



2021 ANNUAL REPORT

Cultivating *growth*





THE SPA, WYNN PALACE COTAI

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

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

For the fiscal year ended December 31, 2021

OR

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

For the transition period _____ to _____

Commission File No. 000-50028

WYNN RESORTS, LIMITED

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

46-0484987

(I.R.S. Employer Identification No.)

3131 Las Vegas Boulevard South—Las Vegas, Nevada 89109

(Address of principal executive offices) (Zip Code)

(702) 770-7555

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01	WYNN	Nasdaq Global Select Market

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the registrant's voting and non-voting common stock held by non-affiliates based on the closing price as reported on the Nasdaq Global Select Market on June 30, 2021 was approximately \$12.90 billion.

As of February 16, 2022, 115,898,704 shares of the registrant's Common Stock, \$0.01 par value, were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for its 2022 Annual Meeting of Stockholders to be filed not later than 120 days after the end of the fiscal year covered by this report are incorporated by reference into Part III of this Form 10-K.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
FORM 10-K
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PART I

Item 1. Business

Our Company

Wynn Resorts, Limited (“Wynn Resorts,” or together with its subsidiaries, “we” or the “Company”) is a preeminent 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. We believe that our extensive design and operational experience across numerous gaming jurisdictions provides us with a distinct advantage over other gaming enterprises.

Through our approximately 72% ownership of Wynn Macau, Limited (“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”). In Las Vegas, Nevada, we operate and, with the exception of certain retail space, own 100% of Wynn Las Vegas and Encore at Wynn Las Vegas, which we also refer to as our Las Vegas Operations. On June 23, 2019, we opened Encore Boston Harbor, an integrated resort in Everett, Massachusetts. In addition, we hold an approximately 74% interest in Wynn Interactive Ltd. (“Wynn Interactive”), which operates our digital sports betting and casino gaming business.

Wynn Resorts files annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments of such reports with the Securities and Exchange Commission (“SEC”). Any document Wynn Resorts files may be inspected, without charge, at the SEC’s website at <http://www.sec.gov>. Information related to the operation of the SEC’s public reference room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, through our corporate website at www.wynnresorts.com, Wynn Resorts provides a hyperlink to a third-party SEC filing website which posts these filings as soon as reasonably practicable, where they can be reviewed without charge. The information found on our website is not a part of this Annual Report on Form 10-K or any other report we file with or furnish to the SEC.

Recent Developments

COVID-19 Update

Macau Operations

Visitation to Macau has fallen significantly since the outbreak of COVID-19, driven by the strong deterrent effect of the COVID-19 pandemic on travel and social activities, quarantine measures put in place in Macau and elsewhere, travel and entry restrictions and conditions in Macau, the People’s Republic of China (“PRC”), Hong Kong Special Administrative Region of PRC (“Hong Kong”) and Taiwan involving COVID-19 testing, among other things, and the suspension or reduced accessibility of transportation to and from Macau. Beginning in June 2020, certain restrictions and conditions have eased to allow for visitation to Macau as some regions continue to recover from the COVID-19 pandemic. Quarantine-free travel, subject to COVID-19 safeguards such as testing and the usual visa requirements, has been reintroduced between Macau and most areas and cities within the PRC, and in September 2020, PRC authorities fully resumed the IVS exit visa program, which permits individual PRC citizens from nearly 50 PRC cities to travel to Macau for tourism purposes. Given the evolving conditions created by and in response to the COVID-19 pandemic, measures that have been lifted may be reintroduced if there are adverse developments in the COVID-19 situation in Macau and other regions with access to Macau, and the Company is currently unable to determine when protective measures and the suspension of certain offerings in effect at our Macau Operations will be lifted. 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.

Las Vegas Operations and Encore Boston Harbor

In response to the COVID-19 outbreak, the Company's Las Vegas Operations and Encore Boston Harbor each implemented COVID-19 specific protective measures, such as limiting the number of seats per table game, slot machine spacing, temperature checks, mask protection, and suspension of certain entertainment and nightlife offerings. Over the course of 2021, the Company's Las Vegas Operations and Encore Boston Harbor each incrementally resumed full operations, including reopening gaming areas to 100% of capacity and restoring seven-day-per-week hotel operations, as permitted by governmental authorities and in response to increased customer demand. Given the evolving conditions created by and in response to the COVID-19 pandemic, measures that have been lifted may be reintroduced if there are adverse developments in the COVID-19 situation, and management cannot reasonably estimate the impact of such developments to the Company's future results of operations, cash flows, or financial condition.

Liquidity

As of December 31, 2021, the Company had total cash and cash equivalents, excluding restricted cash, of \$2.52 billion, and had access to \$835.6 million of available borrowing capacity from the WRF Revolver and \$212.5 million of available borrowing capacity from the WM Cayman II Revolver (as defined and discussed further in Item 8—"Financial Statements and Supplementary Data," Note 7, "Long-Term Debt"). The Company has suspended its dividend program. Given the Company's liquidity position at December 31, 2021 and the steps the Company has taken as further described in Note 7, "Long-Term Debt," the Company believes it is able to support continuing operations and respond to the COVID-19 pandemic challenges.

Macau Gaming Concession

The term of the Company's concession agreement with the Macau government ends on June 26, 2022. If the term of this concession agreement is not extended or renewed or is not replaced by a new gaming concession, all of the Company's gaming operations and related equipment in Macau will be automatically transferred to the Macau government without compensation on that date and the Company will cease to generate gaming revenues from its Macau Operations. In addition, under the indentures governing the Company's \$4.7 billion aggregate principal amount of WML Senior Notes and the facility agreement governing the WM Cayman II Revolver, upon the occurrence of any event after which the Company does not own or manage casino or gaming areas or operate casino games of fortune and chance in Macau in substantially the same manner as of the issue date of the respective senior notes or the date of the facility agreement, for a period of 10 consecutive days or more in the case of the WML Senior Notes or a period of 30 consecutive days or more in the case of the WM Cayman II Revolver, and such event has a material adverse effect on the financial condition, business, properties or results of operations of WML and its subsidiaries, taken as a whole, holders of the WML Senior Notes can require the Company to repurchase all or any part of the WML Senior Notes at par, plus any accrued and unpaid interest (the "Special Put Option"), and any amounts owed under the WM Cayman II Revolver may become immediately due and payable (the "Property Mandatory Prepayment Event").

In January 2022, the Macau government published a draft of its proposed revisions to the gaming law. The Company is monitoring developments with respect to the Macau government's concession renewal or extension process, and at this time believes that its concession will be renewed or extended beyond June 26, 2022. The failure to extend or renew the Company's concession or obtain a new concession and the resulting ability of the WML Senior Note holders to exercise the Special Put Option and triggering of the Property Mandatory Prepayment Event would have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

Encore Boston Harbor Real Estate Sale and Leaseback

On February 15, 2022, we announced our entry into a sale-leaseback arrangement with respect to certain real estate assets related to Encore Boston Harbor. Upon closing of the related transactions, currently expected to

take place in the fourth quarter of 2022 subject to regulatory approvals and customary closing conditions, we expect to receive cash consideration of approximately \$1.7 billion in exchange for the sale of such real estate assets to an unrelated third party, and to concurrently enter into a lease agreement whereby the Company will lease such real estate assets for the purpose of continuing to operate the Encore Boston Harbor integrated resort. The lease agreement provides for an initial annual minimum rent of \$100.0 million for an initial term of 30 years, subject to certain annual rent escalations and renewal provisions.

Our Strategy

We conceptualize, design, build, and operate our resorts to create unforgettable customer experiences across a diverse set of gaming and non-gaming amenities that attract a wide range of customer segments and generate strong financial results.

Central to our strategy is the construction of, and regular reinvestment in, world-class integrated resorts. These activities are led by our in-house design, development, and construction subsidiary and its senior management team, which has significant experience across all major design and construction disciplines. In addition, we believe superior customer service is the best marketing strategy to attract customers and drive repeat visitation to our resorts. Human resources and staff training are essential to ensuring our employees are prepared to provide the luxury service that our guests expect. We have been successful in attracting a wide range of premium guests both domestically and internationally. We leverage our marketing team across branch offices located in Hong Kong, Singapore, Japan, Taiwan, and Canada to connect with and build relationships with our customers. We continually evaluate our offerings and service levels, and as a result, have made and expect to continue to make enhancements and refinements to our resorts.

We plan to continue to seek out new opportunities to develop and operate world-class integrated resorts and related businesses around the world. Overall, we believe Wynn Resorts has a demonstrated track record of developing and operating integrated resorts that stimulate local and regional economic activity, by attracting a wide range of customers (including high-net-worth international tourists), driving international tourism, raising average hotel room rates in the region, extending the average length of stay per visitor, complementing existing convention and meeting business with five-star accommodations and appropriately scaled meeting amenities, elevating service levels with the execution of five-star customer service, and stimulating city-wide investment and employment.

Our Values

Wynn Resorts thrives in the luxury hospitality industry because of our employees, who exhibit our values at every level within the Company. Our values are embodied by the following concepts:

- *Service-Driven.* We foster a culture of respect, gratitude and meticulous attention to detail that makes service to guests our life's work.
- *Excellence.* Our singular focus on being the best celebrates the inherent connection between employee and guest, company and community.
- *Artistry.* We provide a collection of guest experiences that prize artistry and championship craftsmanship, resulting in Wynn Resorts being the highest ranked hotel company in the world.
- *Progressive.* Our commitment to innovation enables us to continue evolving what it means to create and operate world-class resort destinations.

Our Commitment to Corporate Social Responsibility

We are committed to our people, our communities, and our planet. Executing on our commitment to corporate social responsibility includes:

- Creating a five-star workplace.

- Fostering a diverse and inclusive workforce, and investing in our people.
- Furthering social impact initiatives in our communities.
- Minimizing the harm and maximizing the benefit that we have on our community and environment by utilizing and sourcing energy and materials responsibly.
- Elevating our corporate governance practices to ensure they appropriately support the long-term interests of our stakeholders.

In North America, we have taken a leading role in the hospitality industry's transition to clean and sustainable sources of energy. Our investments in alternative energy, including on-site solar arrays and notably, a 160-acre solar facility in Northern Nevada, have earned us an invitation to join the U.S. Environmental Protection Agency's Green Power Partnership and a top ranking among Fortune 500 companies that voluntarily use green power to reduce air pollution and other environmental impacts associated with electricity use. We encourage our employees to avail themselves of numerous leadership and development opportunities and use our resources to assist in the education and development of the next generation of employees and leaders. We are also fully committed to supporting our communities in the Las Vegas and Boston areas, through our corporate giving program and through the Wynn Employee Foundation, which fosters charitable giving and volunteerism among Wynn employees and community partners.

In Macau and across the Greater Bay Area, which is the region encompassing Macau, Hong Kong, and southern Guangdong Province, we strive to drive reinvestment in our community, encourage volunteerism, and promote responsible gaming through our Wynn Care program. Since launching this program, we have centralized our community-focused initiatives under one umbrella and meaningfully increased our involvement in various volunteer activities and community events in Macau, the Greater Bay Area, and beyond. We are also fully committed to supporting the sustainable development of Macau and endeavor to provide our guests with a premium experience while remaining environmentally conscious by monitoring and reducing inefficient energy and resource consumption and embracing technologies that help us to responsibly use our resources. In addition, we provide our employees in Macau with numerous professional development and training opportunities to elevate core and leadership skills.

Executing on Our Strategy

Reflecting our strategic focus, our values, and our commitment to delivering world-class, five-star service within luxury integrated resorts, the Company has received the following recognition:

- Wynn Las Vegas and Encore have each earned Five-Star status on the 2021 Forbes Travel Guide ("FTG") Star Rating list and are the largest and second largest FTG Five-Star resorts in the world, respectively. Wynn Palace, originally earning FTG Five-Star status in 2018, is the third largest.
- Collectively, Wynn Resorts earned more FTG Five-Star awards than any other independent hotel company in the world in 2021.
- Wynn Palace garnered seven individual FTG Five-Star awards in 2021.
- Wynn Macau continues to be the only resort in the world with eight individual FTG Five-Star awards in 2021.
- Wynn Macau and Wynn Palace are the most decorated integrated resort brands in Asia with fifteen FTG Five-Star awards combined.
- Wynn Las Vegas and Encore collectively received seven FTG Five-Star awards in 2021, the most of any resorts in North America.
- Wynn Resorts was once again honored to be included on FORTUNE Magazine's 2021 World's Most Admired Companies list in the hotel, casino, and resort category and ranked first overall in the category of Quality of Products/ Services among all international hotel companies.

- Wynn Las Vegas has received Four Green Globes, the highest certification for energy-efficient and sustainable buildings from the Green Building Initiative.
- Encore Boston Harbor has been certified LEED Platinum, the U.S. Green Building Council's highest level of certification.

Our Resorts

We present the operating results of our four resorts in the following segments: Wynn Palace, Wynn Macau, Las Vegas Operations, and Encore Boston Harbor. We generally experience fluctuations in revenues and cash flows from month to month, including from such factors as the timing of major conventions and holidays; however, we do not believe that our business is materially impacted by seasonality. As previously discussed, the COVID-19 pandemic has had and will likely continue to have a material impact on our resorts.

Wynn Palace

We opened Wynn Palace in August 2016, on Macau's Cotai Strip, conveniently located minutes from both Macau International Airport and the Macau Taipa Ferry Terminal and directly adjacent to a stop serviced by Macau's light rail system. The property features approximately 424,000 square feet of casino space with up to 323 table games and 1,035 slot machines available, of which 676 are currently in use, as well as private gaming salons and sky casinos. Wynn Palace also features a luxury hotel tower with a total of 1,706 guest rooms, suites, and villas, offering a health club, spa, salon, and pool. In addition, Wynn Palace offers 14 food and beverage outlets, approximately 107,000 square feet of high-end, brand-name retail space, and approximately 37,000 square feet of meeting and convention space. The property's signature public attractions and entertainment offerings include a performance lake, a gondola ride offering convenient street-level access, and an exceptional display of Western and Asian art.

We have continued with the design stages of developing the second phase of expansion of Wynn Palace. We currently expect that the next phase of our development at Wynn Palace will become a unique world-class cultural destination, incorporating an array of non-gaming amenities such as event space, interactive entertainment installations, food and beverage offerings, and additional hotel rooms.

Wynn Macau

We opened Wynn Macau in September 2006, and Encore, an expansion of Wynn Macau, in April 2010. Located in the heart of downtown Macau, the property features approximately 252,000 square feet of casino space with up to 331 table games and 818 slot machines available, of which 583 are currently in use, as well as private gaming salons, sky casinos, and a poker room. Wynn Macau also features two luxury hotel towers with a total of 1,010 guest rooms and suites, offering two health clubs, two spas, a salon and a pool. In addition, Wynn Macau offers 14 food and beverage outlets, approximately 59,000 square feet of high-end, brand-name retail space, and approximately 31,000 square feet of meeting and convention space. Wynn Macau's signature attractions include a performance lake and a rotunda show featuring a Chinese zodiac-inspired ceiling along with gold "tree of prosperity" and "dragon of fortune" features.

In November 2019, we opened the first phase of our Lakeside Casino expansion at Wynn Macau which features 44 mass market table games and a refurbished high-limit slot area. We substantially completed the second phase, which will include two new restaurants and approximately 7,000 square feet of additional retail space, in December 2019, and expect to open portions of the second phase in the near future, depending on market conditions and other factors.

Las Vegas Operations

We opened Wynn Las Vegas in April 2005 and Encore, an expansion of Wynn Las Vegas, in December 2008. Wynn Las Vegas is located at the intersection of the Las Vegas Strip and Sands Avenue, and occupies

approximately 215 acres of land fronting the Las Vegas Strip. The property features approximately 194,000 square feet of casino space with 223 table games and 1,751 slot machines, as well as private gaming salons, a sky casino, a poker room, and a race and sports book. Wynn Las Vegas also features two luxury hotel towers with a total of 4,748 guest rooms, suites, and villas, which offers swimming pools, private cabanas, two full service spas and salons, and a wedding chapel. In addition, Wynn Las Vegas offers 32 food and beverage outlets, approximately 155,000 square feet of high-end, brand-name retail space, and approximately 513,000 square feet of meeting and convention space. Our nightlife and entertainment offerings at Wynn Las Vegas include three nightclubs and a beach club, and two theaters presenting entertainment productions and various headliner entertainment acts. In October 2019, we reopened the newly reconfigured Wynn Las Vegas golf course, which had been closed since 2017.

Encore Boston Harbor

On June 23, 2019, we opened Encore Boston Harbor, an integrated resort in Everett, Massachusetts, adjacent to Boston along the Mystic River. The property features approximately 211,000 square feet of casino space with 184 table games and approximately 2,766 slot machines, private and high-limit gaming areas, and a poker room. Encore Boston Harbor also features a luxury hotel tower with a total of 671 guest rooms and suites, which offers a spa and salon. In addition, Encore Boston Harbor offers 15 food and beverage outlets and a nightclub, approximately 10,000 square feet of retail space, and approximately 71,000 square feet of meeting and convention space. Public attractions include a waterfront park, floral displays, and water shuttle service to downtown Boston.

Future Development Projects

In January 2022, we, along with Al Marjan Island and RAK Hospitality, announced plans for the development and management of a destination integrated resort property on Island 3, Al Marjan Island in the Emirate of Ras al Khaimah, United Arab Emirates. The project is anticipated to be completed and open to the public in 2026, featuring an over 1,000-room hotel, a high-end shopping mall, a state-of-the-art meeting and convention facility, an exclusive spa, more than 10 restaurants and lounges, a wide array of entertainment choices, a gaming area (subject to regulatory approval), and other amenities. The planned integrated resort will leverage Wynn Resorts' expertise in developing and operating luxury hospitality destinations, and is expected to create substantial value to the local economy by accelerating tourism, creating jobs, and contributing to the growth of related sectors.

Wynn Interactive

Wynn Resorts holds an approximately 74% interest in, and consolidates, Wynn Interactive. Wynn Interactive's subsidiary operates the digital sports betting app, WynnBET, which is currently operational in New Jersey, Colorado, Michigan, Virginia, Indiana, Arizona, Tennessee, New York, and Louisiana. The results of Wynn Interactive's operations are presented within the Wynn Interactive reportable segment.

Market and Competition

The casino resort industry is highly competitive. We compete with other high-quality resorts located near our properties on the basis of the range of amenities, level of service, price, location, entertainment, themes and size, among other factors. We seek to differentiate our integrated resorts by delivering superior design and customer service.

Macau

Macau, located in the Greater Bay Area, is governed as a special administrative region of China and is located approximately 37 miles southwest of Hong Kong. Notwithstanding certain COVID-19 pandemic-related

travel restrictions that remain in place, the journey between Macau and Hong Kong takes approximately 15 minutes by helicopter, 30 minutes by road via the Hong Kong-Zhuhai-Macau Bridge, and one hour by jetfoil ferry. Macau, which has been a casino destination for more than 50 years, consists principally of a peninsula on mainland China and two neighboring islands, Taipa and Coloane, between which the Cotai area is located. In addition to Wynn Resorts (Macau) S.A. (“Wynn Macau SA”), SJM Holdings Limited (“SJM”), Galaxy Entertainment Group Limited (“Galaxy”), Sands China Ltd. (“Sands”), Melco International Development Limited (“Melco”), and MGM China Holdings Limited (“MGM China”) are permitted to operate casinos in Macau, with a total of 42 casinos currently in operation.

Macau’s gaming market is primarily dependent on tourists, typically traveling from nearby destinations in Asia. Visitation to Macau grew significantly in recent years, but has fallen meaningfully since the outbreak of COVID-19, primarily due to certain border control and other travel related restrictions put in place as a result of the COVID-19 pandemic. According to the Macau Statistics and Census Service Monthly Bulletin of Statistics, tourist arrivals in Macau decreased 80.4% in 2021 compared to 2019. Beginning in June 2020, certain restrictions and conditions have eased to allow for visitation to Macau as some regions continue to recover from the COVID-19 pandemic. Visitation to Macau increased by 30.7% from 5.9 million in 2020 to 7.7 million in 2021. Travel to Macau by citizens of the PRC requires a visa.

