

RISK FACTORS

The Global Offering involves certain risks. Prior to making an investment decision, you should carefully consider all of the information in this prospectus, including, but not limited to, the risk factors described below. Our business could be materially and adversely affected by any of the risks or uncertainties described below. The trading price of our Shares could decline due to any of these risks or uncertainties, causing you to lose all or part of your investment. Prior to making an investment decision, prospective investors should consider carefully all the information set forth in this prospectus, including but not limited to the risk factors set forth in the section headed "Risk Factors" in this prospectus.

A number of risks and uncertainties are inherent in our operations. 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. Investors should carefully consider the following information in conjunction with the other information contained in this prospectus.

RISKS RELATING TO OUR BUSINESS

Risks Relating to Our Business and Operations

We face intense competition in Macau and elsewhere in Asia.

The casino, hotel and convention businesses in Macau are highly competitive, and we expect to encounter increasing competition as developers and operators complete and open new projects in the future. As at the Latest Practicable Date, MGM Macau was one of 34 casinos of varying sizes in Macau. Since 2009, there have been several casino openings and/or expansions, including Encore at Wynn Macau, City of Dreams, Casino L'Arc Macau, Casino Lan Kwai Fong Macau, Casino Oceanus and Jimei Casino, as of December 31, 2010, there were approximately 14,050 slot machines and 4,791 gaming tables.

Through our subsidiary Subconcessionaire, MGM Grand Paradise, we currently compete with five other Concessionaires and Subconcessionaires authorized by the Macau Government to conduct gaming operations in Macau, including SJM, which operates 20 casinos in Macau. SJM's holdings include two of the largest casinos in Macau, the Hotel Lisboa and The Grand Lisboa, and two of its affiliates own most of the water ferry services between Macau and Hong Kong. In addition, we compete with Galaxy, which operates six casinos in Macau, VML, which operates three casinos and a water ferry service between Hong Kong and Macau, Melco Crown, which operates three casinos and several slot parlors, and Wynn Macau, which operates one casino.

We expect competition in Macau to increase in the near future as multiple hotel, casino and entertainment complex projects are completed. Our competitors' properties which have recently opened, or which are currently under construction or development and are scheduled to open in 2010 and 2011, include Encore at Wynn Macau, which opened in April 2010, Phases 5 and 6 of VML's Cotai development, which are still under construction, and Galaxy's project in Cotai, which opened on May 15, 2011. These projects include internationally recognized hotels and significant additional gaming areas. If additional casinos are opened in Cotai, or if additional concessions or subconcessions are granted, we could face additional competition from new market entrants as well.

Our operations will also compete with casinos and integrated resorts located elsewhere in Asia, as well as elsewhere in the world. Two new integrated resorts offering gaming in Singapore, Genting Singapore's US\$4.4 billion Resorts World Sentosa and Las Vegas Sands' US\$5.5 billion Marina Bay Sands, opened in February and April of 2010, respectively, and it is still unclear whether or how the opening of these resorts will impact resorts and gaming in Macau. Certain other countries in the region, including Malaysia, Vietnam (where MGM Resorts International, our

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controlling shareholder, is already developing a casino property with a partner) and Cambodia, have also legalized casino gaming while others, such as Japan, Taiwan and Thailand, may legalize gaming in the future, each of which could further increase regional competition. Although the PRC government has strictly enforced its regulations prohibiting domestic gaming operations, there may be casinos in parts of mainland China that are operated illegally and without licenses that may also compete with us. Gaming tax regimes may also be more favorable in certain jurisdictions, such as Singapore, which would allow our competitors in such jurisdictions to earn higher gaming margins than us or to provide their patrons with more favorable incentives. We also face competition from other major gaming centers located around the world, including Australia and Las Vegas, as well as from cruise ships in Asia (many based in Hong Kong) that offer gaming. The proliferation of gaming venues in Southeast Asia and other regions could significantly and adversely affect our business, financial condition, results of operations and cash flows.

Further, as a result of an increase in the intensity of competition in the industry in which we operate, some casinos may begin to take actions such as offering cash rebates to attract mass market patrons. Such actions could affect our competitive position, forcing us to follow or risk losing market share. Competitive pressures or regulatory developments in Macau's gaming industry could have a material and adverse effect on our business, financial condition and results of operations. For further details, see the section headed "— Risks Relating to The Gaming Industry in Macau — The Macau Government could grant additional rights to conduct gaming in the future".

Our business is particularly sensitive to downturns in the economy, economic uncertainty and other factors affecting discretionary consumer spending.

Demand for the type of luxury services, gaming-related services and leisure activities we offer is particularly sensitive to downturns and uncertainty in the global and regional economy and corresponding decreases in discretionary consumer spending, including on leisure activities. Changes in discretionary consumer spending or consumer preferences could be driven by factors such as perceived or actual general economic conditions; the current global economic slowdown; high energy, fuel and other commodity costs; the cost of travel; the potential for bank failures; a weakening job market; an actual or perceived decrease in disposable consumer income and wealth; and changes in consumer confidence in the economy. These and other factors have in the past reduced consumer demand for the luxury services, gaming-related services and leisure activities we offer, imposed practical limits on pricing and adversely affected our gaming business, results of operations and financial condition and could further affect our liquidity position.

Although recent data have shown significant growth in terms of visitor arrivals and gaming revenue in Macau, there can be no assurance that these trends will continue or that government responses to global economic conditions will successfully address fundamental weakness in the markets, increase consumer confidence or increase market liquidity. Continued weakness in the global economy or in the economy of China, where a significant number of our gaming patrons reside and/or generate their income, may result in a reduction of the number of patrons, including VIP patrons, visiting MGM Macau or a reduction in the frequency of visits by these patrons, or may result in these patrons visiting MGM Macau but spending less money. Any reduction in consumer demand for the gaming-related services and leisure activities we offer would materially and adversely affect our gaming volumes and revenues and, as a result, our business, financial condition and results of operations.

We are currently dependent upon a single property in Macau for all of our cash flows.

Given that our operations currently are conducted at a single property in Macau, we have been and may continue to be entirely dependent upon that property for all of our cash flows. 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, for the purpose of constructing an integrated casino and hotel. However, there is currently no definitive timetable for finalizing

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negotiations with the Macau Government and therefore there can be no assurance that we will secure the necessary approval. If we do not secure such approval, we may remain dependent on our existing property for all of our cash flows. Even if we secure the approval, it may take up to four years to develop our project if there are no major delays. If we experience delays, due to construction problems or for other reasons, we may continue to depend on our existing property for longer than we expect.

Moreover, even if our Cotai project is approved and we are able to develop it successfully, we will continue to be dependent on Macau for our cash flows to the extent we are unable to develop properties in other markets. As a consequence, we may be subject to greater risks than competitors with a number of operating properties in Macau and/or elsewhere, due to lack of diversification of our business, risks and sources of revenue. These risks include, among others:

- “event risk”, or the risk that a single event, such as a fire, power outage, terrorist act, criminal act or incident involving a highly infectious disease, could disrupt our entire business;
- fewer patrons, resulting in lower gaming revenues;
- fewer bets, resulting in less stable win rates and resultant revenues;
- economic, political and competitive conditions in Macau;
- travel restrictions to Macau imposed by mainland China or other countries in Asia;
- inaccessibility to Macau due to inclement weather or closure of primary access routes such as by sea, air or highway;
- decline in air or ferry passenger traffic to Macau due to higher ticket costs or fears concerning air or ferry travel;
- greater impact of any failure to win regulatory approvals for any future developments;
- changes in Macau Governmental laws and regulations, including gaming laws and regulations and interpretations thereof;
- liberalization in gaming laws and regulations in other regional economies that would compete with the Macau market;
- natural and other disasters, including the risk of typhoons in the South China region; and
- a significant decline in the number of visitors to Macau for any other reason.

