

SUMMARY

This summary provides an overview of the information contained in this prospectus. Since it is a summary, it does not contain all the information that may be important to you. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read the prospectus in its entirety, including the section headed "Risk Factors" before you decide to invest in the Offer Shares.

OVERVIEW

Our subsidiary, MGM Grand Paradise, is one of the leading casino gaming resort developers, owners and operators in the greater China region and holds one of the six gaming concessions/subconcessions in Macau. According to the DICJ, for the month of December 2010, in terms of revenue, we held an approximate 11.4% market share out of the 33 casinos in Macau. We currently own and operate MGM Macau, a premium integrated casino resort on the Macau Peninsula. In addition, we are also exploring growth opportunities in Cotai, the other key area of casino gaming development in Macau. We have identified a site of approximately 17.8 acres in Cotai and have submitted an application to the Macau Government to obtain the right to lease this parcel of land. We are awaiting approval of this application.

We benefit from the complementary expertise of MGM Resorts International and Pansy Ho. Immediately following the completion of the Global Offering, our controlling shareholder will be MGM Resorts International (with an interest in 51% of our issued share capital) and Pansy Ho and her controlled companies will be our substantial shareholder (with an interest in 29% of our issued share capital, assuming the Over-allotment Option is not exercised). As a result of the relationship between MGM Resorts International and Pansy Ho in respect of our Company following the completion of the Global Offering and the arrangements in place under the Voting Agreement, MGM Resorts International and Pansy Ho will be considered to be parties acting in concert (as that term is defined in the Takeovers Code) in relation to our Company. For further details on our Group structure, see the section headed "History and Corporate Structure" in this prospectus.

MGM Resorts International is one of the world's leading gaming and hospitality companies. It operates a premium portfolio of integrated resorts, including Aria at CityCenter, Bellagio, MGM Grand, Mandalay Bay and The Mirage, in Las Vegas, Nevada, along with several other casino and resort properties in the United States. Through its hospitality management subsidiary, MGM Resorts International holds a growing number of development and management agreements for non-gaming resorts projects around the world. MGM Resorts International has licensed its international trademark rights to us for use in the greater China region, and will provide access to its international marketing department. Pansy Ho is a well-known business leader with in-depth experience in and familiarity with the entertainment, leisure and government sectors in Macau and throughout the greater China region. She provides us with unique Asian access and perspective, as well as her extensive network and experience in branding, leisure and retail concept development. MGM Resorts International and Pansy Ho will, through MGM Branding and Development Holdings, provide development services for new properties we may develop. We believe that the combined strengths of MGM Resorts International and Pansy Ho, together with our access to the premier international "MGM" brand and extensive global marketing network, place us in a distinctive position in comparison to other operators of integrated resorts in Asia.

MGM Macau is an award-winning, five-star integrated casino and luxury hotel resort located on the Macau Peninsula, the center of gaming activity in the greater China region. The casino has a floor area of approximately 28,976 square meters, with 1,006 slot machines, 427 gaming tables and multiple VIP and private gaming areas. The hotel comprises a 35-story tower with 587 deluxe rooms, including 468 standard guest rooms, 99 luxury suites, 20 private luxury villas, dedicated leisure areas and 10 restaurants and bars. Our property is directly connected to the One Central complex, which

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features many of the world's leading luxury retailers and includes a Mandarin Oriental Hotel and serviced apartments.

Since opening in December 2007, we have improved our casino revenues and adjusted EBITDA by offering premium quality services and amenities with a focus on growing our VIP business and main floor player loyalty programs. For the years ended December 31, 2008 and 2009, we recorded a net loss of HK\$296.7 million and HK\$167.1 million, respectively, and for the year ended December 31, 2010, we recorded a net profit of HK\$1,566.0 million. Casino revenues for the year ended December 31, 2009 were HK\$7,455.9 million, with adjusted EBITDA of HK\$1,179.3 million, a 12.9% and 25.3% increase, respectively, over 2008. For the year ended December 31, 2010, our casino revenues were HK\$12,126.8 million, with adjusted EBITDA of HK\$2,830.8 million, a 62.6% and 140.0% increase, respectively, over the same period in 2009.

OUR COMPETITIVE STRENGTHS

- World-class gaming property in Macau
- Complementary shareholder expertise combined with a strong management team
- Ability to leverage and adapt the internationally recognized MGM brand
- Superior customer segmentation approach
- Enhanced profitability and capital strength driving future growth

OUR STRATEGIES

- Optimize gaming products and services
- Strengthen brand appeal
- Refine customer segmentation and enhance customer base
- Drive operational efficiencies
- Pursue future growth opportunities

RISK FACTORS

A number of factors could adversely affect our business, results of operations, financial condition and/or prospects. We have categorized these risks and uncertainties into those relating to (1) our business, (2) the gaming industry in Macau and (3) the Global Offering, details of which are set out in the section headed "Risk Factors" in this prospectus. Additional risks and uncertainties not currently known to us, not currently considered by us to be material or not expressed or implied below could also affect our business, financial condition and results of operations. Investors should note that the risks set out below may not be exhaustive.

