire issued share capital of Earth Group Ventures Ltd. is held by UBS TC (Jersey) Ltd. ("UBS Trustee") acting as the trustee of this holding structure (the "Earth Settlement"). The Earth Settlement is a revocable discretionary trust set up by Ina Chan as the settlor and the protector and UBS Trustee as trustee on 8 October 2012. The beneficiaries under the Earth Settlement are Ina Chan and family members of Ina Chan. Ina Chan as the settlor of the Earth Settlement is deemed to be interested in the Shares held by UBS Nominees Limited as nominee. Ina Chan has the power to direct UBS Trustee to (i) retain or dispose of any assets owned by the Earth Settlement; and (ii) exercise the voting rights attached to the Shares owned by the Earth Settlement.

DAVID CHOW SHARE TRANSFERS

On 28 December 2012 (the “**DC Transfer Date**”), David Chow transferred an aggregate of 67,604,615 Shares to 58 individuals and entities (the “**2012 Stakeholders**”). The background and details of such share transfers (the “**David Chow Share Transfers**”) are set forth below.

2006 All Landmark Share Subscription

On or around 15 August 2006, when our Company began planning for the 2006 Qualifying IPO, 93 individuals and entities (the “**2006 Stakeholders**”), which included associates of David Chow and employees and business partners of the Group who were independent third parties, applied to All Landmark for subscription of approximately 4,624 new shares (the “**2006 All Landmark Application Shares**”) in All Landmark, which was equivalent to approximately 8.5% of its enlarged issued capital upon completion of such subscription (the “**2006 All Landmark Share Subscription**”). A prepayment in an aggregate amount of HK\$187,810,000 (the “**Original Prepayments**”) was received by All Landmark on or around 15 August 2006 (the “**Original Prepayment Date**”) from the 2006 Stakeholders in respect of the 2006 All Landmark Share Subscription. The consideration for the 2006 All Landmark Application Shares was HK\$187,810,000 in aggregate (the “**Original Prepayments**”) and approximately HK\$40,616 per share, the entirety of which was prepaid by the 2006 Stakeholders to All Landmark on or around 15 August 2006 (the “**Original Prepayment Date**”). Such consideration was determined by the parties on an arm’s length basis with reference to the value of the business of the Group, the percentage of Shares then held by All Landmark in the Company in 2006 and the scale of the investment involved in these transfers.

Deferred Issuance and Allotment

Based on the confirmation letters (the “**DC Transfer Confirmation Letters**”) jointly issued by the respective 2012 Stakeholders already defined above, David Chow and All Landmark on the DC Transfer Date, each of the 2006 Stakeholders and All Landmark had, at the time of the 2006 All Landmark Share Subscription, intended that the 2006 All Landmark Application Shares would be converted or exchanged into the Shares closer to the listing of Shares on any stock exchange. The 2006 Qualifying IPO did not take place in 2008 and our Company did not formally begin any listing application process until December 2012. As a result, the parties did not proceed to allot and issue the relevant shares under the 2006 All Landmark Share Subscription based on their commercial decision.

Prepayment Interests Transfers

After the Original Prepayment Date and prior to 1 January 2012:

- an amount equivalent to the Original Prepayments were advanced by All Landmark to David Chow (the “**Advance**”);
- ten 2006 Stakeholders transferred part of their interests and entitlements at face value in respect of HK\$42,200,000 of the Original Prepayments in aggregate to David Chow (the “**DC Prepayment Interests Transfers**”) for a total consideration of HK\$42,200,000; and

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

- 37 2006 Stakeholders transferred all of their interests and entitlements in respect of all of the Original Prepayments of an aggregate amount of HK\$51,360,000 made by them to other parties including Li Chi Keung, Melinda Chan and two of her associates at face value (the **"Other Prepayment Interests Transfers"**, together with the DC Prepayment Interests Transfers, the **"Prepayment Interests Transfers"**).