Any of the above events could have a material adverse effect on our business, financial condition, results of operations and 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.

Pursuant to the Deed of Non-compete Undertakings, MGM Resorts International and Pansy Ho and their associates (as defined therein and excluding our Company) are, subject to limited exceptions, restricted from having any interest or involvement in gaming businesses in the Restricted Zone. However, the Deed of Non-compete Undertakings does not impact MGM Resorts International’s or Pansy Ho’s ability to continue to develop and operate new gaming projects or engage in existing gaming operations located outside of the Restricted Zone, or non-gaming resorts outside of Macau, which may provide incentives or otherwise attract gaming customers who may otherwise have patronized our property.

The Deed of Non-compete Undertakings will terminate on the earlier of (i) March 31, 2020, or (ii) the date on which our Shares cease to be listed on the Stock Exchange, provided that the Deed of Non-compete Undertakings shall cease to apply in respect of either of MGM Resorts International

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and its associates or Pansy Ho and her associates following the date on which their respective shareholding in our Company represents less than 20% of the then issued share capital of our Company. Upon the expiration or termination of the Deed of Non-compete Undertakings, MGM Resorts International and Pansy Ho may also compete with us in the Restricted Zone. For details of the Deed of Non-compete Undertakings, see the section headed “Relationship with MGM Resorts International and Pansy Ho — Non-Competition Undertakings by MGM Resorts International and Pansy Ho” in this prospectus.

We may lose our right to use certain MGM trademarks which are sublicensed through MGM Branding and Development Holdings.

Our Intellectual Property Rights, especially our sublicensed rights to use the logo versions of “MGM” in the PRC in respect of gaming, hotel and resort operations, are among our most valuable assets. We have sublicensed the right to use these logos and certain other “MGM”-related trademarks and service marks from MGM Branding and Development Holdings, which is the beneficiary of head licenses from MGM Resorts International Holdings and MGM Resorts International. Pursuant to the sublicensing arrangement, MGM Branding and Development Holdings has licensed to us the right to use the “MGM” trademark in connection with our operation of hotel casinos within the Restricted Zone which we co-develop with MGM Branding and Development Holdings, but excluding internet gaming, in return for a license fee of 1.75% of our consolidated revenue each year. We may also, by mutual agreement obtain the use of other marks owned by MGM Resorts International at the same fee. The licensing arrangement has a term ending on March 31, 2020 and is also terminable on the occurrence of certain events, such as our failure to comply with applicable Macau regulatory requirements or if MGM Resorts International is directed by any regulator to curtail or sever its relationship with us or if we fail to maintain our resorts and casinos in a manner which is consistent with MGM Resorts International’s required quality standards.

If the existing licensing arrangement were to be terminated for these or any other reasons and we were unable to enter into new arrangements with MGM Branding and Development Holdings, MGM Resorts International Holdings or MGM Resorts International, as the case may be, in respect of the “MGM” mark, we would lose our rights to use the “MGM” brand name and “MGM” trademarks and domain names. This would cause severe disruption to our business and have a material and adverse effect on our business, financial condition and results of operations. In addition, we also are exposed to the risk that third parties may use “MGM”-related trademarks without authorization, which may also harm our reputation as well as our business. For details of the intellectual property licensing arrangement, see the section headed “Connected Transactions” in this prospectus.

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.

We currently obtain certain services from MGM Resorts International and its subsidiaries and MGM Branding and Development Holdings, including corporate support, accounting, development, marketing, finance and other professional services. We have entered into agreements with MGM Resorts International, its subsidiaries and MGM Branding and Development Holdings to continue using these services following the Listing. For further information on these connected transactions, see the section headed “Connected Transactions” in this prospectus.

In addition, we have entered into certain transactions with MGM Resorts International, Pansy Ho and their respective associates, particularly with respect to marketing, corporate support and branding and development services. Certain provisions of these connected transactions and the emoluments of the directors borne by the Significant Shareholders were not charged to the Group during the Track Record Period. For further information on these connected transactions, see the section headed “Connected Transactions” in this prospectus. Although the Company is required to

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pay for these connected transactions and the directors' emoluments going forward, as the total amount involved is insignificant relative to the Group's financial position, we do not expect these transactions to significantly alter the Group's cost structure or profit margin after the Listing.

A termination of any or all of the services which are currently provided to us by MGM Resorts International, MGM Branding and Development Holdings, and their subsidiaries could cause significant disruption to our business and could increase future costs to us for such services. If, in the future, MGM Resorts International chooses not to provide such services to us on terms acceptable to us, we will need to seek alternative means of securing comparable services, which may not be available on terms that are as favorable as the current terms.

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.

Our ability to maintain our competitive position is dependent to a large degree on the efforts, skills and continued service of our key management and operating personnel. The loss of our key management and operating personnel would likely have a material adverse effect on our business.

Our business is also labor intensive and, therefore, our success also depends in large part on our ability to attract, train, motivate and retain a sufficient number of qualified and skilled employees to run our operations. Macau has a relatively limited labor market for the supply of employees for the gaming and gaming-related operations at MGM Macau as well as for the operation of our intended future projects. Under Macau Government policy, all casinos in Macau are currently prohibited from hiring non-Macau residents as dealers and gaming supervisors. Furthermore, our ability to seek employees from other countries to staff other aspects of our operations is restricted by labor quota restrictions imposed by the Macau Government. Under Macau law, employers may be held criminally liable if they knowingly hire illegal workers. In addition, many employees at MGM Macau are required to possess certain gaming-related skills for which substantial training and experience are needed.

Given the limited pool of qualified operating, marketing, financial and technical personnel and experienced gaming and other personnel currently available in Macau as well as the large and growing number and scale of casino resort developments and non-casino businesses currently operating in Macau, we face and will continue to face significant competition in the recruitment of appropriately qualified employees. This could require us to raise the salaries of current employees or to pay higher wages to attract new employees, which could cause our labor costs to increase. If we are unable to attract and retain a sufficient number of qualified employees, or if we encounter a significant increase in labor costs due to salary increases or for any other reason, our ability to compete effectively with the other Concessionaires or Subconcessionaires in Macau and our business, financial condition and results of operations could be materially and adversely affected.

In addition, we may be unable to retain the services of our key management personnel and may not easily be able to replace such personnel if they choose to leave us for any reason. In turn, this could have an adverse effect on our business, financial condition and results of operations.

If we fail to retain the services of Pansy Ho, our business, financial condition and results of operations may be adversely affected.

We operated as a joint venture prior to the Global Offering with Pansy Ho, both individually and through her operating entity, Grand Paradise Macau Limited, acting as our local partner. The expertise, local market knowledge and marketing efforts of Pansy Ho have played a significant role in the development and success of MGM Macau and if we were to lose the services of Pansy Ho or if she were unable to devote sufficient time or attention to our business, our business, financial condition and results of operations may be adversely affected. See the section headed "History and Corporate Structure — Ownership of the Company upon Completion of the Global Offering" for

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details of the historic and current role played by Pansy Ho in the management of our business. In particular, if Pansy Ho were to reduce her involvement in our Company, we may no longer be able to benefit from her extensive relationships and business reputation within the greater China region. This may have an adverse effect on our Group's ability to secure future development opportunities and on our regulatory relationships. Our Group may also be adversely affected by the loss of the local market knowledge and experience which Pansy Ho brings to the board of our Company.

Our insurance coverage may not be adequate to cover all potential losses that we could suffer, and our insurance costs could increase.

