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Wynn Macau, Limited

永利澳門有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1128)

ANNUAL CAPS SET FOR CERTAIN CONTINUING CONNECTED TRANSACTIONS FOR THE YEARS ENDING 31 DECEMBER 2021, 2022 AND 2023

This announcement is made in respect of the New Annual Caps set by the Board for the continuing connected transactions under the Framework Agreements for the years ending 31 December 2021, 2022 and 2023 pursuant to Chapter 14A of the Listing Rules and the relevant provisions of the Framework Agreements.

As the continuing connected transactions under each of the Framework Agreements are on normal commercial terms or better and the applicable Percentage Ratios using the New Annual Caps are above 0.1% but less than 5% for each of the years ending 31 December 2021, 2022 and 2023, the transactions are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) have considered the Framework Agreements and the New Annual Caps and have determined that: (i) the New Annual Caps are fair and reasonable; (ii) the terms of the Framework Agreements are fair and reasonable and are in the interests of the Company and its shareholders as a whole; and (iii) the services provided under the Framework Agreements have been, and are, provided on normal commercial terms or better and are in the ordinary and usual course of business of the Company.

* For identification purposes only.

This announcement is made in respect of the New Annual Caps set by the Board for the continuing connected transactions under the Framework Agreements for the years ending 31 December 2021, 2022 and 2023 pursuant to Chapter 14A of the Listing Rules and the relevant provisions of the Framework Agreements.

GENERAL INFORMATION ABOUT THE PARTIES TO THE FRAMEWORK AGREEMENTS

The Company, through WRM, is a developer, owner and operator of destination casino resorts in Macau. The WRL Group is primarily engaged in the casino gaming business in the United States. Worldwide Wynn, Wynn Marketing and Wynn Design & Development are each wholly-owned subsidiaries of Wynn Resorts, Limited and provide certain secondment services, marketing and secondment services and design services to the Group and the WRL Group.

IMPLICATIONS UNDER THE LISTING RULES

Wynn Resorts, Limited is a connected person of the Company under Chapter 14A of the Listing Rules by virtue of it being the indirect holding company of WM Cayman Holdings Limited I, a substantial shareholder and connected person of the Group. As at the date of this announcement, WM Cayman Holdings Limited I owns approximately 72% of the issued share capital of the Company. Pursuant to Chapter 14A of the Listing Rules, any member of the WRL Group is also considered an associate of WM Cayman Holdings Limited I and a connected person of the Group. Worldwide Wynn, Wynn Marketing and Wynn Design & Development are members of the WRL Group as each is a wholly-owned subsidiary of Wynn Resorts, Limited. Any transaction between the Group and the WRL Group is accordingly a connected transaction.

As the continuing connected transactions under each of the Framework Agreements are on normal commercial terms or better and the applicable Percentage Ratios using the New Annual Caps are above 0.1% but less than 5% for each of the years ending 31 December 2021, 2022 and 2023, the transactions are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS CONTEMPLATED UNDER THE FRAMEWORK AGREEMENTS

The Directors (including the independent non-executive Directors) have considered the Framework Agreements and the New Annual Caps and have determined that: (i) the New Annual Caps are fair and reasonable; (ii) the terms of the Framework Agreements are fair and reasonable and are in the interests of the Company and its shareholders as a whole; and (iii) the services provided under the Framework Agreements have been, and are, provided on normal commercial terms or better and are in the ordinary and usual course of business of the Company.

As none of the Directors have a material interest in the continuing connected transactions contemplated under the Framework Agreements or the New Annual Caps, no Director was required to abstain from voting on the Board resolutions approving the continuing connected transactions or the New Annual Caps. Mr. Matthew O. Maddox is a director of Wynn Resorts, Limited and each of Mr. Matthew O. Maddox, Ms. Linda Chen and Mr. Craig S. Billings hold senior management positions in the WRL Group. As of the date of this announcement, each of Mr. Matthew O. Maddox, Ms. Linda Chen, Mr. Ian Michael Coughlan and Mr. Craig S. Billings are interested in less than 1% of the outstanding shares of Wynn Resorts, Limited. Further reasons for and benefits of the continuing connected transactions contemplated under the Framework Agreements are set out below.