As a result of the above:

- the Original Prepayments were reduced by HK\$42,200,000 to HK\$145,610,000 (the **"Final Prepayments"**);
- the interests and entitlements in respect of HK\$42,200,000 of the Original Prepayments acquired by David Chow under the DC Prepayment Interests Transfers were set-off against the Advance by HK\$42,200,000;
- the 2006 All Landmark Application Shares to which the 2006 Stakeholders (and/or their transferees) were interested in were reduced to 4,013 shares (the **"Final All Landmark Application Shares"**) which represented approximately 7.4% of the enlarged issued capital of All Landmark upon completion of such subscription; and
- 58 individual and entities (the **"2012 Stakeholders"**) remained interested in the Final Prepayments and the Final All Landmark Application Shares, as 37 2006 Stakeholders transferred all of their interests and entitlements to five transferees, two of which were not among the 2006 Stakeholders.

Share Transfers in 2012

On this basis and with a view to set-off the Final Prepayments with the 2012 Stakeholders, All Landmark procured David Chow to transfer, and David Chow accordingly transferred, on the DC Transfer Date an aggregate of 67,604,615 Shares held by him, which was equivalent to approximately 1.3% of the total equity interests in the Company as at the DC Transfer Date, to the 2012 Stakeholders. It was agreed among the respective 2012 Stakeholders, All Landmark and David Chow that the Final Prepayments represented the full consideration payable by the 2012 Stakeholders in respect of the David Chow Share Transfers. In addition, it was agreed between All Landmark and David Chow on the DC Transfer Date that the completion of the David Chow Share Transfers represented full settlement by David Chow in respect of the Advance.

Of all the 2012 Stakeholders, 12 are regarded as our connected persons pursuant to Chapter 14A of the Listing Rules. A total of 24,672,137 Shares were transferred to these 12 stakeholders pursuant to the David Chow Share Transfers, representing approximately 0.47% of our total issued capital immediately upon the completion of the David Chow Share Transfers and 0.35% of our total issued capital immediately upon Global Offering (without taking into account any Directors' Reward Shares and any Shares that may be issued pursuant to the David Chow Share Options and any options that may be granted under the Share Option Scheme). See the notes to the corporate structure charts below for details relating to the connected persons involved in the David Chow Share Transfers.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

In addition, none of the 2012 Stakeholders acquired more than 0.18% of our total issued capital immediately upon the completion of the David Chow Share Transfers and 0.13% of our total issued capital immediately upon Global Offering (assuming the David Chow Share Options are not exercised and prior to the issue of any Directors' Reward Shares), pursuant to the David Chow Share Transfers.

Interim Guidance on Pre-IPO investments

On the basis that the aggregate consideration for the 2006 All Landmark Application Shares was pre-paid in 2006 and each of the Prepayment Interests Transfers was completed prior to January 2012, the David Chow Share Transfers and the Prepayment Interests are considered completed with funds irrevocably settled and received by the respective transferors at least 28 days before the date of submission of the Listing application. Accordingly, such transfers are compliant with the "Interim Guidance on Pre-IPO investments" announced by the Listing Committee of the Stock Exchange on 13 October 2010.

TRANSFER RESTRICTIONS AGREEMENT

On 28 December 2012, an agreement (the "**Transfer Restrictions Agreement**"), which was subsequently amended and restated on 5 June 2013, was entered into among David Chow, All Landmark, Lam Fong Ngo, Grand Bright, Li Chi Keung, Elite Success and Ina Chan (together the "**2012 Covenantors**"). Pursuant to the Transfer Restrictions Agreement, the 2012 Covenantors agreed not to transfer, whether directly or indirectly, any Shares registered in their respective names, or any right, title or interest therein or thereto such that the number of Shares and the percentage of the aggregate amount of Shares held by the relevant shareholder group (the "**Shareholder Group**") as set out in the first column of the table below which are not affected by such transfers in the total issued capital of the Company immediately upon the completion of the Global Offering (assuming no Shares have been transferred by the Pre-IPO Vendors pursuant to the SJM Adjustment Right and the Over-allotment Option is not exercised, and without taking into account any Directors' Reward Shares and any Shares that may be issued pursuant to the David Chow Share Options and any options that may be granted under the Share Option Scheme) (the "**Post IPO Issued Capital**") falls below the respective minimum number and percentage of Shares to be held by such Shareholder Group as respectively set out in the second and third column of the table below (the "**Transfer Restrictions**").

