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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)

## CONNECTED TRANSACTION

### PURCHASE OF “TULIPS” SCULPTURE AND “AMPHORA III”

The Company is pleased to announce that on 29 June 2016, Wynn Resorts (Macau) S.A., an indirect subsidiary of the Company, entered into the Purchase Agreement with Wynn Design and Development, LLC to purchase the Tulips Sculpture and the Amphora for US\$33,682,500 (equivalent to approximately HK\$262.7 million) and US\$103,945 (equivalent to approximately HK\$0.8 million), respectively.

The Tulips Sculpture is one of five unique versions of “*Tulips*”, a sculptural masterpiece, created by renowned artist Jeff Koons. This profound piece is the sculptural culmination of Jeff Koons’ “*Celebration*” series and is one of the largest and most complex sculptures in the series. The Tulips Sculpture represents a bouquet of twisted balloon flowers that have been cast in stainless steel and brought to a high mirror polish and plated in a vivid spectrum of color. The gleaming surface and vivid color palette of the sculpture reflect both the viewer and the sculpture itself, resulting in a kaleidoscope of colors and near infinite reflections. The Tulips Sculpture creates the sensation of weightlessness but is paradoxically heavy, employing more than 3 tons of meticulously sculpted stainless steel.

The Amphora, titled “Amphora III”, is a colorful, impressive clay vessel crafted by late ceramist Viola Frey. While Viola Frey excelled at producing colorful clay sculptures of the human figure, she also favored working with urn-like amphorae. Viola Frey’s love of primary colors is evident in the Amphora, which depicts both men and women in energetic movement and an undeniable glamour; the men in blue power suits, the women in dresses reminiscent of the 1940s. Both modes of dress are signatures of the Viola Frey style.

The Tulips Sculpture and the Amphora will be displayed at Wynn Palace for the enjoyment of our guests and visitors. In particular, the Tulips Sculpture will be one of the major attractions at Wynn Palace and will provide a magnificent spectacle and provide a truly scintillating and unforgettable experience for our guests and visitors at Wynn Palace.

\* For identification purposes only

Wynn Resorts, Limited is the controlling shareholder and a connected person of the Company under the Listing Rules by virtue of it being the indirect holding company of WM Cayman Holdings Limited I, a substantial shareholder and a 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. Wynn Resorts (Macau) S.A. is a wholly-owned subsidiary of Wynn Resorts, Limited. Pursuant to 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. Any transaction between the Group and the WRL Group is accordingly a connected transaction.

As the Transaction is on normal commercial terms or better and the applicable Percentage Ratios are above 0.1% but less than 5%, the Transaction is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from the circular and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

## **DETAILS OF THE PURCHASE AGREEMENT**

### **1. Date**

29 June 2016

### **2. Parties**

**The Purchaser:** Wynn Resorts (Macau) S.A., a wholly-owned subsidiary of the Company.

**The Seller:** Wynn Design & Development, LLC, a wholly-owned subsidiary of Wynn Resorts, Limited and the owner of the Tulips Sculpture and the Amphora.

### **3. Assets to be purchased**

Pursuant to the Purchase Agreement, the Purchaser has agreed to purchase, and the Seller has agreed to sell, the Tulips Sculpture and the Amphora with full title guarantee and free from all encumbrances. The Tulips Sculpture and the Amphora will be purchased in their present condition and ownership of the Tulips Sculpture and the Amphora will be transferred to the Purchaser on the Closing Date.

### **4. Consideration**

The aggregate consideration payable to the Seller for the purchase of the Tulips Sculpture and the Amphora is US\$33,786,445 (equivalent to approximately HK\$263.5 million), consisting of US\$33,682,500 (equivalent to approximately HK\$262.7 million) for the Tulips Sculpture and US\$103,945 (equivalent to approximately HK\$0.8 million) for the Amphora. The purchase price of the Tulips and the Amphora will be funded from available cash and internal resources of the Purchaser.

The consideration payable under the Purchase Agreement for the purchase of the Tulips Sculpture and the Amphora was agreed between the Seller and the Purchaser following arm's length negotiations with reference to, among other things, (i) the rarity of the Tulips Sculpture and the Amphora; (ii) an appraisal report for the Tulips Sculptures prepared by an independent third party that has expertise in appraising art; (iii) the acquisition price paid by the WRL Group for the Tulips Sculpture and the Amphora (as further detailed below); and (iv) the state and condition of the Tulips Sculpture and the Amphora on inspection by the Group. The Directors (including the independent non-executive Directors) consider the payment terms of the consideration under the Purchase Agreement to be fair and reasonable.