We believe that the Macau region hosts one of the world’s largest concentrations of potential gaming and tourism customers. According to Macau Statistical Information, annual gaming revenues were \$36.5 billion in 2019, before falling to \$7.6 billion in 2020 and \$10.8 billion in 2021, respectively, due to various quarantine measures and travel and entry restrictions and conditions since the outbreak of COVID-19. We continue to believe that, despite the current challenges posed by the COVID-19 pandemic, Macau’s stated goal of becoming a world-class tourism destination will continue to drive additional visitation to the market and create future opportunities for us to invest and grow.

Our Macau Operations face competition primarily from the 40 other casinos located throughout Macau in addition to casinos located throughout the world, including Singapore, South Korea, the Philippines, Vietnam, Cambodia, Malaysia, Australia, Las Vegas, cruise ships in Asia that offer gaming, and other casinos throughout Asia. Additionally, certain other Asian countries and regions have legalized or in the future may legalize gaming, such as Japan, Taiwan and Thailand, which could increase competition for our Macau Operations.

Las Vegas

Las Vegas is the largest gaming market in the United States. The Las Vegas gaming market is highly competitive and is largely dependent on tourist arrivals and meeting and convention-related visitation.

Las Vegas Strip gaming revenues increased significantly during the year ended December 31, 2021 due to increases in gaming volumes and visitation to the Las Vegas Strip during the recovery from government-mandated shutdowns during 2020 and other business interruptions related to the COVID-19 pandemic. According to statistics published by the Nevada Gaming Control Board, Las Vegas Strip total gaming win was \$7.1 billion in 2021, a 91.9% increase from \$3.7 billion in 2020. Overall Las Vegas visitor volume was 32.2 million in 2021, a 69.5% increase from 19.0 million in 2020, but still 24.2% lower than visitor volume of 42.5 million experienced in 2019, prior to the outbreak of COVID-19. Occupancy on the Las Vegas Strip increased 25.9% to 68.0%, from 42.1% in 2020, compared with 90.4% in 2019. Convention attendees increased 27.7% in 2021, after a 74.0% decrease in 2020 during the height of the COVID-19 pandemic, following year-over-year increases of 7.1%, 3.0%, and 2.3% from 2017 to 2019, respectively.

Our Las Vegas Operations are located on the Las Vegas Strip and compete with other high-quality resorts and hotel casinos in Las Vegas. There are currently several large-scale integrated resort projects either recently completed or under development in the vicinity of our Las Vegas Operations, which may present increased competition in the future. Our Las Vegas Operations also compete, to some extent, with other casino resorts throughout the United States and elsewhere in the world.

Massachusetts

Massachusetts and its neighboring states of Connecticut and Rhode Island are host to a large, established casino market that generated over \$2.8 billion of gross gaming revenue in 2021, and over \$2.5 billion of gross gaming revenue in 2019 before the outbreak of COVID-19. The greater Boston metropolitan area is the largest population center in New England, with a population of approximately 5 million residents.

Gaming in the New England region is characterized by a high degree of competition, based largely on location, product quality, service levels, and effectiveness in marketing to and establishing relationships with repeat visitors located in the area. Encore Boston Harbor competes with both commercial and Native American casinos located in the northeastern United States, including two Native American casinos in Connecticut, two casinos in Rhode Island, and MGM Springfield in Massachusetts. Differences in regulatory landscapes across state borders may impact our ability to compete with other casinos in the region. For example, some casino operators in the region may pay lower gaming taxes, or may be permitted to offer gaming amenities we are currently unable to offer at Encore Boston Harbor. We also face competition, to a lesser degree, from operations in the region which offer other forms of legalized gaming and related recreation and leisure facilities, such as state lotteries, horse racing, online gaming, and sports betting.

Digital Sports Betting and Casino Gaming

Wynn Interactive operates within the digital casino and sports betting industry. The global gaming industry includes a wide array of products from lotteries to bingo, slot machines, casino games and sports betting, across land-based and online platforms. There are numerous operators and stakeholders across both the public and private sectors. Industry participants include traditional brick-and-mortar casinos, state-run lottery operators, Native American tribes, legacy digital casino operators as well as racetracks, racinos, video lottery terminals and gaming technology companies.

We compete on a number of factors across our digital casino and sports betting platforms. These include, but are not limited to, our front-end online product, our back-end infrastructure, our ability to retain and monetize existing customers, re-engage prior customers and acquire new customers and our regulatory access and compliance experience.

Regulation and Licensing

Macau

As a casino concessionaire, Wynn Macau SA is subject to the regulatory control of the government of Macau. The government has adopted Laws and Administrative Regulations governing the operation of casinos in Macau. Only concessionaires or subconcessionaires are permitted to operate casinos. Subconcessions may be awarded subject to the approval of the Macau government and each concessionaire has issued one subconcession. Each concessionaire was required to enter into a concession agreement with the Macau government which, together with the Law and Administrative Regulations, form the framework for the regulation of the activities of the concessionaire.

Under the Law and Administrative Regulations, concessionaires are subject to suitability requirements relating to background, associations and reputation, as are stockholders of 5% or more of a concessionaire's equity securities, officers, directors and key employees. The same requirements apply to any entity engaged by a concessionaire to manage casino operations. Concessionaires are required to satisfy minimum capitalization requirements, demonstrate and maintain adequate financial capacity to operate the concession and submit to continuous monitoring of their casino operations by the Macau government. Concessionaires also are subject to periodic financial reporting requirements and reporting obligations with respect to, among other things, certain contracts, financing activities and transactions with directors, financiers and key employees. Transfers or the encumbering of interests in concessionaires must be reported to the Macau government and are ineffective without government approval.

Each concessionaire is required to engage an executive director who must be a permanent resident of Macau and the holder of at least 10% of the capital stock of the concessionaire. The appointment of the executive director and of any successor is ineffective without the approval of the Macau government. All contracts placing the management of a concessionaire's casino operations with a third party also are ineffective without the approval of the Macau government.

Concessionaires are subject to a special gaming tax of 35% of gross gaming revenue, and must also make an annual contribution of up to 4% of gross gaming revenue for the promotion of public interests, social security, infrastructure and tourism. Concessionaires are obligated to withhold applicable taxes, according to the rate in effect as set by the government, from any commissions paid to gaming promoters. The withholding rate may be adjusted from time to time.

The concession agreement between Wynn Macau SA and the Macau government required Wynn Macau SA to construct and operate one or more casino gaming properties in Macau, including, at a minimum, one full-service casino resort by the end of December 2006, and to invest not less than a total of 4 billion Macau patacas (approximately \$500.0 million) in Macau-related projects by June 2009. These obligations were satisfied upon the opening of Wynn Macau in 2006.

Wynn Macau SA was also obligated to obtain, and did obtain, a 700.0 million Macau pataca (approximately \$87.0 million) bank guarantee from Banco National Ultramarino, S.A. ("BNU") that was effective until March 31, 2007. The amount of this guarantee was reduced to 300 million Macau patacas (approximately \$37.3 million) for the period from April 1, 2007 until 180 days after the end of the term of the concession agreement. This guarantee, which is for the benefit of the Macau government, assures Wynn Macau SA's performance under the casino concession agreement, including the payment of premiums, fines and indemnity for any material failure to perform the concession agreement. Wynn Macau SA is obligated, upon demand by BNU, to promptly repay any claim made on the guarantee by the Macau government. BNU is currently paid an annual fee by Wynn Macau SA for the guarantee of approximately 2.3 million patacas (approximately \$0.3 million).

The government of Macau may unilaterally rescind the concession if Wynn Macau SA fails to fulfill its fundamental obligations under the concession agreement. The concession agreement expressly provides that the government of Macau may unilaterally rescind the concession agreement if Wynn Macau SA:

- conducts unauthorized games or activities that are excluded from its corporate purpose;
- abandons or suspends gaming operations in Macau for more than seven consecutive days (or more than 14 days in a civil year) without justification;
- defaults in payment of taxes, premiums, contributions or other required amounts;
- does not comply with government inspections or supervision;
- systematically fails to observe its obligations under the concession system;
- fails to maintain bank guarantees or bonds satisfactory to the government;
- is the subject of bankruptcy proceedings or becomes insolvent;
- engages in serious fraudulent activity, damaging to the public interest; or
- repeatedly and seriously violates applicable gaming laws.

If the government of Macau unilaterally rescinds the concession agreement for one of the reasons stated above, Wynn Macau SA will be required to compensate the government in accordance with applicable law, and the areas defined as casino under Macau law and all of the gaming-related equipment pertaining to the gaming operations of Wynn Macau SA will be transferred to the government without compensation. In addition, the government of Macau may, in the public interest, unilaterally terminate the concession at any time, in which case Wynn Macau SA would be entitled to reasonable compensation.

The government of Macau may assume temporary custody and control over the operation of a concession in certain circumstances. During any such period, the costs of operations must be borne by the concessionaire. The government of Macau also may redeem a concession starting at an established date after the entering into effect of a concession.

On January 18, 2022, the Macau government published a draft bill on gaming law amendments, according to which up to six gaming concessions can be granted by public tender, with a maximum term of 10 years and a maximum three-year extension possible under certain circumstances. No subconcessions would be permitted. The draft bill is subject to the consideration and approval by the Legislative Assembly of Macau. The Macau government has publicly commented that it is studying the process by which gaming concessions and subconcessions may be extended, renewed or issued. The current term of our gaming concession ends on June 26, 2022. The gaming concession or subconcession held by each of SJM, MGM China, Galaxy, Sands, and Melco also end on June 26, 2022. We are monitoring developments with respect to the Macau government's concession renewal or extension process and proposed amendments to the gaming law, and we continue to believe that our concession will be renewed or extended beyond June 26, 2022.

Nevada

The ownership and operation of casino gaming facilities in Nevada are subject to the Nevada Gaming Control Act and the regulations made thereunder (collectively, the "Nevada Act"), as well as to various local ordinances. Our Las Vegas Operations are subject to the licensing and regulatory control of the Nevada Gaming Commission ("NGC"), the Nevada Gaming Control Board ("NGCB") and the Clark County Liquor and Gaming Licensing Board ("CCLGLB"). The NGC and NGCB are referred to herein collectively as the "Nevada Gaming Authorities."

The laws, regulations and supervisory procedures of the Nevada Gaming Authorities are based upon declarations of public policy. Such public policy concerns include, among other things:

- preventing unsavory or unsuitable persons from being directly or indirectly involved with gaming at any time or in any capacity;
- establishing and maintaining responsible accounting practices and procedures;
- maintaining effective controls over the financial practices of licensees, including establishing minimum procedures for internal fiscal affairs and safeguarding assets and revenue, providing reliable recordkeeping and requiring the filing of periodic reports with the Nevada Gaming Authorities;
- preventing cheating and fraudulent practices; and
- providing a source of state and local revenue through taxation and licensing fees.

Any changes in applicable laws, regulations and procedures could have an adverse effect on our Las Vegas gaming operations and our financial condition and results of operations.

Our subsidiary, Wynn Las Vegas, LLC, the owner and operator of Wynn Las Vegas, is licensed by the Nevada Gaming Authorities to conduct casino gaming operations, including a race book and sports pool, pari-mutuel wagering and the operation of gaming salons. It is also licensed as a manufacturer and distributor. These gaming licenses are not transferable.

We are required to be registered as a publicly traded corporation (a "registered public company") and to be found suitable by the NGC to own the equity interests of Wynn Resorts Holdings, LLC ("Wynn Resorts Holdings"). Wynn Resorts Holdings is required to be registered as an intermediary company and to be found suitable to own the equity interests of Wynn Resorts Finance, LLC ("Wynn Resorts Finance") (f/k/a Wynn

America, LLC). Wynn Resorts Finance, LLC is required to be registered as an intermediary company and to be found suitable by the NGC to own the equity interests of Wynn America Group, LLC (“Wynn America Group”). Wynn America Group is required to be registered as an intermediary company and to be found suitable by the NGC to own the equity interests of Wynn Las Vegas Holdings, LLC (“Wynn Las Vegas Holdings”). Wynn Las Vegas Holdings is required to be registered as an intermediary company and to be found suitable by the NGC to own the equity interests of Wynn Las Vegas, LLC. Wynn Resorts Holdings, Wynn Resorts Finance, Wynn America Group, and Wynn Las Vegas Holdings are referred to individually as a “registered intermediary subsidiary” and collectively as the “registered intermediary subsidiaries.” We and the registered intermediary subsidiaries hold all the various registrations, approvals, permits and licenses required for Wynn Las Vegas, LLC to engage in gaming activities in Nevada.

No person may become a member of or receive profits from Wynn Las Vegas, LLC or the registered intermediary subsidiaries without first registering (for equity ownership of 5% or less), or obtaining licenses and approvals from the Nevada Gaming Authorities. The Nevada Gaming Authorities may investigate any individual who has a material relationship to or material involvement with us to determine whether the individual is suitable or should be licensed as a business associate of a gaming licensee. Officers, directors and certain key employees of Wynn Las Vegas, LLC and the registered intermediary subsidiaries and our officers and directors who are actively and directly involved in the gaming activities of Wynn Las Vegas, LLC may be required to be licensed or found suitable by the Nevada Gaming Authorities. The Nevada Gaming Authorities may require additional applications and may also deny an application for licensing for any reason which they deem appropriate. A finding of suitability is comparable to licensing, and both require submission of detailed personal and financial information followed by a thorough investigation. An applicant for licensing or an applicant for a finding of suitability must pay or must cause to be paid all the costs of the investigation. Changes in licensed positions must be reported to the Nevada Gaming Authorities and, in addition to their authority to deny an application for a finding of suitability or licensing, the Nevada Gaming Authorities have the jurisdiction to disapprove a change in a corporate position.

If the Nevada Gaming Authorities were to find an officer, director, or key employee unsuitable for licensing or to continue having a relationship with Wynn Las Vegas, LLC, the registered intermediary subsidiaries, or us, we would have to sever all relationships with the person. In addition, the Nevada Gaming Authorities may require Wynn Las Vegas, LLC, the registered intermediary subsidiaries, or us to terminate the employment of any person who refuses to file appropriate applications. Determinations of suitability are not subject to judicial review.

If the NGC determines that we, Wynn Las Vegas, LLC, or a registered intermediary subsidiary have violated the Nevada Act, it could limit, condition, suspend or revoke our and our intermediary subsidiary registrations and Wynn Las Vegas, LLC’s gaming license. In addition, we and the persons involved could be subject to substantial fines for each separate violation of the Nevada Act at the discretion of the NGC. Further, the NGC could appoint a supervisor to operate Wynn Las Vegas and, under specified circumstances, earnings generated during the supervisor’s appointment (except for the reasonable rental value of the premises) could be forfeited to Nevada. The limitation, conditioning or suspension of any of our gaming licenses and the appointment of a supervisor could, and revocation of any gaming license would, have a significant negative effect on our gaming operations.

Periodically, we are required to submit detailed financial and operating reports to the NGC and provide any other information that the NGC may require. Substantially all of our material loans, leases, sales of securities and similar financing transactions must be reported to, and/or approved by, the NGC.

Any beneficial owner of our voting or nonvoting securities, regardless of the number of shares owned, may be required to file an application, be investigated and have that person’s suitability as a beneficial owner of voting securities determined if the NGC has reason to believe that the ownership would be inconsistent with Nevada’s declared public policies. If the beneficial owner of the voting or nonvoting securities of Wynn Resorts

who must be found suitable is a corporation, partnership, limited partnership, limited liability company or trust, it must submit detailed business and financial information, including a list of its beneficial owners. The applicant must pay all costs of the investigation incurred by the Nevada Gaming Authorities in conducting any investigation.

The Nevada Act requires any person who acquires more than 5% of our voting securities to report the acquisition to the NGC. The Nevada Act requires beneficial owners of more than 10% of a registered company's voting securities to apply to the NGC for a finding of suitability within 30 days after the Chair of the NGCB mails the written notice requiring such filing. Under certain circumstances, an "institutional investor" as defined in the Nevada Act which acquires more than 10%, but not more than 25%, of a registered company's voting securities may apply to the NGC for a waiver of a finding of suitability if the institutional investor holds the voting securities for investment purposes only. An institutional investor that has obtained a waiver may hold more than 25% but not more than 29% of a registered company's voting securities and may, in certain circumstances, own up to 29% of the voting securities of a registered company for a limited period of time and maintain the waiver.

An institutional investor will not be deemed to hold voting securities for investment purposes unless the voting securities were acquired and are held in the ordinary course of business as an institutional investor and not for the purpose of causing, directly or indirectly, the election of a majority of the members of the Board of Directors of the registered company, a change in the corporate charter, bylaws, management, policies or operations of the registered company, or any of its gaming affiliates, or any other action which the NGC finds to be inconsistent with holding the registered company's voting securities for investment purposes only. Activities which are not deemed to be inconsistent with holding voting securities for investment purposes only include:

- voting on all matters voted on by stockholders or interest holders;
- making financial and other inquiries of management of the type normally made by securities analysts for informational purposes and not to cause a change in management, policies or operations; and
- other activities that the NGC may determine to be consistent with such investment intent.

We are required to maintain a current stock ledger in Nevada which may be examined by the Nevada Gaming Authorities at any time. If any securities are held in trust by an agent or by a nominee, the record holder may be required to disclose the identity of the beneficial owner to the Nevada Gaming Authorities. A failure to make the disclosure may be grounds for finding the record holder unsuitable. We are required to provide maximum assistance in determining the identity of the beneficial owner of any of our voting securities. The NGC has the power to require the stock certificates of any registered company to bear a legend indicating that the securities are subject to the Nevada Act. The certificates representing shares of Wynn Resorts' common stock note that the shares are subject to a right of redemption and other restrictions set forth in Wynn Resorts' articles of incorporation and bylaws and that the shares are, or may become, subject to restrictions imposed by applicable gaming laws.

Any person who fails or refuses to apply for a finding of suitability or a license within 30 days after being ordered to do so by the NGC or by the Chair of the NGCB, or who refuses or fails to pay the investigative costs incurred by the Nevada Gaming Authorities in connection with the investigation of its application may be found unsuitable. The same restrictions apply to a record owner if the record owner, after request, fails to identify the beneficial owner. Any person found unsuitable and who holds, directly or indirectly, any beneficial ownership of any voting security or debt security of a registered company beyond the period of time as may be prescribed by the NGC may be guilty of a criminal offense. We will be subject to disciplinary action if, after we receive notice that a person is unsuitable to hold an equity interest or to have any other relationship with us, we:

- pay that person any dividend or interest upon any voting securities;

- allow that person to exercise, directly or indirectly, any voting right held by that person relating to Wynn Resorts;
- pay remuneration in any form to that person for services rendered or otherwise; or
- fail to pursue all lawful efforts to require the unsuitable person to relinquish such person's voting securities, including, if necessary, the immediate purchase of the voting securities for cash at fair market value.

The NGC may, in its discretion, require the owner of any debt or similar securities of a registered public company, to file applications, be investigated and be found suitable to own the debt or other securities of the registered company if the NGC has reason to believe that such ownership would otherwise be inconsistent with Nevada's declared public policies. If the NGC decides that a person is unsuitable to own the securities, then under the Nevada Act, the registered public company can be sanctioned, including the loss of its approvals if, without the prior approval of the NGC, it

- pays to the unsuitable person any dividend, interest or any distribution whatsoever;
- recognizes any voting right by the unsuitable person in connection with the securities;
- pays the unsuitable person remuneration in any form; or
- makes any payment to the unsuitable person by way of principal, redemption, conversion, exchange, liquidation or similar transaction.

We may not make a public offering (debt or equity) without the prior approval of the NGC if the proceeds from the offering are intended to be used to construct, acquire or finance gaming facilities in Nevada, or to retire or extend obligations incurred for those purposes or for similar transactions. On March 28, 2019, the NGC granted Wynn Resorts prior approval, subject to certain conditions, to make public offerings for a period of three years (the "Shelf Approval"). The Shelf Approval may be rescinded for good cause without prior notice upon the issuance of an interlocutory stop order by the Chair of the NGCB.