Although we have all-risk property insurance for our property covering damage caused by a casualty loss (such as fire, natural disasters or certain acts of terrorism), the policy has certain exclusions. In addition, our property insurance coverage is in an amount that may be less than the expected full replacement cost of rebuilding our property if there was a total loss. Our level of insurance coverage may be inadequate to cover all possible losses in the event of a major casualty. In addition, certain casualty events, such as labor strikes, terrorist attacks, loss of income due to cancellation of room reservations or conventions due to fear of terrorism, or damage resulting from deterioration or corrosion, insects or animals and pollution, might not be covered under our insurance policies. Therefore, certain acts and events could expose us to substantial uninsured losses. In addition to the damage caused to our property by a casualty loss, we may suffer business disruption as a result of these events or be subject to claims by third parties who were injured or harmed. While we carry general liability insurance and limited business interruption insurance, this insurance may not continue to be available on commercially reasonable terms and, in any event, may not be adequate to cover all losses.

In addition, although we currently have insurance coverage for occurrences of terrorist acts with respect to our property and for certain losses that could result from these acts, our terrorism coverage is subject to the same risks and deficiencies as those described above for our all-risk property coverage. The lack of sufficient insurance coverage for these types of acts could expose us to substantial losses in the event that any damages occur, directly or indirectly, as a result of terrorist attacks or otherwise, which could have a significant negative impact on our operations.

We renew our insurance policies on an annual basis. The cost of coverage may become so high that we may need to further reduce our policy limits or increase deductibles to the minimum levels permitted under our loan agreements, or agree to additional exclusions from our coverage. There is also limited available insurance in Macau and our Macau insurance companies may need to secure reinsurance in order to adequately insure our property and development projects.

Our credit agreements, the Subconcession Contract and other material agreements require us to maintain a certain minimum level of insurance, a portion of which we must procure from insurance companies based in Macau. Failure to satisfy these requirements could result in an event of default under these credit agreements, the Subconcession Contract or other material agreements and have a material adverse effect on our business, financial condition, results of operations and cash flows.

We have a limited operating history.

MGM Macau opened to the public in December 2007 and our business operations are not as mature as those of many of our competitors. Further, we operated as a joint venture prior to the Global Offering. Because we have a limited operating history, it may be more difficult for us to prepare for and respond to the significant business, economic, regulatory and competitive uncertainties and contingencies frequently encountered by new businesses in competitive environments compared to a company with a longer operating history. If we are not able to manage these risks successfully, it could have a material and adverse effect on our results of operations, financial performance and business.

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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.

The gaming industry is characterized by the element of chance. In addition to the element of chance, theoretical expected win rates are also affected by other factors, including players' skill and experience, the mix of games played, the financial resources of players, the spread of table limits, the volume of bets placed by our players and the amount of time players spend on gambling. As a result, MGM Macau's actual win rates may differ greatly over short time periods, including from quarter to quarter and could cause our results of operations to be volatile. Further, it is possible for the winnings of our patrons to exceed MGM Macau's casino winnings, in which case we may even record a loss from MGM Macau's gaming operations over a specified period.

In addition, a substantial portion of our gaming revenues is earned from our VIP patrons. For further details regarding the revenue figures relating to VIP patrons, such as VIP gross table games win, as compared to our overall revenues, see 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. VIP patrons typically place large individual wagers which may lead to greater variances in win-loss results that could have a greater relative impact on our revenues and cash flow in a particular quarter.

As a consequence of our reliance on gaming revenues, particularly from our VIP patrons, our casino revenues may experience significant volatility during a particular interim period and may not be indicative of our casino revenues for a full year. These factors, alone or in combination, have the potential to materially and adversely impact our business, financial condition and results of operations.

We recorded net current liabilities in 2008 and 2009.

At December 31, 2008 and 2009, our Company recorded net current liabilities in the amounts of HK\$208.4 million and HK\$52.0 million, respectively. This was mainly due to construction payables due within the year and the current portions of our long-term bank loans. At December 31, 2010, our net current assets were in the amount of HK\$436.4 million. We may in the future incur current liabilities that result in the reporting of net liabilities for any given financial period due to factors including but not limited to changes in current assets, such as trade and other receivables, investments in trading securities and cash and fluctuations in items such as trade and other payables, current tax liabilities, and financial guarantee obligations.

Our results of operations are substantially dependent on VIP gaming revenues.

A substantial portion of our total revenue is derived from VIP gaming, which accounted for 58.0%, 56.2% and 61.8% of our total revenue in 2008, 2009 and 2010 respectively. VIP gaming results are subject to significant short-term volatility because of the amounts wagered. Significant deviations from statistical net-win norms in our VIP gaming operations could have an adverse effect on our earnings. In addition, a limited number of VIP gaming patrons could contribute a significant portion of MGM Grand Paradise's VIP gaming revenue during any particular period. The loss of business from key VIP gaming patrons, a reduction in play by VIP gaming patrons or significant gaming wins by VIP gaming patrons could materially and adversely affect our business, financial condition and results of operations.

From time to time, we may be involved in legal and other proceedings arising out of our operations.

We may be involved in disputes with various parties involved in the operation of our property, including contractual disputes with suppliers or property damage or personal liability claims. Regardless of the outcome, these disputes may lead to legal or other proceedings and may result in substantial costs and the diversion of resources and management's attention. In addition, litigation is often necessary to enforce intellectual property rights, which can be expensive and

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difficult in Macau due to the early stage of the development of intellectual property laws. We may also have disagreements with regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavorable decisions that result in penalties being imposed on us. In such cases, our business, financial condition, results of operations and cash flows could be materially and adversely affected. For information on our current legal and arbitration proceedings, see the section headed “Business — Legal Compliance and Proceedings” in this prospectus.

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.

We have implemented anti-money laundering policies in compliance with all applicable laws and regulations in Macau. However, we cannot assure you that these policies will be effective to prevent the MGM Macau casino operations from being exploited for money laundering purposes. Any incidents of money laundering, accusations of money laundering or regulatory investigations into possible money laundering activities involving us, our employees, our gaming promoters or our patrons would have a material adverse impact on our reputation, relationship with our regulators, business, cash flows, financial condition, prospects and results of operations. Any serious incident of money laundering or regulatory investigation into money laundering activities may cause a revocation or suspension of the Subconcession. For more information regarding Macau’s anti-money laundering regulations, see the section headed “Regulations — Laws and Administrative Regulations Governing the Operation of Casinos in Macau — Anti-Money Laundering and Anti-Terrorism Financing Regulations” in this prospectus.

As an affiliate of MGM Resorts International, we are also subject to the FCPA, which generally prohibits U.S. companies and their affiliates and intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business. We have specifically agreed with MGM Resorts International that we will conduct our business in a manner which is in compliance with the FCPA. Any determination that we have violated the FCPA would have a material adverse effect on us.

Our gaming business is subject to cheating and counterfeiting.

Players in our casinos or gaming areas may attempt to commit fraud or cheat in order to increase winnings. Acts of fraud or cheating could involve the use of counterfeit currency, chips or other tactics, possibly in collusion with our employees. Internal acts of cheating could also be conducted by employees through collusion with dealers, surveillance staff, floor managers or other casino or gaming area staff. Failure to discover such acts or schemes in a timely manner could result in losses in our gaming operations. In addition, negative publicity related to such schemes could have an adverse effect on our reputation, thereby materially and adversely affecting our business, financial condition, results of operations and cash flows.

We conduct regular reviews of our operations to prevent cheating. Each game has a statistical theoretically expected win rate and we also examine our win statistics for any evidence of cheating when our gaming win consistently varies from the theoretical normal win inherent in the games. However, there can be no assurance that our efforts to prevent cheating will be effective and, although we maintain relevant insurance cover, any failure to prevent cheating may adversely affect our business, financial condition, results of operations and cash flows.