Risks Relating to Our Business

Risks Relating to Our Business and Operations

- We face intense competition in Macau and elsewhere in Asia.
- Our business is particularly sensitive to downturns in the economy, economic uncertainty and other factors affecting discretionary consumer spending.
- We are currently dependent upon a single property in Macau for all of our cash flows.
- The Significant Shareholders may develop and operate additional integrated resorts or casinos outside of the Restricted Zone that may compete with our property.

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- We may lose our right to use certain MGM trademarks which are sublicensed through MGM Branding and Development Holdings.
- We are dependent on MGM Resorts International and its subsidiaries and MGM Branding and Development Holdings for the provision of certain services, including corporate support, development, marketing and personnel supply services.
- Our business depends on our ability to attract and retain a sufficient number of qualified employees to run our operations. A limited supply of qualified managers or labor could cause labor costs to increase.
- If we fail to retain the services of Pansy Ho, our business, financial condition and results of operations may be adversely affected.
- Our insurance coverage may not be adequate to cover all potential losses that we could suffer, and our insurance costs could increase.
- We have a limited operating history.
- Our revenues are based primarily on gaming, which inherently involves elements of chance that are beyond our control. As a result, our revenues may be volatile.
- We recorded net current liabilities in 2008 and 2009.
- Our results of operations are substantially dependent on VIP gaming revenues.
- From time to time, we may be involved in legal and other proceedings arising out of our operations.
- We cannot assure you that our anti-money laundering and anti-corruption policies will be effective in preventing the occurrence of money laundering or other illegal activities at MGM Macau.
- Our gaming business is subject to cheating and counterfeiting.

Risks Relating to Gaming Promoters and Clients

- We depend upon gaming promoters for a substantial portion of our casino revenues in Macau.
- We are dependent on the reputation and integrity of the parties with whom we engage in business activities. If they are unable to maintain required standards of probity and integrity, we would cease doing business with them. In addition, we may face consequences from gaming regulators with authority over our operations, including the loss of the Subconcession.
- We are exposed to credit risk on credit extended to our patrons and gaming promoters.

Risks Relating to Financing

- MGM Grand Paradise's credit facility contains covenants that restrict its ability to engage in certain transactions and may impair our ability to respond to changing business and economic conditions.
- We may require new or additional debt or equity financing to expand our business and fund future projects and we may not be able to obtain such financing on satisfactory terms or at all.

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Risks Relating to Significant Shareholders

- Our Significant Shareholders will have significant influence over us and their interests may differ from those of the public Shareholders.
- Certain laws, rules and regulations applicable to MGM Resorts International in other jurisdictions may require MGM Resorts International to curtail or sever its relationship with us or take other actions that are not in our best interests, each of which would have a material adverse effect on us.
- MGM Resorts International is subject to certain U.S. federal and state laws, which may impose on us greater administrative burdens and costs than we would otherwise incur.

Risks Relating to the Gaming Industry in Macau

- Gaming is a highly regulated industry in Macau, and the gaming and licensing authorities exercise significant control over our operations.
- Restrictions on our patrons' ability to travel to Macau or an outbreak of infectious diseases would reduce the number of visitors to our property and adversely affect our business and our results of operations.
- The Macau Government can terminate the Subconcession under certain circumstances without compensating us, which would have a material adverse effect on our business, financial condition, results of operations and cash flows.
- The Macau Government could grant additional rights to conduct gaming in the future.
- We will stop generating any revenues from our Macau gaming operations if we cannot secure an extension of the Subconcession in 2020 or if the Macau Government exercises its redemption right.
- Conducting business in Macau involves certain economic and political risks.
- Macau's infrastructure may limit the development of its gaming industry.
- Local taxation may increase and current tax exemptions may not be extended.
- Unfavorable changes in currency exchange rates may increase MGM Grand Paradise's obligations under the Subconcession Contract and cause fluctuations in the value of our investment in Macau.
- If China or other countries impose or adjust government restrictions on currency conversion or the ability to export currency, our business and results of operations could be adversely affected.

Risks Relating to the Global Offering

- If we fail to comply with applicable gaming or other laws, the Stock Exchange could revoke our listing.
- There has been no prior public market for the Shares, and there can be no assurance that an active market will develop.
- The liquidity and market price of our Shares following the Global Offering may be volatile.
- Our Share price may be affected if additional Shares are sold by the Significant Shareholders or are issued by us.
- As the Offer Price is higher than the unaudited pro forma adjusted net tangible asset value per Share, you will experience immediate dilution in the book value of the Shares you purchase in the Global Offering.

