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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)**

## **INSIDE INFORMATION**

# **UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020 OF OUR CONTROLLING SHAREHOLDER, WYNN RESORTS, LIMITED**

This announcement is issued pursuant to Rule 13.09 and 37.47B of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited and under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

Our controlling shareholder, Wynn Resorts, Limited has, on or about 8 May 2020 (1:32 p.m., Las Vegas time), released its unaudited results for the first quarter ended 31 March 2020.

This announcement is issued by Wynn Macau, Limited (“we” or our “**Company**”) pursuant to Rule 13.09 and 37.47B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

Our Company’s controlling shareholder, Wynn Resorts, Limited, is a company listed on the National Association of Securities Dealers Automated Quotations (“**NASDAQ**”) Global Select Market in the United States. As at the date of this announcement, Wynn Resorts, Limited beneficially owns approximately 72% of the issued share capital of our Company.

Reference is made to our announcement on 7 May 2020 (the “**WRL Earnings Release Announcement**”) in respect of the release by our controlling shareholder, Wynn Resorts, Limited, of its unaudited financial results for the first quarter ended 31 March 2020. Unless otherwise defined in this announcement, terms defined in the WRL Earnings Release Announcement have the same meaning when used in this announcement.

\* For identification purposes only.

Further to the WRL Earnings Release Announcement, Wynn Resorts, Limited has, on or about 8 May 2020, 1:32 p.m., Las Vegas time, released its unaudited financial results for the first quarter ended 31 March 2020 (“**WRL Quarterly Report**”). If you wish to review the WRL Quarterly Report prepared by Wynn Resorts, Limited and as filed with the U.S. Securities and Exchange Commission, please visit <https://www.sec.gov/Archives/edgar/data/1174922/000117492220000085/0001174922-20-000085-index.htm>. The WRL Quarterly Report contains segment financial information about Wynn Resorts, Limited’s Macau operations, which are owned by our Company.

The financial results of Wynn Resorts, Limited, including those contained in the WRL Quarterly Report, have been prepared in accordance with the Generally Accepted Accounting Principles of the United States (“**U.S. GAAP**”), which are different from the International Financial Reporting Standards (“**IFRS**”) that we use to prepare and present our financial information. As such, the financial information in the WRL Quarterly Report is not directly comparable to the financial results our Company discloses. Consequently, we offer no indication or assurance that the financial results of our Group for the first quarter ended 31 March 2020 will be the same as that presented in the WRL Quarterly Report. In the WRL Earnings Release Announcement, we announced our unaudited financial results for the first quarter ended 31 March 2020 prepared in accordance with IFRS.

To ensure that all shareholders and potential investors of our Company have equal and timely access to the information pertaining to our Company, set forth below are the key highlights of financial information and other information published by Wynn Resorts, Limited in the WRL Quarterly Report that relate to our Company and our operations in Macau (unless otherwise provided, all dollar amounts in the WRL Quarterly Report are denominated in United States dollars), some of which may constitute material inside information of the Company:

**“QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended March 31, 2020**

**Part I. FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**WYNN RESORTS, LIMITED AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited)**

**Note 1 — Organization**

*Organization*

*In the Macau Special Administrative Region of the People’s Republic of China (“Macau”), the Company owns approximately 72% of Wynn Macau, Limited (“WML”), which includes the operations of the Wynn Palace and Wynn Macau resorts. The Company refers to Wynn Palace and Wynn Macau as its Macau Operations.*

*Recent Developments Related to COVID-19*

*As previously disclosed, in January 2020, an outbreak of a new strain of coronavirus, COVID-19 (“COVID-19”), was identified. Since then, COVID-19 has spread around the world, and steps have been taken by various countries, including those in which the Company operates, to advise citizens to avoid non-essential travel, to restrict inbound international travel, to implement closures of non-essential operations, and to implement quarantines and lockdowns to contain the spread of the virus. Currently, no fully effective treatments or vaccines have been developed, and there can be no assurance as to if or when an effective treatment or vaccine will be discovered.*

*In response to the COVID-19 pandemic, the Macau government announced on February 4, 2020 the closure of all casino operations in Macau, including those at Wynn Palace and Wynn Macau, for a period of 15 days. On February 20, 2020, the Company’s casino operations at Wynn Palace and Wynn Macau reopened on a reduced basis and have since been fully restored; however, certain health safeguards, such as traveler quarantines, limiting the number of seats per table game, slot machine spacing, temperature checks, mask protection, and health declarations remain in effect at the present time. The Company is currently unable to determine when these measures will be lifted.*

*Visitation to Macau has fallen meaningfully since the outbreak of COVID-19, driven by the outbreak’s strong deterrent effect on travel and social activities, the Chinese government’s suspension of its visa and group tour schemes that allow mainland Chinese residents to travel to Macau, quarantine measures, travel and entry restrictions in Macau, Hong Kong and certain cities and regions in mainland China, the suspension of ferry services and other modes of transportation with Macau and regionally, and the ban on entry or enhanced quarantine requirements for any residents of Greater China attempting to enter Macau. Persons who are not residents of Greater China are barred from entry to Macau at this time.*

The COVID-19 outbreak has had and will continue to have an adverse effect on the Company's results of operations. Given the uncertainty around the extent and timing of the potential future spread or mitigation of COVID-19 and around the imposition or relaxation of protective measures, management cannot reasonably estimate the impact to the Company's future results of operations, cash flows, or financial condition.