Changes in control of Wynn Resorts through merger, consolidation, stock or asset acquisitions, management or consulting agreements, or any act or conduct by a person whereby the person obtains control may not occur without the prior approval of the NGC. Entities seeking to acquire control of a registered public company must satisfy the NGCB and the NGC concerning a variety of stringent standards prior to assuming control of the registered public company.

The NGC may also require controlling stockholders, officers, directors and other persons having a material relationship or involvement with the entity proposing to acquire control to be investigated and licensed as part of the approval process relating to the transaction.

The Nevada legislature has declared that some corporate acquisitions opposed by management, repurchases of voting securities and corporate defense tactics affecting Nevada gaming licensees and registered public companies that are affiliated with the operations of Nevada gaming licensees may be harmful to stable and productive corporate gaming. The NGC has established a regulatory scheme to reduce the potential adverse effects of these business practices upon Nevada's gaming industry and to further Nevada's policy in order to:

- assure the financial stability of corporate gaming licensees and their affiliated companies;
- preserve the beneficial aspects of conducting business in the corporate form; and
- promote a neutral environment for the orderly governance of corporate affairs.

Approvals are, in certain circumstances, required from the NGC before we can make exceptional repurchases of voting securities above its current market price and before a corporate acquisition opposed by

management can be consummated. The Nevada Act also requires prior approval of a plan of recapitalization proposed by a registered company's Board of Directors in response to a tender offer made directly to its stockholders for the purpose of acquiring control.

The Nevada Act requires any person who individually or in association with others, acquires or holds any amount of any class of voting securities, or each plan sponsor of a pension or employee benefit plan that acquires or holds any amount of any class of voting securities in a registered public company with the intent to engage in an activity that necessitates an amendment to a corporate charter, bylaws, management, policies or operation of a registered public company, to engage in an activity that materially influences or affects the affairs of a registered public company, or to engage any other activity that the NGC determines is inconsistent with holding voting securities for investment purposes to, within 2 days after possession of that intent, notify the NGCB Chair and apply to the NGC for a finding of suitability within 30 days after notification to the NGCB Chair.

License fees and taxes, computed in various ways depending on the type of gaming or activity involved, are payable to the State of Nevada and to the counties and cities in which the licensed subsidiaries' respective operations are conducted. Depending upon the particular fee or tax involved, these fees and taxes are payable monthly, quarterly or annually and are based upon a percentage of the gross revenue received; the number of gaming devices operated; or the number of table games operated. A live entertainment tax also is imposed on admission charges where live entertainment is furnished.

Because we are involved in gaming ventures outside of Nevada, we are required to deposit with the NGCB, and thereafter maintain, a revolving fund in the amount of \$10,000 to pay the expenses of investigation of the NGCB of our participation in such foreign gaming. The revolving fund is subject to increase or decrease at the discretion of the NGC. Thereafter, we are also required to comply with certain reporting requirements imposed by the Nevada Act. A licensee or registrant is also subject to disciplinary action by the NGC if it:

- knowingly violates any laws of the foreign jurisdiction pertaining to the foreign gaming operation;
- fails to conduct the foreign gaming operation in accordance with the standards of honesty and integrity required of Nevada gaming operations;
- engages in any activity or enters into any association that is unsuitable because it poses an unreasonable threat to the control of gaming in Nevada, reflects or tends to reflect, discredit or disrepute upon the State of Nevada or gaming in Nevada, or is contrary to the gaming policies of Nevada;
- engages in activities or enters into associations that are harmful to the State of Nevada or its ability to collect gaming taxes and fees; or
- employs, contracts with or associates with a person in the foreign operation who has been denied a license or finding of suitability in Nevada on the ground of unsuitability.

The conduct of gaming activities and the service and sale of alcoholic beverages at Wynn Las Vegas are subject to licensing, control and regulation by the CCLGLB, which has granted Wynn Las Vegas, LLC licenses for such purposes. In addition to approving Wynn Las Vegas, LLC, the CCLGLB has the authority to approve all persons owning or controlling the equity of any entity controlling a gaming license. Certain of our officers, directors and key employees have been or may be required to file applications with the CCLGLB. Clark County gaming and liquor licenses are not transferable. The County has full power to limit, condition, suspend or revoke any license. Any disciplinary action could, and revocation would, have a substantial negative impact on our operations.

Massachusetts

The Massachusetts Expanded Gaming Act and the regulations promulgated thereunder (collectively the "Massachusetts Act") subjects the owners and operators of gaming establishments to extensive state licensing

and regulatory requirements. We are subject to the Massachusetts Act through our ownership interest in Wynn MA, LLC, (“Wynn MA”) which operates Encore Boston Harbor.

The Massachusetts Gaming Commission (“MGC”) is responsible for issuing licenses under the Massachusetts Act and assuring that licenses are not issued or held by unqualified, disqualified or unsuitable persons. The MGC, in particular its Investigations and Enforcement Bureau (“IEB”), which is a bureau within the MGC, has extensive authority to conduct background investigations of applicants and licensees, and for generally enforcing the Massachusetts Act. The MGC has the authority to award up to three Category 1 licenses (table games and slot machines), and one Category 2 license (slot machines only), within the Commonwealth of Massachusetts to qualified applicants.

On September 17, 2014, the MGC designated Wynn MA the award winner of the Category 1 Greater Boston gaming license effective November 7, 2014. We, our relevant subsidiaries, and individual qualifiers required to be qualified have been found suitable by the MGC. Additional entities and key employees have been and will be required to file applications with the MGC and are or may be required to be licensed or found suitable by the MGC. A finding of suitability is comparable to licensing, and both require submission of detailed personal and financial information followed by a thorough investigation. Changes in licensed positions must be reported to the MGC.

If the MGC were to find an officer, director or key employee unsuitable for licensing or unsuitable to continue having a relationship with us, we would have to sever all relationships with that person. In addition, the MGC may require us to terminate the employment of any person who refuses to file appropriate applications.

The initial license term is for 15 years, which commenced upon the MGC’s confirmation of its approval of the commencement of the operation of the gaming establishment on June 27, 2019. Wynn MA’s gaming license is conditioned upon Wynn MA continuing to meet applicable licensing, registration, qualification and other regulatory requirements. The initial license fee for Category 1 licenses is \$85,000,000, which Wynn MA has paid. All Category 1 and Category 2 gaming licenses are also subject to additional annual fees under the Massachusetts Act. The Commonwealth of Massachusetts also receives 25% of gross gaming revenues for Category 1 licensees.

The MGC has responsibility for the continuing regulation and licensing of the licensee and its officers, directors, employees and other designated persons. The MGC retains the authority to suspend, revoke or condition a Category 1 license, or any other license issued under the Massachusetts Act, and the IEB may levy civil penalties for regulatory and other violations. All licenses issued under the Massachusetts Act are expressly deemed a revocable privilege, conditioned on the licensee’s fulfillment of all conditions of licensure, compliance with applicable laws and regulations, and the licensee’s continuing qualification and suitability. Among other things, the MGC is also responsible for the collection of application, license and other fees, conducting investigations of and monitoring applicants and licensees, and reviewing and ruling on complaints, and may conduct inspections of the gaming establishment premises or the licensee’s records and equipment.

Pursuant to the Massachusetts Act, the MGC may grant a gaming beverage license for the sale and distribution of alcoholic beverages for a gaming establishment. The division of gaming liquor enforcement of the Alcoholic Beverage Control Commission has the authority to enforce, regulate and control the distribution of alcoholic beverages in a gaming establishment. The MGC may revoke, suspend, refuse to renew or refuse to transfer a gaming beverage license for violations of the Massachusetts Act that pertain to the sale and distribution of alcohol consumed on the premises and the regulations adopted by the MGC. The MGC has adopted regulations for the issuance of gaming beverage licenses. These regulations and any changes in applicable laws, regulations and procedures could have significant negative effects on our future Massachusetts gaming operations and results of operations.

Digital Sports Betting and Gaming

We and our partners are subject to various federal, state, and international laws and regulations that affect our digital sports betting and casino gaming businesses. The ownership, operation, and management of our digital sports betting and casino gaming business are subject to regulations of each of the jurisdictions in which we operate. Additional laws in these areas may be passed in the future, which could result in impact to the ways in which we and our partners are able to offer interactive sports betting and casino gaming in jurisdictions that permit such activities.

Other Regulations

In addition to gaming regulations, we are subject to extensive local, state, federal and foreign laws and regulations in the jurisdictions in which we operate. These include, but are not limited to, laws and regulations relating to alcoholic beverages, environmental matters, employment and immigration, currency and other transactions, taxation, zoning and building codes, marketing and advertising, lending, debt collection, privacy, telemarketing, money laundering, laws and regulations administered by the Office of Foreign Assets Control, and anti-bribery laws, including the Foreign Corrupt Practices Act (the “FCPA”). Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Any material changes, new laws or regulations, or material differences in interpretations by courts or governmental authorities could adversely affect our business and operating results.

Human Capital

As of December 31, 2021, we had approximately 26,950 employees (including approximately 12,250 in Macau and 14,500 in the United States).

Diversity and inclusion are the cornerstone of our human capital management efforts. We are committed to a fair and inclusive work environment at each of our resorts. As part of this commitment, we offer diversity and inclusion training to all of our employees. We foster the growth and development of our employees to ensure that they remain best-equipped to deliver the singular customer service at each of our resorts. Across our resorts, we maintain an extensive program of training and development focused on skills development and career advancement.

Our non-union employees are all eligible to participate in the Company paid health, vision, dental, life, prescription, and long-term disability insurance plans. The Company also provides employee paid supplemental life and accident insurance plans. In the U.S., to encourage employees to keep up with routine medical care and participate in its wellness program, the Company funds a Health Reimbursement Account for participating employees. To help employees cover medical expenses pre-tax, the Company offers employees in the U.S. a Flexible Spending Account. The Company also offers defined contribution retirement plans to its eligible employees, and a non-mandatory central provident fund scheme to eligible employees in Macau which includes contributions from employees and the employer.

Our collective bargaining agreement with the Culinary Workers Union, Local 226, and Bartenders Union, Local 165, which covers approximately 5,450 employees at Wynn Las Vegas, expires in July 2023. The term of the collective bargaining agreement was extended through Memoranda of Agreement (“MOA”) that the Company and the Culinary and Bartenders’ Unions entered into in April 2020 and January 2021, respectively. The MOA further provided for a partial deferral of the 2020 and 2021 contractual wage increases until 2023, and allowed the Company additional flexibility in scheduling during the pandemic. In exchange, the Company agreed to a supplemental benefit contribution to provide continued health insurance coverage to employees with reduced hours. In March 2019, the table games dealers at Wynn Las Vegas voted to be represented by the United Auto Workers Union (“UAW”). Wynn Las Vegas entered into a collective bargaining agreement with the UAW effective August 28, 2021 through August 28, 2024, covering approximately 360 employees. In December 2018,

employees in the horticulture and transportation departments at Wynn Las Vegas voted to be represented by the International Brotherhood of Teamsters. Wynn Las Vegas entered into a collective bargaining agreement with the Teamsters effective July 21, 2021 through July 21, 2024, covering approximately 140 employees.

Effective as of April 2021, Encore Boston Harbor entered into a collective bargaining agreement with UNITE HERE Local 26 affiliated with UNITE HERE and International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers, Local 25. The collective bargaining agreement covers approximately 1,300 non-gaming employees at Encore Boston Harbor, and expires in April 2023. Effective as of July 2021, Encore Boston Harbor entered into a collective bargaining agreement with Local 103, International Brotherhood of Electrical Workers, AFL-CIO. The collective bargaining agreement covers approximately 100 maintenance employees at Encore Boston Harbor, and expires in June 2024.

In September 2021, the security officers at Encore Boston Harbor voted to be represented by the United Government Security Officers of America, Local 295 (“USGOA”). Encore Boston Harbor is in the process of negotiating an initial collective bargaining agreement with USGOA, which will cover approximately 130 employees at the facility.

Intellectual Property

Among our most important marks are our trademarks and service marks that use the name “WYNN.” Wynn Resorts has registered with the U.S. Patent and Trademark Office (“PTO”) a variety of WYNN-related trademarks and service marks in connection with a variety of goods and services.

We have also filed applications with various foreign patent and trademark registries, including in Macau, China, Singapore, Hong Kong, Taiwan, Japan, certain European countries and various other jurisdictions throughout the world, to register a variety of WYNN-related trademarks and service marks in connection with a variety of goods and services.

We recognize that our intellectual property assets, including the word and logo version of “WYNN,” are among our most valuable assets. As a result, and in connection with expansion of our resorts and gaming activities outside the United States, we have undertaken a program to register our trademarks and other intellectual property rights in relevant jurisdictions. We have retained counsel and intend to take all steps necessary to protect our intellectual property rights against unauthorized use throughout the world.

Pursuant to the Surname Rights Agreement, dated August 6, 2004, Stephen A. Wynn (“Mr. Wynn”) granted us our exclusive, fully paid-up, perpetual, worldwide license to use, and to own and register trademarks and service marks incorporating the “Wynn” surname for casino resorts and related businesses, together with the right to sublicense the name and marks to its affiliates. Pursuant to a separation agreement, dated February 15, 2018, by and between Mr. Wynn and the Company, if we cease to use the “Wynn” surname and trademark, we will assign all of our right, title, and interest in the “WYNN” marks to Mr. Wynn and terminate the Surname Rights Agreement.

We have also registered various domain names with various domain registrars around the world. Our domain registrations extend to various foreign jurisdictions such as “.com.cn” and “.com.hk.” We pursue domain related infringement on a case by case basis depending on the infringing domain in question. The information found on these websites is not a part of this Annual Report on Form 10-K or any other report we file or furnish to the SEC.

For more information regarding the Company’s intellectual property matters, see Item 1A—“Risk Factors.”

Forward-Looking Statements

We make forward-looking statements in this Annual Report on Form 10-K based upon the beliefs and assumptions of our management and on information currently available to us. Forward-looking statements

include, but are not limited to, information about our business strategy, development activities, competition and possible or assumed future results of operations, throughout this report and are often preceded by, followed by or include the words “may,” “will,” “should,” “would,” “could,” “believe,” “expect,” “anticipate,” “estimate,” “intend,” “plan,” “continue” or the negative of these terms or similar expressions.

Forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially from those we express in these forward-looking statements, including the risks and uncertainties in Item 1A—“Risk Factors” and other factors we describe from time to time in our periodic filings with the SEC, such as:

- extensive regulation of our business and the cost of compliance or failure to comply with applicable laws and regulations;
- pending or future claims and legal proceedings, regulatory or enforcement actions or probity investigations;
- our ability to maintain our gaming licenses and concessions, including the renewal or extension of the concession in Macau that expires on June 26, 2022;
- our dependence on key employees;
- general global political and economic conditions, in the U.S. and China (including the Chinese government’s ongoing anti-corruption campaign), which may impact levels of travel, leisure, and consumer spending;
- restrictions or conditions on visitation by citizens of PRC and other regions to Macau;
- the impact on the travel and leisure industry from factors such as an outbreak of an infectious disease, including the COVID-19 pandemic, public incidents of violence, riots, demonstrations, extreme weather patterns or natural disasters, military conflicts, civil unrest, and any future security alerts and/or terrorist attacks;
- doing business in foreign locations such as Macau;
- our ability to maintain our customer relationships and collect and enforce gaming receivables;
- our dependence on a limited number of resorts and locations for all of our cash flow and our subsidiaries’ ability to pay us dividends and distributions;
- competition in the casino/hotel and resort industries and actions taken by our competitors, including new development and construction activities of competitors;
- factors affecting the development and success of new gaming and resort properties (such as limited labor resources, government labor and gaming policies, transportation infrastructure, supply chain disruptions, cost increases, environmental regulation, and our ability to secure necessary permits and approvals);
- construction risks (including disputes with and defaults by contractors and subcontractors; construction, equipment or staffing problems; shortages of materials or skilled labor; environment, health and safety issues; and unanticipated cost increases);
- legalization and growth of gaming in other jurisdictions;
- any violations by us of the anti-money laundering laws or Foreign Corrupt Practices Act;
- adverse incidents or adverse publicity concerning our resorts or our corporate responsibilities;
- changes in gaming laws or regulations;
- changes in federal, foreign, or state tax laws or the administration of such laws;
- continued compliance with all provisions in our debt agreements;

- conditions precedent to funding under our credit facilities;
- leverage and debt service (including sensitivity to fluctuations in interest rates);
- cybersecurity risk, including cyber and physical security breaches, system failure, computer viruses, and negligent or intentional misuse by customers, company employees, or employees of third-party vendors;
- our ability to protect our intellectual property rights; and
- our current and future insurance coverage levels.

Further information on potential factors that could affect our financial condition, results of operations and business are included in this report and our other filings with the SEC. You should not place undue reliance on any forward-looking statements, which are based only on information available to us at the time this statement is made. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

Item 1A. Risk Factors

You should carefully consider the risk factors set forth below, as well as the other information contained in this Annual Report on Form 10-K, regarding matters that could have an adverse effect, including a material one, on our business, financial condition, results of operations and cash flows. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material adverse effect on our business, financial condition, results of operations and cash flows.

Risks Related to our Business

The COVID-19 pandemic 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 since then spread around the world. The COVID-19 pandemic and the spread, and risk of resurgence, of COVID-19 and related variants may continue to negatively impact many aspects of our business and the ability and desire of people to travel and participate in activities at crowded indoor places, such as those we offer at our properties.

In response to and as part of a continuing effort to reduce the initial spread of COVID-19, each of our properties was closed temporarily pursuant to government directives. Since reopening, we have implemented certain COVID-19 specific protective measures at each location. Although all of our properties are currently open, we cannot predict whether future closures, in full or in part, will occur. For example, in response to an increase in COVID-19 cases in Massachusetts, on November 2, 2020, the Governor of Massachusetts issued a directive limiting the operating hours of certain businesses, including restaurants and casinos, effective November 6, 2020. Encore Boston Harbor modified its hours of operation as a result of this directive, which was subsequently lifted on January 25, 2021.

Visitation to our properties and gross gaming revenues significantly decreased following the outbreak of COVID-19, driven by the strong deterrent effect of the COVID-19 pandemic on travel and social activities, broad quarantine measures, travel restrictions and advisories, including recommendations by the U.S. Department of State and the Centers for Disease Control and Prevention, and in Macau, the suspension or reduced availability of the IVS, group tour scheme and other travel visas for visitors. While some of the initial protective measures and restrictions have eased since their initial implementation, certain border control, travel-related restrictions and conditions, including COVID-19 testing and other procedures remain in place in Macau. Given the evolving conditions created by and in response to the COVID-19 pandemic, we are currently unable to determine when all

travel-related restrictions and conditions will be fully lifted. Measures that have been lifted or are expected to be lifted may be reintroduced if there are adverse developments in the COVID-19 situation. Moreover, once travel advisories and restrictions are fully lifted, demand for casino resorts may remain weak for a significant length of time and inbound tourism to Macau may be slow to recover. We cannot predict when, or even if, operating results at our properties in Macau will return to pre-outbreak levels. In particular, consumer behavior related to discretionary spending and traveling, including 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 the COVID-19 pandemic. In addition, we cannot predict the impact that the COVID-19 pandemic will have on our partners, such as tenants, travel agencies, suppliers and other vendors, which may adversely impact our operations or planned development projects.

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 containment measures, the impact on our results of operations, cash flows and financial condition in 2022 and potentially thereafter may be material, but cannot be reasonably estimated at this time. To the extent the COVID-19 pandemic 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 those relating to our ability to raise capital, our high level of indebtedness, our need to generate sufficient cash flows to service our indebtedness, and our ability to comply with the covenants or other restrictions contained in the agreements that govern our indebtedness. In addition, the COVID-19 pandemic has significantly increased global economic and demand uncertainty. Global recovery from the economic fallout of the COVID-19 pandemic could take many years, which could continue to adversely impact our financial condition and operations.

Laws and regulations in the jurisdictions in which we operate can be changed or interpreted differently in the future.

