

THIS INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Information Pack must be read in conjunction with the section headed “Warning” on the cover of this Information Pack.

CONNECTED TRANSACTIONS

OVERVIEW

Following the completion of the Reorganization, we will continue to have certain transactions that constitute connected transactions within the meaning of the relevant rules and regulations.

The following table presents an overview summary of the transactions as well as the waivers from strict compliance with the relevant requirements of the relevant rules and regulations that we have received from the relevant authorities.

Overview of connected transactions and waivers

Nature of Transaction	Waiver Sought
Employment Agency Framework Agreement	None
Project Administration Services Agreement	None
Ancillary Support Services Framework Agreement	None
Worldwide Wynn Employment Framework Agreement	Waiver from announcement requirements
Marketing and Secondment Services Framework Agreement	Waiver from announcement requirements
Design Services Framework Agreement	Waiver from announcement requirements
Corporate Allocation Agreements	Waiver from announcement requirements
Intellectual Property License Agreements	Waiver from announcement and independent shareholders' approval requirements

CONTINUING CONNECTED TRANSACTIONS

Exempt Continuing Connected Transactions

The following transactions will be regarded as continuing connected transactions exempt from the reporting, announcement and independent shareholders' approval requirements under the relevant rules and regulations.

1. *Employment Agency Framework Agreements*

Background: During the three years ended 31 December 2008 and the three months ended 30 June 2009, WRM had an arrangement with (1) SH, under which SH provided non-skilled PRC employees to WRM to undertake certain positions in various divisions such as food and beverage, housekeeping, maintenance and hotel operations at WRM's casino resorts; and (2) Wynn Manpower, under which Wynn Manpower acted as WRM's agent to source for non-skilled foreign employees (excluding PRC nationals), for WRM's casino resort operations. The Macau labor and immigration departments require a Macau-established entity to act as the authorized agent to import non-skilled PRC or foreign labor into Macau, and such entity must not be within a group of companies that holds a Macau gaming concession or subconcession license. In such circumstance, SH and Wynn Manpower, each a Macau-incorporated subsidiary of Wynn Resorts, Limited and each a company not within the Group, is registered and authorized by the appropriate authorities to import non-skilled PRC or foreign labor, respectively, to

CONNECTED TRANSACTIONS

undertake certain work at WRM’s casino resorts. SH and Wynn Manpower did not receive any commission or fees from us in connection with this arrangement and we compensated the non-skilled PRC or foreign laborers directly for their services performed.

Connected Persons:

- *Wynn Resorts, Limited.* Wynn Resorts, Limited indirectly owns WRM through its ownership of the entire share capital of WM Cayman Holdings Limited I, which in turn will own 80% of our Company’s share capital immediately after the completion of the Reorganization. WM Cayman Holdings Limited I, as a substantial shareholder holding more than 10% of our Company’s share capital, is our Company’s connected person and Wynn Resorts, Limited, as the holding company of WM Cayman Holdings Limited I, is its associate and, therefore, also a connected person of our Company.
- *WRL Group.* WM Cayman Holdings Limited I is a substantial shareholder and connected person of our Company. Accordingly, other than the Group (1) any subsidiary of Wynn Resorts, Limited held through WM Cayman Holdings Limited I, and (2) any other subsidiary of Wynn Resorts, Limited, as a fellow subsidiary of WM Cayman Holdings Limited I, is an associate of WM Cayman Holdings Limited I and, therefore, also a connected person of our Company. SH and Wynn Manpower are Macau-incorporated subsidiaries indirectly held by Wynn Resorts, Limited. As described above, any entity within the WRL Group is also a connected person of the Company.

Connected Transactions: Any services provided by any entity within the WRL Group to the Company will be connected transactions under the relevant rules and regulations, and any continuing services after the completion of the Reorganization will constitute continuing connected transactions under the relevant rules and regulations.

Pricing: Neither SH nor Wynn Manpower receives any commission or fees from us in connection with the employment agency arrangement of non-skilled PRC or foreign labor as described above.

Future services: [We have entered into employment agency framework agreements with each of SH and Wynn Manpower. Pursuant to these employment agency framework agreements, SH and Wynn Manpower will, without commission or fee, continue to provide non-skilled PRC or foreign labor to us. As agreed in the employment agency framework agreements, SH and Wynn Manpower will not charge us any commission or fees for providing their services. Accordingly, the employment agency framework agreements constitute *de minimis* continuing connected transactions exempt from reporting, announcement and independent shareholders’ approval requirements under the relevant rules and regulations.]

2. Project Administration Services Agreement

Background: On 7 March 2005, WRM entered into a project administration services agreement with Wynn Design & Development. This agreement was amended and restated on 14 September 2005. It provided that Wynn Design & Development will perform certain tasks relating to the development, planning and construction of Wynn Macau or Encore at Wynn Macau. WRM’s lenders under the Wynn Macau Credit Facilities required that Wynn Design & Development enter into a direct agreement pursuant to which, among other things, Wynn Design & Development consented to and acknowledged that WRM had granted security over the project administration services agreement and such lenders were also granted cure rights and step-in rights in respect of the project administration services agreement.

CONNECTED TRANSACTIONS

Connected Persons:

- *WRL Group.* Wynn Design & Development is a subsidiary of Wynn Resorts, Limited. As described above, any entity within the WRL Group is also a connected person of the Company.