As of March 31, 2020, the Company had total cash and cash equivalents, excluding restricted cash, of \$2.88 billion, and had access to \$40.9 million and \$74.2 million of available borrowing capacity from the WRF Revolving Facility and Wynn Macau Revolving Facility, respectively.

Given the Company's liquidity position at March 31, 2020 and the steps the Company has taken subsequent to March 31, 2020 as further described in Note 6, "Long-Term Debt," the Company believes it is able to support continuing operations and respond to the current COVID-19 pandemic challenges.

### Note 3 — Cash, Cash Equivalents and Restricted Cash

Cash, cash equivalents and restricted cash consisted of the following (in thousands):

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Restricted cash <sup>(3)</sup>	4,930	6,388

(3) Restricted cash consists of cash collateral associated with obligations and cash held in a trust in accordance with WML's share award plan.

### Note 6 — Long-Term Debt

Long-term debt consisted of the following (in thousands):

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
<b>Macau Related:</b>		
<b>Wynn Macau Credit Facilities<sup>(1)</sup>:</b>		
Wynn Macau Term Loan, due 2022 <sup>(2)</sup>	\$2,156,491	\$2,302,540
Wynn Macau Revolver, due 2022 <sup>(3)</sup>	676,711	350,232
WML 4 7/8% Senior Notes, due 2024	600,000	600,000
WML 5 1/2% Senior Notes, due 2027	750,000	750,000
WML 5 1/8% Senior Notes, due 2029	1,000,000	1,000,000

(1) The borrowings under the Wynn Macau Credit Facilities bear interest at LIBOR or HIBOR plus a margin of 1.50% to 2.25% per annum based on Wynn Resorts Macau S.A.'s leverage ratio.

- (2) *Approximately \$1.22 billion and \$936.6 million of the Wynn Macau Term Loan currently bears interest at a rate of LIBOR plus 1.75% per year and HIBOR plus 1.75% per year, respectively. As of March 31, 2020, the weighted average interest rate was approximately 3.20%.*
- (3) *Approximately \$384.8 million and \$291.9 million of the Wynn Macau Revolver currently bears interest at a rate of LIBOR plus 1.75% per year and HIBOR plus 1.75% per year, respectively. As of March 31, 2020, the weighted average interest rate was approximately 2.71%. As of March 31, 2020, the available borrowing capacity under the Wynn Macau Revolver was \$74.2 million. In April 2020, the Company drew an additional \$50.0 million under the Wynn Macau Revolver.*

## **Note 11 — Income Taxes**

*Wynn Macau SA received a five year exemption from Macau's 12% Complementary Tax on casino gaming profits through December 31, 2020. Accordingly, for the three months ended March 31, 2019, the Company was exempt from the payment of such taxes totaling \$22.8 million. For the three months ended March 31, 2020, the Company did not have any casino gaming profits exempt from the Macau Complementary Tax. The Company's non-gaming profits remain subject to the Macau Complementary Tax and its casino winnings remain subject to the Macau special gaming tax and other levies in accordance with its concession agreement.*

*In April 2020, Wynn Macau SA received an extension of the exemption from Macau's 12% Complementary Tax on casino gaming profits earned from January 1, 2021 to June 26, 2022, the expiration date of the gaming concession agreement.*

## **Note 16 — Segment Information**

*The Company reviews the results of operations for each of its operating segments, and identifies reportable segments based upon factors such as geography, regulatory environment, and the Company's organizational and management reporting structure. Wynn Macau and Encore, an expansion at Wynn Macau, are managed as a single integrated resort and have been aggregated as one reportable segment ("Wynn Macau"). Wynn Palace is presented as a separate reportable segment and is combined with Wynn Macau for geographical presentation.*

*Other Macau primarily represents the assets for the Company's Macau holding company.*

The following tables present the Company's segment information (in thousands):

	<b>Three Months Ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
<b>Operating revenues</b>		
<i>Macau Operations:</i>		
<i>Wynn Palace</i>		
<i>Casino</i>	\$207,576	\$623,175
<i>Rooms</i>	19,710	43,314
<i>Food and beverage</i>	13,298	28,625
<i>Entertainment, retail and other<sup>(1)</sup></i>	18,929	31,508
	<b>259,513</b>	<b>726,622</b>
 <i>Wynn Macau</i>		
<i>Casino</i>	190,128	450,242
<i>Rooms</i>	15,911	28,867
<i>Food and beverage</i>	9,531	20,975
<i>Entertainment, retail and other<sup>(1)</sup></i>	13,919	23,807
	<b>229,489</b>	<b>523,891</b>
 <b>Total Macau Operations</b>	 <b>489,002</b>	 <b>1,250,513</b>
	<b>Three Months Ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
<b>Adjusted Property EBITDA<sup>(2)</sup></b>		
<i>Macau Operations:</i>		
<i>Wynn Palace</i>	\$10,176	\$222,586
<i>Wynn Macau</i>	19,208	163,889
<b>Total Macau Operations</b>	<b>29,384</b>	<b>386,475</b>

(1) Includes lease revenue accounted for under lease accounting guidance.

