

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Melco International Development Limited

(Incorporated in Hong Kong with limited liability)

Website : www.melco-group.com

(Stock Code : 200)

MAJOR TRANSACTION

MELCO RESORTS & ENTERTAINMENT LIMITED NEW SHARE REPURCHASE PROGRAM

MELCO RESORTS' NEW SHARE REPURCHASE PROGRAM

As announced by the Company on 8 November 2018, Melco Resorts announced in its 3Q Results Announcement that the board of directors of Melco Resorts had approved a new share repurchase program which permits Melco Resorts to purchase up to US\$500 million (equivalent to approximately HK\$3,900 million) of Melco Resorts Shares and/or ADSs over a three year period commencing from 8 November 2018.

As foreshadowed in the Company's 8 November 2018 announcement, implementation of Melco Resorts' New Share Repurchase Program in full, when aggregated with previous share repurchases by Melco Resorts within the preceding 12 month period, or which are otherwise related, would be a major transaction for the Company under the Listing Rules.

PURPOSE OF THIS ANNOUNCEMENT

As contemplated by the Company's 8 November 2018 announcement, the Company now wishes to comply with the requirements of the Listing Rules applicable to the implementation of Melco Resorts' New Share Repurchase Program in respect of up to its entire amount of US\$500 million (equivalent to approximately HK\$3,900 million), which would be a major transaction for the Company when aggregated with share repurchases within the previous 12 month period, or which are otherwise related.

The New Share Repurchase Program may be suspended, modified or terminated at any time, and Melco Resorts has no obligation to repurchase any amounts under the New Share Repurchase Program, and thus there is no assurance that the New Share Repurchase Program will be implemented by Melco Resorts in full, or of the extent to which it will be implemented. However, the Company wishes to comply at the outset with the requirements of the Listing Rules applicable to the implementation by Melco Resorts of its New Share Repurchase Program in respect of up to its entire amount of US\$500 million (equivalent to

approximately HK\$3,900 million), to enable Melco Resorts to make repurchases of Melco Resorts Shares and/or ADSs under the New Share Repurchase Program without the Company having to seek a further approval from Shareholders.

The Company has received written Shareholders' approval in respect of the implementation of Melco Resorts' New Share Repurchase Program up to its entire amount, from a closely allied group of Shareholders which collectively holds more than 50% of the issued shares of the Company, in accordance with Rule 14.44 of the Listing Rules. Accordingly, no Shareholders' meeting will be convened by the Company to approve the implementation in full of Melco Resorts' New Share Repurchase Program.

DESPATCH OF CIRCULAR

It is anticipated that a circular containing further information relating to Melco Resorts' New Share Repurchase Program and other information required by the Listing Rules will be despatched to Shareholders (for information purposes only) on or before 13 December 2018.

MELCO RESORTS' NEW SHARE REPURCHASE PROGRAM

As announced by the Company on 8 November 2018, Melco Resorts announced in its 3Q Results Announcement that the board of directors of Melco Resorts had approved a new share repurchase program which permits Melco Resorts to purchase up to US\$500 million (equivalent to approximately HK\$3,900 million) of Melco Resorts Shares (three of which are equivalent to one ADS) and/or ADSs over a three-year period commencing from 8 November 2018.

As foreshadowed by the Company's 8 November 2018 announcement, implementation of Melco Resorts' New Share Repurchase Program in full, when aggregated with previous share repurchases by Melco Resorts within the preceding 12 month period, or which are otherwise related, would be a major transaction for the Company under the Listing Rules.

PURPOSE OF THIS ANNOUNCEMENT

As contemplated by the Company's 8 November 2018 announcement, the Company now wishes to comply with the requirements of the Listing Rules applicable to the implementation of Melco Resorts' New Share Repurchase Program in respect of up to its entire amount of US\$500 million (equivalent to approximately HK\$3,900 million), which would be a major transaction for the Company when aggregated with share repurchases within the previous 12 month period, or which are otherwise related.

As announced by the Company in its 8 November 2018 announcement, the Company was notified by Melco Resorts that, up to 8 November 2018, Melco Resorts had repurchased 22,571,663 ADSs (equivalent to 67,714,989 Melco Resorts Shares) on the open market for an aggregate consideration (before expenses) of approximately US\$490 million (equivalent to approximately HK\$3,822 million) under Melco Resorts' earlier share repurchase program announced by both Melco Resorts and the Company on 21 March 2018. Under that earlier

share repurchase program, Melco Resorts was permitted to repurchase up to US\$500 million (equivalent to approximately HK\$3,900 million) of Melco Resorts Shares and/or ADSs over the three-year period commencing from 21 March 2018.

The New Share Repurchase Program is in addition to Melco Resorts' earlier share repurchase program announced on 21 March 2018, which has nearly been exhausted as disclosed above.