WORLDWIDE WYNN EMPLOYMENT AGREEMENTS

Set out below are the principal terms of the Worldwide Wynn Employment Agreements:

Parties and relationship:

Worldwide Wynn entered into a Worldwide Wynn Employment Agreement with each of the Company and WRM.

Worldwide Wynn is a wholly-owned subsidiary of Wynn Resorts, Limited and a connected person of the Company.

Nature and purpose of transactions under the Worldwide Wynn Employment Agreements:

Worldwide Wynn is engaged to provide U.S. Resident Staff to the Group through secondment arrangements. The U.S. Resident Staff have formal employment arrangements with the Group through the secondment arrangements. The secondment arrangements were put in place to ensure that each U.S. Resident Staff is, in addition to the provision of his or her services to the Group, employed by a U.S.-incorporated entity in order to allow such person to continue to enjoy certain benefits relating to pension, personal income tax and health and life insurance. The secondment arrangements benefit the Group by allowing the Group to attract and retain U.S. Resident Staff.

As at 31 October 2020, the Group had 15 U.S. Resident Staff subject to these arrangements.

Renewed term:

1 January 2021 to 31 December 2023. Unless otherwise terminated in accordance with the provisions therein, each of the Worldwide Wynn Employment Agreements will be automatically extended for an additional three-year term (or such other period permitted under the Listing Rules) subject to compliance with Listing Rules requirements or, alternatively, any waivers obtained from strict compliance with such requirements.

Future services:

Worldwide Wynn will continue to provide U.S. Resident Staff to the Group through the secondment arrangements. Worldwide Wynn will be entitled to be reimbursed for any cost incurred and may be entitled to collect a fee in accordance with the pricing described below.

Basis of pricing and payment terms:

Worldwide Wynn is, to the extent not prohibited by the Group's third-party financing arrangements, reimbursed for the cost of secondment (including salaries and benefits of the seconded employee) and is entitled to receive a service fee of 5% of the aggregate cost of the secondment of each employee during the secondment period.

Invoices for the cost of secondment and service fee are provided by Worldwide Wynn to the relevant member of the Group monthly in arrears or at such other times as may be reasonably acceptable to the relevant member of the Group and Worldwide Wynn. Payments are due to Worldwide Wynn two business days after receipt of the invoice or at such other time as agreed between the relevant member of the Group and Worldwide Wynn. The payments to Worldwide Wynn are made from the internal resources and existing credit facilities of the Group.

Historical figures for the years ended 31 December 2018 and 2019 and the six months ended 30 June 2020

The following table shows the aggregate amount paid by the Group to Worldwide Wynn in respect of the continuing connected transactions under the Worldwide Wynn Employment Agreements for the years ended 31 December 2018 and 2019 and the six months ended 30 June 2020 and the annual cap for the year ending 31 December 2020.

Amount paid by the Group						Annual Cap	
for the year ended 31 December				for the six months ended 30 June		for the year ended 31 December	
2018		2019		2020		2020	
HK\$	US\$	HK\$	US\$	HK\$	US\$	HK\$	US\$
<i>(in millions)</i>							
131.5	16.8	119.0	15.2	42.4	5.5	275.2	35.3

Notes:

- (1) The annual cap will be the higher of the US\$ limit and the HK\$ limit.*
- (2) All amounts are rounded to the nearest decimal place.*
- (3) The above HK\$ and US\$ amounts have been converted into HK\$ or US\$ (as the case may be) at the then-prevailing exchange rate at the time of each relevant transaction.*

The New Annual Caps for the Worldwide Wynn Employment Agreements

The following table shows the New Annual Caps for the Worldwide Wynn Employment Agreements.

For the year ended 31 December					
2021		2022		2023	
HK\$	US\$	HK\$	US\$	HK\$	US\$
		<i>(in millions)</i>			
76.2	9.8	114.9	14.8	141.7	18.3

Notes:

- (1) The annual cap will be the higher of the US\$ limit and the HK\$ limit.*
- (2) All amounts are rounded to the nearest decimal place.*
- (3) The above annual caps in HK\$ and US\$ have been determined based on an exchange rate of US\$1=HK\$7.7525.*

Basis for setting the New Annual Caps for the Worldwide Wynn Employment Agreements

Following discussions with Worldwide Wynn, the New Annual Caps for the Worldwide Wynn Employment Agreements have been determined based on, among other things:

