

**MGM CHINA HOLDINGS LTD:
A MACAU CASH ‘COW’ –
YOU CAN BET ON IT !**

While the Popular Press of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) has been concentrating on trying to calculate how much money Ms Pansy Catilina Ho Chiu King () will net from the flotation of MGM China Holdings Ltd () (Code: 2282, Main Board, The Stock Exchange of Hongkong Ltd), what appears to have been missed in the Popular Press's treatment of this subject is that this flotation is almost guaranteed to be a winner in terms of its share price in the coming months and, perhaps, more importantly, in the future role that the Company will play in the continued development of the Macau Special Administrative Region (MSAR) of the PRC as an important, regional entertainment centre of Asia.

Ms Pansy Ho, the name by which she is popularly known, is the first daughter of the second wife of Mr Stanley Ho Hung Sun (), the Hongkong businessman who, for many a decade, ruled his gaming empire in the former Portuguese enclave when it was known as, simply, Macau.

Macau was swallowed up by the Government of the PRC on December 20, 1999, and, since then, the small enclave has assumed the status of the Special Administrative Region of the PRC.

But Mr Stanley Ho Hung Sun continues to play a very definitive role in the 21 square kilometres (about 8.30 square miles) that constitutes the entire territory of Macau.

Proof of this statement is obvious by the flotation of MGM China Holdings Ltd.

This Company made a Global Offering on May 23, 2011, of 760 million, \$HK1.00 Shares at an Offer Price Per Share, ranging between \$HK12.36 and \$HK15.34.

On May 27, 2011, 4 days after the publication and dissemination of the Global Offering Prospectus, however, the Company put out another announcement which, in effect stated that the Offer Price Per Share had been determined at \$HK15.34.

Of the total number of shares on Offer, 76 million Shares were reserved for HKSAR investors and the remaining 684 million Shares were reserved for International Investors.

The net proceeds of the **Initial Public Offering (IPO)** will be about \$HK11.13 billion.

The Global Offering Prospectus, at Page 202, Paragraph 3, states:

‘The entire net proceeds from the Global Offering ... 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.’

Grand Paradise Macau Ltd is wholly owned by Ms Pansy Ho.

The investing public was Offered 20 percent of the Issued and Fully Paid-Up Share Capital of the Company, with Ms Pansy Ho, owning 29 percent of the Issued and Fully Paid-Up Share Capital after the flotation, and MGM Resorts International, a company, domiciled in Delaware, the United States of America, and being listed on The New York Stock Exchange, owning 51 percent of the Issued and Fully Paid-Up Share Capital.

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