Our operations are exposed to the risk of changes in laws and policies of the jurisdictions in which we operate. In addition, those laws and regulations could be interpreted differently in the future. We cannot predict the future likelihood or outcome of legislation or referendums in jurisdictions where we operate or the impact of those changes on our business, financial condition, results of operations and cash flows. For example, on January 18, 2022, the Macau authorities published proposed amendments to the Macau gaming law. These amendments contemplate, for example, the awarding of up to six gaming concessions with a term up to ten years with a maximum three-year extension possible, an increase in the minimum capital requirement applicable to concession holders to 5 billion Macau patacas (approximately \$623 million), and a prohibition on revenue sharing arrangements between gaming promoters and concession holders. Until the adoption of final revisions to the Macau gaming law by the Macau authorities, we cannot predict the amendments that will ultimately be adopted and whether such amendments will have a material impact on our business, financial condition, results of operations, and cash flows.

We are subject to extensive state and local regulation, and licensing and gaming authorities have significant control over our operations. The cost of compliance or failure to comply with such regulations and authorities could have a negative effect on our business, and if we fail to obtain regulatory approvals to operate in new jurisdictions, our growth prospects may be limited.

The operations of our resorts and digital sports betting and casino offerings are contingent upon our obtaining and maintaining all necessary licenses, permits, approvals, registrations, findings of suitability, orders and authorizations in the jurisdictions in which our resorts are located. The laws, regulations and ordinances requiring these licenses, permits and other approvals generally relate to the responsibility, financial stability and character of the owners and managers of gaming operations, as well as persons financially interested or involved in gaming operations. The NGC may require the holder of any debt or securities that we, the registered intermediary subsidiaries, or Wynn Las Vegas, LLC issue to file applications, be investigated and be found

suitable to own such debt or securities if it has reason to believe that the security ownership would be inconsistent with the declared policies of the State of Nevada.

The Company's articles of incorporation provide that, to the extent required by the gaming authority making the determination of unsuitability or to the extent the Board of Directors determines, in its sole discretion, that a person is likely to jeopardize the Company's or any affiliate's application for, receipt of, approval for, right to the use of, or entitlement to, any gaming license, shares of Wynn Resorts' capital stock that are owned or controlled by such unsuitable person or its affiliates are subject to redemption by Wynn Resorts. The redemption price may be paid in cash, by promissory note, or both, as required, and pursuant to the terms established by the applicable gaming authority and, if not, as Wynn Resorts elects.

United States gaming regulatory authorities have broad powers to request detailed financial and other information, to limit, condition, suspend or revoke a registration, gaming license or related approvals; approve changes in our operations; and levy fines or require forfeiture of assets for violations of gaming laws or regulations. Complying with gaming laws, regulations and license requirements is costly. Any change in gaming laws, regulations or licenses applicable to our business or a violation of any current or future laws or regulations applicable to our business or gaming licenses could require us to make substantial expenditures and forfeit assets, and would negatively affect our gaming operations.

Failure to adhere to the regulatory and gaming requirements in Macau could result in the revocation of our Macau Operations' concession or otherwise negatively affect its operations in Macau. Moreover, we are subject to the risk that U.S. regulators may not permit us to conduct operations in Macau in a manner consistent with the way in which we intend, or the applicable U.S. gaming authorities require us, to conduct our operations in the United States.

Each of these regulatory authorities has extensive power to license and oversee the operations of our casino resorts and digital offerings and has taken action and could take action against the Company and its related licensees, including actions that could affect the ability or terms upon which our subsidiaries hold their gaming licenses and concessions, and the suitability of the Company to continue as a stockholder of those affiliates.

Furthermore, our ability to grow our digital sports betting and casino business will depend on our ability to obtain and maintain regulatory approvals to offer our product offerings in a large number of jurisdictions or in heavily populated jurisdictions. If we fail to obtain and maintain regulatory approvals in large jurisdictions or in a greater number of mid-market jurisdictions, this may prevent us from expanding the footprint of our product offerings, increasing our customer base and/or generating revenues. We cannot be certain that we will be able to obtain and maintain the regulatory approvals necessary to conduct our online sports betting and online casino operations. Any failure to obtain and maintain such regulatory approvals could have a material adverse effect on Wynn Interactive's business, financial condition, results of operations and prospects.

In addition, even if such regulatory approvals are obtained and/or maintained, certain states' sports betting laws limit online sports betting to a finite number of retail operators, such as casinos, tribes or tracks. A "skin" is a legal authorization from a state that provides a market access opportunity for mobile operators to offer online sports betting services pursuant to a relationship with a casino, tribe or track. The entities that control those "skins," and the numbers of "skins" available, are typically determined by a state's sports betting law. In most of the jurisdictions in which we offer or may offer sports betting and our online casino, we currently and in the future may rely on a retail/physical casino, tribe or track to get a "skin." These "skins" are what allows us to gain access to jurisdictions where online operators are required to have a retail relationship. We will be dependent on strategic relationships with certain retail operators in order to be able to offer our products in such states. If we cannot establish, renew or manage our relationships, our relationships could terminate and we would not be allowed to operate in those jurisdictions unless and until we enter into new relationships. As a result, Wynn Interactive's business, financial condition and results of operations could be adversely affected.

Ongoing investigations, litigation and other disputes could distract management and result in negative publicity and additional scrutiny from regulators.

As discussed in Item 3—“Legal Proceedings” and Item 8—“Financial Statements and Supplementary Data,” Note 17, “Commitments and Contingencies,” the Company is subject to various claims related to our operations. These foregoing investigations, litigation and other disputes and any additional such matters that may arise in the future, can be expensive and may divert management’s attention from the operations of our businesses. The investigations, litigation and other disputes may also lead to additional scrutiny from regulators, which could lead to investigations relating to, and possibly a negative impact on, the Company’s gaming licenses and the Company’s ability to bid successfully for new gaming market opportunities. In addition, the actions, litigation and publicity could negatively impact our business, reputation and competitive position and could reduce demand for shares of Wynn Resorts and WML and thereby have a negative impact on the trading prices of their respective shares.

We depend on the continued services of key managers and employees. If we do not retain our key personnel or attract and retain other highly skilled employees, our business will suffer.

Our ability to maintain our competitive position is dependent to a large degree on the services of our senior management team. Our success depends upon our ability to attract, hire, and retain qualified operating, marketing, financial, and technical personnel in the future. Given the intense competition for qualified management personnel in our industry, we may not be able to hire or retain the required personnel. The loss of key management and operating personnel would likely have a material adverse effect on our business, prospects, financial condition, and results of operations.

Our business is particularly sensitive to reductions in discretionary consumer spending, including as a result of economic downturns or increasing geopolitical tensions.

Our financial results have been, and are expected to continue to be, affected by the global and regional economy. Any severe or prolonged slowdown in the global or regional economy may materially and adversely affect our business, results of operations and financial condition.

Recently there have also been heightened tensions in international relations, notably with respect to international trade, including increases in tariffs and company and industry specific restrictions. These issues, in addition to changes in national security policies and geopolitical issues, can impact the global and regional economy and impact our business in a negative fashion. Various types of restrictions have been placed by government agencies on targeted industries and companies which could potentially negatively impact the intended subject as well as other companies and persons sharing a common country of operations. These types of events have also caused significant volatility in global equity and debt capital markets which could trigger a severe contraction of liquidity in the global credit markets.

Consumer demand for hotels, casino resorts, trade shows, conventions and for the type of luxury amenities that we offer is particularly sensitive to downturns in the economy, which adversely affect discretionary spending on leisure activities. Because a significant number of our customers come from the PRC, Hong Kong and Taiwan, the economic condition of Macau and its surrounding region, in particular, affects the gaming industry in Macau and our Macau Operations. Changes in discretionary consumer spending or consumer preferences brought about by factors such as perceived or actual general economic conditions, high unemployment, perceived or actual changes in disposable consumer income and wealth, inflationary pressure, economic recession, changes in consumer confidence in the economy, fears of war and acts of terrorism could reduce customer demand for the luxury amenities and leisure activities we offer and may negatively impact our operating results.

Demand for our products and services may be negatively impacted by strained international relations, economic disruptions, visa and travel restrictions or difficulties, anti-corruption campaigns, restrictions on international money transfers and other policies or campaigns implemented by regional governments.

A significant amount of our gaming revenues is generated from customers arriving from the PRC, Hong Kong and Taiwan. Strained international relations, economic disruption and other similar events could negatively impact the number of visitors to our facilities and the amount they spend. In addition, policies adopted from time to time by governments, including any visa and travel restrictions or difficulties faced by our customers such as restrictions on exit visas for travelers requiring them or restrictions on visitor entry visas for the jurisdictions in which we operate, could disrupt the number of visitors to our properties from those affected places, including from the PRC, Hong Kong and Taiwan. It is not known when, or if, policies restricting visitation by PRC citizens will be put in place and such policies may be adjusted, without notice, in the future. Furthermore, anti-corruption campaigns may influence the behavior of certain of our customers and their spending patterns. Such campaigns, as well as monetary outflow policies have specifically led to tighter monetary transfer regulations in a number of areas. These policies may affect and impact the number of visitors and the amount of money they spend. The overall effect of these campaigns and monetary transfer restrictions may negatively affect our revenues and results of operations.

Our business is particularly sensitive to the willingness of our customers to travel to and spend time at our resorts. Acts or the threat of acts of terrorism, outbreak of infectious disease, regional political events and developments in certain countries could cause severe disruptions in air and other travel and may otherwise negatively impact tourists' willingness to visit our resorts. Such events or developments could reduce the number of visitors to our facilities, resulting in a material adverse effect on our business and financial condition, results of operations or cash flows.

We are dependent on the willingness of our customers to travel. Only a small amount of our business is and will be generated by local residents. Most of our customers travel to reach our Las Vegas and Macau properties. Acts of terrorism or concerns over the possibility of such acts may severely disrupt domestic and international travel, which would result in a decrease in customer visits to Las Vegas and Macau, including our properties. Regional conflicts could have a similar effect on domestic and international travel. Disruptions in air or other forms of travel as a result of any terrorist act, outbreak of hostilities, escalation of war or worldwide infectious disease outbreak would have an adverse effect on our business and financial condition, results of operations and cash flows. In addition, governmental action and uncertainty resulting from global political trends and policies of major global economies, including potential barriers to travel, trade and immigration can reduce demand for hospitality products and services, including visitation to our resorts.

Furthermore, the attack in Las Vegas on October 1, 2017 underscores the possibility that large public facilities could become the target of mass shootings or other attacks in the future. The occurrence or the possibility of attacks could cause all or portions of affected properties to be shut down for prolonged periods, resulting in a loss of income; generally reduce travel to affected areas for tourism and business or adversely affect the willingness of customers to stay in or avail themselves of the services of the affected properties; expose us to a risk of monetary claims arising from death, injury or damage to property caused by any such attack; and result in higher costs for security and insurance premiums, all of which could adversely affect our results.

Our continued success depends on our ability to maintain the reputation of our resorts.

Our strategy and integrated resort business model rely on positive perceptions of our resorts and the level of service we provide. Any deterioration in our reputation could have a material adverse effect on our business, results of operations and cash flows. Our reputation could be negatively impacted by our failure to deliver the superior design and customer service for which we are known or by events that are beyond our control. Our reputation may also suffer as a result of negative publicity regarding the Company or our resorts, including as a result of social media reports, regardless of the accuracy of such publicity. The continued expansion of media

and social media formats has compounded the potential scope of negative publicity and has made it more difficult to control and effectively manage negative publicity.

We are entirely dependent on a limited number of resorts for all of our cash flow, which subjects us to greater risks than a gaming company with more operating properties.

We are currently entirely dependent upon our Macau Operations, Las Vegas Operations and Encore Boston Harbor for all of our operating cash flow. As a result, we are subject to a greater degree of risk than a gaming company with more operating properties or greater geographic diversification. The risks to which we have a greater degree of exposure include changes in local economic and competitive conditions; changes in local and state governmental laws and regulations, including gaming laws and regulations, and the way in which those laws and regulations are applied; natural and other disasters, including the potential effects of climate change such as severe storms, hurricanes, typhoons, rising sea levels, severe drought, or the outbreak of infectious diseases such as COVID-19; an increase in the cost of maintaining our properties; a decline in the number of visitors to Las Vegas, Macau or Boston; and a decrease in gaming and non-casino activities at our resorts. Any of these factors could negatively affect our results of operations and our ability to generate sufficient cash flow to make payments or maintain our covenants with respect to our debt.

We are a parent company and our primary source of cash is and will be distributions from our subsidiaries.

We are a parent company with limited business operations of our own. Our main asset is the capital stock of our subsidiaries. We conduct most of our business operations through our direct and indirect subsidiaries. Accordingly, our primary sources of cash are dividends and distributions with respect to our ownership interests in our subsidiaries that are derived from the earnings and cash flow generated by our operating properties. Our subsidiaries might not generate sufficient earnings and cash flow to pay dividends or distributions in the future. For example, WML's board of directors concluded not to recommend the payment of a dividend with respect to the years ended December 31, 2021, 2020 and 2019 due to the financial impact of the COVID-19 pandemic. Currently, there is no certainty as to whether the WML board of directors will recommend a payment of dividend for 2022. If the COVID-19 pandemic continues to interrupt our gaming operations or visitation to Macau or if the outbreak escalates, it may continue to have an adverse effect on our subsidiaries' results of operations and their ability to pay dividends or distributions to us in the future.

Our subsidiaries' payments to us will be contingent upon their earnings and upon other business considerations, and may be impacted by potential changes in laws and regulations. In addition, our subsidiaries' debt instruments and other agreements limit or prohibit certain payments of dividends or other distributions to us. We expect that future debt instruments for the financing of our other developments will contain similar restrictions. An inability of our subsidiaries to pay us dividends and distributions would have a significant negative effect on our liquidity.

Our casino, hotel, convention and other facilities and offerings face intense competition, which may increase in the future.

General. The casino/hotel industry is highly competitive. Increased competition could result in a loss of customers which may negatively affect our cash flows and results of operations.

Macau Operations. There are three gaming concessions and three subconcessions authorized by the Macau government for the operation of casinos in Macau, of which we hold one of the gaming concessions. Although the Macau government has indicated that it intends to grant only six concessions when the current concessions and subconcessions terminate, if the Macau government were to allow additional competitors to operate in Macau through the grant of additional concessions or subconcessions, we would face additional competition, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. Several of the current concessionaires and subconcessionaires have opened facilities in the Cotai area over

the past few years, which has significantly increased gaming and non-gaming offerings in Macau, with continued development and further openings in Cotai expected in the near future.

Our Macau Operations face competition from casinos throughout the world, including Singapore, South Korea, the Philippines, Malaysia, Vietnam, Cambodia, Australia, Las Vegas, cruise ships in Asia that offer gaming and other casinos throughout Asia. Additionally, certain other Asian countries and regions have legalized or in the future may legalize gaming, such as Japan, Taiwan and Thailand, which could increase competition for our Macau Operations.

Las Vegas Operations and Encore Boston Harbor. Our Las Vegas Operations compete with other Las Vegas Strip hotels and with other hotel casinos in Las Vegas on the basis of overall atmosphere, range of amenities, level of service, price, location, entertainment, theme and size, among other factors. There are currently several large-scale integrated resort projects either recently completed or under development in the vicinity of our Las Vegas Operations, which may present increased competition in the future. Wynn Las Vegas also competes with other casino/hotel facilities in other cities. The proliferation of gaming activities in other areas could significantly harm our business as well. In particular, the legalization or expansion of casino gaming in or near metropolitan areas from which we attract customers could have a negative effect on our business. In addition, new or renovated casinos in Macau or elsewhere in Asia could draw Asian gaming customers away from Wynn Las Vegas. Encore Boston Harbor competes with other casinos in the northeastern United States. Additional competition in the northeast region as a result of the upgrading or expansion of facilities by existing market participants, the entrance of new gaming participants into a market or legislative changes may harm our business. As competing properties and new markets are opened, our operating results may be negatively impacted.

Wynn Interactive. A number of established, well-financed companies producing online gaming and/or interactive entertainment products and services compete with our digital sports betting and casino offerings, and other well-capitalized companies may introduce competitive services. Such competitors may spend more money and time on developing and testing products and services, undertake more extensive marketing campaigns, adopt more aggressive pricing or promotional policies or otherwise develop more commercially successful products or services than ours, which could negatively impact our business. Our competitors may also develop products, features, or services that are similar to ours or that achieve greater market acceptance. Such competitors may also undertake more far-reaching and successful product development efforts or marketing campaigns or may adopt more aggressive pricing policies. Furthermore, new competitors, whether licensed or not, may enter the online sports betting and online casino industries. There has also been considerable consolidation among competitors in the entertainment and gaming industries and such consolidation and future consolidation could result in the formation of larger competitors with increased financial resources and altered cost structures, which may enable them to offer more competitive products, gain a larger market share, acquire our key partners or third party providers, decrease cost per user acquisition, expand offerings and broaden their geographic scope of operations. If we are not able to maintain or improve our market share, or if our offerings are not accepted by the markets in which we operate, our digital sports betting and casino business could suffer.

Our business relies on premium customers. We often extend credit, and we may not be able to collect gaming receivables from our credit players or credit play may decrease.

General. A significant portion of our table games revenue at our resorts is attributable to the play of a limited number of premium customers. The loss or a reduction in the play of the most significant of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows. Adverse global or regional economic conditions, could reduce the frequency of visits by these customers and revenue generated from them.

We conduct our gaming activities on a credit, as well as a cash, basis. The casino credit we extend is generally unsecured and due on demand. We will extend casino credit to those customers whose level of play and

financial resources, in the opinion of management, warrant such an extension. Table games players typically are extended more credit than slot players, and high-value players typically are extended more credit than customers who tend to wager lower amounts. The collectability of receivables from customers could be negatively affected by future business or economic trends or by significant events in the countries in which these customers reside. In addition, premium gaming is more volatile than other forms of gaming, and variances in win-loss results attributable to high-value gaming may have a positive or negative impact on cash flow and earnings in a particular quarter.

Macau Operations. Although the law in Macau permits casino operators to extend credit to gaming customers, our Macau Operations may not be able to collect all of its gaming receivables from its credit players. We expect that our Macau Operations will be able to enforce these obligations only in a limited number of jurisdictions, including Macau. To the extent our gaming customers are visitors from other jurisdictions, we may not have access to a forum in which we will be able to collect all of our gaming receivables because, among other reasons, courts of many jurisdictions do not enforce gaming debts and we may encounter forums that will refuse to enforce such debts. Our inability to collect gaming debts could have a significant negative impact on our operating results.

Currently, the gaming tax in Macau is calculated as a percentage of gross gaming revenue, including the face value of credit instruments issued. The gross gaming revenues calculation in Macau does not include deductions for uncollectible gaming debts. As a result, if we extend credit to our customers in Macau and are unable to collect on the related receivables from them, we remain obligated to pay taxes on our winnings from these customers regardless of whether we collect on the credit instrument.

Las Vegas Operations and Encore Boston Harbor. While gaming debts evidenced by a credit instrument, including what is commonly referred to as a “marker,” are enforceable under the current laws of Nevada and Massachusetts, and judgments on gaming debts are enforceable in all states of the United States under the Full Faith and Credit Clause of the United States Constitution, other jurisdictions may determine that direct or indirect enforcement of gaming debts is against public policy. Although courts of some foreign nations will enforce gaming debts directly and the assets in the United States of foreign debtors may be used to satisfy a judgment, judgments on gaming debts from U.S. courts are not binding on the courts of many foreign nations. We cannot assure that we will be able to collect the full amount of gaming debts owed to us, even in jurisdictions that enforce them. Changes in economic conditions may make it more difficult to assess creditworthiness and more difficult to collect the full amount of any gaming debt owed to us. Our inability to collect gaming debts could have a significant negative impact on our operating results.

Win rates for our gaming operations depend on a variety of factors, some of which are beyond our control.

The gaming industry is characterized by an element of chance. Win rates are also affected by other factors, including players’ skill and experience, the mix of games played, the financial resources of players, the spread of table limits, the volume of bets played, the amount of time played and undiscovered acts of fraud or cheating. In addition, premium gaming is more volatile than other forms of gaming, and variances in win-loss results attributable to high-end gaming may have a positive or negative impact on cash flow and earnings in a particular quarter. Our gross gaming revenues are mainly derived from the difference between our casino winnings and the casino winnings of our gaming customers. Since there is an inherent element of chance in the gaming industry, we do not have full control over our winnings or the winnings of our gaming customers.