- (1) the necessary amount to be paid to adequately compensate Worldwide Wynn and U.S. Resident Staff for their services (including salaries and benefits of U.S. Resident Staff);
- (2) the historical amounts paid by the Group to Worldwide Wynn in connection with the secondment arrangement between 1 January 2018 and 30 June 2020;
- (3) the Group's anticipated overall staffing needs, including for U.S. Resident Staff, due to, among other things, overall business growth and business needs;
- (4) the anticipated increase in the aggregate cost of secondments (including salaries and benefits of U.S. Resident Staff) and the corresponding increase in the amount of fees to be paid by the Group to Worldwide Wynn, after taking into account historical increases in salaries and benefits of U.S. Resident Staff; and
- (5) the assumption that there will be no significant increase in the fees and the aggregate cost of secondment beyond what is presently contemplated.

MARKETING AND SECONDMENT SERVICES AGREEMENTS

Set out below are the principal terms of the Marketing and Secondment Services Agreements:

Parties and relationship:

Wynn Marketing entered into a Marketing and Secondment Services Agreement with each of the Company and WRM.

Wynn Marketing is a wholly-owned subsidiary of Wynn Resorts, Limited and a connected person of the Company.

Nature and purpose of transactions under the Marketing and Secondment Services Agreements:

Wynn Marketing is engaged by the Group to provide, directly and through its authorized agents, marketing services to WRM. These services include the development, implementation and operation of an international promotional and marketing plan for WRM's casino resorts. The marketing services provided by Wynn Marketing benefit the Group because marketing efforts conducted through a uniform marketing plan for all casino resorts bearing the "WYNN" brand name ensure that a consistent image and style is and will be adopted globally.

Wynn Marketing is also engaged to provide Foreign Resident Staff to the Group through secondment arrangements. The secondment arrangements were put in place to ensure that each Foreign Resident Staff is, in addition to the provision of his or her services to the Group, employed by an appropriate offshore entity in order to allow such person to continue to enjoy certain benefits relating to pension, personal income tax and health and life insurance. As of 31 October 2020, the Group had one Foreign Resident Staff subject to these arrangements. The secondment arrangements provide the Group with the ability to attract and benefit from the services of Foreign Resident Staff in the future.

Renewed term:

1 January 2021 to 31 December 2023. Unless otherwise terminated in accordance with the provisions therein, each of the Marketing and Secondment Services Agreements will be automatically extended for an additional three-year term (or such other period permitted under the Listing Rules) subject to compliance with Listing Rules requirements or, alternatively, any waivers obtained from strict compliance with such requirements.

Future services:

Wynn Marketing will continue to provide the Group with marketing services, including the development and implementation of an international promotional and marketing plan for WRM's casino resorts. Wynn Marketing may also provide Foreign Resident Staff to the Group through the secondment arrangements, in accordance with the pricing described below.

Basis of pricing and payment terms:

Wynn Marketing is, to the extent not prohibited by the Group's third-party financing arrangements, reimbursed for the cost of secondment (including salaries and benefits of the seconded employee) as well as for its marketing services, and is entitled to receive a service fee of 5% of the aggregate costs and expenses incurred by Wynn Marketing in the performance of such roles.

Invoices for the cost of secondment and the service fee, as well as for the marketing services, are provided by Wynn Marketing to the relevant member of the Group monthly in arrears or at such other times as may be reasonably acceptable to the relevant member of the Group and Wynn Marketing. Payments are due to Wynn Marketing within 30 days after the receipt of the monthly invoice or at such other time as agreed between the relevant member of the Group and Wynn Marketing. The payments to Wynn Marketing are made from the internal resources and existing credit facilities of the Group.

Historical figures for the years ended 31 December 2018 and 2019 and the six months ended 30 June 2020

The following table shows the aggregate amount paid by the Group to Wynn Marketing in respect of the continuing connected transactions under the Marketing and Secondment Services Agreements for the years ended 31 December 2018 and 2019 and the six months ended 30 June 2020, and the annual cap for the year ending 31 December 2020.