## **BACKGROUND OF THE TULIPS SCULPTURE AND JEFF KOONS**

The WRL Group acquired the Tulips Sculpture at a Christie's auction in November 2012 for US\$33,682,500 (equivalent to approximately HK\$262.7 million), which comprised the successful bid amount of US\$30 million (equivalent to approximately HK\$234 million) and the buyer's fee payable to Christie's of US\$3,682,500 (equivalent to approximately HK\$28.7 million). The net book value of the Tulips Sculpture recorded by the WRL Group in its audited consolidated financial statements as at 31 December 2015 was US\$33,682,500.

The Tulips Sculpture was on display at Wynn Las Vegas from January 2013 to April 2016.

The Tulips Sculpture is one of five unique versions of "*Tulips*", a sculptural masterpiece, created by renowned artist Jeff Koons. This profound piece is the sculptural culmination of Jeff Koons' "*Celebration*" series and is one of the largest and most complex sculptures in the series. The Tulips Sculpture represents a bouquet of twisted balloon flowers that have been cast in stainless steel and brought to a high mirror polish and plated in a vivid spectrum of color. The gleaming surface and vivid color palette of the sculpture reflect both the viewer and the sculpture itself, resulting in a kaleidoscope of colors and near infinite reflections. The Tulips Sculpture creates the sensation of weightlessness but is paradoxically heavy, employing more than 3 tons of meticulously sculpted stainless steel.

Jeff Koons' "*Celebration*" series explores themes such as life, death and sexuality and the concept of child-like innocence. While rooted in the long-standing tradition of floral still life, the Tulips Sculpture offers a modern interpretation and explores a range of concepts that are pertinent to the contemporary world. The medium is smooth and pristine, presenting the viewer with an image that appears to be simple and joyful. Actual tulip flowers bloom for only a short time, but are conversely represented in a medium that invokes durability and immortality.

Versions of "*Tulips*" are or have been exhibited in various major art museums and galleries around the world, including the Guggenheim Museum Bilbao in Spain, the Neue Nationalgalerie in Berlin and the Art Collection of the United States Embassy in Beijing.

Jeff Koons was born in York, Pennsylvania, United States in 1955 and gained acclaim for his public sculptures, such as the monumental floral sculpture "*Puppy*" (1992), which is permanently exhibited at the Guggenheim Museum Bilbao, and the colossal floral sculpture "*Split-Rocker*" (2000), which has been displayed at the Papal Palace in Avignon, France, the Palace of Versailles in France, Fondation Beyeler in Switzerland and Rockefeller Center in the United States.

## **BACKGROUND OF THE AMPHORA AND VIOLA FREY**

The WRL Group acquired the Amphora from an unaffiliated third party art gallery in New York in July 2013 for US\$103,945 (equivalent to approximately HK\$0.8 million), which included associated logistics fees of US\$3,945. The net book value of the Amphora recorded by the WRL Group in its audited consolidated financial statements as at 31 December 2015 was US\$103,945.

The Amphora has been displayed at Wynn Las Vegas since the summer of 2013.

The Amphora, titled “Amphora III”, is a colorful, impressive clay vessel crafted by late ceramist Viola Frey. The Amphora was crafted between 1996 and 1997, taking almost a full year to complete, and the Amphora stands at almost two meters tall. While Viola Frey excelled at producing colorful clay sculptures of the human figure, she also favored working with urn-like amphorae. Viola Frey employed these vessels not only as canvases to showcase her love for and whimsical portrayal of the human form, but also because she enjoyed the idea of the figures walking around the vessel, a modern interpretation of the figures often seen in procession around ancient Greek urns. Viola Frey’s love of primary colors is evident in the Amphora, which depicts both men and women in energetic movement and an undeniable glamour; the men in blue power suits, the women in dresses reminiscent of the 1940s. Both modes of dress are signatures of the Viola Frey style.

Viola Frey was born in Lodi, California in 1933 and her work has been shown at major museums and exhibitions, including the Centre National des Arts Plastiques in Paris, the Sculpture Garden at the Smithsonian Institution in Washington D.C. and the Hiroshima City Museum of Contemporary Art in Japan.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

The Group is completing Wynn Palace and announced the opening date in the Company’s announcement made on 27 June 2016. Wynn Palace will contain, among other things, an approximately 1,700-room hotel, a performance lake, meeting space, a casino, a spa, retail offerings and food and beverage outlets. The total project budget of Wynn Palace is approximately US\$4.2 billion (equivalent to approximately HK\$32.8 billion). The Tulips Sculpture and the Amphora will be displayed at Wynn Palace for the enjoyment of our guests and visitors. In particular, the Tulips Sculpture will be one of the major attractions at Wynn Palace and will provide a magnificent spectacle and provide a truly scintillating and unforgettable experience for our guests and visitors at Wynn Palace.