Acts of fraud or cheating through the use of counterfeit chips, covert schemes and other tactics, possibly in collusion with our employees, may be attempted or committed by our gaming customers with the aim of increasing their winnings. Our gaming customers, visitors and employees may also commit crimes such as theft in order to obtain chips not belonging to them. We have taken measures to safeguard our interests including the implementation of systems, processes and technologies to mitigate against these risks, extensive employee training, surveillance, security and investigation operations and adoption of appropriate security features on our

chips such as embedded radio frequency identification tags. Despite our efforts, we may not be successful in preventing or detecting such culpable behavior and schemes in a timely manner and the relevant insurance we have obtained may not be sufficient to cover our losses depending on the incident, which could result in losses to our gaming operations and generate negative publicity, both of which could have an adverse effect on our reputation, business, results of operations and cash flows.

Our new projects may not be successful. Construction projects will be subject to development and construction risks, which could have an adverse effect on our financial condition, results of operations or cash flows.

In addition to the construction and regulatory risks associated with our current and future construction projects, we cannot assure you that the level of consumer demand for our casino resorts or for the type of luxury amenities that we will offer will meet our expectations. The operating results of our new projects may be materially different than the operating results of our current integrated resorts due to, among other reasons, differences in consumer and corporate spending and preferences in new geographic areas, increased competition from other markets or other developments that may be beyond our control. In addition, our new projects may be more sensitive to certain risks, including risks associated with downturns in the economy, and risks associated with disruptions of the supply chains through which we obtain construction materials and furniture, fixtures, and equipment, than the resorts we currently operate. The demands imposed by new developments on our managerial, operational and other resources may impact our operation of our existing resorts. Construction, equipment or staffing problems or difficulties in obtaining any of the requisite licenses, permits and authorizations from regulatory authorities could increase the total cost, delay or prevent the construction or opening or otherwise affect the design and features of our projects. If any of these issues were to occur, it could adversely affect our prospects, financial condition, or results of operations.

We could encounter higher than expected cost increases in the development of our projects.

The projected development costs for our projects reflect our best estimates and the actual development costs may be higher than expected. Contingencies that have been set aside by us to cover potential cost overruns or potential delays may be insufficient to cover the full amount of such overruns or delays. If these contingencies are not sufficient to cover these costs, or if we are not able to recover damages for these delays and contingencies, we may not have the funds required to pay the excess costs and our projects may not be completed. Failure to complete our projects may negatively affect our financial condition, our results of operations and our ability to pay our debt.

Any violation of applicable Anti-Money Laundering laws, regulations or the Foreign Corrupt Practices Act or sanctions could adversely affect our business, performance, prospects, value, financial condition, and results of operations.

We deal with significant amounts of cash in our operations and are subject to various jurisdictions' reporting and anti-money laundering laws and regulations. Both U.S. and Macau governmental authorities focus heavily on the gaming industry and compliance with anti-money laundering laws and regulations. From time to time, the Company receives governmental and regulatory inquiries about compliance with such laws and regulations. The Company cooperates with all such inquiries. Any violation of anti-money laundering laws or regulations could adversely affect our business, performance, prospects, value, financial condition, and results of operations.

Further, we have operations, and a significant portion of our revenue is derived outside of the United States. We are therefore subject to regulations imposed by the FCPA and other anti-corruption laws that generally prohibit U.S. companies and their intermediaries from offering, promising, authorizing or making improper payments to foreign government officials for the purpose of obtaining or retaining business. Violations of the FCPA and other anti-corruption laws may result in severe criminal and civil sanctions as well as other penalties, and the SEC and U.S. Department of Justice have increased their enforcement activities with respect to such laws

and regulations. The Office of Foreign Assets Control and the Commerce Department administer and enforce economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign states, organizations, and individuals. Failure to comply with these laws and regulations could increase our cost of operations, reduce our profits, or otherwise adversely affect our business, financial condition, and results of operations.

Internal control policies and procedures and employee training and compliance programs that we have implemented to deter prohibited practices may not be effective in prohibiting our and our affiliates' directors, employees, contractors or agents from violating or circumventing our policies and the law. If we or our affiliates, or either of our respective directors, employees or agents fail to comply with applicable laws or Company policies governing our operations, the Company may face investigations, prosecutions and other legal proceedings and actions, which could result in civil penalties, administrative remedies and criminal sanctions. Any such government investigations, prosecutions or other legal proceedings or actions could adversely affect our business, performance, prospects, value, financial condition, and results of operations.

Because we own real property, we are subject to extensive environmental regulation, which creates uncertainty regarding future environmental expenditures and liabilities.

We have incurred costs to comply with environmental requirements, such as those relating to discharges into the air, water and land, the handling and disposal of solid and hazardous waste and the cleanup of properties affected by hazardous substances. Under these and other environmental requirements we may be required to investigate and clean up hazardous or toxic substances or chemical releases at our property. As an owner or operator, we could also be held responsible to a governmental entity or third parties for property damage, personal injury and investigation and cleanup costs incurred by them in connection with any contamination.

These laws typically impose cleanup responsibility and liability without regard to whether the owner or operator knew of or caused the presence of the contaminants. The liability under those laws has been interpreted to be joint and several unless the harm is divisible and there is a reasonable basis for allocation of the responsibility. The costs of investigation, remediation or removal of those substances may be substantial, and the presence of those substances, or the failure to remediate a property properly, may impair our ability to use our property. Contamination has been identified at and in the vicinity of our site in Everett, Massachusetts. The ultimate cost of remediating contaminated sites is difficult to accurately predict and we exceeded our initial estimates. We may be required to conduct additional investigations and remediation with respect to this site.

Adverse incidents or adverse publicity concerning our resorts or our corporate responsibilities could harm our brand and reputation and negatively impact our financial results.

Our reputation and the value of our brand, including the perception held by our customers, business partners, other key stakeholders and the communities in which we do business, are important assets. Our business faces increasing scrutiny related to environmental, social and governance activities, and risk of damage to our reputation and the value of our brands if we fail to act responsibly in a number of areas, such as diversity and inclusion, environmental stewardship, supply chain management, sustainability, workplace conduct, human rights, philanthropy, and support for local communities. Any harm to our reputation could have a material adverse effect on our business, results of operations, and cash flows.

Compliance with changing laws and regulations may result in additional expenses and compliance risks.

Changing laws and regulations are creating uncertainty for gaming companies. These changing laws and regulations are subject to varying interpretations in many cases due to their lack of specificity, recent issuance and/or lack of guidance. As a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. In addition, further regulation of casinos, financial institutions and public companies is possible. This could result in continuing uncertainty and higher costs regarding compliance

matters. Due to our commitment to maintain high standards of compliance with laws and public disclosure, our efforts to comply with evolving laws, regulations and standards have resulted in and are likely to continue to result in increased general and administrative expense. In addition, we are subject to different parties' interpretation of our compliance with these new and changing laws and regulations.

We are subject to taxation by various governments and agencies. The rate of taxation could change.

We are subject to taxation by various governments and agencies in the jurisdictions in which we operate. Changes in the laws and regulations related to taxation, including changes in the rates of taxation, the amount of taxes we owe and the time when income is subject to taxation, our ability to claim U.S. foreign tax credits, failure to renew our Macau dividend agreement and Macau income tax exemption on gaming profits and the imposition of foreign withholding taxes could change our overall effective rate of taxation.

System failure, information leakage and the cost of maintaining sufficient cybersecurity could adversely affect our business.

We rely on information technology and other systems (including those maintained by third parties with whom we contract to provide data services) to maintain and transmit large volumes of customer financial information, credit card settlements, credit card funds transmissions, mailing lists and reservations information and other personally identifiable information. We also maintain important internal company data such as personally identifiable information about our employees and information relating to our operations. The systems and processes we have implemented to protect customers, employees and company information are subject to the ever-changing risk of compromised security. These risks include cyber and physical security breaches, system failure, computer viruses, and negligent or intentional misuse by customers, company employees, or employees of third-party vendors. The steps we take to deter and mitigate these risks may not be successful and our insurance coverage for protecting against cybersecurity risks may not be sufficient. Our third-party information system service providers face risks relating to cybersecurity similar to ours, and we do not directly control any of such parties' information security operations.

Despite the security measures we currently have in place, our facilities and systems and those of our third-party service providers may be vulnerable to security breaches, acts of vandalism, phishing attacks, computer viruses, misplaced or lost data, programming or human errors and other events. Cyber-attacks are becoming increasingly more difficult to anticipate and prevent due to their rapidly evolving nature and, as a result, the technology we use to protect our systems from being breached or compromised could become outdated due to advances in computer capabilities or other technological developments.

Any perceived or actual electronic or physical security breach involving the misappropriation, loss, or other unauthorized disclosure of confidential or personally identifiable information, including penetration of our network security, whether by us or by a third party, could disrupt our business, damage our reputation and our relationships with our customers or employees, expose us to risks of litigation, significant fines and penalties and liability, result in the deterioration of our customers' and employees' confidence in us, and adversely affect our business, results of operations and financial condition. Since we do not control third-party service providers and cannot guarantee that no electronic or physical computer break-ins and security breaches will occur in the future, any perceived or actual unauthorized disclosure of personally identifiable information regarding our employees, customers or website visitors could harm our reputation and credibility and reduce our ability to attract and retain employees and customers. As these threats develop and grow, we may find it necessary to make significant further investments to protect data and our infrastructure, including the implementation of new computer systems or upgrades to existing systems, deployment of additional personnel and protection-related technologies, engagement of third-party consultants, and training of employees. The occurrence of any of the cyber incidents described above could have a material adverse effect on our business, results of operations and cash flows.

The failure to protect the integrity and security of company employee and customer information could result in damage to reputation and/or subject us to fines, payment of damages, lawsuits or restrictions on our use or transfer of data.

Our business uses and transmits large volumes of employee and customer data, including credit card numbers and other personal information in various information systems that we maintain in areas such as human resources outsourcing, website hosting, and various forms of electronic communications. Our customers and employees have a high expectation that we will adequately protect their personal information. Our collection and use of personal data are governed by privacy laws and regulations, and privacy law is an area that changes often and varies significantly by jurisdiction. For example, the European Union (EU)'s General Data Protection Regulation ("GDPR") requires companies to meet stringent requirements regarding the handling of personal data. The GDPR captures data processing by non-EU firms with no EU establishment as long as firms' processing relates to "offering goods or services" or the "monitoring" of individuals in the EU. In addition to governmental regulations, there are credit card industry standards or other applicable data security standards we must comply with as well. Compliance with applicable privacy regulations may increase our operating costs and/or adversely impact our ability to market our products, properties and services to our guests. In addition, non-compliance with applicable privacy regulations by us (or in some circumstances non-compliance by third parties engaged by us) or a breach of security on systems storing our data may result in damage of reputation and/or subject us to fines, payment of damages, lawsuits or restrictions on our use or transfer of data. For example, failure to meet the GDPR requirements could result in penalties of up to four percent of worldwide revenue. Any misappropriation of confidential or personally identifiable information gathered, stored or used by us, be it intentional or accidental, could have a material impact on the operation of our business, including severely damaging our reputation and our relationships with our customers, employees and investors. Laws in the United States in this area are also developing quickly. Laws in all 50 states require businesses to provide notice to customers whose personally identifiable information has been disclosed as a result of a data breach. Some states, such as California, Virginia and Colorado, have adopted privacy laws. Such adoption may indicate a trend for further legislation across all states.

Our business could suffer if our computer systems and websites are disrupted or cease to operate effectively.

We are dependent on our computer systems to record and process transactions and manage and operate our business, including processing payments, accounting for and reporting financial results, and managing our employees and employee benefit programs. Given the complexity of our business, it is imperative that we maintain uninterrupted operation of our computer hardware and software systems. Despite our preventative efforts, our systems are vulnerable to damage or interruption from, among other things, security breaches, computer viruses, technical malfunctions, inadequate system capacity, power outages, natural disasters, and usage errors by our employees or third-party consultants. If our information technology systems become damaged or otherwise cease to function properly, we may have to make significant investments to repair or replace them. Additionally, confidential or sensitive data related to our customers or employees could be lost or compromised. Any material disruptions in our information technology systems could have a material adverse effect on our business, results of operations, and financial condition.

If a third party successfully challenges our ownership of, or right to use, the Wynn-related trademarks and/or service marks, our business or results of operations could be harmed.

Our intellectual property assets, especially the logo version of "Wynn," are among our most valuable assets. We have filed applications with the PTO and with various foreign patent and trademark registries including registries in Macau, China, Hong Kong, Singapore, Taiwan, Japan, certain European countries and various other jurisdictions throughout the world, to register a variety of WYNN-related trademarks and service marks in connection with a variety of goods and services. Some of the applications are based upon ongoing use and others are based upon a bona fide intent to use the marks in the future.

A common element of most of these marks is the use of the surname “WYNN.” As a general rule, a surname (or the portion of a mark primarily constituting a surname) is not eligible for registration unless the surname has acquired “secondary meaning.” To date, we have been successful in demonstrating to the PTO such secondary meaning for the WYNN marks, in certain of the applications, based upon factors including the Company’s long-term use, advertising and promotional efforts related to the marks and the level of international fame achieved by the marks, but we cannot assure you that we will be successful with the other pending applications.

Federal registrations are not completely dispositive of the right to such marks. Third parties who claim prior rights with respect to similar marks may nonetheless challenge our right to obtain registrations or our use of the marks and seek to overcome the presumptions afforded by such registrations.

Furthermore, due to the increased use of technology in computerized gaming machines and in business operations generally, other forms of intellectual property rights (such as patents and copyrights) are becoming of increased relevance. It is possible that, in the future, third parties might assert superior intellectual property rights or allege that their intellectual property rights cover some aspect of our operations. The defense of such allegations may result in substantial expenses, and, if such claims are successfully prosecuted, may have a material impact on our business. There has been an increase in the international operation of fraudulent online gambling and investment websites attempting to scam and defraud members of the public. Websites offering these or similar activities and opportunities that use our names or similar names or images in likeness to ours, are doing so without our authorization and possibly unlawfully and with criminal intent. If our efforts to cause these sites to be shut down through civil action and by reporting these sites to the appropriate authorities (where applicable) are unsuccessful or not timely completed, these unauthorized activities may continue and harm our reputation and negatively affect our business. Efforts we take to acquire and protect our intellectual property rights against unauthorized use throughout the world may be costly and may not be successful in protecting and preserving the status and value of our intellectual property assets.

Labor actions and other labor problems could negatively impact our operations.

Some of our employees are represented by labor unions. From time to time, we have experienced attempts by labor organizations to organize certain of our non-union employees. These efforts have achieved some success to date. We cannot provide any assurance that we will not experience additional and successful union activity in the future. The impact of any union activity is undetermined and could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our insurance coverage may not be adequate to cover all possible losses that we could suffer, including losses resulting from terrorism, and our insurance costs may increase.

We have comprehensive property and liability insurance policies for our properties with coverage features and insured limits that we believe are customary in their breadth and scope. However, in the event of a substantial loss, the insurance coverage we carry may not be sufficient to pay the full market value or replacement cost of our lost investment or could result in certain losses being totally uninsured. As a result, we could lose some or all of the capital we have invested in a property, as well as the anticipated future revenue from the property, and we could remain obligated for debt or other financial obligations related to the property.

Market forces beyond our control may limit the scope of the insurance coverage we can obtain in the future or our ability to obtain coverage at reasonable rates. Certain catastrophic losses may be uninsurable or too expensive to justify obtaining insurance. As a result, if we suffer such a catastrophic loss, we may not be successful in obtaining future insurance without increases in cost or decreases in coverage levels. Furthermore, our debt instruments and other material agreements require us to maintain a certain minimum level of insurance. Failure to satisfy these requirements could result in an event of default under these debt instruments or material agreements, which would negatively affect our business and financial condition.

Risks Associated with our Macau Operations

Our Macau Operations may be affected by adverse political and economic conditions.

Our Macau Operations are subject to significant political, economic and social risks inherent in doing business in an emerging market. The future success of our Macau Operations will depend on political and economic conditions in Macau and PRC. For example, fiscal decline, international relations, and civil, domestic or international unrest in Macau, China or the surrounding region could significantly harm our business, not only by reducing customer demand for casino resorts, but also by increasing the risk of imposition of taxes and exchange controls or other governmental restrictions, laws or regulations that might impede our Macau Operations or our ability to repatriate funds.

If we are unable to secure an extension or renewal of our concession, or a new concession, by June 26, 2022, our business and financial condition would experience material adverse effects.

The term of our concession agreement with the Macau government ends on June 26, 2022. Unless the term of our concession agreement is extended or renewed or we receive a new gaming concession or other right to operate gaming at our resorts in Macau, subject to any separate arrangement with the Macau government, all of our gaming operations and related equipment in Macau will be automatically transferred to the Macau government without compensation to us and we will cease to generate any revenues from these operations at the end of the term of our concession agreement. The failure to extend or renew our concession or obtain a new concession would have a material adverse effect on our results of operations.

In addition, under the indentures governing the Company's \$4.7 billion aggregate principal amount of WML Senior Notes and the facility agreement governing the WM Cayman II Revolver, upon the occurrence of any event after which the Company does not own or manage casino or gaming areas or operate casino games of fortune and chance in Macau in substantially the same manner as of the issue date of the respective senior notes or the date of the facility agreement, for a period of 10 consecutive days or more in the case of the WML Senior Notes or a period of 30 consecutive days or more in the case of the WM Cayman II Revolver, and such event has a material adverse effect on the financial condition, business, properties or results of operations of WML and its subsidiaries, taken as a whole, holders of the WML Senior Notes can exercise the Special Put Option, and the WM Cayman II Revolver would incur a Property Mandatory Prepayment Event. In such event, there is no certainty that we would be able to secure financing to repay the WML Senior Notes and the WM Cayman II Revolver on acceptable terms or at all. Such repayment would have a material adverse effect on our financial condition and results of operations.

We compete for limited labor resources in Macau and local policies may also affect our ability to employ imported labor.

The success of our operations in Macau will be affected by our success in hiring and retaining employees. We compete with a large number of casino resorts in Macau for a limited number of qualified employees. In addition, only Macau residents are eligible for the majority of positions within the casino including dealers and other gaming staff. Competition for these individuals in Macau has increased and will continue to increase as other competitors expand their operations. We seek employees from outside Macau to adequately staff our resorts where permitted and certain local policies affect our ability to import labor in certain job classifications. We coordinate with the labor and immigration authorities to ensure our labor needs are satisfied, but cannot be certain that we will be able to recruit and retain a sufficient number of qualified employees for our Macau Operations or that we will be able to obtain required work permits for those employees. If we are unable to obtain, attract, retain and train skilled employees, our ability to adequately manage and staff our existing and planned casino and resort properties in Macau could be impaired, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The smoking control legislation in Macau could have an adverse effect on our business, financial condition, results of operations and cash flows.

Under the Macau Smoking Prevention and Tobacco Control Law, as of January 1, 2019, smoking on casino premises is only permitted in authorized segregated smoking lounges with no gaming activities and such smoking lounges are required to comply with the conditions set out in the regulations. The existing smoking legislation, and any smoking legislation intended to fully ban all smoking in casinos, may deter potential gaming customers who are smokers from frequenting casinos in Macau and disrupt the number of customers visiting or the amount of time visiting customers spend at our property, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Transportation services, infrastructure and related facilities may need to be improved to accommodate the demand of visitors to Macau.

Transportation services, infrastructure and related facilities within Macau and between Macau, Hong Kong and the PRC may need to be improved to accommodate the increased visitation to Macau driven by additional casino projects and attractions that are under construction and to be developed in the future as well as the opening of the Hong Kong-Zhuhai-Macau Bridge which may further strain existing transportation infrastructure. If transportation facilities to and from Macau are inadequate to meet the demands of an increased volume of gaming customers visiting Macau, the desirability of Macau as a gaming destination, as well as the results of operations of our Macau Operations, could be negatively impacted. Furthermore, construction of current and future casino and infrastructure projects, adjacent to our properties could impede access to our properties during construction and development. This may negatively impact the results of our Macau Operations.