Risks Relating to Gaming Promoters and Clients

We depend upon gaming promoters for a substantial portion of our casino revenues in Macau.

Although we seek to establish direct relationships with VIP patrons, a substantial portion of our casino revenues and gross gaming win are generated by VIP patrons introduced to us by our gaming promoters. Gaming promoters introduce a number of VIP patrons to MGM Macau, typically assist those patrons with their travel and entertainment arrangements and often extend credit to their

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clients. In exchange for their services, we pay our gaming promoters either through turnover-based commissions or through revenue sharing. With the rise in gaming in Macau, the competition for services provided by gaming promoters has increased. We anticipate that this competition will further intensify as additional casinos are developed and expected to open in Macau and elsewhere in Asia in the near future. While we believe that we currently maintain good relations with our existing gaming promoters and their VIP patrons, there can be no assurance that this will continue to be the case in the future. Furthermore, we cannot assure you that affiliates or collaborators of our gaming promoters will not seek to develop relationships with our competitors. If we are unable to maintain or develop additional, successful relationships with reputable gaming promoters or if we lose a significant number of our gaming promoters to competitors, our ability to maintain or grow our casino revenues will be diminished and we will need to seek alternative ways of developing relationships with and delivering customary services to our VIP patrons, including extensions of credit. In addition, if our gaming promoters are unable to develop or maintain relationships with a sufficient number of VIP patrons, our ability to maintain or grow our casino revenues will be diminished. There is also no assurance that the clients of any particular gaming promoter will generate sufficient win to offset the commissions to that gaming promoter.

Effective from December 2009, commission caps for gaming promoters were set by the Macau Government at 1.25% of turnover or a fixed percentage of gross table games win. This cap on commissions has affected our gaming promoters and the level of their incentives to bring travelers to MGM Macau and, as a result, may have an impact on our business. Although there has been no material impact on our business in relation to the commission caps, if the Macau Government further reduces the cap on the commission rates payable to gaming promoters at a level lower than the maximum 1.25% we are currently permitted to pay, gaming promoters' incentives to bring travelers to casinos in Macau, including MGM Macau, would be further diminished, and certain of our gaming promoters may be forced to cease operations. If this were to happen, our business, financial condition and results of operations could be materially and adversely affected.

In addition, although a global economic recovery appears to be underway, there can be no assurance that the global or Asian economies will continue to improve. If the economic recovery stalls or reverses for any reason, our gaming promoters may encounter decreased liquidity, limiting their ability to grant credit to their patrons and thereby decreasing gaming volume at MGM Macau. Further, credit already extended by our gaming promoters to their patrons may become increasingly difficult for them to collect. This inability to grant credit and collect amounts due may negatively affect the operations of our gaming promoters at MGM Macau and, as a result, our results of operations and our ability to collect credit from our gaming promoters could be adversely impacted.

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.

The reputation and integrity of the parties with whom we engage in business activities, in particular the gaming promoters with whom we deal, are important to our own reputation and ability to continue to operate in compliance with the Subconcession and Macau gaming laws. Under Macau gaming laws, MGM Grand Paradise has an obligation to supervise its gaming promoters to ensure compliance with applicable laws and regulations and serious breaches or repeated misconduct by its gaming promoters could result in the termination of its Subconcession. While we endeavor, through contractual protections and otherwise, to ensure that our gaming promoters comply with our high standards of probity and integrity as well as those required by Macau gaming laws, we cannot assure you that they will always maintain these high standards. If we become aware that any of our gaming promoters have failed to meet the requisite standards, we may choose to terminate our business relationship with such gaming promoter, which could adversely affect our VIP revenues. In addition, if we enter into a business relationship with a gaming promoter whose

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probity was in doubt, this may be considered by regulators or investors to reflect negatively on our own probity. If any of our gaming promoters violate the Macau gaming laws, the Macau Government may, in its discretion, take enforcement action against us, MGM Grand Paradise, the gaming promoter, or each concurrently, and we may be sanctioned and our reputation harmed.

We are exposed to credit risk on credit extended to our patrons and gaming promoters.

We extend credit to certain VIP patrons in the ordinary course of our business. We selectively extend credit to those VIP patrons whose level of play and financial resources, in the opinion of management, warrant such an extension. This credit is typically unsecured. For these extensions of credit, we often are provided a certain amount of "front money" as a deposit, or secured by uncertified or personal cheques as collateral. Gaming promoter commissions are earned based upon gross gaming win or rolling chip turnover generated in the casino by such gaming promoter's patrons. We settle each gaming promoter's account and pay commissions on a monthly basis. The bulk of these commissions are netted against casino revenues, with the rest being included in other operating expenses in our financial statements. The total amounts of junket commissions were HK\$414.1 million, HK\$533.5 million and HK\$912.8 million for the years ended December 31, 2008, 2009 and 2010, respectively. There were no commissions outstanding included as a component of trade receivables in the consolidated statement of financial position as at December 31, 2008 and 2009.

Under Macau law, Concessionaires and Subconcessionaires (and gaming promoters upon engagement by Concessionaires or Subconcessionaires) are permitted to extend credit to, and collect gaming debts from, gaming patrons. We may not be able to collect all of our gaming receivables from our credit players. We have in the past experienced and may in the future experience payment defaults by patrons and may be unable to collect fully or partially in respect of such debts. As at December 31, 2010, an amount of approximately HK\$120.0 million credit remained due from a single client. After taking into account the deterioration of the creditworthiness of this client, we have made full provision for the amount of this receivable based on our allowance for doubtful debts policy. As of the Latest Practicable Date, this HK\$120.0 million remains outstanding. Although we have enhanced our standard operating procedures relating to credit policy for in-house VIP patrons and gaming promoters in response to this event, there is no assurance that we will be able to reduce our risk exposure in respect of credit we have extended to our patrons and gaming promoters, and our business, financial condition and results of operations consequently could be materially and adversely affected.

We expect that we will be able to enforce credit-related obligations only in a limited number of jurisdictions, including Macau. To the extent that we extend credit to patrons from other jurisdictions, we may not have access to a forum in which we will be able to collect all of our gaming receivables because, among other reasons, courts of many jurisdictions do not enforce gaming debts and we may encounter forums that will refuse to enforce such debts.

The gaming tax in Macau is calculated as a percentage of gross gaming win without deduction for bad debt. As a result, if we extend credit to patrons and are unable to collect on the related receivables from them, we must pay taxes on the gross gaming win generated by these patrons even though we are unable to collect on the related receivables.

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.

As March 31, 2011, MGM Grand Paradise had approximately HK\$4,290.0 million of debt outstanding under its term loan credit facility and HK\$1,310.0 million outstanding under its revolving credit facility. The MGM Grand Paradise credit facility contains covenants that restrict its and certain of its subsidiaries' ability to engage in certain transactions and may impair its ability to

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respond to changing business and economic conditions. In particular, the credit facility requires MGM Grand Paradise and certain of its subsidiaries to satisfy various financial covenants, including a maximum adjusted leverage ratio and minimum debt service coverage ratio, and imposes certain operating and financial restrictions on MGM Grand Paradise and its subsidiaries, including, among other things, limitations on its ability to pay dividends or distributions to us, incur additional debt, make investments or engage in other businesses; merge or consolidate with other companies, or transfer and sell assets. While we are not subject to the operational covenants set forth in MGM Grand Paradise's credit agreement, we have issued a guarantee thereunder. We anticipate that credit facilities incurred to finance additional projects undertaken by us may contain similar restrictions, which may also be binding upon us and our other subsidiaries.