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- A Shareholder that is determined by a gaming regulator with authority over our Company or our subsidiaries to be an unsuitable person is subject to prohibitions on receiving dividends and voting its Shares and may have its Shares redeemed by us.
- Facts and other statistics in this prospectus derived from official government publications or news sources may not be reliable.
- You should read the entire prospectus carefully and we strongly caution you not to place any reliance on any information contained in press articles or other media regarding us and the Global Offering.
- The SEC filings and financial reports of MGM Resorts International include certain financial information regarding MGM Grand Paradise, which may not be directly comparable to our IFRS financial information.
- You may have difficulty enforcing judgments obtained against us.
- Dividends paid in the past may not be indicative of the amount of future dividend payments or our future dividend policy.

KEY TERMS AND CONDITIONS RELATING TO THE SUBCONCESSION OF MGM GRAND PARADISE

| | |
|--|---|
| Committed investment | MOP4.0 billion (US\$0.5 billion) ⁽¹⁾ |
| Term | to March 31, 2020 |
| Special gaming tax | 35.0% of gross gaming revenue ⁽²⁾ |
| Annual gaming premium | MOP30.0 million (US\$3.8 million) per annum fixed premium MOP300,000 (US\$37,500) per annum per VIP gaming table MOP150,000 (US\$18,750) per annum per mass market gaming table MOP1,000 (US\$125) per annum per electric or mechanical gaming machine including slot machines |
| Special levies: | |
| Contribution to a public foundation in Macau | 1.6% of gross gaming revenue — for promotion, development or study of culture, society, economy, education, science and charity events in Macau ⁽²⁾⁽³⁾ |
| Contribution to Macau Government | 2.4% of gross gaming revenue — for urban development, tourism promotion and social security in Macau ⁽²⁾⁽³⁾ |
| Total | 4.0% of gross gaming revenue ⁽²⁾⁽³⁾ |

Notes:

(1) Already completed.

(2) Gross gaming revenue is defined as all revenue derived from casino or gaming areas.

(3) The contribution percentages are subject to change upon re-negotiation between the Concessionaires or the Subconcessionaires and the Macau Government.

The Subconcession Contract also contains various general covenants and obligations. Specifically, MGM Grand Paradise shall, among other obligations:

- submit periodic detailed financial and operating reports to the Macau Government and furnish any other information that the Macau Government may request;
- arrange for its casinos or gaming areas to remain open for operations on a daily basis;
- ensure the proper management and operation of casino games;
- hire staff with appropriate qualifications;

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- undertake and operate casino games in a fair and honest manner and free from the influence of criminal activities;
- safeguard and ensure the Macau Government's tax revenue from operation of casino games; and
- maintain required insurance coverage.

The Subconcession Contract may be terminated by agreement between MGM Grand Paradise and SJM but is independent of SJM's concession. SJM is not entitled to unilaterally terminate the Subconcession. The Macau Government has the right to unilaterally terminate the Subconcession Contract for non-compliance with fundamental obligations under the Subconcession Contract and applicable Macau laws including:

- operation of casino games without permission or operation of business beyond the scope of the Subconcession;
- suspension of gaming operations without reasonable grounds for more than seven consecutive days or more than 14 non-consecutive days within one calendar year;
- unauthorized total or partial transfer of gaming operations in violation of the relevant laws and administrative regulations governing the operation of casino games;
- failure to pay taxes, premiums, levies or other amounts payable to the Macau Government;
- refusal or failure to resume operations or failure to continue operations due to on-going serious disruption or organizational insufficiency;
- repeated failures in the implementation of supervision and inspection control or repeated failure to comply with decisions of the Macau Government, in particular, the DICJ instructions;
- systematic non-compliance with fundamental obligations stipulated under the concession regime;
- refusal or failure to provide or replenish the bank guarantee or surety in the Subconcession Contract within the prescribed period;
- bankruptcy or insolvency;
- fraudulent activity to the detriment of the public interest;
- serious violation of the rules applicable to the operation of casino games or causing harm to fairness of casino games;
- grant to a third party of managing powers over gaming activities; and
- non-compliance with obligations regarding transfer of shares.

MGM Grand Paradise has the opportunity to remedy any such non-compliance with its fundamental obligations under the Subconcession Contract within a period to be stipulated by the Macau Government.

THE DGE SPECIAL REPORT

Prior to entering into an association with MGM Resorts International in 2005, Pansy Ho and Daisy Ho voluntarily submitted to the scrutiny of the DGE to permit the DGE to evaluate the proposed association. In May 2009, the DGE provided its Special Report to the New Jersey Commission, the entity with responsibility for determining gaming suitability issues in the State of New Jersey, in relation to the DGE's investigation with respect to MGM Resorts International's investment in Macau and its relationship with Pansy Ho. The Special Report recommended, among other things, that the New Jersey Commission find Pansy Ho to be an unsuitable person under the