Connected Transactions: Any services provided by any entity within the WRL Group to the Company will be connected transactions under the relevant rules and regulations, and any continuing services after the completion of the Reorganization will constitute continuing connected transactions under the relevant rules and regulations.

Pricing: The fee for the services provided by Wynn Design & Development is based on a cost and expense reimbursement basis incurred by Wynn Design & Development in the performance of its services.

Future services: [Based upon the historical fees charged by Wynn Design & Development, and after discussions with Wynn Design & Development of any projected increase in the cost of providing the services to us, we anticipate that the service fees payable by us to Wynn Design & Development for the foreseeable future will not exceed the greater of US\$1.0 million per annum or HK\$7.75 million per annum since the construction of Encore at Wynn Macau is currently at an advanced stage, and the highest applicable percentage ratio will be, on an annual basis, less than 0.1%. Accordingly, the project administration services agreement constitutes a *de minimis* continuing connected transaction exempt from reporting, announcement and independent shareholders’ approval requirements under the relevant rules and regulations.]

3. Ancillary Support Services Framework Agreement

Background: During the three years ended 31 December 2008 and the six months ended 30 June 2009, we had an arrangement with Wynn LV under which Wynn LV provided us with certain ancillary support services, typically through temporary secondment of staff who specializes in certain services including, surveillance, food and beverage, and gaming and hotel operations. These services were provided on an occasional basis and were used to supplement our operations during large scale events such as the opening of our properties or the launch of any major events that we organized or hosted.

Connected Persons:

- *WRL Group.* Wynn LV is a subsidiary of Wynn Resorts, Limited. As described above, any entity within the WRL Group is also a connected person of the Company.

Connected Transactions: Any services provided by any entity within the WRL Group to the Company will be connected transactions under the relevant rules and regulations, and any continuing services after the completion of the Reorganization will constitute continuing connected transactions under the relevant rules and regulations.

Pricing: The fee for the services provided by Wynn LV is based on a cost and expense reimbursement basis incurred by Wynn LV in the performance of its services.

Future services: [Based upon the historical fees charged by Wynn LV, and after discussions with Wynn LV of any projected increase in the cost of providing the services to us, we anticipate that the service fees payable by us to Wynn LV for the foreseeable future will not exceed the greater of US\$1.4 million per annum or HK\$11.0 million per annum since these services are only required occasionally, and the highest applicable percentage ratio will be, on an annual basis, less than 0.1%. Accordingly, the ancillary support services agreement constitutes a *de minimis* continuing connected transaction exempt from reporting, announcement and independent shareholders’ approval requirements under the relevant rules and regulations.]

THIS INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Information Pack must be read in conjunction with the section headed “Warning” on the cover of this Information Pack.

CONNECTED TRANSACTIONS

Non-Exempt Continuing Connected Transactions Subject to Reporting and Announcement Requirements

After completion of the Reorganization, the following transactions will be regarded as continuing connected transactions exempt from independent shareholders’ approval requirements under the relevant rules and regulations, but are subject to reporting and announcement requirements under the relevant rules and regulations.

I. Worldwide Wynn Employment Framework Agreement

Background: During the three years ended 31 December 2008 and the six months ended 30 June 2009, we had an arrangement with Worldwide Wynn under which Worldwide Wynn employed certain of our management personnel who are U.S. residents based in or to be based in Macau (“U.S. Resident Staff”) on our behalf and seconded the U.S. Resident Staff to us. This arrangement is continuing. The U.S. Resident Staff has a formal employment agreement with us through the secondment. This arrangement was put in place to ensure that each U.S. Resident Staff is, in addition to his or her employment with us, 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. For each of the years ended 31 December 2006, 2007 and 2008, Worldwide Wynn charged us approximately HK\$30.5 million, HK\$43.2 million and HK\$43.3 million in aggregate for its services rendered in connection with the arrangement. As at the Latest Practicable Date, there are 27 employees at WRM who are subject to these arrangements.

Connected Persons:

- *WRL Group.* Worldwide Wynn is a subsidiary of Wynn Resorts, Limited. As described above, any entity within the WRL Group is also a connected person of the Company.

Connected Transactions: Any services provided by any entity within the WRL Group to the Company will be connected transactions under the relevant rules and regulations, and any continuing services after the completion of the Reorganization will constitute continuing connected transactions under the relevant rules and regulations.

Pricing: Worldwide Wynn is reimbursed for the cost of secondment (including salaries and benefits of the seconded employee) and is entitled to receive a fee of 5% of the aggregate cost of the secondment of the employee during the secondment period, for its role in the employment arrangement described above.

Future services: [We have entered into employment framework agreement with Worldwide Wynn, which will expire on 31 December 2011. Subject to compliance with the relevant rules and regulations or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, the agreement is renewable at our option for a three-year term (or such other period permitted under the relevant rules and regulations). Pursuant to the employment framework agreement, Worldwide Wynn will continue to employ, on our behalf, U.S. Resident Staff, to second them to us and to be entitled to be reimbursed for any cost incurred and to collect an annual fee calculated on the same pricing basis as above.]