(2) “Adjusted Property EBITDA” is net income (loss) before interest, income taxes, depreciation and amortization, pre-opening expenses, property charges and other, management and license fees, corporate expenses and other (including intercompany golf course and water rights leases), stock-based compensation, change in derivatives fair value, loss on extinguishment of debt, and other non-operating income and expenses. Adjusted Property EBITDA is presented exclusively as a supplemental disclosure because management believes that it is widely used to measure the performance, and as a basis for valuation, of gaming companies. Management uses Adjusted Property EBITDA as a measure of the operating performance of its segments and to compare the operating performance of its properties with those of its competitors, as well as a basis for determining certain incentive compensation. We also present Adjusted Property EBITDA because it is used by some investors to measure a company’s ability to incur and service debt, make capital expenditures and meet working capital requirements. Gaming companies have historically reported EBITDA as a supplement to GAAP. In order to view the operations of their casinos on a more stand-alone basis, gaming companies, including us, have historically excluded from their EBITDA calculations preopening expenses, property charges, corporate expenses and stock-based compensation, that do not relate to the management of specific casino properties. However, Adjusted Property EBITDA should not be considered as an alternative to operating income as an indicator of our performance, as an alternative to cash flows from operating activities as a measure of liquidity, or as an alternative to any other measure determined in accordance with GAAP. Unlike net income, Adjusted Property EBITDA does not include depreciation or interest expense and therefore does not reflect current or future capital expenditures or the cost of capital. We have significant uses of cash flows, including capital expenditures, interest payments, debt principal repayments, income taxes and other nonrecurring charges, which are not reflected in Adjusted Property EBITDA. Also, our calculation of Adjusted Property EBITDA may be different from the calculation methods used by other companies and, therefore, comparability may be limited.

	<u>March 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
<b>Assets</b>		
<b>Macau Operations:</b>		
Wynn Palace	\$3,666,518	\$3,734,210
Wynn Macau	1,713,929	1,656,625
Other Macau	1,030,508	1,023,411
<b>Total Macau Operations</b>	<u><b>6,410,955</b></u>	<u><b>6,414,246</b></u>

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

### **Overview**

We are a designer, developer, and operator of integrated resorts featuring luxury hotel rooms, high-end retail space, an array of dining and entertainment options, meeting and convention facilities, and gaming, all supported by an unparalleled focus on our guests, our people, and our community. Through our approximately 72% ownership of WML, we operate two integrated resorts in the Macau Special Administrative Region of the People’s Republic of China (“Macau”), Wynn Palace and Wynn Macau (collectively, our “Macau Operations”).

## *Recent Developments Related to COVID-19*

*As previously disclosed, in January 2020, an outbreak of a new strain of coronavirus, COVID-19 (“COVID-19”), was identified. Since then, COVID-19 has spread around the world, and steps have been taken by various countries, including those in which we operate, to advise citizens to avoid non-essential travel, to restrict inbound international travel, to implement closures of non-essential operations, and to implement quarantines and lockdowns to contain the spread of the virus. Currently, no fully effective treatments or vaccines have been developed, and there can be no assurance as to if or when an effective treatment or vaccine will be discovered.*

### *Macau Operations*

*In response to the COVID-19 pandemic, the Macau government announced on February 4, 2020 the closure of all casino operations in Macau, including those at Wynn Palace and Wynn Macau, for a period of 15 days. On February 20, 2020, our casino operations at Wynn Palace and Wynn Macau reopened on a reduced basis and have since been fully restored; however, certain health safeguards, such as traveler quarantines, limiting the number of seats per table game, slot machine spacing, temperature checks, mask protection, and health declarations remain in effect at the present time. We are currently unable to determine when these measures will be lifted.*

*Visitation to Macau has fallen meaningfully since the outbreak of COVID-19. Total visitation from mainland China to Macau decreased by 97.2% and 96.3% in February and March 2020, respectively, compared to the same periods in 2019. The decrease in visitation is driven by the numerous measures put in place by the governments of China and Macau, including the Chinese government’s suspension of its visa and group tour schemes that allow mainland Chinese residents to travel to Macau, traveler quarantine measures, travel and entry restrictions in Macau, Hong Kong, and certain cities and regions in mainland China, the suspension of ferry services and other modes of transportation with Macau and regionally, and the ban on entry or enhanced quarantine requirements for any residents of Greater China attempting to enter Macau. Persons who are not residents of Greater China are barred from entry to Macau at this time. The Company is currently unable to determine when these restrictions will be modified or lifted.*