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Shareholder Groups	Aggregate number of Shares ⁽¹⁾	Aggregate shareholding percentage of the Post IPO Issued Capital
All Landmark and David Chow	1,243,818,051	17.61%
Grand Bright and Lam Fong Ngo	853,933,006	12.09%
Elite Success and Li Chi Keung	711,257,682	10.07%
UBS Nominees Limited ⁽²⁾	793,190,046	11.23%
Total	3,602,198,785	51.00%

Notes:

⁽¹⁾ The 2012 Covenantors agreed that the aggregate minimum number of Shares required to be maintained by each Shareholder Group was agreed on the basis that the Post IPO Issued Capital shall comprise 7,063,134,876 Shares. The 2012 Covenantors agree to adjust their respective aggregate minimum number of Shares required to be maintained in the event the Post IPO Issued Capital changes at the completion of the Global Offering based on the following formula:

$$\begin{array}{l}
 \text{Aggregate number of Shares} \\
 \text{required to be maintained} \\
 \text{by each Shareholder Group} \\
 \text{set out in the table above}
 \end{array}
 =
 \begin{array}{l}
 \text{(Post IPO Issued Capital at the} \\
 \text{completion of the Global} \\
 \text{Offering)}
 \end{array}
 \times
 \begin{array}{l}
 \text{(Respective aggregate} \\
 \text{percentage set out in the} \\
 \text{third column of table above)}
 \end{array}$$

⁽²⁾ UBS Nominees Limited is a nominee holding the Shares for Earth Group Ventures Ltd., which is a company wholly owned by UBS TC (Jersey) Ltd. as trustee of the Earth Settlement. Earth Settlement is a revocable discretionary trust founded by Ina Chan. Please refer to the paragraph headed "Ina Chan Share Transfer" above for the holding structure.

The Transfer Restrictions do not apply to:

- any transfer of Shares effected pursuant to an initial public offering on a recognized stock exchange (including the Stock Exchange);
- any sale of Shares by David Chow, All Landmark, Lam Fong Ngo or Grand Bright pursuant to any over-allotment option relating to any initial public offering of the Shares on a recognised stock exchange (including the Stock Exchange);
- any transfer of Shares by any of David Chow, All Landmark, Lam Fong Ngo and Grand Bright pursuant to any stock borrowing and lending agreement in relation to any initial public offering on a recognised stock exchange (including the Stock Exchange) to facilitate the settlement of over-allocations in connection with any such initial public offering;
- any transfer of Shares by Lam Fong Ngo or Grand Bright to David Chow; and

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

- any such Shares are used as security in favor of an authorized institution as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan.

The other 2012 Covenantors are offered a right of first offer in respect of the transfer of such Shares by the transferring 2012 Covenantor in accordance with the terms of the Transfer Restrictions Agreement, subject to a prior right of first offer which David Chow shall have in respect of any such transfer by Lam Fong Ngo or Grand Bright in accordance with the terms of the Transfer Restrictions Agreement, before the other 2012 Covenantors (including David Chow) can exercise their right of first offer in respect of such Shares.