MGM Grand Paradise's ability to comply with these covenants in the future may be affected by events beyond its control, including prevailing economic, financial and industry conditions. As a result, it may not be able to comply with these covenants, including with respect to making our required payments due to insufficient cash flow. Its failure to comply with any of these covenants could result in an event of default, which could materially and adversely affect our business, operating results and our financial condition. If there were an event of default under one of our debt instruments, the holders of the defaulted debt could cause all amounts outstanding with respect to that debt to become due and payable immediately. In addition, such an event of default could also cause an event of default under the terms of any future indebtedness. We cannot assure you that our assets or cash flows would be sufficient to fully repay borrowings under our outstanding debt instruments if accelerated upon an event of default, or that we would be able to repay, refinance or restructure the payments on those debt securities. In addition, if MGM Macau were to cease to produce cash flows sufficient to service our indebtedness, we may be required to sell our assets, refinance all or a portion of our existing debt or obtain additional financing, and any future indebtedness or other contracts could contain financial or other covenants more restrictive than those applicable to our existing credit facilities.

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.

We have partially financed MGM Macau through external bank borrowings. We may require new or additional debt or equity financing in the future to expand our business and fund future projects, including other potential Macau projects. Our ability to obtain new or additional financing will depend on a variety of factors, many of which are beyond our control, including aspects of our financial performance, conditions of the global capital markets in which we may seek to raise funds, credit availability, interest rates, the conditions of the economy in general, other gaming companies that may also seek funding, securing certain approvals from the Macau gaming and governmental authorities and lenders' perceptions of, and investors' demand for, debt and equity securities of gaming companies. Lenders' perceptions and investors' demand may be affected by many factors, including the number of visitors to Macau and the resulting business volume and revenues of Macau casino resorts, which are in turn subject to other factors, including travel restrictions from China and any potential outbreak of infectious diseases. See the section headed "— Risks Relating to the Gaming Industry in Macau — 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".

As a result, we cannot assure you that we will be able to access capital from external sources on terms and conditions satisfactory to us, or at all. Further, even if we do secure financing for our future projects, we may also encounter substantial cost increases, cost overruns or delays in connection with those projects which could necessitate further financing that we may not be able to obtain on acceptable terms or at all. If we are unable to obtain new or additional financing, we may not be able to expand our business as anticipated or to fund future projects, including our

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potential Cotai project, and our business, financial condition and results of operations could be materially and adversely affected.

In addition, if we do take on additional indebtedness to fund future projects, this increased leverage could, among other things, have an adverse impact on our cash flows and operational flexibility and require us to comply with potentially burdensome financial and other covenants.

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.

Immediately following the completion of the Global Offering and assuming the Over-allotment Option is not exercised, Pansy Ho and MGM Resorts International together will beneficially own the substantial majority of our outstanding Shares. Pansy Ho, Grand Paradise Macau Limited, MGM Resorts International Holdings and MGM Resorts International have entered into an agreement regarding the voting of their Shares. For details of the voting agreement, see the section headed "Relationship with MGM Resorts International and Pansy Ho — Voting Agreement Relating to Our Company Between Pansy Ho and MGM Resorts International" in this prospectus.

As a result of their substantial equity and voting interests, the Significant Shareholders will, when acting together, have the power, among other things, to elect a majority of the Directors to our Board, including the collective ability to nominate Directors, appoint and change our management, affect our legal and capital structure and our day-to-day operations, approve material mergers, acquisitions, dispositions and other business combinations and approve any other material transactions and financings. These actions may be taken in many cases without the approval of the INEDs or other Shareholders and the interests of the Significant Shareholders may conflict with the interests 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 the laws, rules and regulations of the various other jurisdictions in which it operates. Gaming laws are based upon declarations of public policy designed to ensure that gaming is conducted honestly, competitively and free of criminal and corruptive elements. Gaming authorities may investigate any individual or entity having a material relationship to, or material involvement with, MGM Resorts International to determine whether such individual is suitable or should be licensed as a business associate of a gaming licensee. MGM Resorts International may be subject to disciplinary action, if it or we:

- knowingly violate any laws applicable to our Macau gaming operations;
- fail to conduct our Macau gaming operations in accordance with the standards of honesty and integrity required with respect to MGM Resorts International's other gaming operations;
- engage in any activity or enter into any association that is unsuitable for MGM Resorts International because it poses a threat to the control of gaming in its United States operations, or tends to reflect discredit or disrepute upon gaming in its United States operations, or is contrary to the gaming policies of the jurisdictions in which MGM Resorts International has gaming operations; or
- employ, contract with or associate with any person in our Macau gaming operations who has been denied a license or a finding of suitability on the ground of personal unsuitability, or who has been found guilty of cheating at gambling.

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MGM Resorts International may have to act in its own best interests, even at the expense of our Company, in order to ensure that it is in compliance with its obligations under U.S. or other applicable laws and regulations.

If any of MGM Resorts International's gaming regulatory agencies determines that our activities or associations in Macau are unsuitable or prohibited, MGM Resorts International may be required to terminate such activity or association, or may be prohibited from undertaking such activity or association. MGM Resorts International may also need to curtail or sever its relationship with us, including, but not limited to, divestment of its holdings in us, termination of the joint venture between Pansy Ho and MGM Resorts International, termination of the Corporate Support Agreement, termination of the licenses to use certain trademarks, including the "MGM" and "Walking Lion Design" trademarks, which have significant brand recognition, and the resignation of those members of our Board that also hold positions in MGM Resorts International. See the section headed "Connected Transactions" in this prospectus for further details. In particular, if we are no longer able to rely upon the experience of key members of our Board or if we are unable to utilize the "MGM" and "Walking Lion Design" brands, our business, financial condition, results of operations and cash flows will be materially and adversely affected. See the sections headed "—Risks Relating to Our Business and Operations— We may lose our right to use certain MGM trademarks which are sublicensed through MGM Branding and Development Holdings" and "—Risks Relating to Our Business and Operations—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".

MGM Resorts International's association with us and Pansy Ho and her affiliates and associates has been, currently is being and may in the future be reviewed by the gaming regulators of each of the jurisdictions in which MGM Resorts International has gaming operations. See the section headed "U.S. Regulatory Matters" in this prospectus for further details.

In the future, MGM Resorts International may have operations in other jurisdictions. Accordingly, MGM Resorts International will be subject to gaming laws and regulations of those jurisdictions, including laws and regulations that relate to our operations. If any of our activities or associations are deemed to be in violation of the gaming laws and regulations in jurisdictions where MGM Resorts International has, or may in the future have, operations (even if compliant with the laws of the Cayman Islands, Macau and Hong Kong), MGM Resorts International may be deemed to be in violation of such gaming laws and regulations and may be required to curtail or sever its relationship with us.

Should MGM Resorts International terminate its joint venture with Pansy Ho or sever its ties with us in order to avoid liability as a result of our violation of these gaming laws and regulations or otherwise, our business, financial condition and results of operations will be materially and adversely affected. While we expect that any divestiture of MGM Resorts International in us would be conducted in an orderly manner, having regard to the public market for our Shares, it also is possible that any such divestiture could adversely affect our Share price, for example due to the termination of our license and service agreements with MGM Resorts International or the acceleration of our payment obligations under our credit facility. Moreover, we have been advised by our Macau advisor that any such divestiture will not constitute a termination event under the Subconcession Contract. However, a complete divestiture by MGM Resorts International of its holding in us or failure to maintain beneficial ownership of at least 25% of the issued shares of MGM Grand Paradise would trigger immediate cancellation of our credit facility and mandatory prepayment of any amount outstanding thereunder, unless a prior waiver or amendment can be agreed with the lenders. Termination of the Branding Agreement would constitute an event of default under our credit facility unless we enter into agreements on substantially similar terms to use the relevant intellectual property rights.

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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.