*The disruptions arising from the COVID-19 outbreak have had, during the three months ended March 31, 2020, and will continue to have an adverse effect on the Company’s results of operations. Wynn Las Vegas and Encore Boston Harbor are effectively generating no revenue during the periods of their respective closures, and our Macau Operations are generating extremely limited revenue. Given the uncertainty around the extent and timing of the potential future spread or mitigation of COVID-19 and around the imposition or relaxation of protective measures, the impact on the Company’s consolidated results of operations, cash flows and financial condition in 2020 and potentially thereafter will be material, but cannot be reasonably estimated at this time as it is unknown when the COVID-19 pandemic will end, when or if our properties will return to pre-pandemic demand and pricing, when or how quickly the current travel restrictions will be modified or cease to be necessary and the resulting impact on the Company’s business.*

## **Key Operating Measures**

*Certain key operating measures specific to the gaming industry are included in our discussion of our operational performance for the periods for which the Condensed Consolidated Statements of Operations are presented. These key operating measures are presented as supplemental disclosures because management and/or certain investors use these measures to better understand period-over-period fluctuations in our casino and hotel operating revenues. These key operating measures are defined below:*

- Table drop in mass market for our Macau Operations is the amount of cash that is deposited in a gaming table's drop box plus cash chips purchased at the casino cage.*
- Rolling chips are non-negotiable identifiable chips that are used to track turnover for purposes of calculating incentives within our Macau Operations' VIP program.*
- Turnover is the sum of all losing rolling chip wagers within our Macau Operations' VIP program.*
- Table games win is the amount of table drop or turnover that is retained and recorded as casino revenues. Table games win is before discounts, commissions and the allocation of casino revenues to rooms, food and beverage and other revenues for services provided to casino customers on a complimentary basis. Table games win does not include poker rake.*
- Slot machine win is the amount of handle (representing the total amount wagered) that is retained by us and is recorded as casino revenues. Slot machine win is after adjustment for progressive accruals and free play, but before discounts and the allocation of casino revenues to rooms, food and beverage and other revenues for services provided to casino customers on a complimentary basis.*
- Poker rake is the portion of cash wagered by patrons in our poker rooms that is retained by the casino as a service fee, after adjustment for progressive accruals, but before the allocation of casino revenues to rooms, food and beverage and other revenues for services provided to casino customers on a complimentary basis. Poker tables are not included in our measure of average number of table games.*
- Average daily rate ("ADR") is calculated by dividing total room revenues, including complimentaries (less service charges, if any), by total rooms occupied.*
- Revenue per available room ("REVPAR") is calculated by dividing total room revenues, including complimentaries (less service charges, if any), by total rooms available.*
- Occupancy is calculated by dividing total occupied rooms, including complimentary rooms, by the total rooms available.*

*Below is a discussion of the methodologies used to calculate win percentages at our resorts.*

*In our VIP operations in Macau, customers primarily purchase rolling chips from the casino cage and can only use them to make wagers. Winning wagers are paid in cash chips. The loss of the rolling chips in the VIP operations is recorded as turnover and provides a base for calculating VIP win percentage. It is customary in Macau to measure VIP play using this rolling chip method. We expect our win as a percentage of turnover from these operations to be within the range of 2.7% to 3.0%.*

*In our mass market operations in Macau, customers may purchase cash chips at either the gaming tables or at the casino cage. The measurements from our VIP and mass market operations are not comparable as the measurement method used in our mass market operations tracks the initial purchase of chips at the table and at the casino cage, while the measurement method from our VIP operations tracks the sum of all losing wagers. Accordingly, the base measurement from the VIP operations is much larger than the base measurement from the mass market operations. As a result, the expected win percentage with the same amount of gaming win is lower in the VIP operations when compared to the mass market operations.*

## **Results of Operations**

### *Summary of first quarter 2020 results*

*The decrease in operating revenues for the three months ended March 31, 2020 was primarily driven by decreases of \$467.1 million, \$294.4 million, and \$77.2 million from Wynn Palace, Wynn Macau, and our Las Vegas Operations, respectively. These declines were precipitated by the adverse effects of the COVID-19 outbreak during the three months ended March 31, 2020, which include the closure of our casino operations in Macau for a 15-day period and their subsequent reopening on a reduced basis, and the closure of our Las Vegas Operations on March 17, 2020 for the remainder of the first quarter of 2020.*

*The decrease in Adjusted Property EBITDA for the three months ended March 31, 2020 was driven by decreases of \$212.4 million, \$144.7 million, and \$130.4 million from Wynn Palace, Wynn Macau, and our Las Vegas Operations, respectively.*

**Financial results for the three months ended March 31, 2020 compared to the three months ended March 31, 2019.**

*Operating revenues*

The following table presents our operating revenues (in thousands):

	<b>Three Months Ended March 31,</b>		<b>Increase/ (Decrease)</b>	<b>Percent Change</b>
	<b>2020</b>	<b>2019</b>		
<b>Operating revenues</b>				
<i>Macau Operations:</i>				
Wynn Palace	\$259,513	\$726,622	\$(467,109)	(64.3)
Wynn Macau	229,489	523,891	(294,402)	(56.2)
<b>Total Macau Operations</b>	<b>489,002</b>	<b>1,250,513</b>	<b>(761,511)</b>	<b>(60.9)</b>

*Casino revenues*

Casino revenues decreased primarily due to the adverse effects of the COVID-19 outbreak, including the closure of our casino operations in Macau for a 15-day period and their subsequent reopening on a reduced basis, and the closure of Encore Boston Harbor on March 15, 2020 and our Las Vegas Operations on March 17, 2020 for the remainder of the first quarter of 2020.