The New Share Repurchase Program may be suspended, modified or terminated at any time, and Melco Resorts has no obligation to repurchase any amounts under the New Share Repurchase Program, and thus there is no assurance that the New Share Repurchase Program will be implemented by Melco Resorts in full, or of the extent to which it will be implemented. However, the Company wishes to comply at the outset with the requirements of the Listing Rules applicable to the implementation by Melco Resorts of its New Share Repurchase Program in respect of up to its entire amount of US\$500 million (equivalent to approximately HK\$3,900 million), to enable Melco Resorts to make repurchases of Melco Resorts Shares and/or ADSs under the New Share Repurchase Program without the Company having to seek a further approval from Shareholders.

The Company has received written Shareholders' approval in respect of the implementation of Melco Resorts' New Share Repurchase Program up to its entire amount, from a closely allied group of Shareholders which collectively holds more than 50% of the issued shares of the Company, in accordance with Rule 14.44 of the Listing Rules. Accordingly, no Shareholders' meeting will be convened by the Company to approve the implementation in full of Melco Resorts' New Share Repurchase Program.

INFORMATION IN RELATION TO THE NEW SHARE REPURCHASE PROGRAM

If Melco Resorts' New Share Repurchase Program is implemented in full by Melco Resorts, the maximum amount payable by Melco Resorts for the repurchase of Melco Resorts Shares and/or ADSs would be US\$500 million (equivalent to approximately HK\$3,900 million).

Repurchases of Melco Resorts Shares and/or ADSs under its New Share Repurchase Program would be made from time to time in the open market at prevailing market prices, including pursuant to a trading plan in accordance with Rule 10b-18 and/or 10b5-1 of the United States Securities Exchange Act of 1934, and/or in privately negotiated transactions. The timing of repurchases and the amount of Melco Resorts Shares and/or ADSs repurchased will be determined by Melco Resorts' management based on their evaluation of market conditions, trading prices, applicable securities laws and other factors. The New Share Repurchase Program may be suspended, modified or terminated at any time, and Melco Resorts has no obligation to repurchase any amounts under the New Share Repurchase Program.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the selling shareholders of the Melco Resorts Shares and/or ADSs repurchased and their ultimate beneficial owners will be third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

The consideration for the repurchases of Melco Resorts Shares and/or ADSs repurchased under the New Share Repurchase Program will be paid by Melco Resorts in full and in cash

or such other payment method the directors of Melco Resorts consider appropriate, on settlement of the relevant repurchase transaction, and financed by immediately available financial resources of the Melco Resorts Group.

Melco Resorts Shares and/or ADSs repurchased under the New Share Repurchase Program would be cancelled or held as treasury shares for future re-issuance following their repurchase. Pending their cancellation, or a determination having been made to hold them as treasury shares, shares and/or ADSs repurchased under the New Share Repurchase Program would remain registered in the name of a nominee of Deutsche Bank Trust Company Americas, as depositary in respect of Melco Resorts' ADS program. The Company's indirect holding of Melco Resorts' outstanding share capital would increase as a result of the repurchased shares and/or ADSs are cancelled or determined to be held as treasury shares for future re-issuance.

Implementation in full of the New Share Repurchase Program by Melco Resorts and cancellation of the repurchased shares and/or ADSs or to hold the repurchased shares as treasury shares for future re-issuance would result in the Company's indirect holding of Melco Resorts' outstanding share capital increasing from its existing approximately 53.78% to approximately 57.42%, assuming (1) that repurchases are made at the closing price per ADS quoted on the NASDAQ Global Select Market on 21 November 2018 (being US\$16.80, equivalent to approximately HK\$131.04), (2) repurchases of Melco Resorts Shares and/or ADSs made by Melco Resorts within the previous 12 month period, or which are otherwise related have been cancelled or held as treasury shares and (3) no other changes to Melco Resorts' outstanding share capital.

REASONS FOR AND BENEFITS OF THE NEW SHARE REPURCHASE PROGRAM

The reasons for the New Share Repurchase Program include to benefit from the trading of Melco Resorts' securities under current market conditions and reflect the confidence of the Company in Melco Resorts' long-term strategy and growth prospects.

The Directors (including the independent non-executive Directors) consider that the terms of Melco Resorts' New Share Repurchase Program are fair and reasonable, and that the New Share Repurchase Program is on normal commercial terms or better (as far as the Company is concerned), in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

INFORMATION IN RELATION TO THE PARTIES

Melco Resorts

Melco Resorts is a listed subsidiary of the Company, whose ADSs are listed on the NASDAQ Global Select Market in The United States of America. Melco Resorts, through its subsidiaries, is principally engaged in businesses in the leisure, gaming and entertainment sectors.

For the financial year ended 31 December 2017, Melco Resorts' audited profits before taxation were approximately US\$315,283,000 (equivalent to approximately

HK\$2,459,207,400) and Melco Resorts' audited profits after taxation were approximately US\$315,293,000 (equivalent to approximately HK\$2,459,285,400).

