



For your convenience, we have summarized the gaming and land concession expiry dates in Exhibit 12.

Exhibit 12: Expiry dates of gaming and land concessions

Company	Gaming Expiry	Property	Land Expiry
Galaxy	Jun-22	Galaxy Macau	2034
MPEL	Jun-22	Studio City	2026
		Altira	2031
		City of Dreams	2033
MGM China	Mar-20	MGM Grand	2031
		MGM Cotai	2037
Sands China	Jun-22	Sands Macau	2028
		Venetian Macau	2032
		Four Seasons	2032
		Parisian	2032
SJM	Mar-20	Sands Cotai Central	2035
		Grand Lisboa	2033
		Grand Lisboa Palace	2038
Wynn Macau	Jun-22	Wynn Macau	2029
		Wynn Cotai	2037

Source: Company Filings and Deutsche Bank

Tighter Junket Regulations. Given that junket operators have played an important role in the resurgence of VIP play, we believe that there is some concern regarding new junket regulations. We remind investors that on the 2018 policy address Macau's Chief Executive announced that regulators would attempt to draft "guidelines to hold specific audits on the problems found" during an ongoing general audit of Macau's junkets. These new regulations would include a review on the minimum internal control requirements in terms of information technology and a closer look into temporary deposits accepted by the operators. According to Paulo Chan, director of the Gaming Inspection and Coordination Bureau, these new requirements are expected to be implemented from January 2018, when local gaming regulators reviews applications for new and renewed licenses. In our view, these new regulations will have a minimum impact on the VIP market given that the 5 big junkets (~85% of the market) in Macau can easily cope with these regulations owing to the scale of their operations.

Progress on Regional Infrastructure. Away from investors concerns, we believe that the completion of ongoing infrastructure projects could significantly boost visitation to Macau. Please refer to Exhibit 13 for further details on important infrastructure development. Looking into the mid-term, we believe that the opening of the Hong Kong-Zhuhai-Macau Bridge would be a significant positive for the market. We remind investors that this bridge aims to connect Hong Kong, Zhuhai, and Macau and, as such, reduce substantial transportation costs and time for visitors. The bridge, which will consist of a ~42km structure and a ~6.7km underwater tunnel, was initially expected to open in 2016. However, numerous technical difficulties have affected its construction, resulting in various delays and budget increases.

Exhibit 13: Macau Infrastructure Developments

Projects	Locations	Opening
LRT (Taipa/Cotai)	Extends from the eastern coastal corridor and connects on the north-east boundary with Taipa.	2019-2020
HK-Zhuhai-Macau Bridge	It is a 42km channel to connect Hong Kong, Macau and Zhuhai.	Late 2018
Guangzhou-Zhuhai Rail	The 40-km link will connect Zhuhai airport with Gongbei Port via Hengqin Island.	2018

Source: Company Filings and Deutsche Bank