**Three Months Ended  
March 31,**

	<b>2020</b>	<b>2019</b>	<b>Increase/ (Decrease)</b>	<b>Percent Change</b>
<b>Macau Operations:</b>				
<i>Wynn Palace:</i>				
Total casino revenues	\$207,576	\$623,175	\$(415,599)	(66.7)
<b>VIP:</b>				
Average number of table games	89	111	(22)	(19.8)
VIP turnover	\$4,792,454	\$12,627,262	\$(7,834,808)	(62.0)
VIP table games win	\$139,569	\$493,184	\$(353,615)	(71.7)
VIP win as a % of turnover	2.91%	3.91%	(1.0)	
Table games win per unit per day	\$20,257	\$49,156	\$(28,899)	(58.8)
<b>Mass market:</b>				
Average number of table games	179	211	(32)	(15.2)
Table drop	\$475,223	\$1,303,924	\$(828,701)	(63.6)
Table games win	\$130,714	\$315,469	\$(184,755)	(58.6)
Table games win %	27.5%	24.2%	3.3	
Table games win per unit per day	\$9,507	\$16,646	\$(7,139)	(42.9)
Average number of slot machines	733	1,091	(358)	(32.8)
Slot machine handle	\$424,714	\$975,048	\$(550,334)	(56.4)
Slot machine win	\$18,405	\$51,401	\$(32,996)	(64.2)
Slot machine win per unit per day	\$326	\$524	\$(198)	(37.8)

**Three Months Ended  
March 31,**

	<b>2020</b>	<b>2019</b>	<b>Increase/ (Decrease)</b>	<b>Percent Change</b>
<b>Wynn Macau:</b>				
<i>Total casino revenues</i>	\$190,128	\$450,242	\$(260,114)	(57.8)
<b>VIP:</b>				
<i>Average number of table games</i>	81	113	(32)	(28.3)
<i>VIP turnover</i>	\$2,964,146	\$10,194,031	\$(7,229,885)	(70.9)
<i>VIP table games win</i>	\$122,625	\$295,298	\$(172,673)	(58.5)
<i>VIP win as a % of turnover</i>	4.14%	2.90%	1.24	
<i>Table games win per unit per day</i>	\$19,702	\$29,099	\$(9,397)	(32.3)
<b>Mass market:</b>				
<i>Average number of table games</i>	183	206	(23)	(11.2)
<i>Table drop</i>	\$578,235	\$1,351,693	\$(773,458)	(57.2)
<i>Table games win</i>	\$117,941	\$264,542	\$(146,601)	(55.4)
<i>Table games win %</i>	20.4%	19.6%	0.8	
<i>Table games win per unit per day</i>	\$8,372	\$14,283	\$(5,911)	(41.4)
<i>Average number of slot machines</i>	634	826	(192)	(23.2)
<i>Slot machine handle</i>	\$366,537	\$794,367	\$(427,830)	(53.9)
<i>Slot machine win</i>	\$13,295	\$37,894	\$(24,599)	(64.9)
<i>Slot machine win per unit per day</i>	\$272	\$510	\$(238)	(46.6)
<i>Poker rake</i>	\$2,083	\$5,752	\$(3,669)	(63.8)

## Non-casino revenues

The table below sets forth our room revenues and associated key operating measures:

	<b>Three Months Ended</b>		<b>Increase/ (Decrease)</b>	<b>Percent Change</b>
	<b>March 31,</b>			
	<b>2020</b>	<b>2019</b>		
<b>Macau Operations:</b>				
<i>Wynn Palace:</i>				
<i>Total room revenues</i>				
<i>(dollars in thousands)</i>	\$19,710	\$43,314	\$(23,604)	(54.5)
<i>Occupancy</i>	41.6%	97.2%	(55.6)	
<i>ADR</i>	\$294	\$271	\$23	8.4
<i>REVPAR</i>	\$122	\$264	\$(142)	(53.8)
<i>Wynn Macau:</i>				
<i>Total room revenues</i>				
<i>(dollars in thousands)</i>	\$15,911	\$28,867	\$(12,956)	(44.9)
<i>Occupancy</i>	49.2%	99.3%	(50.1)	
<i>ADR</i>	\$321	\$290	\$31	10.9
<i>REVPAR</i>	\$158	\$288	\$(130)	(45.1)

Room revenues decreased \$38.6 million, primarily due to lower occupancy at Wynn Palace and Wynn Macau and the closure of our Las Vegas Operations resulting from the adverse effects of the COVID-19 outbreak.

Food and beverage revenues decreased \$23.8 million, primarily due to decreased covers at our restaurants at our Macau Operations and closure of our Las Vegas Operations resulting from the adverse effects of the COVID-19 outbreak.