Based upon the aggregate cost of the employees that are seconded to the Company by Worldwide Wynn, and after discussing with Worldwide Wynn, the projected increase to the cost of providing the services to the Company, we estimate that the aggregate cost reimbursements and annual fees payable by us to Worldwide Wynn will be approximately US\$9.0 million (HK\$69.8 million), US\$9.2 million (HK\$71.3 million) and US\$9.4 million (HK\$72.9 million) for each of the three years ending 31 December 2009, 2010 and 2011.

The proposed annual caps for the three years ending 31 December 2011 have been determined based on:

- (1) the expected increase in the aggregated cost of secondment (including salaries and benefits of the seconded employees) and correspondingly, the increase in the monetary amount of annual fees, we

CONNECTED TRANSACTIONS

will have to pay for the secondment services provided by Worldwide Wynn to us by (i) approximately HK\$27.2 million which has been charged to us in the first six months of 2009 and a forecast of the amount of costs and expenses to be reimbursed, and the fees that we will have to pay for the remaining six months of 2009; and (ii) approximately 2%-2.5% in each of 2010 and 2011, taking into account potential annual increases in the salaries and benefits of the seconded employees;

- (2) the aggregate cost of secondment (including salaries and benefits of the seconded employees) and the fees paid by us with respect to such secondment services provided by Worldwide Wynn to us during the three years ended 31 December 2008 and the six months ended 30 June 2009; and
- (3) the assumption that there will be no significant increase in the fees and the aggregate cost of secondment.

2. *Marketing and Secondment Services Framework Agreement*

Background: During the three years ended 31 December 2008 and the six months ended 30 June 2009, we engaged Wynn Marketing to (1) provide, directly and through its authorized agents, marketing services to WRM, which services include the development and implementation of an international promotional and marketing plan for WRM’s casino resorts; and (2) employ certain non-Macau residents based in or to be based in Macau (“Foreign Resident Staff”) on our behalf and second the Foreign Resident Staff to us. Marketing efforts conducted through a uniform marketing plan for all casino resorts bearing the “WYNN” brand name ensure that a consistent image and style will be adopted globally. The secondment arrangement was put in place to ensure that each Foreign Resident Staff is, in addition to his or her employment with us, employed by an appropriate offshore entity in order to allow such person to continue to enjoy certain benefits relating to person, personal income tax, and health and life insurance. For each of the years ended 31 December 2006, 2007 and 2008, Wynn Marketing charged us approximately HK\$51.3 million, HK\$72.1 million and HK\$80.6 million, respectively, for its services.

Connected Persons:

- *WRL Group.* Wynn Marketing is a subsidiary of Wynn Resorts, Limited. As described above, any entity within the WRL Group is also a connected person of the Company.

Connected Transactions: Any services provided by any entity within the WRL Group to the Company will be connected transactions under the relevant rules and regulations, and any continuing services after the completion of the Reorganization will constitute continuing connected transactions under the relevant rules and regulations.

Pricing: The fee for the services provided by Wynn Marketing is based on a cost and expense reimbursement basis plus a fee of 5% of the aggregate costs and expenses incurred by Wynn Marketing in the performance of its service.

Future services: [We have entered into a marketing and secondment services framework agreement with Wynn Marketing, which will expire on 31 December 2011. Subject to compliance with the relevant rules and regulations or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or any subsequent renewal term, the agreement is renewable at our option for a three-year term (or such other period permitted under the relevant rules and regulations). Pursuant to this marketing and secondment services framework agreement, Wynn Marketing will provide us with (1) marketing services, which includes the development and implementation of an international promotional and marketing plan for WRM’s casino resorts, and (2) employ the Foreign Resident Staff on our behalf and second them to us, using the same pricing basis as described above.]

CONNECTED TRANSACTIONS

After discussions with Wynn Marketing, and based on Wynn Marketing's projected increase of cost of providing the services to us, we estimate that the annual fees and aggregate costs and expenses (including salaries of Wynn Marketing's personnel) payable by us to Wynn Marketing will be approximately US\$11.4 million (HK\$88.7 million), US\$12.6 million (HK\$97.6 million) and US\$13.9 million (HK\$107.4) million, respectively, for each of the three years ending 31 December 2009, 2010 and 2011.

The proposed annual caps for the three years ending 31 December 2011 have been determined based on:

- (1) the expected increase in the marketing efforts required in connection with the opening of Encore at Wynn Macau;
- (2) the expected increase in the aggregate costs and expenses (including salaries of Wynn Marketing's personnel) and correspondingly, the increase in the monetary amount of the fees, we will have to pay for the marketing and secondment services provided by Wynn Marketing to us by (i) approximately HK\$33.8 million which has been charged to us in the first six months of 2009 and a forecast of the amount of costs and expenses to be reimbursed, and the fees that we will have to pay for the remaining six months of 2009; and (ii) approximately 10% in each of 2010 and 2011, after taking into account historical cost increment;
- (3) the annual fees and aggregate costs and expenses (including salaries of Wynn Marketing's personnel) paid by us with respect to such marketing and secondment services provided by Wynn Marketing to us during the three years ended 31 December 2008 and the six months ended 30 June 2009; and
- (4) the assumption that there will be no significant increase in the annual fees and aggregate costs and expenses.