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Casino Control Act of the State of New Jersey based on grounds including her alleged dependence upon her father, Stanley Ho, and her alleged association with certain individuals as disclosed in the Special Report. The Special Report also recommended that MGM Resorts International be directed to disengage from any business association with Pansy Ho. The Special Report comprises allegations of and recommendations by the DGE to the New Jersey Commission, rather than a finding by the New Jersey Commission itself. The New Jersey Commission has not taken any action on this recommendation and there has been no finding of any type of unsuitability of Pansy Ho in New Jersey. Since neither Stanley Ho nor Pansy Ho was an applicant for licensure in New Jersey, Pansy Ho filed a petition, based upon negotiations with the DGE, on October 20, 2009 with the New Jersey Commission seeking approval and execution of a stipulation confirming that neither the DGE nor the New Jersey Commission interpreted the relief requested in the Special Report regarding Pansy Ho's suitability as requiring a finding by the New Jersey Commission that Pansy Ho did not satisfy the necessary standards for licensure or qualification under the Casino Control Act of the State of New Jersey. The DGE never opposed the relief requested in the petition and the issue was rendered moot by the subsequent settlement agreement between MGM Resorts International and the DGE described below. MGM Resorts International was provided a copy of the Special Report substantially concurrently with its provision to the New Jersey Commission and in turn promptly provided copies of the confidential Special Report to its regulators in other states.

In response to a further DGE submission, and as required consequently under New Jersey law, the New Jersey Commission reopened the licensing of MGM Resorts International's jointly owned gaming property in New Jersey to address the ongoing suitability of MGM Resorts International as a licensee. MGM Resorts International subsequently reached a settlement with the DGE, which was approved by the New Jersey Commission on March 17, 2010, pursuant to which MGM Resorts International placed its 50% ownership interest in its New Jersey gaming property and the related leased land into a divestiture trust pending sale. The settlement agreement did not represent any finding as to the issues raised by the DGE in the Special Report. As a result of the settlement agreement, MGM Resorts International ceased to be a regulated entity in New Jersey except to the limited extent set forth in the settlement agreement.

Following the public release of the Special Report, gaming authorities in Mississippi and Michigan have stated that they are reviewing MGM Resort International's association with Pansy Ho and the gaming authority in Illinois has opened an investigation into this association. MGM Resorts International is cooperating fully with the investigations and reviews of the relevant authorities in each of the foregoing jurisdictions following the public release of the Special Report. We do not believe that the results of these reviews and investigation in any of the foregoing jurisdictions will have any adverse consequences for our business, reputation or association with MGM Resorts International or Pansy Ho. A compliance committee has been constituted in MGM Grand Paradise to monitor, and make recommendations to the Board of MGM Grand Paradise relating to, gaming regulatory compliance with all relevant standards applicable to MGM Grand Paradise, including U.S. regulatory standards to the extent appropriate. Nevertheless, there can be no assurance that we will not suffer adverse consequences in the future arising from these reviews and investigation. In the event that any of the U.S. domestic gaming regulators of MGM Resorts International or its subsidiaries were to find Pansy Ho to be an unsuitable person, MGM Resorts International and those of its subsidiaries which are subject to the jurisdiction of such regulators may be required to terminate their associations with Ms. Ho by divesting their interests in our Company or surrendering their gaming licenses in the relevant jurisdictions. MGM Resorts International may also need to curtail or sever its other relationships with us, including, but not limited to, termination of the Corporate Support Agreement, termination of the licenses to use certain trademarks, including the "MGM" and "Walking Lion Design" trademarks, and the resignation of those members of our Board that also hold positions in MGM Resorts International. For further details on the Special Report, see the section headed "U.S. Regulatory Matters" in this prospectus.

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LEGAL PROCEEDINGS

In early 2011, Pansy Ho was involved in a dispute with her father, Stanley Ho, and other members of the Ho family and companies controlled by them regarding, in part, the issuance of shares in, and ownership of, Lanceford, which at that time held 31.7% of the share capital of STDM, the controlling shareholder of SJM. In March 2011, Stanley Ho and his family members, including Pansy Ho, entered into a settlement agreement to resolve the dispute. As part of the settlement, Stanley Ho discontinued all the legal proceedings commenced on his behalf in connection with the dispute. The Company is of the view that neither the dispute nor the settlement of the same has had or will have a material impact on its management or business. For further details, see the section headed “Business — Legal Compliance and Proceedings” in this prospectus.

ANTI-MONEY LAUNDERING PROCEDURES, SYSTEMS AND CONTROLS

Based on the limited assurance engagement performed by BDO on MGM Grand Paradise’s anti-money laundering control procedures, nothing has come to BDO’s attention that causes BDO to believe that MGM Grand Paradise’s anti-money laundering control procedures do not comply, in all material respects, with applicable anti-money laundering statutes and guidelines for the period from December 1, 2009 to December 31, 2010. See the section headed “Summary of the Review of Anti-Money Laundering Procedures, Systems and Controls” in Appendix V to this prospectus for the report from BDO. Also see the section headed “Risk Factors — Risks Relating to Our Business — Risks Relating to Our Business and Operations — We cannot assure you that our anti-money laundering and anti-corruption policies will be effective in preventing the occurrence of money laundering or other illegal activities at MGM Macau” in this prospectus.