## **IMPLICATIONS UNDER THE LISTING RULES**

Wynn Resorts, Limited is the controlling shareholder and a connected person of the Company under the Listing Rules by virtue of it being the indirect holding company of WM Cayman Holdings Limited I, a substantial shareholder and a 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. The Seller is a wholly-owned subsidiary of Wynn Resorts, Limited. Pursuant to 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. Any transaction between the Group and the WRL Group is accordingly a connected transaction.

As the Transaction is on normal commercial terms or better and the applicable Percentage Ratios are above 0.1% but less than 5%, the Transaction is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from the circular and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules. The Company will make a further announcement and comply with the requirements of the Listing Rules in the event that the Group acquires additional artwork from the WRL Group.

## **GENERAL**

The Company, through the Purchaser, is a developer, owner and operator of integrated luxury hotel and destination casino resorts in Macau. The WRL Group is primarily engaged in the casino gaming business in the United States. Wynn Resorts, Limited is listed on the NASDAQ Global Select Market in the United States. The Seller is engaged in the provision of design and development services.

The Directors (including the independent non-executive Directors) have considered the Transaction and the Purchase Agreement and have determined that: (i) the Transaction, on the terms of the Purchase Agreement (including the purchase price of the Tulips Sculpture and the Amphora), is fair and reasonable; (ii) the Transaction is on normal commercial terms or better and is in the ordinary and usual course of business of the Group; and (iii) the Transaction is in the interests of the Company and its shareholders as a whole.

As none of the Directors have a material interest in the Transaction, no Director was required to abstain from voting on the Board resolutions approving the Transaction. Mr. Stephen A. Wynn is a director of Wynn Resorts, Limited and each of Mr. Stephen A. Wynn, Ms. Linda Chen, Mr. Gamal Aziz and Mr. Matthew O. Maddox hold senior management positions in the WRL Group. As of the date of this announcement, Mr. Stephen A. Wynn is interested in approximately 11.9% of the outstanding share capital of Wynn Resorts, Limited and each of Mr. Gamal Aziz, Ms. Linda Chen, Mr. Ian Michael Coughlan and Mr. Matthew O. Maddox are interested in less than 0.5% of the outstanding share capital of Wynn Resorts, Limited.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Amphora”	“Amphora III” (1997) crafted by the late ceramist Viola Frey (1933 – 2004)
“associate”	shall have the meaning as defined under the Listing Rules
“Board”	the board of Directors of the Company
“Closing Date”	29 June 2016 (Macau time), unless otherwise mutually agreed by the Purchaser and the Seller

“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 the Seller
“connected person(s)”	shall have the meaning as defined under the Listing Rules
“connected transaction”	shall have the meaning as defined under the Listing Rules
“controlling shareholder”	shall have the meaning as defined under the Listing Rules
“Directors”	the director(s) of the Company, including the independent non-executive directors of the Company
“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
“Percentage Ratios”	shall have the meaning ascribed to it under Chapter 14 of the Listing Rules
“Purchase Agreement”	the agreement dated 29 June 2016 between the Purchaser and the Seller concerning the Transaction
“Purchaser”	Wynn Resorts (Macau) S.A., a company incorporated under the laws of Macau and a wholly-owned subsidiary of the Company
“Seller”	Wynn Design & Development, LLC, a limited liability company formed under the laws of the State of Nevada, United States and a wholly-owned subsidiary of Wynn Resorts, Limited
“Transaction”	the sale and purchase of the Tulips Sculpture and the Amphora, as set out in the Purchase Agreement
“Tulips Sculpture”	one of five versions of “ <i>Tulips</i> ” created from 1995 to 2004 by renowned artist Jeff Koons

“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 the Seller
“WRL Group”	Wynn Resorts, Limited and its subsidiaries (other than the Group)
“Wynn Las Vegas”	an integrated luxury hotel and destination casino resort owned by the Wynn Resorts, Limited in Las Vegas, State of Nevada, United States
“Wynn Palace”	an integrated luxury hotel and destination casino resort in the Cotai area of Macau

By order of the Board  
**Wynn Macau, Limited**  
**Stephen A. Wynn**  
*Chairman*

Hong Kong, 29 June 2016

*As at the date of this announcement, the Board comprises Stephen A. Wynn, Gamal Aziz, Ian Michael Coughlan and Linda Chen (as Executive Directors); Matthew O. Maddox (as Non-Executive Director); and Allan Zeman, Nicholas Sallnow-Smith, Bruce Rockowitz and Jeffrey Kin-fung Lam (as Independent Non-Executive Directors).*

*Unless otherwise specified in this announcement, amounts denominated in US\$ have been converted, for the purpose of illustration only, into HK\$ based on the exchange rate of US\$1 = HK\$7.8. No representation is made that the amounts stated in this announcement have been or could have been or could be converted at the above rate or at any other rates or at all.*