Amount paid by the Group						Annual Cap		
for the year ended 31 December				for the six months ended 30 June		for the year ended 31 December		
2018		2019		2020		2020		
HK\$	US\$	HK\$	US\$	HK\$	US\$	HK\$	US\$	
<i>(in millions)</i>								
46.8	6.0	48.5	6.2	20.7	2.7	78.8	10.1	

Notes:

- (1) The annual cap will be the higher of the US\$ limit and the HK\$ limit.*
- (2) All amounts are rounded to the nearest decimal place.*
- (3) The above HK\$ and US\$ amounts have been converted into HK\$ or US\$ (as the case may be) at the then-prevailing exchange rate at the time of each relevant transaction.*

The New Annual Caps for the Marketing and Secondment Services Agreements

The following table shows the New Annual Caps for the Marketing and Secondment Services Agreements.

For the year ended 31 December					
2021		2022		2023	
HK\$	US\$	HK\$	US\$	HK\$	US\$
		<i>(in millions)</i>			
56.1	7.2	67.3	8.7	80.8	10.4

Notes:

- (1) The annual cap will be the higher of the US\$ limit and the HK\$ limit.*
- (2) All amounts are rounded to the nearest decimal place.*
- (3) The above annual caps in HK\$ and US\$ have been determined based on an exchange rate of US\$1=HK\$7.7525.*

Basis for setting the New Annual Caps for the Marketing and Secondment Services Agreements

Following discussions with Wynn Marketing, the New Annual Caps for the Marketing and Secondment Services Agreements have been determined based on, among other things:

- (1) the necessary amount to be paid to adequately compensate Wynn Marketing and Foreign Resident Staff for their services (including salaries and benefits of Foreign Resident Staff);
- (2) the historical amounts paid by the Group to Wynn Marketing in connection with the marketing services and secondment arrangement between 1 January 2018 and 30 June 2020;
- (3) the marketing services required by the Group in connection with Wynn Palace, Wynn Macau and Encore;
- (4) the Group's anticipated overall staffing needs, including for Foreign Resident Staff, due to, among other things, overall business growth and business needs;
- (5) the anticipated increase in the aggregate cost of marketing services and the corresponding amount of fees to be paid by the Group to Wynn Marketing, after taking into account historical increases in the cost of the marketing services; and
- (6) the assumption that there will be no significant increase in the annual fees and aggregate costs and expenses beyond what is presently contemplated.

DESIGN SERVICES AGREEMENT

Set out below are the principal terms of the Design Services Agreement:

Parties and relationship:

Wynn Design & Development entered into the Design Services Agreement with the Company and WRM.

Wynn Design & Development is a wholly-owned subsidiary of Wynn Resorts, Limited and a connected person of the Company.

Nature and purpose of transactions under the Design Services Agreement:

Wynn Design & Development is engaged by the Group to provide certain design services in connection with the Company's projects in Macau, including in relation to the development, design and construction oversight of Wynn Palace and enhancement and renovation works at Wynn Macau and Encore.

The design services provided by Wynn Design & Development benefit the Group by contributing to the design and enhancement of Wynn Palace, Wynn Macau and Encore.

Renewed term:

1 January 2021 to 31 December 2023. Unless otherwise terminated in accordance with the provisions therein, the Design Services Agreement will be automatically extended for an additional three-year term (or such other period permitted under the Listing Rules) subject to compliance with Listing Rules requirements or, alternatively, any waivers obtained from strict compliance with such requirements.

Future services:

Wynn Design & Development will continue to provide the Group with design services for WRM's projects in Macau, including in relation to the development, design and construction works at Wynn Palace and the enhancement and renovation works at Wynn Macau and Encore, in accordance with the pricing described below.

Basis of pricing and payment terms:

Wynn Design & Development is reimbursed by the Group for costs and expenses incurred by Wynn Design & Development for the design services it provides to the Group.

Invoices or accounting book entries for the design services are provided by Wynn Design & Development to the relevant member of the Group monthly in arrears or at such other times as may be reasonably acceptable to the relevant member of the Group and Wynn Design & Development. Payments are typically made to Wynn Design & Development on a monthly basis, or at such other time as agreed between the relevant member of the Group and Wynn Design & Development. The payments to Wynn Design & Development are made from the internal resources and existing credit facilities of the Group.