Extreme weather conditions may have an adverse impact on our Macau Operations.

Macau's subtropical climate and location on the South China Sea are subject to extreme weather conditions including typhoons and heavy rainstorms, such as Typhoon Mangkhut in 2018 and Typhoon Hato in 2017. Unfavorable weather conditions could negatively affect the profitability of our resorts and prevent or discourage guests from traveling to Macau. Any flooding, unscheduled interruption in the technology or transportation services or interruption in the supply of public utilities may lead to a shutdown of any of our resorts in Macau. The occurrence and timing of such events cannot be predicted or controlled by us and may have a material adverse effect on our business, financial condition, results of operations, and cash flows.

If our Macau Operations fail to comply with the concession agreement, the Macau government can terminate our concession without compensation to us, which would have a material adverse effect on our business and financial condition.

The Macau government has the right to unilaterally terminate our concession in the event of our material non-compliance with the basic obligations under the concession and applicable Macau laws. The concession agreement expressly provides a non-exhaustive list of facts and circumstances under which the government of Macau may unilaterally rescind the concession agreement of our Macau Operations, including if it conducts unauthorized games or activities that are excluded from its corporate purpose; suspends gaming operations in Macau for more than seven consecutive days (or more than 14 days in a civil year) without justification; defaults in payment of taxes, premiums, contributions or other required amounts; does not comply with government inspections or supervision; systematically fails to observe its obligations under the concession system; or does not comply with directions issued by the Macau government, in particular the Macau gaming regulator; fails to maintain bank guarantees or bonds satisfactory to the government; is the subject of bankruptcy proceedings or becomes insolvent; engages in serious fraudulent activity, damaging to the public interest; or repeatedly violates applicable gaming laws.

If the government of Macau unilaterally rescinds the concession agreement, our Macau Operations will be required to compensate the government in accordance with applicable law, and the areas defined as casino space

under Macau law and all of the gaming equipment pertaining to our gaming operations will be transferred to the government without compensation. The loss of our concession would prohibit us from conducting gaming operations in Macau, which would have a material adverse effect on our business and financial condition.

Certain Nevada gaming laws apply to our gaming activities and associations outside of Nevada.

Certain Nevada gaming laws also apply to gaming activities and associations in jurisdictions outside of Nevada. We and our subsidiaries that must be licensed to conduct gaming operations in Nevada are required to comply with certain reporting requirements concerning gaming activities and associations conducted by our subsidiaries in other jurisdictions. We and our licensed Nevada subsidiaries also will be subject to disciplinary action by the NGC if our subsidiaries operating in other jurisdictions knowingly violate any laws relating to their gaming operations; fail to conduct operations in other jurisdictions in accordance with the standards of honesty and integrity required of Nevada gaming operations; engage in any activity or enter into any association that is unsuitable for us because it poses an unreasonable threat to the control of gaming in Nevada, reflects or tends to reflect discredit or disrepute upon Nevada or gaming in Nevada, or is contrary to Nevada gaming policies; engage in any activity or enter into any association that interferes with the ability of Nevada to collect gaming taxes and fees; or employ, contract with or associate with any person in the foreign gaming operation who has been denied a license or a finding of suitability in Nevada on the ground of unsuitability, or who has been found guilty of cheating at gambling. Such disciplinary action could include suspension, conditioning, limitation or revocation of the registration, licenses or approvals held by us and our licensed Nevada subsidiaries, including Wynn Las Vegas, LLC, and the imposition of substantial fines.

In addition, if the Nevada Gaming Control Board determines that any actual or intended activities or associations of our subsidiaries operating in other states may be prohibited pursuant to one or more of the standards described above, the Nevada Gaming Control Board can require us and our licensed Nevada subsidiaries to file an application with the NGC for a finding of suitability of the activity or association. If the NGC finds that the activity or association in the other jurisdictions unsuitable or prohibited, those subsidiaries will either be required to terminate the activity or association, or will be prohibited from undertaking the activity or association. Consequently, should the NGC find that our subsidiaries' gaming activities or associations in other jurisdictions are unsuitable, those subsidiaries may be prohibited from undertaking their planned gaming activities or associations in the other jurisdiction or be required to divest their investment in the other jurisdiction, possibly on unfavorable terms.

We have historically depended on gaming promoters to generate gaming revenue and our ability to maintain or grow our gaming revenues could be adversely affected by the termination of our agreements with gaming promoters.

A gaming promoter, also known colloquially as a junket representative, is a person or entity who, for the purpose of promoting casino gaming activity, arranges customer transportation and accommodations, and provides credit in their sole discretion, food and beverage services and entertainment in exchange for commissions or other compensation from a concessionaire. As of December 31, 2021, we do not have any agreements in place with gaming promoters.

Although the portion of our gaming revenue in Macau that has been generated by clientele of our gaming promoters has decreased in the last several years, gaming revenue from that clientele remains important. There is intense competition among casino operators in Macau for premium customers. Our ability to maintain or grow our gaming revenues may be adversely affected by the termination of our agreements with gaming promoters and we will have to seek alternative ways of developing relationships with premium customers. Furthermore, on November 19, 2021, Macau's Court of Final Appeal ruled that gaming concessionaires may be held jointly liable with gaming promoters for deposits made with gaming promoters. If any of our former gaming promoters violated Macau gaming laws while on our premises, the Macau government may, in its discretion, take enforcement action against us, the gaming promoter, or each concurrently, and we may be sanctioned and our reputation could be harmed.

Unfavorable changes in currency exchange rates may increase our Macau Operations' obligations under the concession agreement and cause fluctuations in the value of our investment in Macau.

The currency delineated in our Macau Operations' concession agreement with the government of Macau is the Macau pataca. The Macau pataca is linked to the Hong Kong dollar, and the two are often used interchangeably in Macau. The Hong Kong dollar is linked to the U.S. dollar and the exchange rate between these two currencies has remained relatively stable over the past several years.

If the Hong Kong dollar and the Macau pataca are no longer linked to the U.S. dollar, the exchange rate for these currencies may severely fluctuate. The current rate of exchange fixed by the applicable monetary authorities for these currencies may also change.

Many of our Macau Operations' payment and expenditure obligations are in Macau patacas. We expect that most of the revenues for any casino that we operate in Macau will be in Hong Kong dollars. As a result, we are subject to foreign exchange risk with respect to the exchange rate between Macau patacas and Hong Kong dollars and the Hong Kong dollar and the U.S. dollar. Because certain debt obligations of our Macau-related entities have incurred U.S. dollar-denominated debt, fluctuations in the exchange rates of the Macau pataca or the Hong Kong dollar, in relation to the U.S. dollar, could have adverse effects on our results of operations, financial condition and ability to service our debt.

Currency exchange controls and currency export restrictions could negatively impact our Macau Operations.

Currency exchange controls and restrictions on the export of currency by certain countries may negatively impact the success of our Macau Operations. For example, there are currently existing currency exchange controls and restrictions on the export of the renminbi, the currency of the PRC. Restrictions on the export of the renminbi may impede the flow of gaming customers from the PRC to Macau, inhibit the growth of gaming in Macau and negatively impact our Macau Operations.

Conflicts of interest may arise because certain of our directors and officers are also directors of Wynn Macau, Limited.

Wynn Macau, Limited, an indirect majority owned subsidiary of Wynn Resorts and the developer, owner and operator of Wynn Macau and Wynn Palace, listed its ordinary shares of common stock on The Stock Exchange of Hong Kong Limited in October 2009. As of December 31, 2021, Wynn Resorts owns approximately 72% of Wynn Macau, Limited's ordinary shares of common stock. As a result of Wynn Macau, Limited having stockholders who are not affiliated with us, we and certain of our officers and directors who also serve as officers and/or directors of Wynn Macau, Limited may have conflicting fiduciary obligations to our stockholders and to the minority stockholders of Wynn Macau, Limited. Decisions that could have different implications for Wynn Resorts and Wynn Macau, Limited, including contractual arrangements that we have entered into or may in the future enter into with Wynn Macau, Limited, may give rise to the appearance of a potential conflict of interest.

The Macau government has established a maximum number of gaming tables that can be operated in Macau and has limited the number of new gaming tables at new gaming areas in Macau.

As of December 31, 2021, we had a total of 323 table games at Wynn Palace and 331 at Wynn Macau approved by the Macau's DICJ. The mix of table games in operation at Wynn Palace and Wynn Macau changes from time to time as a result of marketing and operating strategies in response to changing market demand and industry competition. Failure to shift the mix of our table games in anticipation of market demands and industry trends may negatively impact our operating results.

Risks Related to Share Ownership and Stockholder Matters

Certain stockholders are able to exert significant influence over our operations and future direction.

As of December 31, 2021, Elaine P. Wynn owned approximately 8% of our outstanding common stock. As a result, Elaine P. Wynn may be able to exert influence over all matters requiring our stockholders' approval, including the approval of significant corporate transactions. On August 3, 2018, we entered into a Cooperation Agreement (the "Cooperation Agreement") with Elaine P. Wynn regarding the composition of the Company's Board of Directors and certain other matters, including, among other things, the appointment of Mr. Philip G. Satre to the Company's Board of Directors, standstill restrictions, releases, non-disparagement and reimbursement of expenses. The term of the Cooperation Agreement expires on the date that Phil Satre no longer serves as Chair of the Board, unless earlier terminated pursuant to the circumstances described in the Cooperation Agreement.

Our stock price may be volatile.

The trading price of our common stock has been and may continue to be subject to wide fluctuations. Our stock price may fluctuate in response to a number of events and factors, such as general United States, China, and world economic and financial conditions, our own quarterly variations in operating results, increased competition, changes in financial estimates and recommendations by securities analysts, changes in applicable laws or regulations, and changes affecting the travel industry, and other events impacting our business. The stock market in general, and prices for companies in our industry in particular, has experienced extreme volatility that may be unrelated to the operating performance of a particular company. These broad market and industry fluctuations may adversely affect the price of our common stock, regardless of our operating performance.

Risks Related to our Indebtedness

We are highly leveraged and future cash flow may not be sufficient for us to meet our obligations, and we might have difficulty obtaining more financing.

We have a substantial amount of consolidated debt in relation to our equity. As of December 31, 2021, we had total outstanding debt of approximately \$12.00 billion, which includes a portion of the funds we expect to need for the development and construction of our current projects. We may, however, incur additional indebtedness in connection with the construction of these projects. See Item 1—Business “Our Resorts.” In addition, we are permitted to incur additional indebtedness if certain conditions are met, including conditions under our WM Cayman II Revolver, our WRF Credit Facilities, and our indentures in connection with other future potential development plans.

Failure to meet our payment obligations or other obligations could result in acceleration of our indebtedness, foreclosure upon our assets that serve as collateral or bankruptcy and trigger cross defaults under other agreements. Servicing our indebtedness requires a substantial portion of our cash flow from our operations and reduces the amount of available cash, if any, to fund working capital and other cash requirements or pay for other capital expenditures. We may not be able to obtain additional financing, if needed. The applicable rates with respect to a portion of the interest we pay will fluctuate with market rates and, accordingly, our interest expense will increase if market interest rates increase.

The interest rates of certain of our credit agreements are tied to the London Interbank Offered Rate, or LIBOR. On March 5, 2021, the United Kingdom Financial Conduct Authority announced that LIBOR would cease as a benchmark rate by June 30, 2023. Accordingly, we will need to renegotiate our credit agreements extending beyond June 30, 2023 that utilize LIBOR as a factor in determining the interest rate to replace LIBOR with a new reference rate, such as the Secured Overnight Financing Rate (“SOFR”).

Under the terms of the documents governing our debt facilities, subject to certain limitations, we are permitted to incur indebtedness. If we incur additional indebtedness, the risks described above will be exacerbated.

The agreements governing our debt facilities contain certain covenants that restrict our ability to engage in certain transactions and may impair our ability to respond to changing business and economic conditions.

Some of our debt facilities require us to satisfy various financial covenants, which include requirements for minimum interest coverage ratios and leverage ratios pertaining to total debt to earnings before interest, tax, depreciation and amortization and a minimum earnings before interest, tax, depreciation and amortization. For more information on financial covenants we are subject to under our debt facilities, see Item 8—“Financial Statements and Supplementary Data,” Note 7, “Long-Term Debt.” Future indebtedness or other contracts could contain covenants more restrictive than those contained in our existing debt facilities.

The agreements governing our debt facilities also contain restrictions on our ability to engage in certain transactions and may limit our ability to respond to changing business and economic conditions. These restrictions include, among other things, limitations on our ability and the ability of our restricted subsidiaries to pay dividends or distributions or repurchase equity; incur additional debt; make investments; create liens on assets to secure debt; enter into transactions with affiliates; issue stock of, or member's interests in, subsidiaries; enter into sale-leaseback transactions; engage in other businesses; merge or consolidate with another company; undergo a change of control; transfer, sell or otherwise dispose of assets; issue disqualified stock; create dividend and other payment restrictions affecting subsidiaries; and designate restricted and unrestricted subsidiaries.

Our ability to comply with the terms of our outstanding facilities may be affected by general economic conditions, industry conditions and other events outside of our control. As a result, we may not be able to maintain compliance with these covenants. If our properties' operations fail to generate adequate cash flow, we may violate those covenants, causing a default under our agreements, which would materially and adversely affect our operating results and our financial condition or result in our lenders or holders of our debt taking action to enforce their security interests in our various assets or cause all outstanding amounts to be due and payable immediately.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

The following table presents our significant land holdings. We own or have obtained the right to use these properties. We also own or lease various other improved and unimproved properties which may be used for development projects.

<u>Property</u>	<u>Approximate Acres</u>	<u>Location</u>
Macau Operations (1)		
Wynn Palace	51	Located in the Cotai area of Macau.
Wynn Macau	16	Located in downtown Macau's inner harbor.
	67	
Las Vegas Operations		
Wynn Las Vegas (main parcel)	75	Located at the intersection of Las Vegas Boulevard and Sands Avenue.
Golf course land (2)	128	Located adjacent to Wynn Las Vegas.
Meeting and Convention Expansion	12	Located adjacent to Wynn Las Vegas.
Employee parking lot and office building	18	Located across Sands Avenue.
Office building	5	Located adjacent to golf course land.
	238	
Encore Boston Harbor		
	34	Located in Everett, Massachusetts, adjacent to Boston along the Mystic River.
Other (3)		
	54	Located in Las Vegas, Nevada, and Everett, Massachusetts.

- (1) The government of Macau owns most of the land in Macau. In most cases, private interests in real property located in Macau are obtained through long-term leases known as concessions and other grants of rights to use land from the government. Wynn Palace and Wynn Macau are built on land leased under land concession contracts each with terms of 25 years from May 2012 and August 2004, respectively, which may be renewed with government approval for successive periods.
- (2) We own approximately 834 acre-feet of permitted and certificated water rights, which we use to irrigate the golf course. We also own approximately 151.5 acre-feet of permitted and certificated water rights for commercial use. There are significant cost savings and conservation benefits associated with using water supplied pursuant to our water rights.
- (3) Includes approximately 38 acres of land on the Las Vegas Strip directly across from Wynn Las Vegas, and approximately 16 acres of land adjacent to Encore Boston Harbor in Everett, Massachusetts. This land may be used for future development.

Item 3. Legal Proceedings

We are occasionally party to lawsuits. As with all litigation, no assurance can be provided as to the outcome of such matters and we note that litigation inherently involves significant costs. For information regarding the Company's legal proceedings see Item 8—"Financial Statements and Supplementary Data," Note 17, "Commitments and Contingencies—Litigation" in this Annual Report on Form 10-K, which is incorporated herein by reference, and Item 1A—"Risk Factors" in this Annual Report on Form 10-K.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information and Related Stockholder Matters

Our outstanding common stock trades on the Nasdaq Global Select Market under the symbol "WYNN."

On May 6, 2020, the Company announced that its Board of Directors had suspended its quarterly dividend program due to the financial impact of the COVID-19 pandemic. Any decision to declare and pay dividends in the future will be made at the discretion of our Board and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions and other factors that our Board may deem relevant.

On February 11, 2021, the Company completed a registered public offering of 7,475,000 newly issued shares of its common stock, par value \$0.01 per share, at a price of \$115.00 per share for proceeds of \$841.9 million, net of \$17.7 million in underwriting discounts and commissions. The Company used \$716.0 million of the proceeds from the equity offering to repay the then outstanding borrowings under the WRF Revolver, and used the remaining net proceeds for general corporate purposes.

Holders

There were approximately 140 holders of record of our common stock as of February 16, 2022. This number does not include an estimate of the indeterminate number of beneficial holders whose shares may be held by brokerage firms and clearing agencies.

Issuer Purchases of Equity Securities

The following table summarizes the shares repurchased in satisfaction of tax withholding obligations on vested restricted stock during the quarter ended December 31, 2021:

For the Month Ended	Number of Shares Repurchased	Weighted Average Price Paid Per Share	Approximate Dollar Value of Repurchased Shares (in thousands)
October 31, 2021	450	\$90.58	\$ 41
November 30, 2021	22,736	\$90.33	\$2,054
December 31, 2021	9,011	\$82.48	\$ 743

None of the foregoing repurchases that occurred during the three months ended December 31, 2021 were part of the Company's publicly announced repurchase program. As of December 31, 2021, we had \$800.1 million in repurchase authority under the program.

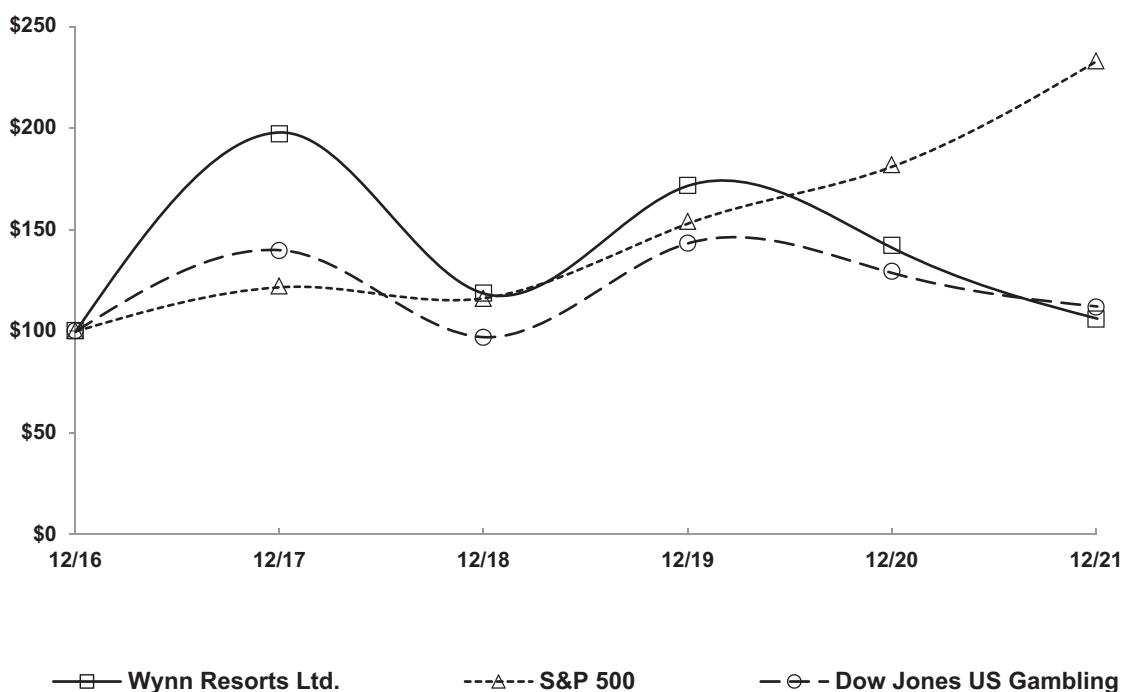
For more information on the Company's publicly announced repurchase program, see Item 8—"Financial Statements and Supplementary Data," Note 8, "Stockholders' Equity (Deficit)."