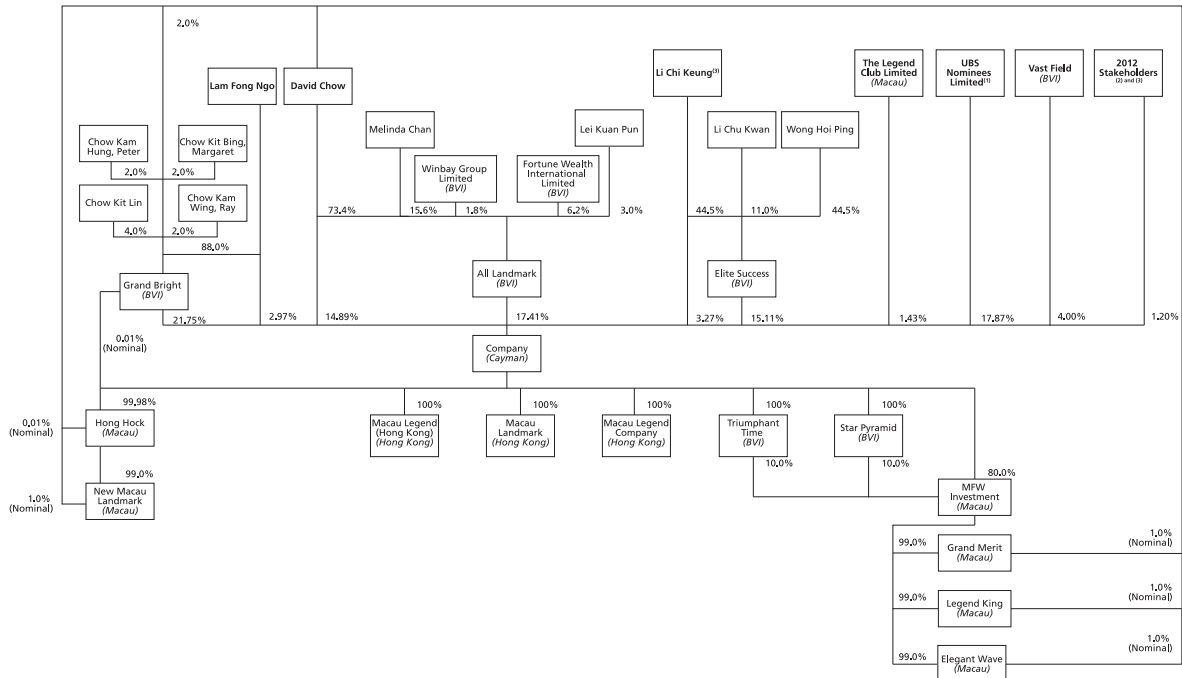
In addition, Ina Chan agreed to procure the performance and compliance of the Transfer Restrictions Agreement by the trustee of the Earth Settlement insofar as it relates to the Shares held by the Earth Settlement.

The Transfer Restrictions Agreement became effective on the date of the Transfer Restrictions Agreement and will remain in effect until otherwise agreed in writing by all the 2012 Covenantors.

Notwithstanding the above, each of the Controlling Shareholders has undertaken to, and to cause their associates to, comply with the non-disposal obligations under Rules 10.07(1)(a) and 10.07(1)(b) of the Listing Rules, except for the permitted circumstances as described in “Underwriting — Undertakings — Undertakings to the Stock Exchange under the Listing Rules” in this prospectus.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

The following chart sets out our corporate structure immediately after the completion of the Ina Chan Share Transfer and the David Chow Share Transfers:



Notes:

- (1) UBS Nominees Limited is a nominee holding the Shares for Earth Group Ventures Ltd., which is a company wholly owned by UBS TC (Jersey) Ltd. as trustee of the Earth Settlement. Earth Settlement is a revocable discretionary trust founded by Ina Chan. Please refer to the paragraph headed "Ina Chan Share Transfer" above for the holding structure.
- (2) All of the 2012 Stakeholders are independent third parties except for Li Chi Keung, Melinda Chan, eight associates of Melinda Chan and two associates of David Chow (the "Connected 2012 Stakeholders"). The Connected 2012 Stakeholders acquired 24,672,137 Shares in aggregate from the David Chow Share Transfers, which represent approximately 0.47% of our total issued capital immediately after the completion of such transfers. As a result of the David Chow Share Transfers, Li Chi Keung acquired 6,773,928 Shares, equivalent to approximately 0.13% of our total issued capital; Melinda Chan acquired 998,214 Shares, equivalent to approximately 0.02% of our issued capital, the eight associates of Melinda Chan acquired in aggregate 13,974,996 Shares, equivalent to approximately 0.27% of our issued capital and the two associates of David Chow acquired in aggregate 2,924,999 Shares, equivalent to approximately 0.05% of our issued capital.
- (3) The shareholding of Li Chi Keung stated herein excluded approximately 0.13% of the Shares be held as one of the 2012 Stakeholders pursuant to the completion of the David Chow Share Transfers. Such shareholding is included in the shareholding of the 2012 Stakeholders stated herein.