Historical figures for the years ended 31 December 2018 and 2019 and the six months ended 30 June 2020

The following table shows the aggregate amount paid by the Group to Wynn Design & Development in respect of the continuing connected transactions under the Design Services Agreement for the years ended 31 December 2018 and 2019 and the six months ended 30 June 2020, and the annual cap for the year ending 31 December 2020.

Amount paid by the Group						Annual Cap	
for the year ended 31 December				for the six months ended 30 June		for the year ended 31 December	
2018		2019		2020		2020	
HK\$	US\$	HK\$	US\$	HK\$	US\$	HK\$	US\$
<i>(in millions)</i>							
12.3	1.6	36.4	4.7	13.0	1.7	83.3	10.7

Notes:

- (1) The annual cap will be the higher of the US\$ limit and the HK\$ limit.
- (2) All amounts are rounded to the nearest decimal place.
- (3) The above HK\$ and US\$ amounts have been converted into HK\$ or US\$ (as the case may be) at the then-prevailing exchange rate at the time of each relevant transaction.

The New Annual Caps for the Design Services Agreement

The following table shows the New Annual Caps for the Design Services Agreement.

For the year ended 31 December					
2021		2022		2023	
HK\$	US\$	HK\$	US\$	HK\$	US\$
<i>(in millions)</i>					
68.4	8.8	97.7	12.6	117.2	15.1

Notes:

- (1) The annual cap will be the higher of the US\$ limit and the HK\$ limit.
- (2) All amounts are rounded to the nearest decimal place.
- (3) The above annual caps in HK\$ and US\$ have been determined based on an exchange rate of US\$1=HK\$7.7525.

Basis for setting the New Annual Caps for the Design Services Agreement

Following discussions with Wynn Design & Development, the New Annual Caps for the Design Services Agreement have been determined based on, among other things:

- (1) the necessary amount to be paid to adequately compensate Wynn Design & Development for its design services (including salaries and benefits of Wynn Design & Development's personnel);
- (2) the historical fees paid by the Group to Wynn Design & Development in connection with the design services from 1 January 2018 to 30 June 2020;
- (3) the anticipated design services required by the Group in connection with, among other things, Crystal Pavilion, the enhancement and renovation works at Wynn Palace, Wynn Macau and Encore;
- (4) the historical increases in the salaries and benefits of Wynn Design & Development's personnel and the cost of the design services; and
- (5) the assumption that there will be no significant increase in the aggregate costs and expenses beyond what is presently contemplated.

CORPORATE ALLOCATION AGREEMENTS

Set out below are the principal terms of the Corporate Allocation Agreements:

Parties and relationship:

The Company and WRM entered into a corporate allocation agreement and an amended and restated corporate allocation agreement, respectively, with Wynn Resorts, Limited.

Wynn Resorts, Limited is a connected person of the Company by virtue of it being the indirect holding company of WM Cayman Holdings Limited I.

Nature and purpose of transactions under the Corporate Allocation Agreements:

Wynn Resorts, Limited is engaged to provide the Company and WRM with access to its employees in a number of non-gaming departments, including corporate treasury, legal, financial accounting and audit, corporate risk management and information systems, for the purposes of ensuring that the Company and WRM each complies with the reporting, legal, tax, accounting and disclosure requirements that are applicable to Wynn Resorts, Limited and Wynn Resorts, Limited's subsidiaries (including the Group), and Wynn Resorts, Limited also allows the Company and WRM to use aircraft assets owned by Wynn Resorts, Limited or Wynn Resorts, Limited's subsidiaries (other than the Group).

Similarly, the Company and WRM had reciprocal arrangements to allow Wynn Resorts, Limited or Wynn Resorts, Limited's subsidiaries (other than the Group) to use any aircraft assets that they may own in the future and to have access to the services of any of its respective employees provided that such services do not materially interfere with such employee's obligations to, and responsibilities with, the Group. No aircraft assets are currently owned by the Company or WRM.

The Corporate Allocation Agreements benefit the Group by allowing the Company and WRM to comply with certain reporting, legal, tax, accounting and disclosure requirements as subsidiaries of Wynn Resorts, Limited without having to have its own separate team of personnel with specialist knowledge in these areas, and allows the Group to maximize its resources and increase its efficiency.