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SUMMARY HISTORICAL FINANCIAL INFORMATION

The summary financial information set forth below presents our selected consolidated financial information as at and for the years ended December 31, 2008, 2009 and 2010 (the “**Financial Information**”). The Financial Information has been prepared in accordance with IFRS. Investors should read the Financial Information together with the Accountants’ Report set out in Appendix IA to this prospectus and the discussion set out in the section headed “Financial Information — Management’s Discussion and Analysis of Financial Condition and Results of Operations — Review of Historical Operating Results” in this prospectus.

Consolidated Statements of Comprehensive Income

The following table presents the consolidated statements of comprehensive income data for the years ended December 31, 2008, 2009 and 2010.

| | For the year ended December 31, | | |
|--|---------------------------------|--------------------|---------------------|
| | 2008 | 2009 | 2010 |
| | (HK dollars in thousands) | | |
| Operating Revenue | | | |
| Casino revenue | 6,603,357 | 7,455,854 | 12,126,848 |
| Other revenue | <u>313,100</u> | <u>271,232</u> | <u>307,880</u> |
| | 6,916,457 | 7,727,086 | 12,434,728 |
| Operating Costs and Expenses | | | |
| Special gaming tax and special levy to the Macau | | | |
| Government | (3,432,763) | (4,028,679) | (6,480,269) |
| Staff costs | (1,275,639) | (1,147,384) | (1,188,424) |
| Operating and administrative expenses | (1,345,802) | (1,393,709) | (1,967,699) |
| Depreciation and amortization | <u>(746,986)</u> | <u>(793,084)</u> | <u>(777,780)</u> |
| | <u>(6,801,190)</u> | <u>(7,362,856)</u> | <u>(10,414,172)</u> |
| Operating profit | 115,267 | 364,230 | 2,020,556 |
| Interest income | 8,311 | 305 | 1,299 |
| Finance costs | (450,681) | (531,671) | (450,516) |
| Net foreign currency difference | <u>30,626</u> | <u>663</u> | <u>(5,012)</u> |
| (Loss)/profit before taxation | (296,477) | (166,473) | 1,566,327 |
| Taxation | <u>(186)</u> | <u>(658)</u> | <u>(292)</u> |
| (Loss)/profit for the year and total comprehensive | | | |
| (loss)/income attributable to the owners of MGM | | | |
| Grand Paradise | <u>(296,663)</u> | <u>(167,131)</u> | <u>1,566,035</u> |

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Consolidated Statements of Financial Position

The following table presents our consolidated statements of financial position as at December 31, 2008, 2009 and 2010.

| | As at December 31, | | |
|---|---------------------------|--------------------|------------------|
| | 2008 | 2009 | 2010 |
| | (HK dollars in thousands) | | |
| Non-Current Assets | | | |
| Property and equipment | 5,903,595 | 5,794,070 | 5,351,259 |
| Subconcession premium | 1,427,848 | 1,301,296 | 1,174,048 |
| Land use right premium | 409,442 | 390,196 | 370,950 |
| Other assets | 68,583 | 5,341 | 6,058 |
| Construction in progress | 311,169 | 21,070 | 28,827 |
| | <u>8,120,637</u> | <u>7,511,973</u> | <u>6,931,142</u> |
| Current Assets | | | |
| Inventories | 40,983 | 44,240 | 63,848 |
| Trade receivables | 357,814 | 840,691 | 1,137,422 |
| Prepayments, deposits and other receivables | 30,978 | 75,693 | 77,314 |
| Land use right premium — short term | 19,246 | 19,246 | 19,246 |
| Amount due from a related company | — | 97 | 72,471 |
| Bank balances and cash | <u>1,448,468</u> | <u>1,975,711</u> | <u>1,922,723</u> |
| | <u>1,897,489</u> | <u>2,955,678</u> | <u>3,293,024</u> |
| Current Liabilities | | | |
| Payables and accrued charges | 1,487,980 | 1,734,940 | 2,706,145 |
| Bank borrowings — due within 12 months | 401,057 | 1,062,735 | — |
| Deposits and advances | 96,665 | 201,272 | 135,103 |
| Construction retention payable — due within 12 months | 108,237 | 8,319 | 3,433 |
| Amounts due to related companies | 11,933 | 180 | 11,681 |
| Taxation payable | — | 274 | 225 |
| | <u>2,105,872</u> | <u>3,007,720</u> | <u>2,856,587</u> |
| Net Current (Liabilities)/Assets | <u>(208,383)</u> | <u>(52,042)</u> | <u>436,437</u> |
| Total Assets Less Current Liabilities | <u>7,912,254</u> | <u>7,459,931</u> | <u>7,367,579</u> |
| Non-Current Liabilities | | | |
| Bank borrowings — due after 12 months | 6,066,768 | 5,658,508 | 5,886,730 |
| Loans from shareholders | 605,033 | 658,261 | — |
| Loan from a related company | 817,201 | 891,817 | — |
| Construction retention payable — due after 12 months | 4,776 | — | — |
| | <u>7,493,778</u> | <u>7,208,586</u> | <u>5,886,730</u> |
| Net Assets | <u>418,476</u> | <u>251,345</u> | <u>1,480,849</u> |
| Capital and Reserves | | | |
| Share capital | 194,175 | 194,175 | 194,175 |
| Share premium | 778,485 | 778,485 | 778,485 |
| Equity reserve | 630,256 | 630,256 | 293,725 |
| (Deficit) retained earnings | <u>(1,184,440)</u> | <u>(1,351,571)</u> | <u>214,464</u> |
| Shareholders' Funds | <u>418,476</u> | <u>251,345</u> | <u>1,480,849</u> |