PACBRIDGE SHARE ISSUE

On 15 May 2013, the Company issued 70,631,345 Shares ("**PB Shares**") to PacBridge Capital Partners (HK) Limited, which represented approximately 1.0% of our enlarged issued capital at the time of Listing after the completion of the Global Offering (without taking into account any Directors' Reward Shares and any Shares that may be issued pursuant to the David Chow Share Options and any options that may be granted under the Share Option Scheme) (the "**PB Share Issue**"). The PB Shares formed part of the advisory fees payable by us to PacBridge Capital Partners (HK) Limited pursuant to the engagement letter (the "**Engagement Letter**") we signed with them on 30 August 2011 in respect of the provision of corporate finance advisory services in connection with the Listing and such arrangements will continue until the engagement is terminated immediately upon Listing. PacBridge Capital Partners (HK) Limited has undertaken not to transfer, whether directly or indirectly, any PB Shares registered in its name or any right, title or interest therein or thereto for a period commencing on 15 May 2013 and ending on the date falling within six months after the Listing Date.

PacBridge Capital Partners (HK) Limited was founded by Sheldon Trainor-DeGirolamo, who is a director and responsible officer and owns approximately 87% of PacBridge Capital Partners (HK) Limited. The corporate finance advisory services was provided by a team of advisors and support staff led by Mr. Trainor-DeGirolamo, in his capacity as a responsible officer of PacBridge Capital Partners (HK) Limited, a SFC licensed entity to carry out type 6 regulated activities. Pursuant to the Engagement Letter, PacBridge Capital Partners (HK) Limited was also entitled to (i) an upfront fee of HK\$2.5 million (the "**Upfront Fee**") which is deductible towards the IPO Advisory Fee (as defined below), pursuant to which such amount of HK\$2.5 million was paid by the Company to PacBridge Capital Partners (HK) Limited on 28 September 2011; (ii) a financing fee in cash at an amount equivalent to 1.0% of the proceeds from any pre-IPO investments, pursuant to which HK\$4.8 million was paid by the Pre-IPO Vendors to PacBridge Capital Partners (HK) Limited on 31 August 2012 upon completion of the SJM Pre-IPO Investment; and (iii) cash payment amounting to 1.0% of the gross proceeds of the Global Offering, which were intended to be paid and settled on the Listing Date before Listing (the "**IPO Advisory Fee**").

The advisory fees paid in the form of the PB Shares, the Upfront Fee and the IPO Advisory Fee has been or will be (as applicable) accounted for as part of the Listing expenses of the Company, and will be charged to the income statement and/or the share premium account in accordance with the applicable HKFRS.

On 15 May 2013, Vast Field waived the SJM Anti-dilution Right in respect of the PB Share Issue and, as a result, held approximately 3.95% of the enlarged share capital of the Company immediately following completion of the PB Share Issue.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

2013 SHARE TRANSFERS

On 15 May 2013, a share transfer agreement (the “2013 Share Transfer Agreement”) was entered into among David Chow, All Landmark, Lam Fong Ngo, Grand Bright, Li Chi Keung, Elite Success and The Legend Club Limited (excluding David Chow, the “2013 Transferors”). Pursuant to the 2013 Share Transfer Agreement, the 2013 Transferors agreed to transfer to David Chow 323,718,183 Shares (the “2013 Transfer Shares”) in aggregate on 15 May 2013 in consideration of David Chow’s contributions in connection with the Listing (the “2013 Share Transfers”). The 2013 Share Transfers were completed on 15 May 2013.