For the financial year ended 31 December 2016, Melco Resorts' audited profits before taxation were approximately US\$75,096,000 (equivalent to approximately HK\$585,748,800) and Melco Resorts' audited profits after taxation were approximately US\$66,918,000 (equivalent to approximately HK\$521,960,400).

As at 31 December 2017, Melco Resorts' audited net asset value was approximately US\$3,335,616,000 (equivalent to approximately HK\$26,017,804,800).

The Company

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

LISTING RULES IMPLICATIONS

Implementation in full of the New Share Repurchase Program by Melco Resorts, when aggregated with repurchases of Melco Resorts Shares and/or ADSs made by Melco Resorts within the previous 12 month period, or which are otherwise related, would be a major transaction for the Company under Chapter 14 of the Listing Rules, as one or more of the applicable percentage ratios exceed 25% but all the applicable percentage ratios are less than 100%.

Accordingly, the implementation by Melco Resorts of the New Share Repurchase Program to an extent which would be a major transaction for the Company under the Listing Rules is conditional on Shareholders' approval, in accordance with Rule 14.40 of the Listing Rules.

So far as the Company is aware, having made all reasonable enquiries, no Shareholder has a material interest in, and would be required to abstain from voting on the resolution to approve the implementation in full of the New Share Repurchase Program, if the Company were to convene a general meeting to approve such implementation.

As at 19 November 2018, the following Shareholders hold an aggregate of 818,162,396 shares in the Company as recorded in the register required to be kept under Section 336 of the SFO, representing approximately 53.34% of the issued shares of the Company:

- (a) Mr. Ho holds 42,339,132 shares in the Company, representing approximately 2.76% of the issued shares of the Company;
- (b) Better Joy Overseas Ltd. holds 296,711,606 shares in the Company, representing approximately 19.34% of the issued shares of the Company;
- (c) Lasting Legend Ltd. holds 120,333,024 shares in the Company, representing approximately 7.84% of the issued shares of the Company;

- (d) Mighty Dragon Developments Limited holds 50,830,447 shares in the Company, representing approximately 3.31% of the issued shares of the Company;
- (e) Maple Peak Investments Inc. holds 1,566,000 shares in the Company, representing approximately 0.10% of the issued shares of the Company; and
- (f) Great Respect Limited holds 306,382,187 shares in the Company, representing approximately 19.97% of the issued shares of the Company.

All of the companies referred to in paragraphs (b) to (e) above are owned by Mr. Ho and/or persons and/or trusts associated with Mr. Ho. By virtue of the SFO, Mr. Ho is deemed to be interested in the shares held by those companies. Great Respect Limited is a company controlled by a discretionary family trust, the beneficiaries of which include Mr. Ho and his immediate family members. Mr. Ho is taken to have interests in the shares held by Great Respect Limited by virtue of him being one of the beneficiaries of the discretionary family trust for the purpose of the SFO.

The Company has received written Shareholders' approval in respect of the implementation in full of the New Repurchase Program by Melco Resorts from the closely allied group of Shareholders specified above, which together hold more than 50% of the issued shares of the Company, in accordance with Rule 14.44 of the Listing Rules. Accordingly, no Shareholders' meeting will be convened by the Company to approve the implementation in full by Melco Resorts of the New Share Repurchase Program.

DESPATCH OF CIRCULAR

It is anticipated that a circular containing further information relating to the New Share Repurchase Program and other information required by the Listing Rules will be despatched to Shareholders (for information purposes only) on or before 13 December 2018.

DEFINITIONS

Unless otherwise defined, the following terms used in this announcement shall have the following meanings:

“3Q Results Announcement”	the announcement by Melco Resorts, on 8 November 2018, of its unaudited financial results for the third quarter ended 30 September 2018 and the declaration of its quarterly dividend
“ADS(s)”	American depositary shares of Melco Resorts
“Board”	the board of Directors
“Company”	Melco International Development Limited, a company incorporated in Hong Kong with limited liability and having its shares listed on the Main

	Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Melco Resorts”	Melco Resorts & Entertainment Limited, a company incorporated in the Cayman Islands with limited liability and a subsidiary of the Company, whose ADSs are listed on the NASDAQ Global Select Market in The United States of America
“Melco Resorts Shares”	shares of Melco Resorts, three of which are equivalent to one ADS
“Mr. Ho”	Mr. Ho, Lawrence Yau Lung, Chairman and Chief Executive Officer of the Company
“New Share Repurchase Program”	the new share repurchase program of Melco Resorts announced by Melco Resorts in the 3Q Results Announcement, pursuant to which Melco Resorts is permitted to purchase up to US\$500 million (equivalent to approximately HK\$3,900 million) of Melco Resorts Shares and/or ADSs effective from 8 November 2018
“SFO”	the Securities and Futures Ordinance (Cap. 571) of Hong Kong
“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of The United States of America
“%”	per cent.

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

Hong Kong, 22 November 2018

Translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = HK\$7.80.

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.