Renewed term:

1 January 2021 to 31 December 2023. Unless otherwise terminated in accordance with the provisions therein, the Corporate Allocation Agreements will be automatically extended for an additional three-year term (or such other period permitted under the Listing Rules) subject to compliance with Listing Rules requirements or, alternatively, any waivers obtained from strict compliance with such requirements.

Future services:

Wynn Resorts, Limited will continue to provide the Company and WRM with corporate support services, and the Company and WRM will continue to provide, on a reciprocal basis, Wynn Resorts, Limited or Wynn Resorts, Limited's subsidiaries (other than the Group) with the use of any aircraft assets and access to the services of any of its respective employees, in accordance with the pricing described below.

Basis of pricing and payment terms:

The annual fee for the services (other than for the use of the aircraft assets) provided by Wynn Resorts, Limited is based on an allocation of the actual proportion of Wynn Resorts, Limited's annual corporate departments' costs (including salaries and benefits for such employees during the period in which such services are rendered) and overhead expense related to the provision of the services, and in any event, such annual fee shall not exceed 50% of the aggregate annual corporate departments' costs and overhead expense incurred by Wynn Resorts, Limited during such financial year.

For services provided by the Company's and WRM's employees, Wynn Resorts, Limited shall pay for the services based on a cost (including salaries and benefits for such employees during the period when such services are being rendered) and expense reimbursement basis.

Wynn Resorts, Limited allows the Company and its employees to use aircraft assets owned by Wynn Resorts, Limited and its subsidiaries (other than the Group) at hourly rates set by Las Vegas Jet, LLC, a subsidiary of Wynn Resorts, Limited.

Historical figures for the years ended 31 December 2018 and 2019 and the six months ended 30 June 2020

The following table shows the aggregate amount paid between the Group and Wynn Resorts, Limited in respect of the continuing connected transactions under the Corporate Allocation Agreements for the years ended 31 December 2018 and 2019 and the six months ended 30 June 2020, and the annual cap for the year ending 31 December 2020.

	Amount paid to counter party						Annual Cap	
	for the year ended 31 December				for the six months ended 30 June		for the year ended 31 December	
	2018		2019		2020		2020	
	HK\$	US\$	HK\$	US\$	HK\$	US\$	HK\$	US\$
	<i>(in millions)</i>							
Wynn Resorts, Limited providing the services to the Group	83.9	10.7	72.6	9.3	31.2	4.0	278.5	35.7
The Group providing the services to Wynn Resorts, Limited	—	—	—	—	—	—	18.7	2.4

Notes:

- (1) The annual cap will be the higher of the US\$ limit and the HK\$ limit.
- (2) All amounts are rounded to the nearest decimal place.
- (3) The above HK\$ and US\$ amounts have been converted into HK\$ or US\$ (as the case may be) at the then-prevailing exchange rate at the time of each relevant transaction.

The New Annual Caps for the Corporate Allocation Agreements

The following table shows the New Annual Caps for the Corporate Allocation Agreements.

	For the year ended 31 December					
	2021		2022		2023	
	HK\$	US\$	HK\$	US\$	HK\$	US\$
	<i>(in millions)</i>					
Wynn Resorts, Limited providing the services to the Group	276.8	35.7	276.8	35.7	276.8	35.7
The Group providing the services to Wynn Resorts, Limited	18.6	2.4	18.6	2.4	18.6	2.4

Notes:

- (1) The annual cap will be the higher of the US\$ limit and the HK\$ limit.
- (2) All amounts are rounded to the nearest decimal place.
- (3) The above annual caps in HK\$ and US\$ have been determined based on an exchange rate of US\$1=HK\$7.7525.

Basis for setting the New Annual Caps for the Corporate Allocation Agreements

Following discussions with Wynn Resorts, Limited, the New Annual Caps for the Corporate Allocation Agreements have been determined based on, among other things:

- (1) the estimated cost of the services provided by Wynn Resorts, Limited to the Group and provided by the Group to Wynn Resorts, Limited, after taking into account historical increases in salaries and benefits for employees, and overhead expenses;
- (2) an estimated allocation of up to 50% of Wynn Resorts, Limited's projected annual corporate departments' costs (including salaries and benefits for such employees during the period when such services are to be provided) and overhead expense for fiscal years 2021 through and including 2023;
- (3) the Group's anticipated needs for corporate support services and use of aircraft due to, among other things, overall business growth and business needs; and
- (4) the assumption that there will be no significant increase in the aggregate costs and expenses beyond what is presently contemplated.