Stock Performance Graph

The graph below compares the five-year cumulative total return on our common stock to the cumulative total return of the Standard & Poor's 500 Stock Index ("S&P 500") and the Dow Jones US Gambling Index. The performance graph assumes that \$100 was invested on December 31, 2016 in each of the Company's common stock, the S&P 500 and the Dow Jones US Gambling Index, and that all dividends were reinvested. The stock price performance shown in this graph is neither necessarily indicative of, nor intended to suggest, future stock price performance.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among Wynn Resorts Ltd., the S&P 500 Index
and the Dow Jones US Gambling Index



* \$100 invested on 12/31/16 in stock or index, including reinvestment of dividends. Fiscal year ending December 31.

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Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with, and is qualified in its entirety by, the consolidated financial statements and the notes thereto included elsewhere in this Annual Report on Form 10-K.

Discussion of 2019 items and year-to-year comparisons between 2020 and 2019 that are not included in this Form 10-K can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

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 Wynn Macau, Limited (“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”). In Las Vegas, Nevada, we operate and, with the exception of certain retail space, own 100% of Wynn Las Vegas. Additionally, we are a 50.1% owner and managing member of a joint venture that owns and leases certain retail space at Wynn Las Vegas (the “Retail Joint Venture”). We refer to Wynn Las Vegas, Encore, an expansion at Wynn Las Vegas, and the Retail Joint Venture as our Las Vegas Operations. On June 23, 2019, we opened Encore Boston Harbor, an integrated resort in Everett, Massachusetts. In addition, we hold an approximately 74% interest in Wynn Interactive Ltd. (“Wynn Interactive”), which operates our digital sports betting and casino gaming business.

Recent Developments Related to COVID-19

Macau Operations

Visitation to Macau has fallen significantly since the outbreak of COVID-19, driven by the strong deterrent effect of the COVID-19 pandemic on travel and social activities, quarantine measures put in place in Macau and elsewhere, travel and entry restrictions and conditions in Macau, the PRC, Hong Kong and Taiwan involving COVID-19 testing, among other things, and the suspension or reduced accessibility of transportation to and from Macau. Beginning in June 2020, certain restrictions and conditions have eased to allow for visitation to Macau as some regions continue to recover from the COVID-19 pandemic. Quarantine-free travel, subject to COVID-19 safeguards such as testing and the usual visa requirements, has been reintroduced between Macau and most areas and cities within the PRC, and in September 2020, PRC authorities fully resumed the IVS exit visa program, which permits individual PRC citizens from nearly 50 PRC cities to travel to Macau for tourism purposes. While total visitation from PRC to Macau increased meaningfully in 2021 compared to 2020, total visitation from PRC to Macau remained 74.8% below 2019 levels. Given the evolving conditions created by and in response to the COVID-19 pandemic, measures that have been lifted may be reintroduced if there are adverse developments in the COVID-19 situation in Macau and other regions with access to Macau, and the Company is currently unable to determine when protective measures and the suspension of certain offerings in effect at our Macau Operations will be lifted. 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.

Las Vegas Operations and Encore Boston Harbor

In response to the COVID-19 outbreak, the Company’s Las Vegas Operations and Encore Boston Harbor each implemented certain COVID-19 specific protective measures, such as limiting the number of seats per table game, slot machine spacing, temperature checks, mask protection, and suspension of certain entertainment and nightlife offerings. Over the course of the twelve months ended December 31, 2021, the Company’s Las Vegas Operations and Encore Boston Harbor have each incrementally resumed full operations, including reopening gaming areas to 100% of capacity and restoring seven-day-per-week hotel operations, as permitted by governmental authorities and in response to increased customer demand. Given the evolving conditions created by and in response to the COVID-19 pandemic, measures that have been lifted may be reintroduced if there are adverse developments in the COVID-19 situation, and management cannot reasonably estimate the impact of such developments to the Company’s future results of operations, cash flows, or financial condition.

Macau Gaming Concession

The term of the Company’s concession agreement with the Macau government ends on June 26, 2022. If the term of this concession agreement is not extended or renewed or is not replaced by a new gaming concession, all

of the Company's gaming operations and related equipment in Macau will be automatically transferred to the Macau government without compensation on that date and the Company will cease to generate gaming revenues from its Macau Operations. In addition, under the indentures governing the Company's \$4.7 billion aggregate principal amount of WML Senior Notes and the facility agreement governing the WM Cayman II Revolver, upon the occurrence of any event after which the Company does not own or manage casino or gaming areas or operate casino games of fortune and chance in Macau in substantially the same manner as of the issue date of the respective senior notes or the date of the facility agreement, for a period of 10 consecutive days or more in the case of the WML Senior Notes or a period of 30 consecutive days or more in the case of the WM Cayman II Revolver, and such event has a material adverse effect on the financial condition, business, properties or results of operations of WML and its subsidiaries, taken as a whole, holders of the WML Senior Notes can require the Company to repurchase all or any part of the WML Senior Notes at par, plus any accrued and unpaid interest (the "Special Put Option"), and any amounts owed under the WM Cayman II Revolver may become immediately due and payable (the "Property Mandatory Prepayment Event").

In January 2022, the Macau government published a draft of its proposed revisions to the gaming law. The Company is monitoring developments with respect to the Macau government's concession renewal or extension process, and at this time believes that its concession will be renewed or extended beyond June 26, 2022. The failure to extend or renew the Company's concession or obtain a new concession and the resulting ability of the WML Senior Note holders to exercise the Special Put Option and triggering of the Property Mandatory Prepayment Event would have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

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 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.
- Table drop for our Las Vegas Operations is the amount of cash and net markers issued that are deposited in a gaming table's drop box.
- Table drop for Encore Boston Harbor is the amount of cash and gross markers issued that are deposited in a gaming table's drop box.
- 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.

In Las Vegas, customers purchase chips at the gaming tables in exchange for cash and markers. Customers may then redeem markers at the gaming tables or at the casino cage. The cash and markers, net of redemptions, used to purchase chips are deposited in the gaming table’s drop box. This is the base of measurement that we use for calculating win percentage. Each type of table game has its own theoretical win percentage. Our expected table games win percentage is 22% to 26%.

At Encore Boston Harbor, customers purchase chips at the gaming tables in exchange for cash and markers. Customers may then redeem markers only at the casino cage. The cash and gross markers used to purchase chips are deposited in the gaming table’s drop box. This is the base of measurement that we use for calculating win percentage. Each type of table game has its own theoretical win percentage. Our expected table games win percentage is 18% to 22%.

Results of Operations

Summary annual results

The following table summarizes our financial results for the periods presented (in thousands, except per share data):

	Years Ended December 31,		Increase/ (Decrease)	Percent Change
	2021	2020		
Operating revenues	\$3,763,664	\$ 2,095,861	\$ 1,667,803	79.6
Net loss attributable to Wynn Resorts, Limited	(755,786)	(2,067,245)	(1,311,459)	(63.4)
Diluted net loss per share	(6.64)	(19.37)	(12.73)	(65.7)
Adjusted Property EBITDA (1)	569,441	(324,305)	893,746	NM

NM—not meaningful.

(1) See Item 8—“Financial Statements and Supplemental Data,” Note 20, “Segment Information,” for a reconciliation of Adjusted Property EBITDA to net loss attributable to Wynn Resorts, Limited.

The increase in operating revenues for the year ended December 31, 2021 was primarily driven by increases of \$377.6 million, \$151.4 million, \$755.7 million, and \$329.9 million from Wynn Palace, Wynn Macau, our Las Vegas Operations, and Encore Boston Harbor, respectively, as a result of increased mass market gaming volumes at Wynn Palace and Wynn Macau, and increased gaming volumes at our Las Vegas Operations and Encore Boston Harbor, respectively, as well as increases in hotel occupancy, nightlife offerings, and covers at restaurants at our Las Vegas Operations. In addition, each of the Company’s properties was subject to partial or full closure for varying lengths of time during 2020.

The decrease in net loss attributable to Wynn Resorts, Limited for the year ended December 31, 2021 was primarily related to increased operating revenues at our integrated resort properties, partially offset by increased operating expenses primarily due to increased gaming tax expense driven by the increase in casino revenues at each property, increased marketing and promotional expenses at Wynn Interactive, and higher operating costs associated with higher business volumes at our resort properties in general.

The increase in Adjusted Property EBITDA for the year ended December 31, 2021 was primarily driven by increased operating revenues at our integrated resort properties, partially offset by an increase in operating expenses. Adjusted Property EBITDA increased \$241.3 million, \$91.4 million, \$587.2 million, and \$233.8 million at Wynn Palace, Wynn Macau, our Las Vegas Operations, and Encore Boston Harbor, respectively, and decreased \$260.0 million at Wynn Interactive.

Financial results for the year ended December 31, 2021 compared to the year ended December 31, 2020.

Operating revenues

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

	<u>Years Ended December 31,</u>		<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
	<u>2021</u>	<u>2020</u>		
Operating revenues				
Macau Operations:				
Wynn Palace	\$ 883,007	\$ 505,420	\$ 377,587	74.7
Wynn Macau	626,015	474,657	151,358	31.9
Total Macau Operations	1,509,022	980,077	528,945	54.0
Las Vegas Operations	1,503,681	747,947	755,734	101.0
Encore Boston Harbor	691,523	361,666	329,857	91.2
Wynn Interactive	59,438	6,171	53,267	863.2
	\$3,763,664	\$2,095,861	\$1,667,803	79.6

The following table presents our casino and non-casino operating revenues (in thousands):

	<u>Years Ended December 31,</u>		<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
	<u>2021</u>	<u>2020</u>		
Operating revenues				
Casino revenues	\$2,133,420	\$1,237,230	\$ 896,190	72.4
Non-casino revenues:				
Rooms	592,571	307,973	284,598	92.4
Food and beverage	633,911	329,584	304,327	92.3
Entertainment, retail and other	403,762	221,074	182,688	82.6
Total non-casino revenues	1,630,244	858,631	771,613	89.9
	\$3,763,664	\$2,095,861	\$1,667,803	79.6

Casino revenues for the year ended December 31, 2021 were 56.7% of operating revenues, compared to 59.0% for the same period of 2020. Non-casino revenues for the year ended December 31, 2021 were 43.3% of operating revenues, compared to 41.0% for the same period of 2020.

Casino revenues

Casino revenues increased primarily due to increased table drop, table games win and slot machine win at our Las Vegas Operations and Encore Boston Harbor, and increased mass market table drop and table games win at our Macau Operations. Our Las Vegas Operations were closed to the public from March 17, 2020 until June 4, 2020. Encore Boston Harbor was closed to the public from March 15, 2020 until July 10, 2020. Our casino

operations in Macau were closed for a 15-day period in February 2020. The table below sets forth our casino revenues and associated key operating measures (dollars in thousands, except for win per unit per day):

	Years Ended December 31,		Increase/ (Decrease)	Percent Change
	2021	2020		
Macau Operations (1):				
Wynn Palace:				
Total casino revenues	\$ 677,917	\$ 368,284	\$ 309,633	84.1
VIP:				
Average number of table games	93	99	(6)	(6.1)
VIP turnover	\$ 6,435,947	\$ 9,631,018	\$ (3,195,071)	(33.2)
VIP table games win	\$ 253,767	\$ 168,435	\$ 85,332	50.7
VIP win as a % of turnover	3.94%	1.75%	2.19	
Table games win per unit per day	\$ 7,443	\$ 4,850	\$ 2,593	53.5
Mass market:				
Average number of table games	229	212	17	8.0
Table drop	\$ 2,415,841	\$ 1,242,100	\$ 1,173,741	94.5
Table games win	\$ 540,234	\$ 299,181	\$ 241,053	80.6
Table games win %	22.4%	24.1%	(1.7)	
Table games win per unit per day	\$ 6,463	\$ 4,009	\$ 2,454	61.2
Average number of slot machines	710	591	119	20.1
Slot machine handle	\$ 1,454,577	\$ 999,942	\$ 454,635	45.5
Slot machine win	\$ 58,152	\$ 39,175	\$ 18,977	48.4
Slot machine win per unit per day	\$ 224	\$ 188	\$ 36	19.1
Wynn Macau:				
Total casino revenues	\$ 476,999	\$ 344,595	\$ 132,404	38.4
VIP:				
Average number of table games	81	89	(8)	(9.0)
VIP turnover	\$ 5,488,118	\$ 5,841,627	\$ (353,509)	(6.1)
VIP table games win	\$ 155,064	\$ 185,059	\$ (29,995)	(16.2)
VIP win as a % of turnover	2.83%	3.17%	(0.34)	
Table games win per unit per day	\$ 5,250	\$ 5,925	\$ (675)	(11.4)
Mass market:				
Average number of table games	240	225	15	6.7
Table drop	\$ 2,230,348	\$ 1,384,537	\$ 845,811	61.1
Table games win	\$ 412,753	\$ 259,361	\$ 153,392	59.1
Table games win %	18.5%	18.7%	(0.2)	
Table games win per unit per day	\$ 4,720	\$ 3,279	\$ 1,441	43.9
Average number of slot machines	587	504	83	16.5
Slot machine handle	\$ 1,057,303	\$ 830,785	\$ 226,518	27.3
Slot machine win	\$ 35,483	\$ 31,153	\$ 4,330	13.9
Slot machine win per unit per day	\$ 166	\$ 176	\$ (10)	(5.7)

	Years Ended December 31,		Increase/ (Decrease)	Percent Change
	2021	2020		
Las Vegas Operations (2):				
Total casino revenues	\$ 426,440	\$ 236,826	\$ 189,614	80.1
Average number of table games	210	214	(4)	(1.9)
Table drop	\$1,842,792	\$1,127,309	\$ 715,483	63.5
Table games win	\$ 407,195	\$ 238,490	\$ 168,705	70.7
Table games win %	22.1%	21.2%	0.9	
Table games win per unit per day	\$ 5,323	\$ 3,873	\$ 1,450	37.4
Average number of slot machines	1,688	1,703	(15)	(0.9)
Slot machine handle	\$4,379,421	\$2,452,811	\$1,926,610	78.5
Slot machine win	\$ 297,548	\$ 159,387	\$ 138,161	86.7
Slot machine win per unit per day	\$ 483	\$ 325	\$ 158	48.6
Poker rake	\$ 14,552	\$ 3,264	\$ 11,288	345.8
Encore Boston Harbor (3):				
Total casino revenues	\$ 552,064	\$ 287,525	\$ 264,539	92.0
Average number of table games	189	182	7	3.8
Table drop	\$1,267,908	\$ 697,873	\$ 570,035	81.7
Table games win	\$ 273,174	\$ 147,512	\$ 125,662	85.2
Table games win %	21.5%	21.1%	0.4	
Table games win per unit per day	\$ 3,959	\$ 3,256	\$ 703	21.6
Average number of slot machines	2,387	2,159	228	10.6
Slot machine handle	\$4,377,181	\$2,303,582	\$2,073,599	90.0
Slot machine win	\$ 358,827	\$ 180,207	\$ 178,620	99.1
Slot machine win per unit per day	\$ 412	\$ 335	\$ 77	23.0
Poker rake	\$ —	\$ 5,105	\$ (5,105)	(100.0)

In response to the initial outbreak of COVID-19 in early 2020, each of our properties was subject to partial or full closure for varying lengths of time during 2020, and each has since reopened with certain COVID-19 specific protective measures in place.

- (1) 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.
- (2) Our Las Vegas Operations closed on March 17, 2020 and reopened on June 4, 2020. On October 19, 2020, Encore at Wynn Las Vegas adjusted its operating schedule to five days/four nights each week due to reduced customer demand levels. This adjusted operating schedule remained in effect through the first quarter of 2021, and on April 8, 2021, Encore at Wynn Las Vegas resumed full operations.
- (3) Encore Boston Harbor closed on March 15, 2020 and reopened on July 10, 2020. In addition, on November 6, 2020, Encore Boston Harbor temporarily suspended hotel operations and overnight casino operations pursuant to a state directive limiting the operating hours of certain businesses, including restaurants and casinos. On January 25, 2021, the limitations on operating hours were lifted, and Encore Boston Harbor restored 24-hour casino operations and reopened its hotel tower on a Thursday through Sunday weekly schedule. The property reopened its hotel tower to seven days per week as of September 1, 2021.

Non-casino revenues

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

	<u>Years Ended December 31,</u>		Increase/ (Decrease)	Percent Change		
	<u>2021</u>	<u>2020</u>				
Macau Operations:						
Wynn Palace:						
Total room revenues (dollars in thousands)	\$ 69,022	\$ 46,110	\$ 22,912	49.7		
Occupancy	58.5%	29.8%	28.7			
ADR	\$ 182	\$ 235	\$ (53)	(22.6)		
REVPAR	\$ 107	\$ 70	\$ 37	52.9		
Wynn Macau:						
Total room revenues (dollars in thousands)	\$ 50,492	\$ 39,111	\$ 11,381	29.1		
Occupancy	58.8%	34.8%	24.0			
ADR	\$ 213	\$ 276	\$ (63)	(22.8)		
REVPAR	\$ 125	\$ 96	\$ 29	30.2		
Las Vegas Operations (1):						
Total room revenues (dollars in thousands)	\$425,777	\$202,073	\$223,704	110.7		
Occupancy	69.5%	49.6%	19.9			
ADR	\$ 386	\$ 319	\$ 67	21.0		
REVPAR	\$ 268	\$ 158	\$ 110	69.6		
Encore Boston Harbor (2) (3):						
Total room revenues (dollars in thousands)	\$ 47,280	\$ 20,679	\$ 26,601	128.6		
Occupancy	85.2%	74.5%	10.7			
ADR	\$ 328	\$ 294	\$ 34	11.6		
REVPAR	\$ 279	\$ 219	\$ 60	27.4		

(1) Wynn Las Vegas closed on March 17, 2020 and reopened on June 4, 2020.

(2) Encore Boston Harbor closed on March 15, 2020 and reopened on July 10, 2020.

(3) Encore Boston Harbor room statistics have been computed based on 250 days and 141 days of operation in the years ended December 31, 2021 and 2020, respectively, representing the number of nights hotel rooms were offered for sale to the public. The property reopened its hotel tower to seven days per week as of September 1, 2021.

Room revenues increased \$284.6 million, primarily due to higher occupancy at each of our properties and higher ADR at our Las Vegas Operations and Encore Boston Harbor, and the closures of our Las Vegas Operations from March 17, 2020 until June 4, 2020 and Encore Boston Harbor from March 15, 2020 until July 10, 2020, resulting from the adverse effects of the COVID-19 pandemic.

Food and beverage revenues increased \$304.3 million, primarily due to increased covers at our restaurants and an increase in nightlife offerings at our Las Vegas Operations as a result of ongoing recovery from the effects of COVID-19.

Entertainment, retail and other revenues increased \$182.7 million, primarily due to an increase in visitation to our Macau Operations, our Las Vegas Operations and Encore Boston Harbor as a result of ongoing recovery from the effects of COVID-19.

Operating expenses

The table below presents operating expenses (in thousands):

	Years Ended December 31,		Increase/ (Decrease)	Percent Change
	2021	2020		
Operating expenses:				
Casino	\$1,394,098	\$1,064,976	\$329,122	30.9
Rooms	197,734	172,223	25,511	14.8
Food and beverage	516,391	398,792	117,599	29.5
Entertainment, retail and other	450,358	107,228	343,130	320.0
General and administrative	796,592	720,849	75,743	10.5
Provision for credit losses	29,487	64,375	(34,888)	(54.2)
Pre-opening	6,821	6,506	315	4.8
Depreciation and amortization	715,962	725,502	(9,540)	(1.3)
Property charges and other	50,762	67,455	(16,693)	(24.7)
Total operating expenses	\$4,158,205	\$3,327,906	\$830,299	24.9

Total operating expenses increased \$830.3 million compared to the year ended December 31, 2020, primarily due to increased casino, room, food and beverage, entertainment, retail and other, and general and administrative expenses, partially offset by decreased provision for credit losses, depreciation and amortization, and property charges and other expenses.