Entertainment, retail and other revenues decreased \$21.1 million, primarily due to a decrease in visitation to our Macau Operations and closure of our Las Vegas Operations resulting from the adverse effects of the COVID-19 outbreak.

## Operating expenses

Casino expenses decreased primarily due to decreases of \$235.6 million and \$147.4 million at Wynn Palace and Wynn Macau, respectively, commensurate with the decreases in casino revenues at each property.

Room expenses increased primarily due to \$9.6 million from Encore Boston Harbor and an increase of \$3.4 million at our Las Vegas Operations, inclusive of \$1.5 million and \$8.3 million, respectively, of expense accrued during the quarter related to our commitment to pay salary, tips, and benefits continuation for all of our U.S. employees for the period from April 1 through May 15, 2020. The increase was partially offset by a decrease of \$2.8 million at Wynn Palace, commensurate with the decrease in room revenues.

*Food and beverage expenses increased primarily due to \$26.2 million from Encore Boston Harbor and an increase of \$12.9 million at our Las Vegas Operations, inclusive of \$4.8 million and \$20.8 million, respectively, of expense accrued during the quarter related to our commitment to pay salary, tips, and benefits continuation for all of our U.S. employees for the period from April 1 through May 15, 2020. The increase was partially offset by decreases of \$9.1 million and \$2.9 million at Wynn Palace and Wynn Macau, respectively, primarily due to decreased costs of sales associated with a decrease in covers.*

*Entertainment, retail and other expenses increased primarily due to \$5.0 million from Encore Boston Harbor and an increase of \$3.2 million at our Las Vegas Operations, inclusive of \$0.7 million and \$4.1 million, respectively, of expense accrued during the quarter related to our commitment to pay salary, tips, and benefits continuation for all of our U.S. employees for the period from April 1 through May 15, 2020. The increase was partially offset by decreases of \$4.5 million and \$2.3 million at Wynn Palace and Wynn Macau, respectively, primarily due to the closure of certain owned retail outlets at our Macau Operations and their conversion to leased outlets during 2019.*

*General and administrative expenses increased primarily due to \$45.6 million from Encore Boston Harbor and an increase of \$13.1 million at our Las Vegas Operations, inclusive of \$4.4 million and \$10.2 million, respectively, of expense accrued during the quarter related to our commitment to pay salary, tips, and benefits continuation for all of our U.S. employees for the period from April 1 through May 15, 2020. The increase was partially offset by decreases of \$4.3 million and \$0.6 million at Wynn Palace and Wynn Macau, respectively.*

*Provision for credit losses increased primarily due to increases of \$11.7 million, \$1.8 million and \$0.9 million at our Las Vegas Operations, Wynn Palace, and Wynn Macau, respectively.*

*Our property charges and other expenses for the quarter ended March 31, 2020 consisted primarily of asset abandonments and retirements of \$22.2 million and \$1.4 million at Wynn Palace and Wynn Macau, respectively.*

#### *Other non-operating income and expenses*

*We incurred a foreign currency remeasurement gain of \$10.3 million and loss of \$6.4 million for the three months ended March 31, 2020 and 2019, respectively. The impact of the exchange rate fluctuation of the Macau pataca, in relation to the U.S. dollar, on the remeasurements of U.S. dollar denominated debt and other obligations from our Macau-related entities drove the variability between periods.*

#### *Net income (loss) attributable to noncontrolling interests*

*Net loss attributable to noncontrolling interests was \$48.2 million for the three months ended March 31, 2020, compared to income of \$54.9 million for the same period of 2019. These amounts are primarily related to the noncontrolling interests' share of net income (loss) from WML.*

## **Adjusted Property EBITDA**

We use Adjusted Property EBITDA to manage the operating results of our segments.

The following table summarizes Adjusted Property EBITDA (in thousands) for Wynn Palace, Wynn Macau, Las Vegas Operations, and Encore Boston Harbor as reviewed by management and summarized in Item 1— “Notes to Condensed Consolidated Financial Statements,” Note 16, “Segment Information.”

	<b>Three Months Ended March 31,</b>		<b>Increase/ (Decrease)</b>	<b>Percent Change</b>
	<b>2020</b>	<b>2019</b>		
Wynn Palace	\$10,176	\$222,586	\$(212,410)	(95.4)
Wynn Macau	19,208	163,889	(144,681)	(88.3)

Adjusted Property EBITDA decreased \$212.4 million and \$144.7 million at Wynn Palace and Wynn Macau, respectively. The decreases were primarily attributable to a decline in operating revenues precipitated by the adverse effects of the COVID-19 outbreak during the three months ended March 31, 2020, which include the closure of our casino operations in Macau for a 15-day period and their subsequent reopening on a reduced basis.

## **Liquidity and Capital Resources**

### **Operating Activities**

During the three months ended March 31, 2020, the decrease in net cash provided by operations was primarily due to the adverse effects of the COVID-19 outbreak on the results of our operations for the three months ended March 31, 2020. During the three months ended March 31, 2019, the increase in net cash provided by operations was primarily driven by an increase in net income.