DEFINITIONS

“associate”	shall have the meaning as defined under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Wynn Macau, Limited, a company incorporated on 4 September 2009 as an exempted company with limited liability under the laws of the Cayman Islands and an indirect subsidiary of Wynn Resorts, Limited
“connected person(s)”	shall have the meaning as defined under the Listing Rules
“Corporate Allocation Agreement(s)”	the corporate allocation agreement and the amended and restated corporate allocation agreement dated 19 September 2009 for continuing connected transactions between the Company, WRM, respectively, and Wynn Resorts, Limited for the provision of corporate support services by Wynn Resorts, Limited
“Design Services Agreement”	the design services framework agreement dated 19 September 2009 for continuing connected transactions between the Company, WRM and Wynn Design & Development for the provision of design services by Wynn Design & Development

“Directors”	the director(s) of the Company, including the independent non-executive directors of the Company
“Encore”	a casino resort in Macau connected to and fully integrated with Wynn Macau, owned and operated directly by WRM
“Framework Agreements”	each of the Worldwide Wynn Employment Agreements, the Marketing and Secondment Services Agreements, the Design Services Agreement and the Corporate Allocation Agreements
“Foreign Resident Staff”	certain non-Macau residents based in or to be based in Macau provided by Wynn Marketing to the Group through secondment arrangements
“Group”	the Company and its subsidiaries, or any of them, or the relevant member of the Group (as applicable), and the businesses carried on by such entities
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Marketing and Secondment Services Agreements”	the marketing and secondment services framework agreements dated 19 September 2009 for continuing connected transactions between the Company, WRM and Wynn Marketing for the provision of marketing and secondment services by Wynn Marketing
“New Annual Caps”	the annual caps for the amounts payable by the Group in respect of the continuing connected transactions under the Framework Agreements for each of the years ending 31 December 2021, 2022 and 2023
“Percentage Ratios”	shall have the meaning ascribed to it under Chapter 14 of the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“U.S. Resident Staff”	certain U.S. residents based in or to be based in Macau provided by Worldwide Wynn to the Group through secondment arrangements

“US\$”	United States dollars, the lawful currency of the United States
“WM Cayman Holdings Limited I”	WM Cayman Holdings Limited I, a company incorporated under the laws of the Cayman Islands and a wholly-owned indirect subsidiary of Wynn Resorts, Limited
“Worldwide Wynn”	Worldwide Wynn, LLC, a company formed under the laws of the State of Nevada, United States and a wholly-owned subsidiary of Wynn Resorts, Limited
“Worldwide Wynn Employment Agreements”	the employment framework agreements dated 19 September 2009 for continuing connected transactions between the Company, WRM and Worldwide Wynn for the provision of secondment services by Worldwide Wynn
“WRL Group”	Wynn Resorts, Limited and its subsidiaries (other than the Group)
“WRM”	Wynn Resorts (Macau) S.A., a company incorporated under the laws of Macau and a wholly-owned subsidiary of the Company
“Wynn Design & Development”	Wynn Design & Development, LLC, a company formed under the laws of the State of Nevada, United States and a wholly-owned subsidiary of Wynn Resorts, Limited
“Wynn Macau”	a casino hotel resort located in Macau owned and operated by WRM
“Wynn Marketing”	Wynn International Marketing, Ltd., a company incorporated under the laws of the Isle of Man and a wholly-owned subsidiary of Wynn Resorts, Limited
“Wynn Palace”	an integrated resort situated on approximately 51 acres of land in the Cotai area of Macau, which is operated by WRM and opened on 22 August 2016

By order of the Board
Wynn Macau, Limited
Dr. Allan Zeman
Chairman

Hong Kong, 8 December 2020

As at the date of this announcement, the Board comprises Matthew O. Maddox and Ian Michael Coughlan (as Executive Directors); Linda Chen (as Executive Director and Vice Chairman); Craig S. Billings (as Non-Executive Director); Allan Zeman (as Independent Non-Executive Director and Chairman); and Jeffrey Kin-fung Lam, Bruce Rockowitz, Nicholas Sallnow-Smith and Leah Dawn Xiaowei Ye (as Independent Non-Executive Directors).