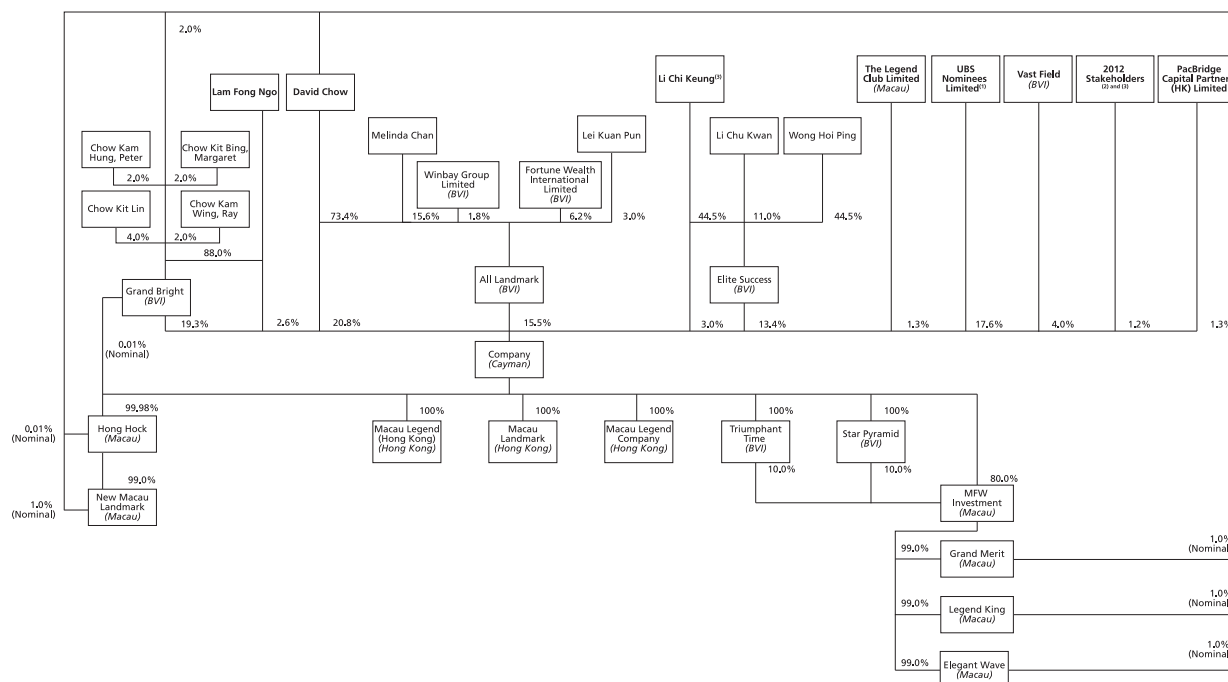
A breakdown of the 2013 Transfer Shares is set out in the fourth column of the table below. Pursuant to the 2013 Share Transfer Agreement, David Chow agreed to unwind the 2013 Share Transfers to reinstate the shareholdings of himself and the 2013 Transferors as set out in the second and the third columns of the table below in the event Listing does not take place within three months after the completion of the 2013 Share Transfers or a date to be mutually agreed among David Chow and the 2013 Transferors.

The fifth and the six columns of the table below summarize the shareholdings of PacBridge Capital Partners (HK) Limited and the 2013 Transferors immediately after the completion of the PB Share Issue and the 2013 Share Transfers but prior to the completion of the Global Offering.

