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Melco International Development Limited

(Incorporated in Hong Kong with limited liability)

Website : www.melco-group.com

(Stock Code : 200)

DISCLOSEABLE TRANSACTION

INTENTION TO MAKE A TENDER OFFER TO SHAREHOLDERS OF, AND TO VOLUNTARILY DELIST, A LISTED SUBSIDIARY – MELCO RESORTS AND ENTERTAINMENT (PHILIPPINES) CORPORATION

The Board announces that in the Preliminary Tender Offer Report filed by the Bidder with the PSEC today with a copy to MRP, the Bidder announced that it intends to conduct a voluntary tender offer for up to the number of Tender Offer Shares, for an aggregate consideration of up to approximately ₱11.4 billion (equivalent to approximately HK\$1.66 billion), at the Tender Offer Price of ₱7.25 (equivalent to approximately HK\$1.0578) per MRP share.

The Proposed Transaction constitutes a discloseable transaction for the Company under the Listing Rules, as one of the applicable percentage ratios is 5% or more but all the applicable percentage ratios are less than 25%.

Reference is made to an announcement of the Company dated 10 September 2018 in relation to a possible discloseable transaction in respect of an intention to make a tender offer to stockholders of, and to voluntarily delist, MRP.

THE TENDER OFFER

The Board announces that in the Preliminary Tender Offer Report filed by the Bidder with the PSEC today with a copy to MRP, the Bidder announced that it intends to conduct a voluntary tender offer for up to the number of Tender Offer Shares, for an aggregate consideration of up

to approximately ₱11.4 billion (equivalent to approximately HK\$1.66 billion) (the “**Maximum Consideration**”).

As of the date of the Preliminary Tender Offer Report, MRP has an authorized capital stock of ₱5,900,000,000 (equivalent to approximately HK\$860,810,000) consisting of 5,900,000,000 MRP Shares, of which 5,667,701,711 MRP Shares are issued and outstanding. There are no shares held in treasury.

As of the date of the Preliminary Tender Offer Report, the Bidder is the shareholder of 3,950,440,296 MRP Shares and the beneficial owner, through its subsidiary, of 173,840,268 MRP Shares. As such, as of the date of the Preliminary Tender Offer Report, the Bidder directly and indirectly holds in aggregate approximately 72.77% of the outstanding MRP Shares whereas the remaining 1,543,421,147 MRP Shares comprising approximately 27.23% of the outstanding MRP Shares are held by the public and other MRP shareholders.

Subject to the terms of the Tender Offer, the Bidder intends to acquire all Tender Offer Shares. Based on the Tender Offer Price, the aggregate value of the Tender Offer Shares is approximately ₱11.4 billion (equivalent to approximately HK\$1.66 billion).

The Tender Offer is being made at a price of ₱7.25 (equivalent to approximately HK\$1.0578) per MRP Share (the “**Tender Offer Price**”). The Tender Offer Price is towards the high-end of the range of fair market price of ₱6.11 (equivalent to approximately HK\$0.89) to ₱7.49 (equivalent to approximately HK\$1.09) per MRP Share as opined by a financial advisory firm accredited by the PSE and PSEC and represents an approximately 14% premium over the three-month weighted average price of the MRP Shares ended on the Last Trading Day. The Tender Offer Price was determined on the basis of the fair market price per MRP Share as opined by such financial advisory firm and the traded prices of the MRP Shares on the PSE.

As disclosed in the Preliminary Tender Offer Report, a financial advisory firm accredited by the PSE and PSEC to issue fairness opinions and valuation reports in the Proposed Transaction has opined that the Tender Offer Price is fair.

Depending on the number of Tender Offer Shares tendered in the Tender Offer, the purchase price of up to the Maximum Consideration will be payable by the Bidder in full, in cash on closing of the Tender Offer and to be funded by available financial resources within the Group.

As advised by the legal adviser to the Bidder, the Tender Offer Shares acquired within 6 months from the close of the Tender Order shall not be disposed of by the Bidder to avoid triggering the short swing profit rule under the Philippine Securities Regulation Code.