3. *Design Services Framework Agreement*

Background: During the three years ended 31 December 2008 and the six months ended 30 June 2009, WRM engaged Wynn Design & Development to provide certain design services in connection with our projects in Macau, including Wynn Macau and Encore at Wynn Macau. For each of the years ended 31 December 2006, 2007 and 2008, and the six months ended 30 June 2009, Wynn Design & Development charged us approximately HK\$15.7 million, HK\$15.5 million, HK\$12.1 million and HK\$5.9 million, respectively, for its services.

Connected Persons:

WRL Group. Wynn Design & Development is a subsidiary of Wynn Resorts, Limited. As described above, any entity within the WRL Group is also a connected person of the Company.

Connected Transactions: Any services provided by any entity within the WRL Group to the Company will be connected transactions under the relevant rules and regulations, and any continuing services after the completion of the Reorganization will constitute continuing connected transactions under the relevant rules and regulations.

Pricing: The fee for the services provided by Wynn Design & Development is based on a cost and expense reimbursement basis incurred by Wynn Design & Development in the performance of its service.

Future services: [We have entered into a design services framework agreement with Wynn Design & Development, which will expire on 31 December 2011. Subject to compliance with the relevant rules and regulations or, alternatively, any waivers obtained from strict compliance with such requirements, upon

CONNECTED TRANSACTIONS

expiration of the initial term or any subsequent renewal term, the agreement is renewable at our option for a three-year term (or such other period permitted under the relevant rules and regulations). Pursuant to this design services framework agreement, Wynn Design & Development will provide us with design services for our projects in Macau, including the development of Encore at Wynn Macau and the potential Cotai project, using the pricing basis described above.]

After discussions with Wynn Design & Development, and based on Wynn Design & Development’s projected increase of cost of providing the services to us, we estimate that the annual fees and aggregate costs and expenses (including salaries of Wynn Design & Development personnel) payable by us to Wynn Design & Development will be approximately US\$4.0 million (HK\$31.2 million), US\$4.4 million (HK\$34.3 million) and US\$4.9 million (HK\$37.8 million), respectively, for each of the three years ending 31 December 2009, 2010 and 2011.

The proposed annual caps for the three years ending 31 December 2011 have been determined based on:

- (1) the possibility of an increase in the requirement for more design services prior to the opening of Encore at Wynn Macau in 2010;
- (2) the expected increase in the aggregate costs and expenses (including salaries of Wynn Design & Development’s personnel), we will have to pay for the designing services provided by Wynn Design & Development to us by (i) approximately HK\$37.8 million being a forecast of the amount of costs and expenses that we may have to reimburse for 2009 if the additional design plans for Encore at Wynn Macau are implemented this year; and (ii) approximately 10% in each of 2010 and 2011, taking into account the potential enhancements to Encore at Wynn Macau after opening in 2010 and expected routine enhancements at Wynn Macau;
- (3) the aggregate costs and expenses (including salaries of Wynn Design & Development’s personnel) paid by us with respect to such designing services provided by Wynn Design & Development to us during the three years ended 31 December 2008 and the three months ended 30 June 2009; and
- (4) the assumption that there will be no significant increase in the aggregate costs and expenses.

4. Corporate Allocation Agreements

Background: During the three years ended 31 December 2008 and the three months ended 30 June 2009, WRM had an arrangement with Wynn Resorts, Limited under which Wynn Resorts, Limited provided 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, to seek guidance and coordination on ensuring that WRM complies with any reporting, legal, tax, accounting and disclosure requirements that are applicable to NASDAQ-listed Wynn Resorts, Limited and its subsidiaries, including the Group. In addition, Wynn Resorts, Limited allows WRM 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. Similarly, WRM had reciprocal arrangements to allow Wynn Resorts, Limited or its subsidiaries (other than the Group) to use any aircraft assets that we could own in the future and to have access to the services of any of our employees provided that such services do not materially interfere with such employee’s obligations to and responsibilities with the Group. We believe this arrangement helps us maximize our resources and increase efficiency, and in certain circumstances, is necessary to satisfy regulatory requirements requiring the consolidation of accounts. For each of the years ended 31 December 2006, 2007 and 2008, WRM was required to pay Wynn Resorts, Limited approximately HK\$78.2 million, HK\$98.9 million and HK\$71.7 million, respectively, for its services. Wynn Resorts, Limited charged WRM approximately HK\$13.7

THIS INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Information Pack must be read in conjunction with the section headed “Warning” on the cover of this Information Pack.

CONNECTED TRANSACTIONS

million, HK\$6.9 million, HK\$6.8 million and HK\$4.3 million for each of the years ended 31 December 2006, 2007, 2008 and the six months ended 30 June 2009, respectively, for the use of aircraft assets and, for the same periods, Wynn Resorts, Limited or its subsidiaries (other than the Group) did not require WRM’s services under the reciprocal arrangement.

Connected Persons:

- *Wynn Resorts, Limited.* As described above, Wynn Resorts, Limited is our connected person.

Connected Transactions: Any services or reciprocal arrangements between Wynn Resorts, Limited and us will be connected transactions under the relevant rules and regulations, and any continuing services or transactions after the completion of the Reorganization will constitute continuing connected transactions under the relevant rules and regulations.

Pricing: 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 our 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 Group 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. Similarly, we have a reciprocal arrangement with Wynn Resorts, Limited to allow Wynn Resorts, Limited or its subsidiaries (other than the Group) to use any aircraft assets that we may own in the future at the same rates.

