

MNA **Nelson Moura** 09:38am

Macau | Wynn Macau management reshuffle unlikely to have short term impact on company's operations - Gaming Experts

Gaming analysts don't see the resignation of Steve Wynn as having a considerable impact on Wynn Macau's operations, but consider the possibility that it could impact the group's future developments in the city or even its gaming license renewal



Macau (MNA) – Gaming analysts told Macau News Agency (MNA) that the management reshuffle at Wynn Macau was unlikely to have an impact on the company's current operations and results, but could have an effect on its future developments and gaming concession renewal.

The company announced this Wednesday that Steve Wynn has stepped down from his positions as

Chairman of the Board, Executive Director and Chief Executive Officer at Wynn Macau, Limited, with Matthew O. Maddox being appointed as Executive Director and CEO, and Allan Zeman as Non-Executive Chairman.

According to Grant Govertsen, Managing Director of investment bank and advisory firm Union Gaming, Wynn Macau's revenue and earnings "shouldn't change in any measurable way as a result of this management change" since the "local management team at property level is not changing".

Wynn Macau Limited nearly tripled its profits in the fourth quarter of 2017 to US\$179.62 million, up US\$47 million year-on-year.

"I don't think Wynn itself had significant day-to-day involvement in the operations of the Macau assets, so I don't think we'll see much of a change at all. Maddox has been working under Wynn since the early 2000's so nobody knows the organisation better than Mr. Maddox, so it seems a largely seamless transition," he added.

However, when it comes to the company's future plans for developments in the city, Mr. Govertsen considers that without Steve Wynn there "certainly will be some question marks in the development of the second phase of Wynn Palace on Cotai" since the former CEO was "intrinsicly part of the Wynn organisation, especially as it comes to the design and development of casinos and resorts".

"When you talk about future developments and knowing what the clients wants, nobody in the world was better than Steve Wynn," Mr. Govertsen said.

Wynn Macau's gaming concession is set to expire in 2022 and in relation to the renewal concession, Ben Lee, a Managing Partner of IGamiX Management & Consulting Ltd., said the appointment of Mr. Maddox as Wynn Macau CEO is a "missed opportunity" to present a more "China friendly face" that could make the gaming license renewal process easier.

"In terms of operations, business is pretty much still running. However, possible ramifications could come in the [gaming] concession issues. After these new developments, the Gaming Inspection and Co-ordination Bureau (DICJ) will have to take this into consideration," the gaming expert told MNA.

Initially telling MNA that Wynn Macau's Executive Director, Linda Chen, would have been a candidate who suited those requirements, Mr. Lee said he saw the appointment of Mr. Maddox as maintaining a "Las Vegas centric management structure".