<u>Name</u>	<u>Number and percentage of Shares of total issued capital of the Company held immediately prior to completion of the 2013 Share Transfers and the PB Share Issue</u>		<u>Number of 2013 Transfer Shares/PB Shares</u>	<u>Number and percentage of Shares of total issued capital of the Company held after the completion of the 2013 Share Transfers and the PB Share Issue but before the completion of the Global Offering</u>	
2013 Transferors					
David Chow	778,594,698	14.9%	—	1,102,312,881	20.8%
All Landmark	910,000,000	17.4%	91,000,000	819,000,000	15.5%
Lam Fong Ngo	154,983,887	3.0%	15,498,389	139,485,498	2.6%
Grand Bright	1,136,715,000	21.8%	113,671,500	1,023,043,500	19.3%
Li Chi Keung	177,765,596	3.4%	17,099,167	160,666,429	3.0%
Elite Success	789,917,500	15.1%	78,991,750	710,925,750	13.4%
The Legend Club Limited.	74,573,773	1.4%	7,457,377	67,116,396	1.3%
Sub-total.	4,022,550,454	77.0%	323,718,183	4,022,550,454	75.9%
PacBridge Capital Partners (HK)					
<i>Limited</i>	—	—	70,631,345	70,631,345	1.3%

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

The following chart sets out our corporate structure immediately before the completion of the Global Offering:



Notes:

- (1) UBS Nominees Limited is a nominee holding the Shares for Earth Group Ventures Ltd., which is a company wholly owned by UBS TC (Jersey) Ltd. as trustee of the Earth Settlement. Earth Settlement is a revocable discretionary trust founded by Ina Chan. Please refer to the paragraph headed “Ina Chan Share Transfer” above for the holding structure.
- (2) All of the 2012 Stakeholders are independent third parties except for Li Chi Keung, Melinda Chan, eight associates of Melinda Chan and two associates of David Chow (the “**Connected 2012 Stakeholders**”). The Connected 2012 Stakeholders acquired 24,672,137 Shares in aggregate from the David Chow Share Transfers, which represent approximately 0.47% of our total issued capital immediately after the completion of such transfers. As a result of the David Chow Share Transfers, Li Chi Keung acquired 6,773,928 Shares, equivalent to approximately 0.13% of our total issued capital; Melinda Chan acquired 998,214 Shares, equivalent to approximately 0.02% of our issued capital, the eight associates of Melinda Chan acquired in aggregate 13,974,996 Shares, equivalent to approximately 0.27% of our issued capital and the two associates of David Chow acquired in aggregate 2,924,999 Shares, equivalent to approximately 0.05% of our issued capital.
- (3) The shareholding of Li Chi Keung stated herein excluded approximately 0.13% of the Shares he held as one of the 2012 Stakeholders pursuant to the completion of the David Chow Share Transfers. Such shareholding is included in the shareholding of the 2012 Stakeholders herein.

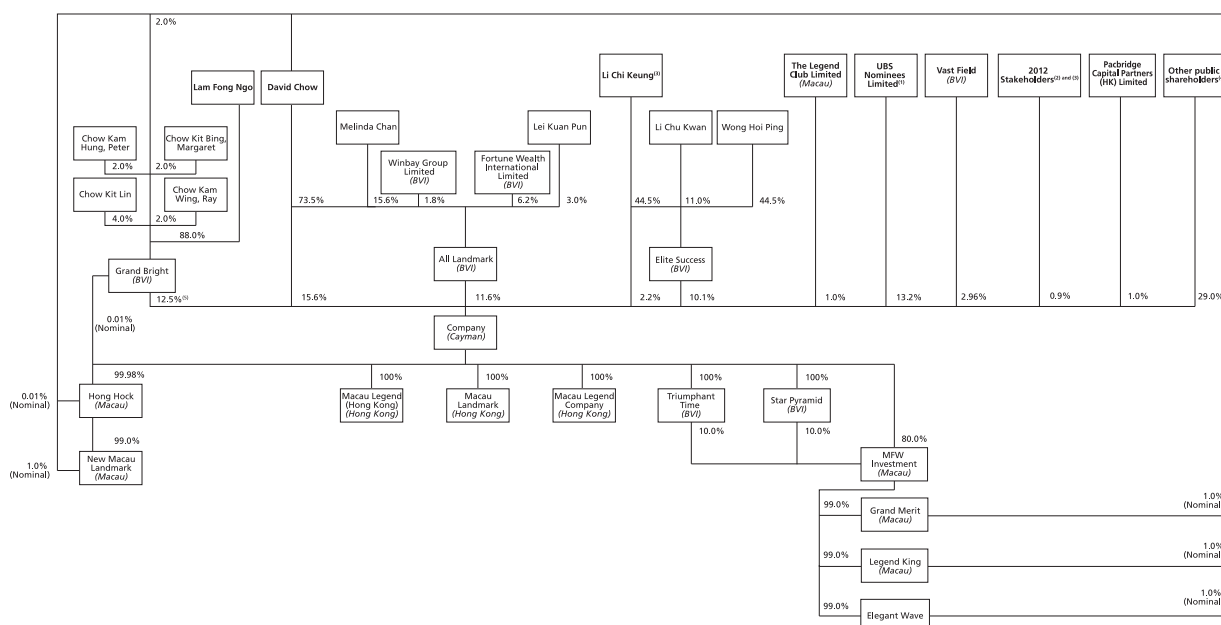
HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