Future services: [Each of the Company and WRM have entered into a corporate allocation agreement with Wynn Resorts, Limited, which will expire on 31 December 2017. Subject to compliance with the relevant rules and regulations or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each agreement is renewable at our option for a three-year term (or such other period permitted under the relevant rules and regulations). Pursuant to the corporate allocation agreements, Wynn Resorts, Limited will provide us 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, and the use of its aircraft assets, and we will provide, on a reciprocal basis, similar services and the use of any aircraft assets that we may own in the future, using the same pricing basis as described above.]

After discussions with Wynn Resorts, Limited, we estimate that the total fees payable by us to Wynn Resorts, Limited in connection with the services for the nine years ending 31 December 2017 will be set forth in “Connected Transactions — Waivers — Waivers from compliance with announcement and independent shareholders’ approval requirements.” The proposed annual caps for the nine years ending 31 December 2017 have been determined based on (1) estimated increase in the cost of providing the services by WRL including, the salaries and benefits for such employees providing the service, for 2009; (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 2009 through and including 2017; and (3) the year-on-year increment for the annual corporate departments’ costs (including salaries and

CONNECTED TRANSACTIONS

benefits for such employees during the period when such services are to be provided) and overhead expense from 2010 through and including 2017 is projected to be approximately 7.5%, taking into account potential annual increment in salaries and benefits, and overhead expense. For the six months ended 30 June 2009, we were charged approximately HK\$36.2 million in connection with services provided under the corporate allocation agreement.

We estimate that the total amount payable to us by Wynn Resorts, Limited for the services under the reciprocal arrangements for the nine years ending 31 December 2017 will be as set forth in “Connected Transactions — Waivers — Waivers from compliance with announcement and independent shareholders’ approval requirements.” The proposed annual caps for the nine years ending 31 December 2017 have been determined on the same pricing basis as above.

Term and termination: The term of each corporate allocation agreement exceeds three years. The nine year duration of each corporate allocation agreement is necessary to ensure, among other things, that WRM and the Company comply with any reporting, legal, tax, accounting and disclosure requirements that are applicable to NASDAQ listed Wynn Resorts, Limited and its subsidiaries including the Group, and will afford a greater degree of stability and continuity to our business. We believe this arrangement helps us maximize our resources and increase efficiency, and in certain circumstances, is necessary to satisfy regulatory requirements requiring the consolidation of accounts.

In any event, under the corporate allocation agreements, we are able to terminate the agreements prior to the expiry of the initial term by (1) mutual written consent and (2) unilaterally upon 60 days’ prior written notice. Wynn Resorts, Limited may terminate the agreements (1) by mutual written consent, (2) unilaterally upon 60 days’ prior written notice and (3) upon written notice following default by the Company or WRM, as the case may be, under any promissory note, indenture, loan agreement or other instrument or evidence of indebtedness.

The corporate allocation agreement between WRM and Wynn Resorts, Limited is an existing arrangement that was formalized on 1 January 2007. As Wynn Resorts, Limited is a NASDAQ-listed company, there are certain reporting, legal, tax, accounting and disclosure requirements that apply to the Wynn Group. The arrangement under the corporate allocation agreements is to ensure, among other things, that Wynn Resorts, Limited will have personnel available to work with WRM and the Company to comply with such requirements. Also, through this arrangement, the Company and WRM will not require to have its own separate team of personnel with specialist knowledge to work on ensuring that, as subsidiaries of Wynn Resorts, Limited, they comply with the relevant continuing obligations of its parent. As these reporting, legal, tax, accounting and disclosure requirements applicable to Wynn Resorts, Limited are continuing obligations, the relative long duration of the arrangement is to ensure that there is a core team of persons who will oversee such on-going compliance work and consistency among the companies within the Wynn Group to meet such requirements. This arrangement maximizes the Group’s resources and increases efficiency, and that it is normal business practice for the arrangement to continue for a period beyond three years.

Based on the foregoing, our Directors, including the INEDs, are of the opinion that a term exceeding three years is required for each corporate allocation agreement and confirm that it is normal business practice for contracts of this type to be of such duration.

Non-Exempt Continuing Connected Transactions Subject to Reporting, Announcement and Independent Shareholders’ Approval Requirements

After completion of the Reorganization, the following transaction will be regarded as continuing connected transaction subject to reporting, announcement and independent shareholders’ approval requirements under.

CONNECTED TRANSACTIONS

I. Intellectual Property License Agreements

Background: During the three years ended 31 December 2008 and the six months ended 30 June 2009, WRM had an arrangement with Wynn Resorts, Limited and Wynn Resorts Holdings, LLC (together, the “Licensors”) under which the Licensors licensed to WRM the Intellectual Property Rights, which include the right to use certain trademarks and domain names including those set forth in Appendix VI, “Statutory and General Information — B. Intellectual Property Licensed to the Group,” and the right to use certain Intellectual Property Rights, including the “WYNN”-related trademarks, copyrights and service marks in connection with a variety of goods and services. These marks include “WYNN MACAU” and “ENCORE” as well as trademarks of the Chinese characters representing “WYNN.” For each of the years ended 31 December 2006, 2007 and 2008, Wynn Resorts Holdings, LLC charged WRM approximately HK\$59.2 million, HK\$284.9 million and HK\$572.1 million, respectively, for the license. Wynn Macau opened to the public in September 2006 and the license fee charged in 2006 did not represent a full year of operations. Since 2007, the license fee charged reflects full years of operation of WRM.