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UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma data relating to our net tangible assets prepared in accordance with Rule 4.29 of the Listing Rules is for illustrative purposes only, and is set out below to illustrate the effect of the Global Offering on our net tangible assets as at December 31, 2010, as if the Global Offering had taken place on December 31, 2010.

This unaudited pro forma statement of adjusted net tangible assets has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to the owners of the Company as at December 31, 2010 or at any subsequent dates, including following the Global Offering.

The unaudited pro forma adjusted net tangible assets value does not take into account the dividend of approximately MOP490.0 million (equivalent to approximately HK\$476.0 million) declared and paid to the shareholders of MGM Grand Paradise on March 24, 2011.

| | Unadjusted audited consolidated net tangible assets of the Group attributable to the owners of our Company as at December 31, 2010 ⁽¹⁾ | Estimated net proceeds from the Global Offering ⁽²⁾ | Estimated reimbursement from Shareholders of certain Global Offering expenses ⁽²⁾ | Estimated amount to settle Acquisition Note ⁽³⁾ | Unaudited pro forma adjusted net tangible assets of the Group attributable to the owners of our Company as at December 31, 2010 ⁽⁴⁾ | Unaudited pro forma adjusted net tangible assets per Share ⁽⁵⁾ |
|---|---|---|---|---|--|--|
| | (HK dollars in thousands) | (HK dollars in thousands) | (HK dollars in thousands) | (HK dollars in thousands) | (HK dollars in thousands) | (HK dollars) |
| Based on an Offer Price of HK\$12.36 per Share | 306,801 | 8,948,367 | 114,108 | (9,062,475) | 306,801 | 0.08 |
| Based on an Offer Price of HK\$15.34 per Share | 306,801 | 11,133,333 | 114,108 | (11,247,441) | 306,801 | 0.08 |

Notes:

- (1) The unadjusted audited consolidated net tangible assets of the Group attributable to the owners of our Company as at December 31, 2010 is extracted from the Accountants' Reports set out in Appendix IA and Appendix IB to this prospectus, and is based on the audited consolidated net assets of the Group attributable to the owners of our Company of HK\$1,480,849,000, deducting subconcession premium of HK\$1,174,048,000. The net tangible assets of the Company as at December 31, 2010 as set out in Appendix IB to this prospectus has not been taken into account as the amount involved is not material.
- (2) The estimated net proceeds from the Global Offering are based on the indicative Offer Prices of HK\$12.36 and HK\$15.34 per Offer Share, respectively, after deduction of commissions and expenses as set out in the section headed "Underwriting" in this prospectus.
- (3) As detailed in the section headed "History and Corporate Structure — Reorganization" in this prospectus, immediately following the completion of the Global Offering, the Company will use the proceeds it receives from the Global Offering to satisfy its obligations under the Acquisition Note pursuant to the acquisition agreement. It is anticipated that such payment will be made on the Listing Date.
- (4) The unaudited pro forma adjusted net tangible assets per Share figure is arrived at after the adjustments referred to in Note (2) and Note (3) above and on the basis that 3,800,000,001 Shares were in issue assuming that the Global Offering had been completed on December 31, 2010 and without taking into account any Shares which may be issued pursuant to the exercise of any options which may be granted pursuant to the Share Option Scheme or any shares which may be issued or repurchased pursuant to the general mandate as set out in the section headed "Share Capital" in this prospectus.
- (5) By comparing the valuation of our property interests as set out in Appendix IV to this prospectus, the net valuation surplus is approximately HK\$9,450.9 million as compared to the carrying amounts of the Group's property interests as of March 15, 2011, which has not been included in the above consolidated net tangible assets attributable to the owners of the Company. The valuation surplus of our property interests will not be incorporated in the Group's consolidated financial statements in the future. If the valuation surplus were to be included in our consolidated financial statements, an additional annual depreciation and amortization charge of approximately HK\$541.9 million would be incurred.