### **Investing Activities**

During the three months ended March 31, 2020, we incurred capital expenditures of \$43.6 million at Encore Boston Harbor primarily for the payment of construction retention and other payables related to its construction, \$37.0 million at our Las Vegas Operations for restaurant remodels and maintenance capital expenditures, \$12.2 million for the construction of the additional meeting and convention space at Wynn Las Vegas, and \$17.5 million and \$26.6 million at Wynn Palace and Wynn Macau, respectively, primarily related to maintenance capital expenditures.

## **Financing Activities**

During the three months ended March 31, 2020, we borrowed \$325.8 million, net of amounts repaid, under the Wynn Macau Revolver, borrowed \$791.0 million under the WRF Revolver, prepaid \$150.2 million of outstanding principal owed under the Wynn Macau Term Loan, and made a \$12.5 million quarterly amortization payment under the WRF Term Loan. In addition, we used cash of \$107.4 million for the payment of dividends.

During the three months ended March 31, 2019, we repaid \$498.8 million on the Wynn Macau Revolver and borrowed an additional \$250.0 million term loan under the Wynn Resorts Term Loan. In addition, we used cash of \$80.8 million for the payment of dividends.

## **Capital Resources**

The following table summarizes our unrestricted cash and cash equivalents and available revolver borrowing capacity under the Company as of March 31, 2020 (in thousands):

	<b>Total Cash and Cash Equivalents</b>	<b>Revolver Borrowing Capacity</b>
Wynn Resorts (Macau) S.A. and subsidiaries	\$819,279	\$74,186
Wynn Macau, Limited and subsidiaries <sup>(1)</sup>	1,013,443	—

(1) Excluding Wynn Resorts (Macau) S.A. and subsidiaries.

*Wynn Resorts (Macau) S.A. and subsidiaries.* Wynn Resorts (Macau) S.A. (“Wynn Macau SA”) generates cash from our Macau Operations and utilizes its revolver to fund short term working capital requirements as needed. We expect to use this cash to service our existing Wynn Macau Credit Facilities, make distributions to WML, and fund working capital and capital expenditure requirements at our Macau Operations. In April 2020, Wynn Macau SA drew an additional \$50.0 million under the Wynn Macau Revolver.

*The Wynn Macau Credit Facilities contain customary negative and financial covenants, including, but not limited to, leverage ratio and interest coverage ratio tests (as defined in the Wynn Macau Credit Facilities) that could restrict its ability to make distributions to WML and incur additional indebtedness. Wynn Macau SA is required to maintain a leverage ratio of not greater than 4.00 to 1 and an interest coverage ratio of not less than 2.00 to 1. Wynn Macau SA complied with these ratios for the three months ended March 31, 2020.*

*Wynn Macau, Limited and subsidiaries.* Wynn Macau, Limited (“WML”) primarily generates cash through distributions from Wynn Macau SA. We expect to use WML’s cash to service our existing WML Notes, pay dividends to shareholders of WML (of which we own approximately 72%), and fund working capital requirements at WML.

*The board of directors of WML concluded not to recommend the payment of a final dividend with respect to the year ended December 31, 2019, in light of the unprecedented COVID-19 outbreak and our focus on safeguarding the Company's Macau Operations and the well-being of our employees. The WML board of directors will be continuously monitoring the situation and market conditions in Macau and Greater China and may consider a special dividend in the future when such conditions have stabilized.*

#### *Other Factors Affecting Liquidity*

*We may refinance all or a portion of our indebtedness on or before maturity. We cannot assure you that we will be able to refinance any of the indebtedness on acceptable terms or at all.*

*Legal proceedings in which we are involved also may impact our liquidity. No assurance can be provided as to the outcome of such proceedings.*

*New business developments or other unforeseen events may occur, resulting in the need to raise additional funds. We continue to explore opportunities to develop additional gaming or related businesses in domestic and international markets. There can be no assurances regarding the business prospects with respect to any other opportunity. Any new development may require us to obtain additional financing. We may decide to conduct any such development through Wynn Resorts, Limited or through subsidiaries separate from the Las Vegas, Boston or Macau-related entities.*

### ***Item 3. Quantitative and Qualitative Disclosures About Market Risk***

#### ***Foreign Currency Risks***

*We expect most of the revenues and expenses for any casino that we operate in Macau will be denominated in Hong Kong dollars or Macau patacas; however, a significant portion of our Wynn Macau, Limited debt is denominated in U.S. dollars. Fluctuations in the exchange rates resulting in weakening of the Macau pataca or the Hong Kong dollar in relation to the U.S. dollar could have materially adverse effects on our results, financial condition and ability to service debt. Based on our balances as of March 31, 2020, an assumed 1% change in the U.S. dollar/Hong Kong dollar exchange rate would cause a foreign currency transaction gain/loss of \$26.6 million.*

## **Part II. OTHER INFORMATION**

### **Item 1A. Risk Factors**

*The outbreak of the novel coronavirus COVID-19 (“COVID 19”) has had and will likely continue to have an adverse effect on our business, operations, financial condition and operating results, and the ability of our subsidiaries to pay dividends and distributions.*