As at the date of this announcement, save for (i) Mr. Ho who holds 7,803,638 MRP Shares, representing approximately 0.14% of the issued and outstanding MRP Shares, (ii) Mr. Chung who holds 7,424,651 MRP Shares, representing approximately 0.13% of the issued and outstanding MRP Shares, and (iii) directors of certain subsidiaries of the Company who hold 11,370,260 MRP Shares, representing approximately 0.20% of the issued and outstanding MRP Shares, in aggregate, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, the shareholders of MRP (save and except for the Bidder)

and their respective ultimate beneficial owners is/are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

The applicable percentage ratios pursuant to the Listing Rules in respect of the tender of the MRP Shares under the Tender Offer by the connected persons at Company level and subsidiary level are less than 0.1% and 1%, respectively. Therefore, the tender of the MRP Shares by the connected persons under the Tender Offer will constitute de minimis connected transactions fully exempt from all the reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

REASONS FOR AND BENEFITS OF THE PROPOSED TRANSACTION

As disclosed in the Preliminary Tender Offer Report, when the Bidder became the majority shareholder of MRP, MRP was already listed on the PSE. The Bidder viewed the listed status as an important tool allowing MRP to raise funds in the Philippines public market, in order to provide capital for expansion and other business plans. However, the Bidder believed that MRP's listed status in recent years has not contributed to its ability to raise funds despite considerable efforts and expenses being incurred to maintain its listed status. The Tender Offer Price is towards the high-end of the range of fair market price per MRP Share as opined by a financial advisory firm accredited by the PSE and PSEC and represents an approximately 14% premium over the three-month weighted average price of the MRP Shares ended on the Last Trading Day. The Bidder believes that the Tender Offer gives existing shareholders of MRP the opportunity to sell their MRP Shares and realize their investment, in cash, at a premium to the then current trading price of MRP Shares on the Last Trading Day. On the other hand, the Tender Offer and voluntary delisting of MRP would also allow the Bidder to increase and consolidate its interests in MRP to better support and facilitate MRP's future business plans.

The Directors (including the independent non-executive Directors) consider the terms of the Proposed Transaction are fair and reasonable, and the entering into of the Proposed Transaction is in the interests of the Company and its shareholders as a whole.

THE VOLUNTARY DELISTING

As further disclosed in the Preliminary Tender Offer Report, the Tender Offer will be made by the Bidder in connection with a proposed voluntary delisting of MRP Shares from the Main Board of the PSE. The board of directors of MRP has approved the voluntary delisting of MRP Shares from the PSE and a petition for voluntary delisting was filed by MRP on 14 September 2018 (the "**Petition for Delisting**"). MRP intends to proceed with the request for voluntary delisting regardless of the level of acceptances under the Tender Offer.

INFORMATION OF THE PARTIES

The Bidder

MCO (Philippines) Investments Limited is an indirect wholly-owned subsidiary of Melco Resorts. It is an investment holding company which holds 3,950,440,296 issued and outstanding MRP Shares and is the beneficial owner, through its subsidiary, of 173,840,268 MRP Shares, comprising in aggregate approximately 72.77% of the outstanding MRP Shares as of 14 September 2018.

Melco Resorts

Melco Resorts, through its subsidiaries, is principally engaged in businesses in the leisure, gaming and entertainment sectors. Melco Resorts is a listed subsidiary of the Company. Melco Resorts' American depository shares are listed on the NASDAQ Global Select Market in the United States.

MRP

MRP, through its subsidiary, is principally engaged in businesses in the leisure, gaming and entertainment sectors in the Philippines. MRP is a listed subsidiary of Melco Resorts. Melco Resorts' common shares are listed on the PSE.

As at the date of this announcement, MRP is owned as to 72.77% by Melco Resorts and as to 27.23% by public and other MRP shareholders.

For the financial year ended 31 December 2017, MRP's audited consolidated profit before taxation was approximately ₱392,206,000 (equivalent to approximately HK\$57,223,000) and MRP's audited consolidated net profit after taxation was approximately ₱353,923,000 (equivalent to approximately HK\$51,637,000).

For the financial year ended 31 December 2016, MRP's audited consolidated loss before taxation was approximately ₱1,498,903,000 (equivalent to approximately HK\$218,690,000) and MRP's audited consolidated net loss after taxation was approximately ₱1,581,299,000 (equivalent to approximately HK\$230,712,000).