MGM Resorts International is a reporting company pursuant to the U.S. Exchange Act and is subject to the U.S. federal securities laws and regulations. In addition, MGM Resorts International is subject to other laws applicable to U.S. companies, such as the FCPA and the anti-money laundering laws of the Bank Secrecy Act of 1970, as amended, 31 U.S.C. § 5311 et seq., and the regulations of the United States Department of the Treasury, 31 CFR § 103.11 et seq., among others. MGM Resorts International is also listed on the NYSE and must comply with the NYSE's Listed Company Manual rules, including imposing certain on-going reporting obligations relating to its interest in us. MGM Resorts International's on-going compliance obligations with respect to any of the above may impose on us greater administrative burdens and costs than we would otherwise have, as a result of measures we are required to take to monitor such compliance.

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.

Gaming is a highly regulated industry in Macau. The continuation of our operations is contingent upon our maintaining all necessary regulatory licenses, permits, approvals, registrations, findings of suitability, orders and authorizations pursuant to Macau law. The laws, regulations and ordinances requiring these licenses, permits and other approvals generally relate to the responsibility, financial stability and character of the owners, their shareholders, directors and key employees of the gaming operations, as well as gaming promoters involved in gaming operations.

In addition, our activities in Macau are subject to administrative review and approval by various agencies of the Macau Government, including the DICJ, the Health Department, the Labor Bureau, the Public Works Bureau, the Fire Department, the Economic Services Bureau (including the Tax Department), the Institute for Civic and Municipal Affairs, the Macau Monetary Authority, the Financial Intelligence Bureau and the Macau Government Tourism Office. We cannot assure you that we will be able to obtain all necessary approvals and licenses, and our failure to do so may materially affect our business and operations. Macau law permits redress to the courts with respect to administrative actions; such redress is, however, largely untested in relation to gaming regulatory issues.

Current laws, such as licensing requirements, tax rates and other regulatory obligations, could change or become more stringent, resulting in additional regulations being imposed upon the gaming operations at MGM Macau or an increase in competition in the gaming industry. For example, the Macau Government currently is in the process of considering and/or implementing policies relating to the gaming industry that may affect our business, including capping the number of gaming tables operated in Macau and changing the minimum age of casino entrants from outside Macau from 18 to 21 years of age with similar limits that would apply to our dealers and other gaming floor workers and further restrict the pool of potential applicants for those positions. The Macau Government recently has approved smoking control legislation, which will prohibit smoking in casinos from January 1, 2013. The legislation permits casinos to maintain designated smoking areas of up to 50% of their gaming areas. See the section headed "— Risks Relating to Our Business — Risks Relating to Our Business and Operations — 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".

The Macau Government has also recently placed a cap of 1.25% on the commission rates payable to gaming promoters which has limited the incentives for gaming promoters to bring travelers to Macau. See the section headed "— Risks Relating to Our Business — Risks Relating to Gaming Promoters and Clients — We depend upon gaming promoters for a substantial portion of our casino revenues in Macau". Failure to adapt to the regulatory and gaming environment in

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Macau could result in the revocation of the Macau Grand Paradise Subconcession or otherwise negatively affect our operations in Macau.

There is limited precedent interpreting and applying the laws of Macau and regulations concerning gaming and gaming concessions. These laws and regulations are complex, and a court or administrative or regulatory body may in the future render an interpretation of these laws and regulations, or issue new or modified regulations, that differ from our interpretation, which could have a material adverse effect on our business, financial condition and results of 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.

As most of our patrons travel to reach our property, the strength and profitability of our business depends on the ability of our patrons to travel. Only a small percentage of our business is generated by local residents in Macau. Our VIP players, premium players and mass market players typically come from nearby destinations in Asia, including mainland China, Hong Kong, Taiwan, Singapore, Philippines, South Korea and Japan. Given the number of our VIP and other patrons that are visitors to Macau, in particular from mainland China, and the revenue they generate for our business, we would expect that barriers to or restrictions on entry into Macau from abroad would have a material adverse impact on our business. For example, in May and July 2008, the PRC government readjusted its visa policy toward Macau and limited the number of visits that some mainland Chinese citizens may make to Macau in a given time period. In September 2008, it was publicly announced that mainland Chinese citizens with a Hong Kong visa (but not a Macau visa) could no longer enter Macau from Hong Kong. In addition, in May 2009, China also began to restrict the operation of "below-cost" tour groups involving low up-front payments and compulsory shopping, which were popular among visitors to Macau from mainland China. It is unclear whether these and other measures will continue to be in effect, or become more restrictive, in the future. These measures have had the effect of reducing the number of visitors to Macau from mainland China. Any reduction in visitors to Macau, as a result of these measures or otherwise, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Furthermore, recent incidents of H1N1 influenza, avian flu and severe acute respiratory syndrome in the region have had a negative impact on peoples' willingness and ability to travel to or within the region, including Macau, as well as a negative impact on economic activity within the region. A future outbreak of a highly infectious disease or fears concerning such an outbreak could potentially reduce the number of visitors to Macau. An outbreak might also disrupt our ability to adequately staff our business and could disrupt our operations. If any of our patrons or employees is suspected of contracting certain highly contagious diseases, we may be required to quarantine these patrons or employees or close the affected areas of our facilities and temporarily suspend part or all of our operations. Any new outbreak of such highly infectious diseases could thus have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, natural disasters, inclement weather, acts of terrorism or regional political events could have a negative impact on international travel and leisure expenditures, including for lodging, gaming and tourism. We cannot predict the extent to which travel disruptions as a result of any such events would adversely affect our business, financial condition, results of operations and cash flows.

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.

In March 2002, the Macau Government granted one of three concessions to operate casinos and gaming areas in Macau to SJM pursuant to the terms of the Macau Gaming Law and other related

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legislation. In April 2005, MGM Grand Paradise entered into a tripartite Subconcession Contract with SJM and the Macau Government. The Subconcession Contract contains various general covenants, obligations and other provisions as to which determination of compliance is subjective. In many of these instances, the Subconcession Contract does not provide a specific cure period within which a breach of any provision of the Subconcession Contract may be cured and, instead, we would need to rely on consultations and negotiations with the Macau Government to give us an opportunity to remedy any such default. Accordingly, we will be dependent on our continuing communications and good faith negotiations with the Macau Government to ensure that we are performing our obligations in compliance with the Subconcession Contract. Pursuant to the Subconcession, the Macau Government has the right to unilaterally terminate the Subconcession in the event of fundamental non-compliance by MGM Grand Paradise with applicable Macau laws or MGM Grand Paradise's basic obligations under the Subconcession Contract. 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. Upon such termination, all of MGM Grand Paradise's casino area premises and gaming-related equipment would be automatically transferred to the Macau Government without compensation to MGM Grand Paradise, and we would cease to generate any revenues from these operations. We cannot assure you that MGM Grand Paradise will perform all of its obligations under the Subconcession Contract in a way that satisfies the requirements of the Macau Government. For a more detailed description of these terms, see the section headed "The Subconcession" in this prospectus.

The Subconcession Contract also allows the Macau Government to request various changes in the plans and specifications of our property and to make various other decisions and determinations that will be binding on us. For example, the Macau Government has the right to require that we increase the share capital of our Macau subsidiaries or that we provide certain deposits or other guarantees of performance in any amount determined and justified by the Macau Government to be necessary. Our ability to raise additional financing is subject to the requirement to first obtain the approval of the Macau gaming and governmental authorities before raising additional debt or equity. As a result, we cannot assure you that we will be able to comply with these requirements or any other requirements of the Macau Government or with the other requirements and obligations imposed by the Subconcession.