EMPLOYEE INCENTIVE SCHEME

Share Option Scheme

We have adopted the Share Option Scheme to provide for the grant of options to subscribe for our Shares to our employees and officers, including our Directors, that meet the criteria set by us from time to time. See “Appendix V — Statutory and General Information — D. Share Option Scheme” in this prospectus for a summary of the principal terms of the Share Option Scheme.

The following chart sets out the structure of our Group immediately following the completion of the Global Offering (assuming no Shares have been transferred by the Pre-IPO Vendors pursuant to the SJM Adjustment Right and the Over-allotment Option is not exercised, and without taking into account any Directors’ Reward Shares and any Shares that may be issued pursuant to the David Chow Share Options and any options that may be granted under the Share Option Scheme):



Notes:

- (1) UBS Nominees Limited is a nominee holding the Shares for Earth Group Ventures Ltd., which is a company wholly owned by UBS TC (Jersey) Ltd. as trustee of the Earth Settlement. Earth Settlement is a revocable discretionary trust founded by Ina Chan. Please refer to the paragraph headed “Ina Chan Share Transfer” above for the holding structure.
- (2) The Connected 2012 Stakeholders are expected to hold approximately 0.35% of our total issued capital after the completion of the Global Offering.
- (3) The shareholding of Li Chi Keung stated herein excluded approximately 0.10% of our total issued capital he held as one of the 2012 Stakeholders pursuant to the completion of the David Chow Share Transfers and after the completion of the Global Offering. Such shareholding is included in the shareholding of the 2012 Stakeholders stated herein.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

- (4) In addition, Vast Field and the 2012 Stakeholders who are not the Connected 2012 Stakeholders are members of the public and are expected to hold approximately 2.96% and 0.61% respectively of our total issued capital after the completion of the Global Offering.
- (5) Assuming the International Placing will be fully underwritten, and each Lam Fong Ngo and Grand Bright offers and sells 139,485,498 Sale Shares and 143,039,502 Sales Shares, respectively, under the Global Offering.

OUR GROUP COMPANIES AND PRINCIPAL BUSINESS ACTIVITIES

The following table sets out the principal business activities of each of the companies within the Group as of the date of this prospectus and immediately after the completion of the Global Offering:

Group Companies	Principal Business Activities
Company	Investment holding and listing vehicle
Hong Hock	Provision of gaming related facilities and gaming related services at the Casinos
New Macau Landmark.	Operations of The Landmark Macau
Macau Legend (Hong Kong) . . .	Provision of management services to group companies
Macau Landmark	Inactive
Macau Legend Company	Inactive
Triumphant Time.	Investment holding
Star Pyramid	Investment holding
MFW Investment.	Development and operations of Macau Fisherman's Wharf
Grand Merit	Retail of clothing, footwear and accessories
Legend King	Inactive
Elegant Wave	Operation of a restaurant in Macau Fisherman's Wharf