As at 31 December 2017, MRP's audited consolidated net asset value was approximately ₱5,415,818,000 (equivalent to approximately HK\$790,168,000).

GENERAL

The Company, through its subsidiaries, is principally engaged in leisure, gaming and entertainment and other investments.

The Proposed Transaction constitutes a discloseable transaction for the Company under the Listing Rules, as one of the applicable percentage ratios is 5% or more but all the applicable percentage ratios are less than 25%.

The filings of the Preliminary Tender Offer Report (containing further details of the terms and conditions of the Tender Offer) and the Petition for Delisting made by MRP with the PSEC today in relation to the proposed Tender Offer and voluntary delisting are disclosed by the Company on the Company's website at www.melco-group.com and on the website of the Stock Exchange at www.hkex.com.hk as an Overseas Regulatory Announcement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

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| “Bidder” | MCO (Philippines) Investments Limited, an indirect wholly-owned subsidiary of Melco Resorts, and the shareholder of 3,950,440,296 issued and outstanding MRP Shares and the beneficial owner of 173,840,268 MRP Shares, comprising in aggregate approximately 72.77% of the outstanding shares of common stock of MRP as of 14 September 2018 |
| “Board” | the board of Directors |
| “Company” | Melco International Development Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries (from time to time) |
| “Last Trading Date” | 7 September 2018, being the last trading day of MRP Shares before the TO Notice Date |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Melco Resorts” | Melco Resorts & Entertainment Limited, a listed subsidiary of the Company, whose American depository shares are listed on the NASDAQ Global Select Market in the United States |
| “Mr. Ho” | Mr. Ho, Lawrence Yau Lung, substantial shareholder, Chairman and Chief Executive Officer of the Company |
| “Mr. Chung” | Mr. Chung Yuk Man, Clarence, a Director |
| “MRP” | Melco Resorts and Entertainment (Philippines) Corporation, a subsidiary of Melco Resorts with its common shares listed on the PSE |
| “MRP Share(s)” | common share(s) of MRP with a par value of ₱1.00 each |
| “Preliminary Tender Offer Report” | an initial tender offer report filed with the PSEC on 14 September 2018, containing further details of the terms and conditions of the Tender Offer |
| “Proposed Transaction” | the transaction contemplated under the Tender Offer, as described in this announcement |
| “PSE” | The Philippine Stock Exchange |
| “PSEC” | Philippine Securities and Exchange Commission |

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| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Tender Offer” | a voluntary tender offer for up to the number of Tender Offer Shares |
| “Tender Offer Shares” | 1,569,786,768 outstanding MRP Shares, comprising (a) 1,543,421,147 outstanding MRP Shares that are not directly or indirectly held by the Bidder as at 14 September 2018 and (b) an additional number of up to a total of 26,365,621 new MRP Shares that may be issued to the relevant grantees of equity awards under MRP’s share incentive plan and listed with the PSE during, or prior to the start of, the Tender Offer period due to (i) certain equity awards that were granted prior to the TO Notice Date under MRP’s share incentive plan becoming vested on 30 September 2018 and 16 November 2018, respectively, and (ii) the possible exercise of certain share options that were granted under MRP’s share incentive plan prior to the TO Notice Date |
| “TO Notice Date” | 10 September 2018, being the date on which the notice to the stockholders of MRP on intention to delist and tender offer of MRP Shares was issued and published by MRP |
| “₱” | Philippine Peso, the lawful currency of the Republic of the Philippines |
| “%” | per cent. |

By Order of the Board of
Melco International Development Limited
Leung Hoi Wai, Vincent
Company Secretary

Hong Kong, 14 September 2018

Translations of quoted currency values are made on an approximate basis and at the rate of ₱1.00 = HK\$0.1459.

As at the date of this announcement, the Board comprises three Executive Directors, namely Mr. Ho, Lawrence Yau Lung (Chairman and Chief Executive Officer), Mr. Evan Andrew Winkler (President and Managing Director) and Mr. Chung Yuk Man, Clarence; two Non-executive Directors, namely Mr. Tsui Che Yin, Frank and Mr. Ng Ching Wo; and three Independent Non-executive Directors, namely Mr. Chow Kwong Fai, Edward, Dr. Tyen Kan Hee, Anthony and Ms. Karuna Evelyne Shinsho.