Furthermore, under the Subconcession Contract, MGM Grand Paradise is obligated to comply with any laws and regulations that the Macau Government might promulgate in the future. We cannot assure you that MGM Grand Paradise will be able to comply with these laws and regulations or that these laws and regulations would not adversely affect our ability to construct or operate our Macau businesses. If any disagreement arises between MGM Grand Paradise and the Macau Government regarding the interpretation of, or our compliance with, a provision of the Subconcession Contract, we will be relying on the consultation process with the Macau Government as described above. During any consultation, we will be obligated to comply with the terms of the Subconcession Contract as interpreted by the Macau Government. Currently, there is no precedent concerning how the Macau Government will treat the termination of a concession or subconcession upon the occurrence of any of the circumstances mentioned above. The loss of the Subconcession would require us to cease conducting gaming operations in Macau, 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.

Through our subsidiary, MGM Grand Paradise, we are one of six companies authorized by the Macau Government to conduct gaming activities in Macau. Pursuant to the terms of the Gaming Law, the Macau Government is precluded from granting more than three gaming concessions. Under its concession contracts with Galaxy, SJM and Wynn Macau, the Macau Government also undertook not to grant any additional gaming subconcessions before April 1, 2009. If additional subconcessions are granted, or if the Gaming Law is amended to allow for the granting of additional

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concessions, we would face additional competition, which could cause us to lose market share and adversely affect our business and results of operations.

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.

The Subconcession Contract expires on March 31, 2020. Unless the Subconcession is extended, or legislation with regard to reversion of casino premises is amended, all of MGM Grand Paradise's casino premises and gaming-related equipment will automatically be transferred to the Macau Government on that date without compensation to us, and we will cease to generate any revenues from such gaming operations. Beginning on March 31, 2017, the Macau Government may redeem the Subconcession Contract by providing us at least one year's prior notice. In the event the Macau Government exercises this redemption right, MGM Grand Paradise is entitled to fair compensation or indemnity. The amount of such compensation or indemnity will be determined based on the amount of gaming and non-gaming revenue generated by MGM Macau, excluding the convention and exhibition facilities, during the taxable year prior to the redemption, before deducting interest, depreciation and amortization, multiplied by the number of remaining years before expiration of the Subconcession. We cannot assure you that we will be able to renew or extend the Subconcession Contract on terms favorable to us or at all. We also cannot assure you that if the Subconcession is redeemed, the compensation paid to MGM Grand Paradise will be adequate to compensate for the loss of future revenues.

Conducting business in Macau involves certain economic and political risks.

All of our business operations are in Macau. Conducting business in Macau involves certain risks not typically associated with investments in companies with operations outside of Macau, including risks relating to changes in Macau's and China's political, economic and social conditions, changes in Macau Governmental policies, changes in Macau laws or regulations or their interpretation, changes in exchange control regulations, potential restrictions on foreign investment and repatriation of capital, measures that may be introduced to control inflation, such as interest rate increases, and changes in the rates or method of taxation. In addition, our operations in Macau are exposed to the risk of changes in laws and policies that govern operations of Macau-based companies.

Macau's infrastructure may limit the development of its gaming industry.

Macau is the fastest growing gaming market in the world, with equally increasing demands on the capacity of its transportation infrastructure. To improve Macau's existing transportation infrastructure, the Macau Government has announced a number of infrastructure projects to facilitate travel to and within Macau. These projects, which are in various stages of planning or development, include a further expansion of the Macau International Airport, construction of a light rail transit system, construction of two new tunnels linking the Macau Peninsula and Taipa, construction of the Hong Kong-Zhuhai-Macau bridge, and improved pedestrian walkways and border crossings. However, we cannot assure you that any of these projects will be approved or completed in a timely fashion or at all that, if completed, they will be able to alleviate the growing transportation demand associated with the rapid expansion of Macau's gaming industry and the related recent increase in visitor levels to Macau, or that we will secure convenient access to these projects when completed. If Macau fails to adequately address the growing transportation demand, transportation infrastructure problems could limit the number of visitors arriving in Macau which, in turn, could have a material and adverse effect on our business, financial condition and results of operations.

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Local taxation may increase and current tax exemptions may not be extended.

As with all other gaming operators in Macau, the gaming profits of MGM Grand Paradise are subject to Complementary Tax of up to 12% of the casino winnings, as defined in the relevant tax laws, a 35% Special Gaming Tax as well as other levies of 4% in accordance with MGM Grand Paradise's Subconcession Contract. The special levy to the Macau Government, currently standing at 4%, is subject to change upon renegotiation between the Concessionaires and Subconcessionaires and the Macau Government.

Pursuant to the Dispatch of Chief Executive No. 186/2008, dated June 19, 2008, since 2007, MGM Grand Paradise has been exempted from paying Complementary Tax on profits generated by the operation of casino games and games of chance in Macau. It will continue to benefit from this tax exemption through December 31, 2011. This tax exemption does not apply to its non-gaming activities or to any other gaming entity controlled by MGM Grand Paradise in the future, which continue to be subject to Complementary Tax. We cannot assure you that this tax exemption will be extended beyond the expiration date. If MGM Grand Paradise's exemption is not extended, it will be subject to Complementary Tax on profits generated by the operation of casino games and games of chance in Macau. This could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Moreover, pursuant to Macau tax laws, dividends distributed by MGM Grand Paradise to its shareholders are subject to Complementary Tax at progressive rates up to a maximum of 12% of the estimated assessable profits over MOP200,000. Macau Complementary Tax is paid on revenue by shareholders who receive dividends. As with all other gaming operators in Macau, 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 approved, MGM Grand Paradise will settle the tax on our behalf. However, if such arrangements are not approved, as the sole shareholder of MGM Grand Paradise, we would be subject to Macau Complementary Tax on the dividends distributed to us.

In addition, if the Macau Government decides to amend existing laws and regulations which apply to MGM Grand Paradise's business, or to request MGM Grand Paradise to raise the bank guarantee required by the Subconcession or make other amendments to the Subconcession Contract, MGM Grand Paradise may incur substantial compliance costs and our business, financial condition and results of operations may be materially and adversely affected.

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.

The vast majority of our revenues are expressed in Hong Kong dollars, and a portion of our revenues are denominated in Patacas. The Hong Kong dollar is linked to the U.S. dollar, and the exchange rate between these two currencies has remained relatively stable over the past several years. The Pataca is linked to the Hong Kong dollar, and in many cases the two are used interchangeably in Macau. The exchange linkages of the Hong Kong dollar and Pataca, and the Hong Kong dollar and the U.S. dollar, are subject to potential changes due to, among other things, PRC, Hong Kong and Macau governmental policies and international economic and political developments.

We cannot assure you that the Hong Kong dollar will continue to be linked to the U.S. dollar, or that the Pataca will continue to be linked to the Hong Kong dollar. Any delinkage may result in severe fluctuations in the exchange rates for these currencies. We also cannot assure you that the current rate of exchange fixed by the applicable monetary authorities for these currencies will remain at the same level.

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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.

China currently imposes currency exchange controls and restrictions on the export and conversion of the Renminbi, the currency of mainland China. Restrictions on the export of the Renminbi, as well as increases in the effectiveness of such restrictions, may impede the flow of gaming patrons from China to Macau, inhibit the growth of gaming in Macau and negatively impact our gaming operations. In addition, currency exchange controls and restrictions on the export of currency by other countries may negatively impact the success of our business and our 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.

Pursuant to the guidelines issued by the Stock Exchange in relation to “Gambling Activities Undertaken by Listing Applicants and/or Listed Issuers” dated March 11, 2003, if we are engaged in gambling activities and in the operation of such activities (i) fail to comply with the applicable gambling laws in the areas where such activities operate and/or (ii) contravene the Gambling Ordinance, our business may be considered unsuitable for listing under Rule 8.04 of the Listing Rules. As a result, the Stock Exchange may require us to take remedial actions, and may suspend the dealings in, or may cancel the listing of, our Shares.