Connected Persons:

- *Wynn Resorts, Limited.* As described above, Wynn Resorts, Limited is our connected person.
- *WRL Group.* As described above, any entity within the WRL Group is also a connected person of the Company.

Connected Transactions: Any license granted by Wynn Resorts, Limited and any entity within the WRL Group, both being connected persons of the Company, to us will be connected transactions under the relevant rules and regulations, and any continuing license after the completion of the Reorganization will constitute continuing connected transactions under the relevant rules and regulations.

Pricing: The license fee payable to Wynn Resorts Holdings, LLC equals the greater of (1) 3% of the IP gross monthly revenues, and (2) US\$1.5 million per month. The license fees paid by WRM in 2006 and 2007 have been examined by an independent appraiser engaged by Wynn Resorts, Limited, who has concluded that the license fees represented an arms length royalty rate within the range of license fees charged by comparable licensors identified by the independent appraiser. Intellectual property licensing fees are commonly charged and payable on the basis of a percentage of gross revenues. Any development or expansion to the business (including Encore at Wynn Macau and the potential Cotai project or other developments) is expected to utilize the Intellectual Property Rights. For this reason, we expect that the fees we will pay will increase in line with increases to our IP gross revenues. The imposition of a monetary cap on the 3% royalty rate would effectively require Wynn Resorts Holdings, LLC to charge a fee that is less than what would have been the case had the parties been permitted to negotiate at arm’s length and on commercial terms. Furthermore, as the license fee is calculated as a percentage of IP gross monthly revenues, any proposed monetary cap for the license fee would be interpreted as a forecast of WRM’s or the Company’s IP gross revenues. Based on the foregoing, our Directors, including the INEDs, are of the opinion that, after the completion of the Reorganization, each intellectual property license agreement should not be subject to an annual cap amount expressed in monetary terms.

For the purposes of each intellectual property license agreement, the term “IP gross revenues” refers to the licensee’s total operating revenues as adjusted by adding back (1) commissions and discounts which were netted against operating revenues, and (2) promotional allowances, and the term “IP gross monthly revenues” refers to the licensee’s IP gross revenues accrued at the end of each calendar month. The calculation of each licensee’s operating revenues, promotional allowances, and commissions and discounts in connection with the IP gross revenues stated in the intellectual property license agreements shall always be consistent with the accounting policies as stated in the Appendix IA, “Accountant’s Report — WM Cayman Holdings Limited II” and prepared in accordance with IFRS as in effect at

THIS INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Information Pack must be read in conjunction with the section headed “Warning” on the cover of this Information Pack.

CONNECTED TRANSACTIONS

31 December 2008. If any other subsidiary of our Company (other than WRM) requires the Intellectual Property Rights under the intellectual property license agreement between the Company and the Licensors, “IP gross revenues” and “IP monthly gross revenues” will be interpreted to include the gross revenues of such relevant subsidiary.

The following table presents, for the periods indicated, a reconciliation of total operating revenues (as reported in the Company’s financial statements) to WRM’s IP gross revenues as used for purposes of the intellectual property license agreement between WRM and the Licensors.

	For the year ended 31 December			For the six months ended 30 June	
	2006	2007	2008	2008	2009
	HK\$	HK\$	HK\$	HK\$	HK\$
	(unaudited)				
	(in thousands, except for averages)				
Total operating revenues	2,293,468	10,858,185	14,710,576	7,963,617	6,660,353
Commissions and discounts which were netted against operating revenues ⁽¹⁾	475,749	2,578,860	3,779,159	2,104,935	1,703,354
Promotional allowances ⁽¹⁾	94,542	375,998	575,407	284,735	283,309
Total IP Gross Revenues	2,863,759	13,813,043	19,065,142	10,353,287	8,647,016

Note:

(1) For the purposes of calculating the IP gross revenues, the aggregate of the commissions and discounts, and the promotional allowances for the relevant interim financial period will be disclosed in our future interim reports.

For the year ended 31 December 2008, the annual license fee paid by WRM was HK\$572.1 million, representing 3% of WRM’s IP gross revenues. Such fee also represented approximately 3.9% of the Group’s total operating revenues for 2008. For the six months ended 30 June 2009, the aggregate license fee paid was HK\$259.4 million, representing 3% of WRM’s IP gross revenues and 3.9% of the operating revenues, respectively. The Company will disclose in the financial statements included in its interim and annual reports, the Group’s IP gross revenues for the relevant interim financial period or fiscal year, as the case may be, and the license fees paid in connection with the IP License Arrangement during the same period.

Any change to the basis of calculation of the IP gross revenues will be subject to the approval of independent Shareholders unless the intellectual property license agreements are no longer non-exempt continuing connected transactions requiring independent Shareholders’ approval under the relevant rules and regulations.

Future license: [Each of the Company and WRM have entered into an intellectual property license agreement with the Licensors (together, the “IP License Arrangement”), which will have a perpetual term. Pursuant to the IP License Arrangement, the Licensors licensed to each of the Company and WRM the right to use the Intellectual Property Rights using the same pricing basis as described above. The IP License Arrangement is also subject to restrictions in the agreements between Wynn Resorts Holdings, LLC or Wynn Resorts, Limited and any third parties, including Stephen A. Wynn, in respect of a third parties’ intellectual property, including any applicable limitations on the scope of the license, limitations on sub-licensing, termination (including change of control) under certain circumstances and other standard provisions.]