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PROFIT FORECAST FOR THE SIX MONTHS ENDING JUNE 30, 2011

On the bases and assumptions set out in the section headed “Profit Forecast” in Appendix III to this prospectus and, in the absence of unforeseen circumstances, certain profit forecast data of the Group for the six months ending June 30, 2011 are set out below:

| | |
|--|-----------------------------------|
| Forecast profit attributable to the owners of our Company for the six months ending June 30, 2011 ⁽¹⁾ | not less than HK\$1,450.1 million |
| Unaudited forecast earnings per Share on a pro forma basis ⁽²⁾ | not less than HK\$0.38 |

Notes:

- (1) Our forecast profit attributable to the owners of our Company for the six months ending June 30, 2011 is extracted from the section headed “Financial Information — Profit Forecast For The Six Months Ending June 30, 2011” in this prospectus. The bases and assumptions on which the above profit forecast has been prepared are summarized in the section headed “Profit Forecast” in Appendix III to this prospectus. The Directors have prepared the forecast consolidated profit attributable to the owners of our Company for the six months ending June 30, 2011 based on the unaudited consolidated results based on the management accounts of the Group for the three months ended March 31, 2011 and a forecast of the consolidated results of the Group for the remaining three months ending June 30, 2011. The forecast has been prepared on a basis consistent in all material respects with the accounting policies presently adopted by the Group as set out in Note 4 of Section A of the Accountants’ Report, the text of which is set out in Appendix IA to this prospectus.
- (2) The unaudited forecast earnings per Share on a pro forma basis is calculated by dividing the estimated profit attributable to the owners of our Company for the period ending June 30, 2011 by 3,800,000,001 Shares as if such Shares had been in issue on January 1, 2011. The number of Shares used in this calculation includes the Shares in issue as of the date of this prospectus and the Shares to be issued pursuant to the Global Offering but excludes any Shares which may be issued pursuant to the exercise of any options which may be granted pursuant to the Share Option Scheme or any shares which may be issued or repurchased pursuant to the general mandate.

The Company has undertaken to the Stock Exchange that the interim report for the six months ending June 30, 2011 will be audited pursuant to Rule 11.18 of the Listing Rules.

ADJUSTED EBITDA FORECAST FOR THE SIX MONTHS ENDING JUNE 30, 2011

The forecast adjusted EBITDA of our Company has been derived from and on the same bases and assumptions as the “Profit Forecast” in Appendix III to this prospectus. In the absence of unforeseen circumstances, forecast adjusted EBITDA for the six months ending June 30, 2011 is expected to be not less than HK\$1,949.3 million. Adjusted EBITDA is used by management as the primary measure of operating performance of our Group’s property and to compare the operating performance of our Group’s property with that of its competitors. However, adjusted EBITDA should not be considered in isolation; construed as an alternative to profit or operating profit; treated as an indicator of our IFRS operating performance, other combined operations or cash flow data; or interpreted as an alternative to cash flow as a measure of liquidity. Adjusted EBITDA presented in this prospectus may not be comparable to other similarly titled measures of other companies operating in the gaming or other business sectors. In addition, our adjusted EBITDA presented in this prospectus may differ from adjusted EBITDA presented by MGM Resorts International for its Macau segment in its filings with the SEC. For a quantitative reconciliation of adjusted EBITDA to (loss)/profit for the year/period for the years ended December 31, 2008, 2009 and 2010, see the section headed “Financial Information — Management’s Discussion and Analysis of Financial Condition and Results of Operations — Description of Selected Line Items in Our Consolidated Statements of Comprehensive Income — Adjusted EBITDA” in this prospectus.

SUMMARY

GLOBAL OFFERING STATISTICS

| | Based on an Offer Price of HK\$12.36 | Based on an Offer Price of HK\$15.34 |
|--|---|---|
| Market capitalization of our Shares (in millions) ⁽¹⁾ . . . | HK\$46,968.0 | HK\$58,292.0 |
| Unaudited pro forma adjusted net tangible assets per Share ⁽²⁾ | HK\$0.08 | HK\$0.08 |
| Historical price/earnings multiple ⁽³⁾ | 30.0x | 37.2x |

Notes:

- (1) The calculation of the market capitalization of our Shares is based on the assumption that 3,800,000,001 Shares will be in issue and outstanding immediately following the completion of the Global Offering.
- (2) The statement of unaudited pro forma adjusted net tangible assets per Share has been arrived at after the adjustments referred to in the section headed "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus and on the basis that 3,800,000,001 Shares will be in issue immediately following the completion of the Global Offering.
- (3) The calculation of the historical price/earnings multiple is based on the audited earnings calculated by reference to the profit attributable to the owners of our Company for the period ending December 31, 2010 at the assumed Offer Prices of HK\$12.36 and HK\$15.34 per Offer Share.