There has been no prior public market for the Shares, and there can be no assurance that an active market will develop.

Prior to the Global Offering, there has not been a public market for the Shares. An active public market may not develop or be sustained after the Global Offering. The initial Offer Price range for our Shares was the result of negotiations between us and the Joint Global Coordinators (on behalf of the Underwriters) and the Offer Price may differ significantly from the market price for the Shares following the Global Offering. We have applied to list and deal in our Shares on the Stock Exchange. However, even if approved, being listed on the Stock Exchange does not guarantee that an active trading market for our Shares will develop. If an active market for our Shares does not develop after the Global Offering, the market price and liquidity of our Shares may be adversely affected. There can be no assurance as to the ability of Shareholders to sell their Shares or the prices at which Shareholders would be able to sell their Shares. Consequently, Shareholders may not be able to sell their Shares at prices equal to or greater than the price paid for their Shares in the Global Offering.

The liquidity and market price of our Shares following the Global Offering may be volatile.

The price and trading volume of our Shares may be highly volatile. Factors such as global and PRC economic conditions, variations in our earnings and cash flows and announcements of new developments, expansion, investments, strategic alliances and/or acquisitions, fluctuations in market prices for our products and services or fluctuations in market prices for comparable companies could cause the market price of our Shares to change substantially. Any such developments may result in large and sudden changes in the volume and price at which our Shares will trade. In addition, from time to time, the Shares will likely be subject to changes in price that may not be directly related to our financial or business performance.

Our Share price may be affected if additional Shares are sold by the Significant Shareholders or are issued by us.

Future sales by our Significant Shareholders, or the issue by our Company of, substantial amounts of Shares following the completion of the Global Offering could adversely affect the market prices of the Shares prevailing from time to time. See the section headed “Underwriting —

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Underwriting Arrangements and Expenses — The Hong Kong Public Offering” in this prospectus for details of restrictions that may apply to future sales of our Shares. After these restrictions lapse, future sales of substantial amounts of the Shares in the public market or the possibility of such sales could negatively impact the market price of the Shares and the ability of our Company to raise equity capital in the future. In addition, if we issue additional Shares or share options in the future, you may experience further dilution.

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.

The Offer Price will be higher than the unaudited pro forma adjusted net tangible asset value per Share immediately prior to the Global Offering. Therefore, purchasers of the Shares in the Global Offering will experience an immediate dilution in the unaudited pro forma adjusted net tangible asset value per Share. Immediately following the completion of the Global Offering, the unaudited pro forma adjusted net tangible asset value per Share based on 3,800,000,001 Shares in issue is approximately HK\$0.08 per Share. If we issue additional Shares or equity-linked securities in the future, purchasers of the Shares may experience further dilution.

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.

Our Articles prohibit anyone who is determined to be an unsuitable person by a gaming regulator in a jurisdiction in which we or our subsidiaries are subject to regulation from receiving dividends or interest with regard to our Shares and from voting our Shares. In Macau, only shareholders holding 5% or more of MGM Grand Paradise’s share capital are required to comply with suitability criteria (including the suitability of their respective associations). The criteria used in determining suitability in Macau include the shareholder’s experience in the industry, his reputation, the nature and reputation of the companies in the shareholder’s group (where the shareholder is a company) and the nature and reputation of entities closely associated with the shareholder. Other criteria may also be taken into account by the Macau Government.

Our Articles also permit us to redeem the Shares owned or controlled by a Shareholder (or an affiliate thereof) that is determined to be an unsuitable person. In addition, our Articles require any Shareholder (or an affiliate thereof) that is determined to be an unsuitable person to indemnify us and our subsidiaries for any and all costs, including legal fees, incurred by us and our subsidiaries as a result of the unsuitable person’s ownership or control of our Shares or its failure to promptly divest itself of our Shares. As a Shareholder, if you are determined to be an unsuitable person by a relevant gaming regulator, you may be subject to the restrictions as set out above, and you may suffer loss as a result.

Facts and other statistics in this prospectus derived from official government publications or news sources may not be reliable.

Facts and other statistics in this prospectus have been derived from various official government publications and from news sources such as the Wall Street Journal, Businessweek and Bloomberg that we generally believe to be reliable. However, we cannot guarantee the quality or reliability of such source materials. They have not been prepared or independently verified by us, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or any of our or their respective directors, officers, agents, employees, advisors or representatives or any other person or party involved in the Global Offering and no representation is given as to their accuracy.

RISK FACTORS

We have, however, taken reasonable care in the reproduction or extraction of the official government publications for the purpose of disclosure in this prospectus. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, these facts and statistics in this prospectus may be inaccurate or may not be comparable to facts and statistics produced with respect to other economies. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case in other jurisdictions. Therefore, you should not unduly rely upon the facts and statistics contained in this prospectus.

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.

Prior to the publication of this prospectus, there has been press and media coverage regarding us and the Global Offering which included information about the Global Offering, our substantial and controlling shareholders and the Group. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for the accuracy or completeness of such press articles or other media. To the extent that any such statements are inconsistent with, or conflict with, the information contained in this prospectus, we disclaim them. Accordingly, prospective investors are cautioned to make their investment decisions on the basis of the information contained in this prospectus only and should not rely on any other information.

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.

In compliance with its SEC reporting obligations, MGM Resorts International includes certain financial information regarding MGM Grand Paradise in its SEC filings and financial reports. This financial information regarding MGM Grand Paradise may not be directly comparable to our financial information because it is prepared in accordance with U.S. GAAP rather than IFRS. Moreover, financial information relating to MGM Grand Paradise is reflected as that of an unconsolidated affiliate in MGM Resorts International's financial statements. Consequently, investors should rely only on information, including financial information, contained in this prospectus in making an investment decision concerning our Shares. Following the completion of the Reorganization, our Company (together with our consolidated subsidiaries, including MGM Grand Paradise) will be accounted for as a consolidated subsidiary of MGM Resorts International and our financial results will be fully consolidated with MGM Resorts International's financial results in its SEC filings and financial reports.

You may have difficulty enforcing judgments obtained against us.

We are a Cayman Islands exempted company. All our current operations, and administrative and corporate functions are conducted in Macau and substantially all of our assets are located in Macau. In addition, a substantial portion of the assets of our Directors and officers are located outside the United States and Hong Kong. As a result, it may be difficult for you to effect service of process within the United States or Hong Kong upon these persons. It may also be difficult for you to enforce against us and our officers and Directors in the Cayman Islands, Hong Kong and Macau, any judgments obtained in the courts of the United States, Hong Kong or other foreign jurisdictions. In addition, it is uncertain whether the Cayman Islands, Hong Kong or Macau courts would be competent to hear original actions brought in the Cayman Islands, Hong Kong or Macau against us or such persons predicated upon the laws of the United States or any other jurisdiction.

RISK FACTORS

Dividends paid in the past may not be indicative of the amount of future dividend payments or our future dividend policy.

On March 24, 2011, MGM Grand Paradise paid a dividend of approximately MOP490.0 million (equivalent to approximately HK\$476.0 million) to the shareholders of MGM Grand Paradise. Purchasers of the Offer Shares in the Global Offering will not be entitled to this dividend. This dividend was financed by our internal resources. No assurance can be given that dividends of similar amounts, or at similar rates, will be paid in the future. Therefore, the past dividend payments referred to above should not be used as reference for our dividend policy, nor as a basis to forecast the amount of dividends payable in the future. For further details on our dividend policy, see the section headed “Financial Information — Dividend Policy” in this prospectus.