THIS INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Information Pack must be read in conjunction with the section headed “Warning” on the cover of this Information Pack.

CONNECTED TRANSACTIONS

Term and termination: The term of the IP License Arrangement exceeds three years. Given the significance of the Intellectual Property Rights to our business, the perpetual term will afford a greater degree of stability and continuity to our business.

[The Licensors have the right to terminate the IP License Arrangement in the following circumstances:

- (1) Wynn Resorts, Limited or its nominees cease to hold more than 50% of the voting rights to the ordinary shares in the Company or WRM;
- (2) there is a material breach of, or non-compliance with the terms of, the relevant intellectual property license agreement by the Company, WRM or any relevant members of the Group that are authorized to use the Intellectual Property Rights (“Relevant Subsidiaries”); or
- (3) (I)(i) there is a suspension or revocation of privileged gaming licenses issued by governmental authorities, or (ii) Wynn Resorts Holdings, LLC, in good faith, deems that the acts of the Company, WRM or any Relevant Subsidiary jeopardizes any such privileged gaming licenses or gaming business activities of the Licensors or its affiliates (in each case, a “Relevant Event”); and (II) the Relevant Event continues for 30 consecutive days after written notice of the occurrence of the Relevant Event has been provided to the Company, WRM or the Relevant Subsidiaries, as the case may be.

If Wynn Resorts, Limited or Wynn Resorts Holdings, LLC seeks to terminate any agreement that grants Wynn Resorts Holdings, LLC the Intellectual Property Rights, they must seek the prior written consent of the Company, WRM or the Relevant Subsidiaries, as the case may be, before such termination.]

Based on the foregoing, our Directors, including the INEDs, are of the opinion that a term exceeding three years is required for the IP License Arrangement, and that the perpetual term, coupled with the termination provisions, is beneficial to us, and confirm that it is normal business practice for contracts of this type to be of such duration. The IP License Arrangement is in the ordinary and usual course of our business; and the terms of the agreements are on normal commercial terms, fair and reasonable, consistent with normal business practice, and in the interest of our Shareholders as a whole.

WAIVERS

Continuing connected transactions after the Reorganization

Our Directors, including the INEDs, are of the opinion that the transactions described in the section above titled “Continuing Connected Transactions” have been entered into, and will be carried out following the completion of the Reorganization, in the ordinary and usual course of our business and on normal commercial terms, as the case may be, from the perspective of our Company, and that the terms of the transactions and the annual caps (whether expressed as monetary amounts or a percentage of revenues) below are fair and reasonable and in the interests of our Shareholders as a whole.

No waivers applied for in respect of certain categories of connected transactions

For the continuing connected transactions described in the section above titled “Exempt Continuing Connected Transactions,” each of the percentage ratios (other than profits ratio), where applicable, calculated by reference to the relevant rules and regulations, is expected on an annual basis to be less than 0.1%. Accordingly, these transactions qualify under the relevant rules and regulations as *de minimis* transactions that are exempt from the reporting, announcement and independent shareholders’ approval requirements.

Waivers from compliance with announcement and independent shareholders’ approval requirements

The transactions described in the section above, “Non-Exempt Continuing Connected Transactions Subject to Reporting and Announcement Requirements” (the “discloseable continuing connected transactions”), constitute

THIS INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Information Pack must be read in conjunction with the section headed “Warning” on the cover of this Information Pack.

CONNECTED TRANSACTIONS

continuing connected transactions that are subject to reporting and announcement requirements under the relevant rules and regulations on each occasion on which they arise following the completion of the Reorganization.

Each transaction described in the section above, “Non-Exempt Continuing Connected Transactions Subject to Reporting, Announcement and Independent Shareholders’ Approval Requirements” (the “non-exempt continuing connected transaction”), constitutes continuing connected transaction which is subject to (1) reporting and announcement requirements under the relevant rules and regulations, and (2) independent shareholders’ approval requirements set out in the relevant rules and regulations on each occasion on which it arises following the completion of the Reorganization.

In relation to the discloseable continuing connected transactions described above, each of the percentage ratios (other than the profit ratios) based on the relevant annual cap as set out below, where applicable, in relation to each of these categories is, on an annual basis, expected to be less than 2.5% under the relevant rules and regulations. Accordingly, such transactions are exempt from the independent shareholders’ approval requirement but are subject to the reporting and announcement requirements set out in the relevant rules and regulations.

Based on the foregoing, we apply for the waivers in connection with the discloseable continuing connected transactions and non-exempt continuing connected transactions. The following table presents a summary of these waivers.

Summary of waivers

Nature of Transaction	Waiver Sought
<i>Discloseable continuing connected transactions</i>	
Worldwide Wynn Employment Framework Agreement	Waiver from announcement requirements for the initial term of the agreement which will expire on 31 December 2011
Marketing and Secondment Services Framework Agreement	Waiver from announcement requirements for the initial term of the agreement which will expire on 31 December 2011
Design Services Framework Agreement	Waiver from announcement requirements for the initial term of the agreement which will expire on 31 December 2011
Corporate Allocation Agreements	Waiver from announcement requirements for the initial term of the agreement which will expire on 31 December 2017
<i>Non-exempt continuing connected transactions</i>	
Intellectual Property License Agreements	Waiver from announcement and independent shareholders’ approval for a term which will expire on 26 June 2022

THIS INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Information Pack must be read in conjunction with the section headed “Warning” on the cover of this Information Pack.