USE OF PROCEEDS FOR THE PAYMENT OF THE ACQUISITION NOTE

We estimate that the net proceeds of the Global Offering, after deducting the underwriting commissions and estimated offering expenses payable by us in relation to the Global Offering, will be approximately HK\$10,040.9 million assuming an Offer Price of HK\$13.85 (being the mid-point of the Offer Price range stated in this prospectus), approximately HK\$8,948.4 million assuming an Offer Price of HK\$12.36 (being the low end of the Offer Price range stated in this prospectus) or approximately HK\$11,133.3 million assuming an Offer Price of HK\$15.34 (being the high end of the Offer Price range stated in this prospectus). As the Over-allotment Option will be granted by Grand Paradise Macau Limited to the International Underwriters, we will not receive any proceeds from any exercise of the Over-allotment Option.

The entire net proceeds from the Global Offering (assuming an Offer Price of HK\$13.85, being the mid-point of the Offer Price range stated in this prospectus), representing the Hong Kong dollar equivalent of US\$1,305.3 million, will be used immediately to repay our obligations to Grand Paradise Macau Limited under the Acquisition Note. See the section headed "History and Corporate Structure — Reorganization" in this prospectus for a detailed description of such shareholder indebtedness.

If the Offer Price is set at the high end of the indicative Offer Price range, being HK\$15.34 per Offer Share, the net proceeds to our Company from the Global Offering will increase by approximately HK\$1,092.5 million. In such case, the amount payable under the Acquisition Note will also be higher by HK\$1,092.5 million.

If the Offer Price is set at the low end of the indicative Offer Price range, being HK\$12.36 per Offer Share, the net proceeds to our Company from the Global Offering will decrease by approximately HK\$1,092.5 million. In such case, the amount payable under the Acquisition Note will also be lower by HK\$1,092.5 million.

We estimate that the net proceeds to Grand Paradise Macau Limited from the exercise of the Over-allotment Option in full, assuming an Offer Price of HK\$13.85 per Offer Share, being the mid-point of the Offer Price range stated in this prospectus, will be approximately HK\$1,523.2 million.

DIVIDEND POLICY

Following the completion of the Global Offering, our Shareholders will be entitled to receive dividends we declare. Any amount of dividends we pay will be at the absolute discretion of our Directors and will depend on our future operations and earnings, development pipeline, capital

SUMMARY

requirements and surplus, general financial conditions, contractual restrictions and other factors which our Directors consider relevant. Other limitations on our ability to declare and pay dividends include the fact that, as a holding company, we are dependent upon the receipt of cash contributions from our subsidiaries, principally MGM Grand Paradise, to fund any dividend payments that we make. However, our subsidiaries must in turn comply with their constitutional documents and the laws and regulations of their jurisdictions of incorporation, which in the case of MGM Grand Paradise is Macau.

Pursuant to Article 198 of the Macau Commercial Code, if any entity has losses brought forward from previous years, any profit for the current accounting period cannot be distributed to shareholders without first covering the losses brought forward from those prior periods. For details of our financial performance during the Track Record Period, see the section headed "Financial Information" and Appendix IA to this prospectus.

Pursuant to Article 432 of the Macau Commercial Code, at least 10% of MGM Grand Paradise's annual profits must be retained as a legal reserve until such legal reserve reaches an amount equal to 25% of MGM Grand Paradise's share capital of MOP200 million. MGM Grand Paradise's exemption from Complementary Tax does not apply to the dividends to be distributed by MGM Grand Paradise. Dividends and other distributions that we receive from MGM Grand Paradise are subject to Complementary Tax at a rate of up to 12%. As we are not subject to Macau Complementary Tax for dividends paid prior to the completion of the Reorganization, no deferred tax provision has been made by us on the undistributed earnings of MGM Grand Paradise during the Track Record Period.

Upon the completion of the Reorganization, however, we will be subject to Macau Complementary Tax on dividends paid by MGM Grand Paradise. MGM Grand Paradise plans to make arrangements with the Macau Government to settle the Complementary Tax due by paying a flat annual fee regardless of the amount of distributable dividends. If such arrangements are not approved, we will be required to recognize deferred tax liabilities for dividends payable in relation to our investment in MGM Grand Paradise.

Moreover, under the credit agreement MGM Grand Paradise entered into with a syndicate of lenders on July 27, 2010, MGM Grand Paradise is not permitted to declare, make or pay any dividends if its pro forma leverage ratio exceeds 4:1 and, to the extent the pro forma leverage ratio exceeds 3.5:1, may only pay dividends if it concurrently prepays an equal amount under the term loans then outstanding under the credit agreement. Accordingly, MGM Grand Paradise may not be able to distribute 100% of its annual profits to us as cash dividends.

As at March 31, 2011, the leverage ratio of MGM Grand Paradise under the credit agreement was approximately 1.60. Subsequent to December 31, 2010, total dividends of MOP490.0 million have been declared and paid to the Shareholders after retaining as legal reserve the full amount of MOP50 million required pursuant to Article 432 of the Macau Commercial Code.