*In January 2020, an outbreak of a new strain of coronavirus, COVID-19, was identified and has spread around the world including the United States. Currently, there are no fully effective vaccines and there can be no assurance that an effective vaccine will be developed. The United States has not approved any specific treatments for COVID-19. The spread of COVID-19 and the recent developments surrounding the global pandemic are currently having negative impacts on all aspects of our business.*

*The current, and uncertain future, impact of the COVID-19 outbreak, including its effect on the ability or desire of people to travel (including to and from our properties), is expected to continue to impact our results, operations, outlooks, plans, goals, growth, reputation, cash flows and liquidity.*

*Our casino operations in Macau were closed for a 15-day period in February 2020 and resumed operations on a reduced basis on February 20, 2020. On March 20, 2020, our casinos’ operations were fully restored; however certain health safeguards, such as limiting the number of seats per table game, slot machine spacing, temperature checks, mask protection, and health declarations remain in effect at the present time. Visitation to Macau has meaningfully decreased since the outbreak of COVID-19, driven by outbreak’s strong deterrent effect on travel and social activities, the Chinese government’s suspension of its visa and group tour schemes that allow mainland Chinese residents to travel to Macau, quarantine measures, travel and entry restrictions in Macau, Hong Kong and certain cities and regions in mainland China, the suspension of ferry services and other modes of transportation with Macau and regionally, and most recently, the ban on entry or enhanced quarantine requirements for any residents of Greater China attempting to enter Macau. Persons who are not residents of Greater China are barred from entry to Macau at this time.*

*We cannot predict when any of our closed properties will be able to reopen, the conditions upon which such reopening may occur, and the effects of any such conditions. Moreover, even once travel advisories and restrictions are lifted, demand for casino resorts may remain weak for a significant length of time and we cannot predict if and when our properties will return to pre-outbreak demand or pricing. In particular, demand for casino resorts may be negatively impacted by the adverse changes in the perceived or actual economic climate, including higher unemployment rates, declines in income levels and loss of personal wealth resulting from the impact of COVID-19. In addition, we cannot predict the impact COVID-19 will have on our partners, such as tenants, travel agencies, suppliers and other vendors. We may be adversely impacted as a result of the adverse impact our partners suffer.*

*As a result of all of the foregoing, we may be required to raise additional capital in the future and our access to and cost of financing will depend on, among other things, global economic conditions, conditions in the global financing markets, the availability of sufficient amounts of financing, our prospects and our credit ratings. If our credit ratings were to be downgraded, or general market conditions were to ascribe higher risk to our rating levels, our industry, or us, our access to capital and the cost of any debt financing will be further negatively impacted. In addition, the terms of future debt agreements could include more restrictive covenants, or require incremental collateral, which may further restrict our business operations or be unavailable due to our covenant restrictions then in effect. There is no guarantee that debt financings will be available in the future to fund our obligations, or that they will be available on terms consistent with our expectations.*

*In addition, the COVID-19 outbreak has significantly increased economic and demand uncertainty. The current outbreak and continued spread of COVID-19 could cause a global recession, which would have a further adverse impact on our financial condition and operations. Current economic forecasts for significant increases in unemployment in the U.S. and other regions due to the adoption of social distancing and other policies to slow the spread of the virus is likely to have a negative impact on demand for casino resorts once our operations resume, and these impacts could exist for an extensive period of time.*

*The extent of the effects of the outbreak on our business and the casino resort industry at large is highly uncertain and will ultimately depend on future developments, including, but not limited to, the duration and severity of the outbreak, the length of time it takes for demand and pricing to return and normal economic and operating conditions to resume.*

*The COVID-19 outbreak has had and will continue to have an adverse effect on our results of operations and the ability of our subsidiaries to pay dividends and distributions. Given the uncertainty around the extent and timing of the potential future spread or mitigation of COVID-19 and around the imposition or relaxation of protective measures, we cannot reasonably estimate the impact to our future results of operations, cash flows, or financial condition.*

*To the extent COVID-19 adversely affects our business, operations, financial condition and operating results, it may also have the effect of heightening many of the other risks related to our business, including, but not limited to, those relating to our high level of indebtedness, our need to generate sufficient cash flows to service our indebtedness, and our ability to comply with the covenants contained in the agreements that govern our indebtedness.”*

This announcement contains forward-looking statements. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, such results may differ from those expressed in any forward-looking statements made by us. The risks and uncertainties include, but are not limited to, competition in the casino/hotel and resorts industries, our Company’s dependence on existing management, levels of travel, disruptions or reductions in travel, as well as in our operations, due to natural or manmade disasters, pandemics, epidemics, or outbreaks of infectious or contagious diseases, leisure and casino spending, general economic conditions, and changes in gaming laws or regulations. Additional information concerning potential factors that could affect our Company’s financial results are included in our published interim and annual reports. We are under no obligation to (and expressly disclaim any such obligation to) update the forward-looking statements as a result of new information, future events or otherwise.

Our shareholders and potential investors are advised not to place undue reliance on the WRL Quarterly Report and to exercise caution in dealing in securities in our Company.

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

Hong Kong, 10 May 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).*