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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 and Debt Stock Codes: 5279, 5280, 40102, 40259, 40357, 5754)**

## **SUPPLEMENTAL ANNOUNCEMENT**

### **CONTINUING CONNECTED TRANSACTION**

#### **COMPLIANCE SERVICES FRAMEWORK AGREEMENT**

Reference is made to the announcement of Wynn Macau, Limited (the “**Company**”) dated 30 March 2023 (the “**Announcement**”) in relation to the continuing connected transaction contemplated under the Compliance Services Framework Agreement. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Company would like to provide the following supplemental information in relation to the continuing connected transaction contemplated under the Compliance Services Framework Agreement.

#### **COMPLIANCE SERVICES FRAMEWORK AGREEMENT**

##### **Basis of pricing and pricing policy**

As disclosed in the Announcement, the Company and WRM agreed to pay WRL Group for costs and expenses incurred by WRL Group in the performance of the Services to the Group. The basis for determining the fees, if any, to be charged by WRL Group under the Compliance Services Framework Agreement is as follows:

- (i) Under the Compliance Services Framework Agreement, WRL Group will be entitled to receive reimbursements from the Company and WRM in relation to all reasonable costs and expenses incurred during the provision of the Services to assist the Group in compliance with the obligations under the Gaming Concession Contract. The expected costs and expenses to be incurred by WRL Group in the performance of the Services to the Group will include, but not limited to the general costs, employment costs (including salary, bonus, the application portion of employment taxes and the cost of other employee benefits) and other expenses related to the provision, or procurement of provision of services relating to non-gaming event programming in connection with, among others, attraction of foreign tourists, conventions and exhibitions, entertainment performances, sports events, culture and art, health and wellness, themed amusement, gastronomy, community tourism and maritime tourism. WRL Group shall provide evidence and basis to the Company or WRM for such reimbursements; and
- (ii) Under the Compliance Services Framework Agreement, WRL Group is not entitled to charge any mark-up on the costs and expenses incurred for providing the Services to the Company and WRM.

\* For identification purposes only

When determining the Annual Cap for the years ending 31 December 2023, 2024 and 2025 during the arm's length negotiations with WRL Group, the Company made reference to the costs and services provided by third-party service providers. The Company believes that the expected cost and expenses charged by WRL Group are fair, reasonable, and consistent with market practices.

Having considered the basis as provided above, the Company's Audit and Risk Committee and the Board held separate meetings to consider and approve the Compliance Services Framework Agreement, and consider the Annual Cap to be fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

## **INTERNAL CONTROL MEASURES**

The Directors believe that the following measures are sufficient to ensure that payment by the Company and WRM for the Services to be provided by WRL Group under the Compliance Services Framework Agreement is fair and reasonable:

- (i) WRL Group is not entitled to charge any mark-up on the costs and expenses incurred for providing services to the Company and WRM;
- (ii) the Company's management team, under the Board's overall supervision, will (A) monitor the Services provided by WRL Group under the Compliance Services Framework Agreement, and assess whether such Services are intended to assist the Group in complying with the obligations under the Gaming Concession Contract entered into with the Macau government; (B) obtain evidence from WRL Group regarding the costs and expenses incurred by WRL Group for providing the Services to the Company and WRM; (C) monitor the monthly transaction amounts under the Compliance Services Framework Agreement, and review the Company's management accounts to ensure that the actual transaction amounts with WRL Group under the Compliance Services Framework Agreement do not exceed the relevant annual caps; and (D) report to the Board to take necessary measures to comply with the Listing Rules, including, if necessary, obtaining the independent Shareholders' approval, if the transaction amount with WRL Group is expected to exceed the relevant annual caps; and
- (iii) the Company's auditors will review the transactions annually to confirm whether the relevant annual caps have been exceeded.

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

Hong Kong, 14 April 2023

*As at the date of this announcement, the Board comprises Craig S. Billings and Frederic Jean-Luc Luvisutto (as Executive Directors); Linda Chen (as Executive Director and Vice Chairman); Ellen F. Whittemore and Ian Michael Coughlan (as Non-Executive Directors); Allan Zeman (as Independent Non-Executive Director and Chairman); and Lam Kin Fung Jeffrey, Bruce Rockowitz, Nicholas Sallnow-Smith and Leah Dawn Xiaowei Ye (as Independent Non-Executive Directors).*