CONNECTED TRANSACTIONS

The following table presents the applicable limit for the maximum aggregate annual value, if any, for the discloseable and non-exempt continuing connected transactions in respect of the relevant rules and regulations.

Annual cap table

<i>Discloseable continuing connected transactions</i>	Annual Cap for the year ended 31 December⁽¹⁾					
	2009		2010		2011	
	HK\$	US\$	HK\$	US\$	HK\$	US\$
	(in millions)					
1. Worldwide Wynn Employment Framework Agreement	69.8	9.0	71.3	9.2	72.9	9.4
2. Marketing and Secondment Services Framework Agreement	88.7	11.4	97.6	12.6	107.4	13.9
3. Design Services Framework Agreement	31.2	4.0	34.3	4.4	37.8	4.9

Note:

(1) The applicable annual cap will be the higher of the US\$ limit and HK\$ limit.

<i>Discloseable continuing connected transaction</i>	Annual Cap for the Year ended 31 December⁽¹⁾																	
	2009		2010		2011		2012		2013		2014		2015		2016		2017	
	HK\$	US\$	HK\$	US\$	HK\$	US\$	HK\$	US\$	HK\$	US\$	HK\$	US\$	HK\$	US\$	HK\$	US\$	HK\$	US\$
	(in millions)																	
4. Corporate Allocation Agreements																		
• Wynn Resorts, Limited providing the services to us . . .	159.0	20.5	170.9	22.1	183.7	23.7	197.5	25.5	212.3	27.4	228.3	29.5	245.4	31.7	263.8	34.0	276.8	35.7
• Our Group providing the services to Wynn Resorts, Limited	15.5	2.0	17.1	2.2	18.6	2.4	18.6	2.4	18.6	2.4	18.6	2.4	18.6	2.4	18.6	2.4	18.6	2.4

Note:

(1) The applicable annual cap will be the higher of the US\$ limit and HK\$ limit.

In relation to each intellectual property license agreement, our Directors consider that it would not be appropriate for the agreement to be subject to, among other things, the announcement and independent shareholders' approval requirements of the relevant rules and regulations. Accordingly, we have applied to the relevant authorities for a waiver pursuant to the relevant rules and regulations from strict compliance with the applicable disclosure, reporting and independent shareholders' approval requirements under the relevant rules and regulations for a term which will expire on 26 June 2022 and allow the annual cap for the license fees payable to Wynn Resorts Holdings, LLC under each intellectual property license agreement to be the greater of (1) 3% of the IP gross monthly revenues, and (2) US\$1.5 million per month. The waiver will be for a fixed period, and such period will not be reduced or extended regardless of whether there is a change to the term or the nature of the Concession Agreement. The waiver will not be automatically extended beyond 26 June 2022 unless permitted under the then-applicable requirements of the relevant rules and regulations. As the IP License Arrangement is for a perpetual term, the Company will be required to comply with the then-applicable requirements of the relevant rules and regulations or, alternatively, obtain any waivers from strict compliance with such requirements after 26 June 2022, if such waivers are available. The intellectual property license agreements provide that if, after 26 June 2022, any requisite approval (including, if applicable, independent Shareholders' approval) under the then-applicable relevant rules and regulations to continue the IP License Arrangement is not obtained or waived (to the extent it may be waived), the IP License Arrangement will automatically terminate.

THIS INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Information Pack must be read in conjunction with the section headed “Warning” on the cover of this Information Pack.

CONNECTED TRANSACTIONS

The Intellectual Property Rights are important to our business and if we lose those rights, including the right to use the “WYNN” brand name, it would cause severe disruption to our business and have an adverse effect on our business, financial condition and results of operations.

It is normal business practice for agreements such as the intellectual property license agreements to be of relatively long durations. Given WRM’s business in Macau is subject to the terms and conditions under the Concession Agreement and the 20-year concession expires on 26 June 2022, which is approximately 13 years after the date of this document, securing the right to use the brand during the term of the concession will provide stability to the operations of our Group. Given the importance of the “WYNN” brand name to the continued business operations of the Group, the IP License Arrangement is put in place to protect the Shareholders and the Group from unnecessary risks of losing the right to use the “WYNN” brand name during the term of the concession. In this connection, a waiver from strict compliance with the applicable disclosure, reporting and independent shareholders’ approval requirements under the relevant rules and regulations for a period of approximately 13 years is reasonable and is in line with normal business practice.

Confirmation

It is confirmed that (1) the non-exempt continuing connected transactions described above are in the ordinary and usual course of our business, on normal commercial terms, fair and reasonable and in the interest of our Shareholders as a whole; (2) the annual caps for such non-exempt continuing connected transactions are fair and reasonable as far as our Shareholders as a whole are concerned; (3) the non-exempt continuing connected transactions not having a cap expressed in a monetary amount are fair and reasonable and in the interest of our Shareholders as a whole; and (4) the duration of each corporate allocation agreement is fair and reasonable and in the interest of our Shareholders as a whole.