Casino expenses increased \$142.9 million, \$59.1 million, \$42.8 million, and \$84.3 million at Wynn Palace, Wynn Macau, our Las Vegas Operations, and Encore Boston Harbor, respectively. These increases were primarily due to increased gaming tax expense driven by the increase in casino revenues at each property.

Room expenses increased \$23.7 million at our Las Vegas Operations. The increase was primarily a result of higher operating costs related to the increase in occupancy.

Food and beverage expenses increased \$121.0 million at our Las Vegas Operations. The increase was primarily a result of higher operating costs related to the increase in food and beverage revenues as well as higher nightlife entertainment costs.

Entertainment, retail and other expenses increased primarily due to marketing expenses incurred by Wynn Interactive in connection with the launch of its operations in various states.

General and administrative expenses increased primarily due to an increase in corporate and other general and administrative expenses of \$54.8 million, primarily due to a credit of \$30.2 million for the net proceeds of a derivative action settlement recognized during the year ended December 31, 2020. In addition, general and administrative expenses increased \$11.7 million at Encore Boston Harbor primarily due to the closure of our operations from March 15, 2020 until July 10, 2020.

The provision for credit losses decreased \$24.1 million, \$8.5 million, and \$3.9 million at our Las Vegas Operations, Wynn Palace, and Encore Boston Harbor, respectively. The decreases were primarily due to the impact of historical collection patterns and expectations of current and future collection trends, as well as the specific review of customer accounts, on our estimated credit loss for the respective periods.

For the years ended December 31, 2021 and 2020, pre-opening expenses totaled \$6.8 million and \$6.5 million, which primarily related to restaurant remodels at our Las Vegas Operations.

Our property charges and other expenses for the year ended December 31, 2021 consisted primarily of advocacy-related expenses of \$12.5 million and impairment of goodwill of \$10.3 million at Wynn Interactive, asset abandonments of \$9.7 million, \$4.2 million, \$2.3 million, and \$1.8 million at our Las Vegas Operations, Wynn Palace, Encore Boston Harbor, and Wynn Macau, respectively, and other contingency expenses of \$8.7 million at Wynn Macau. Our property charges and other expenses for the year ended December 31, 2020 consisted primarily of asset disposals and abandonments of \$24.4 million, \$12.8 million, and \$21.5 million at Wynn Palace, Encore Boston Harbor and Corporate and other, respectively.

Interest expense, net of capitalized interest

The following table summarizes information related to interest expense (dollars in thousands):

	Years Ended December 31,		Increase/ (Decrease)	Percent Change
	2021	2020		
Interest expense				
Interest cost, including amortization of debt issuance costs and original issue discount and premium	\$ 605,562	\$ 557,726	\$47,836	8.6
Capitalized interest	—	(1,252)	(1,252)	(100.0)
	\$ 605,562	\$ 556,474	\$49,088	8.8
Weighted average total debt balance	\$12,195,881	\$12,284,646		
Weighted average interest rate	4.96%	4.54%		

Interest costs increased primarily due to an increase in the weighted average debt balance and the weighted average interest rate. Capitalized interest decreased due to the completion of the meeting and convention expansion in February 2020.

Other non-operating income and expenses

We incurred a foreign currency remeasurement loss of \$23.9 million and a gain of \$12.8 million for the years ended December 31, 2021 and 2020, 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.

We recorded a gain of \$15.7 million for the year ended December 31, 2020 to reflect the fair value of our cost method investment at the date we acquired a controlling interest in BetBull Limited.

We recorded a gain of \$11.4 million and a loss of \$13.1 million for the years ended December 31, 2021 and 2020, respectively, from changes in the fair value of an interest rate collar.

We recorded a \$2.1 million loss on extinguishment of debt for the year ended December 31, 2021 related to full prepayments of the Wynn Macau Credit Facilities. We recorded a \$4.6 million loss on extinguishment of debt for the year ended December 31, 2020 primarily related to the partial prepayment of the Wynn Macau Term Loan.

Income Taxes

For the years ended December 31, 2021 and 2020, we recorded an income tax expense of \$0.5 million and \$564.7 million, respectively. The 2021 income tax expense primarily relates to the Macau dividend tax agreement that provides for an annual payment of MOP 12.8 million (approximately \$1.6 million) as complementary tax otherwise due by stockholders of Wynn Macau SA partially offset by a decrease in foreign

deferred tax liabilities related to intangibles. The 2020 income tax expense primarily related to the increase in the valuation allowances for U.S foreign tax credits.

In March 2021, the Company received an extension of its Macau dividend tax agreement, providing for a payment of MOP 12.8 million (approximately \$1.6 million) for 2021 and MOP 6.3 million (approximately \$0.8 million) for the period ending June 26, 2022, the expiration date of the gaming 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. For the years ended December 31, 2021 and 2020, we did not have any casino gaming profits exempt from the Macau Complementary Tax. Our non-gaming profits remain subject to the Macau Complementary Tax and casino winnings remain subject to the Macau special gaming tax and other levies together totaling 39% in accordance with our concession agreement.

In March 2021, the Financial Services Bureau concluded its review of the 2017 and 2018 Macau income tax returns of Palo with no changes.

In January 2022, the Financial Services Bureau issued final tax assessments for the Company's Macau income tax returns of Wynn Macau SA for the years 2017 and 2018, while no additional tax was due, adjustments were made to the Company's tax loss carryforwards.

We have participated in the Internal Revenue Service ("IRS") Compliance Assurance Program ("CAP") for the 2012 through 2021 tax years and will continue to participate in the IRS CAP for the 2022 tax year.

Net loss attributable to noncontrolling interests

Net loss attributable to noncontrolling interests was \$256.2 million for the year ended December 31, 2021, compared to net loss of \$259.7 million for the year ended December 31, 2020. These amounts are primarily related to the noncontrolling interests' share of net loss from WML.

Adjusted Property EBITDA

We use Adjusted Property EBITDA to manage the operating results of our segments. 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, meeting and convention, 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 (loss), 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 non-recurring 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.

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 8—“Financial Statements and Supplementary Data,” Note 20, “Segment Information.” That footnote also presents a reconciliation of Adjusted Property EBITDA to net income (loss) attributable to Wynn Resorts, Limited.

	Years Ended December 31,		
	2021	2020	Increase/ (Decrease)
Wynn Palace	\$ 91,646	\$(149,647)	\$ 241,293
Wynn Macau	4,209	(87,189)	91,398
Las Vegas Operations	530,878	(56,356)	587,234
Encore Boston Harbor	210,068	(23,762)	233,830
Wynn Interactive	(267,360)	(7,351)	(260,009)

Adjusted Property EBITDA at Wynn Palace and Wynn Macau increased \$241.3 million and \$91.4 million for the year ended December 31, 2021, respectively, primarily due to an increase in operating revenues, partially offset by an increase in operating expenses. Our casino operations at both Wynn Palace and Wynn Macau were closed for a 15-day period in February 2020.

Adjusted Property EBITDA at our Las Vegas Operations increased \$587.2 million for the year ended December 31, 2021, primarily due to an increase in operating revenues, partially offset by an increase in operating expenses. Our Las Vegas Operations closed to the public on March 17, 2020, and reopened on June 4, 2020 on a reduced basis.

Adjusted Property EBITDA at Encore Boston Harbor increased \$233.8 million for the year ended December 31, 2021, primarily due to an increase in operating revenues, partially offset by an increase in operating expenses. Encore Boston Harbor closed to the public on March 15, 2020 and reopened on July 10, 2020 on a reduced basis.

Adjusted Property EBITDA at Wynn Interactive was \$(267.4) million and \$(7.4) million for the years ended December 31, 2021 and 2020, respectively, primarily due to increased marketing and promotional expenses incurred in connection with the launch of its operations in various states.

Refer to the discussions above regarding the specific details of our results of operations.

Liquidity and Capital Resources

Our cash flows were as follows (in thousands):

	Years Ended December 31,	
	2021	2020
Cash Flows - Summary		
Net cash used in operating activities	\$ (222,591)	\$(1,072,425)
Net cash used in investing activities:		
Capital expenditures, net of construction payables and retention	(290,657)	(290,115)
Purchase of intangible and other assets	(56,034)	—
Cash acquired from business combination	—	4,604
Proceeds from sale of assets and other	4,268	19,752
Net cash used in investing activities	(342,423)	(265,759)
Net cash (used in) provided by financing activities:		
Proceeds from issuance of long-term debt	1,340,281	4,691,953
Repayments of long-term debt	(2,488,401)	(2,035,354)
Proceeds from issuance of Wynn Resorts, Limited common stock	841,896	—
Proceeds from issuance of subsidiary common stock	4,662	—
Repurchase of common stock	(13,842)	(11,533)
Finance lease payments	(15,658)	(5,916)
Proceeds from exercise of stock options	—	70
Dividends paid	(1,553)	(108,777)
Payments to acquire ownership interest in subsidiary	(5,433)	(33,621)
Distribution to noncontrolling interest	(18,761)	(6,238)
Payments for financing costs	(31,193)	(27,339)
Net cash (used in) provided by financing activities	(388,002)	2,463,245
Effect of exchange rate on cash, cash equivalents and restricted cash	(2,301)	3,031
(Decrease) increase in cash, cash equivalents and restricted cash	\$ (955,317)	\$ 1,128,092

Operating Activities

Our operating cash flows primarily consist of operating income (excluding depreciation and amortization and other non-cash charges), interest paid and earned, and changes in working capital accounts such as receivables, inventories, prepaid expenses, and payables. Our table games play is a mix of cash play and credit play, while our slot machine play is conducted primarily on a cash basis. A significant portion of our table games revenue is attributable to the play of a limited number of premium international customers who gamble on credit. The ability to collect these gaming receivables may impact our operating cash flow for the period. Our rooms, food and beverage, and entertainment, retail and other revenue is conducted on a cash and credit basis. Accordingly, operating cash flows will be impacted by changes in operating income and accounts receivable, net.

During the year ended December 31, 2021, the decrease in net cash used in operating activities was primarily due to increased operating revenues, partially offset by an increase in operating expenses and changes in working capital accounts, including a decrease in customer deposits primarily due to withdrawals by gaming promoters. As of December 31, 2021, the Company did not have any agreements in place with gaming promoters.

During the year ended December 31, 2020, the decrease in net cash provided by operations was primarily due to the adverse effects of the COVID-19 pandemic on the results of our operations.

Investing Activities

Our investing activities primarily consist of project capital expenditures and maintenance capital expenditures associated with maintaining and continually refining our world-class integrated resort properties.

During the year ended December 31, 2021, we incurred capital expenditures of \$168.8 million at our Las Vegas Operations primarily related to the Wynn Las Vegas room remodel, and \$38.7 million at Encore Boston Harbor, \$37.2 million at Wynn Palace, and \$25.2 million at Wynn Macau primarily related to maintenance capital expenditures.

During the year ended December 31, 2020, we incurred capital expenditures of \$61.3 million at Encore Boston Harbor primarily for the payment of construction retention and other payables related to its construction, \$85.9 million at our Las Vegas Operations for restaurant remodels and maintenance capital expenditures, \$45.3 million for the construction of the additional meeting and convention space at Wynn Las Vegas, and \$46.7 million and \$49.8 million at Wynn Palace and Wynn Macau, respectively, primarily related to maintenance capital expenditures.

Financing Activities

During the year ended December 31, 2021, we received proceeds of \$841.9 million from our February 2021 equity offering and used \$716.0 million of the proceeds from the equity offering to repay the outstanding borrowings under the WRF Revolver. We also paid \$464.7 million of outstanding principal owed under the Wynn Macau Term Loan and prepaid the outstanding \$1.26 billion of borrowings under the Wynn Macau Credit Facilities along with related financing costs, using proceeds from the borrowing of \$1.09 billion under the WM Cayman II Revolver along with \$200.0 million of cash. In addition, we borrowed \$200.4 million under the WM Cayman II Revolver, and made quarterly amortization payments under the WRF Term Loan totaling \$50.0 million.

During the year ended December 31, 2020, we issued \$1.0 billion aggregate principal amount of WML 5 1/2% Senior Notes due 2026, issued \$1.35 billion aggregate principal amount of WML 5 5/8% Senior Notes due 2028, issued \$600.0 million aggregate principal amount of WRF 7 3/4% Senior Notes due 2025, borrowed \$56.5 million, net of amounts repaid, under the Wynn Macau Revolver, borrowed \$716.0 million, net of amounts repaid, under the WRF Revolver, paid \$1.04 billion of outstanding principal owed under the Wynn Macau Term Loan, and made quarterly amortization payments under the WRF Term Loan totaling \$50.0 million.

Capital Resources

The COVID-19 pandemic has impacted and is likely to continue to impact, materially, our business, financial condition and results of operations. While we believe our strong liquidity position will enable us to fund our current obligations for the foreseeable future, COVID-19 has resulted in significant disruption, which has had and will likely continue to have a negative impact on our operating income and could have a negative impact on our ability to access capital in the future. We continue to monitor the rapidly evolving situation and guidance from international and domestic authorities.

The following table summarizes our unrestricted cash and cash equivalents and available revolver borrowing capacity. Refer to Item 8—“Financial Statements and Supplementary Data,” Note 7, “Long-Term Debt” in the accompanying consolidated financial statements for more information regarding each of the Company’s debt agreements. The following table is presented by significant financing entity as of December 31, 2021 (in thousands):

	Total Cash and Cash Equivalents	Revolver Borrowing Capacity
Wynn Macau, Limited and subsidiaries	\$1,495,727	\$ 212,538
Wynn Resorts Finance, LLC and subsidiaries (1)	380,649	835,600
Wynn Resorts, Limited and other	646,154	—
Total	\$2,522,530	\$1,048,138

(1) Excluding Wynn Macau, Limited and subsidiaries.

Wynn Macau, Limited and subsidiaries. Wynn Macau, Limited generates cash from our Macau Operations and may utilize proceeds from the WM Cayman II Revolver (discussed further below) to fund short term working capital requirements as needed. We expect to use this cash to fund working capital and capital expenditure requirements at WML and our Macau Operations, and to service our existing WML Senior Notes. WML paid no dividends during 2021 or 2020.

On September 16, 2021, WM Cayman Holdings Limited II (“WM Cayman II”), an indirect wholly owned subsidiary of WML, entered into an unsecured revolving credit facility agreement (the “Facility Agreement”) in an aggregate principal amount of \$1.50 billion consisting of one tranche in an amount of \$312.5 million and one tranche in an amount of HK\$9.26 billion (approximately \$1.19 billion). WM Cayman II has the ability to upsize the total revolving credit facility by an additional \$1.00 billion equivalent under the Facility Agreement and related agreements upon the satisfaction of various conditions.

In January 2021, Wynn Macau SA prepaid approximately \$412.5 million of the term loan outstanding under the Wynn Macau Credit Facilities using proceeds from WML senior notes issuances.

In September 2021, borrowings of \$1.09 billion under the WM Cayman II Revolver, along with \$200.0 million of cash, were used to facilitate the prepayment of the outstanding \$1.26 billion of borrowings under the Wynn Macau Credit Facilities and to pay related fees and expenses.

The borrowings under the WM Cayman II Revolver bear interest at LIBOR or HIBOR plus a margin of 1.875% to 2.875% per annum based on WM Cayman II’s leverage ratio on a consolidated basis. The final maturity of all outstanding loans under the Revolving Facility is September 16, 2025.

If our portion of our cash and cash equivalents were repatriated to the U.S. on December 31, 2021, it would be subject to minimal U.S. taxes in the year of repatriation.

Wynn Resorts Finance, LLC and subsidiaries. Wynn Resorts Finance, LLC (“WRF” or “Wynn Resorts Finance”) generates cash from distributions from its subsidiaries, which include our Macau Operations, Wynn Las Vegas, and Encore Boston Harbor, and contributions from Wynn Resorts, as required. In addition, WRF may utilize its available revolving borrowing capacity as needed. We expect to use this cash to service our WRF Credit Facilities, 2025 WRF Notes, 2029 WRF Notes, and WLV Notes, and to fund working capital and capital expenditure requirements as needed.

WRF is a holding company and, as a result, its ability to pay dividends to Wynn Resorts is dependent on WRF receiving distributions from its subsidiaries, which include WML, Wynn Las Vegas, LLC, and Wynn MA,

LLC (the owner and operator of Encore Boston Harbor). The WRF Credit Agreement contains customary negative and financial covenants, including, but not limited to, covenants that restrict WRF's ability to pay dividends or distributions and incur additional indebtedness.

Wynn Las Vegas is currently undergoing its planned room remodel, which we temporarily postponed during 2020. We expect to incur between \$90 million and \$100 million of remaining project costs related to this remodel, which we expect to complete during the second quarter of 2022.

We are currently reconfiguring the former Le Reve theater space at Wynn Las Vegas. The specially redesigned theater will host an all-new, exclusive theatrical production. We expect to incur between \$70 million and \$80 million of remaining project costs related to the reconfigured theater and theatrical production, which we anticipate will open during the third quarter of 2022.

We repaid \$716.0 million of the outstanding borrowings under the WRF Revolver in February 2021, using proceeds from the February 2021 equity offering described below.

On February 15, 2022, we announced our entry into a sale-leaseback arrangement with respect to certain real estate assets related to Encore Boston Harbor. Upon closing of the related transactions, currently expected to take place in the fourth quarter of 2022 subject to regulatory approvals and customary closing conditions, we expect to receive cash consideration of approximately \$1.7 billion in exchange for the sale of such real estate assets to an unrelated third party, and to concurrently enter into a lease agreement whereby the Company will lease such real estate assets for the purpose of continuing to operate the Encore Boston Harbor property. The lease agreement provides for an initial annual minimum rent of \$100.0 million for an initial term of 30 years, subject to certain annual rent escalations and renewal provisions. We expect to use the cash proceeds from the sale of the real estate assets for general corporate purposes, which may include the repayment of certain debt obligations.

Wynn Resorts, Limited and other subsidiaries. Wynn Resorts, Limited is a holding company and, as a result, our ability to pay dividends is dependent on our ability to obtain funds and our subsidiaries' ability to provide funds to us. Wynn Resorts, Limited and other primarily generates cash from royalty and management agreements with our resorts, dividends and distributions from our subsidiaries, and the operations of the Retail Joint Venture of which we own 50.1%. We expect to use this cash to service our Retail Term Loan, to fund working capital needs of Wynn Interactive, and for general corporate purposes.

On February 11, 2021, the Company completed a registered public offering of 7,475,000 newly issued shares of its common stock, par value \$0.01 per share, at a price of \$115.00 per share for proceeds of \$841.9 million, net of \$17.7 million in underwriting discounts, commissions and other expenses. The Company used \$716.0 million of the net proceeds from this equity offering to repay the outstanding borrowings under the WRF revolver in February 2021, and used the remaining net proceeds for general corporate purposes.

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. In addition, litigation inherently involves significant costs. For information regarding legal proceedings, see Item 8—"Financial Statements and Supplementary Data," Note 17, "Commitments and Contingencies."

Our Board of Directors has authorized an equity repurchase program of up to \$1.0 billion. Under the equity repurchase program, we may repurchase the Company's outstanding shares from time to time through open

market purchases, in privately negotiated transactions, and under plans complying with Rules 10b5-1 and 10b-18 under the Exchange Act. As of December 31, 2021, we had \$800.1 million in repurchase authority remaining under the program.

We have in the past repurchased, and in the future, we may periodically consider repurchasing our outstanding notes for cash. The amount of any notes to be repurchased, as well as the timing of any repurchases, will be based on business, market and other conditions and factors, including price, contractual requirements or consents, and capital availability.

New business developments or other unforeseen events, including related to COVID-19, 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.

Contractual Commitments

The following table summarizes our scheduled contractual commitments as of December 31, 2021 (in thousands):

	Payments Due By Period				
	Less Than 1 Year	1 to 3 Years	4 to 5 Years	After 5 Years	Total
Long-term debt obligations	\$ 50,000	\$1,937,500	\$5,282,766	\$4,730,000	\$12,000,266
Fixed interest payments	502,975	964,991	593,321	431,640	2,492,927
Estimated variable interest payments (1)	73,418	139,917	36,502	—	249,837
Construction contracts and commitments	139,930	19,163	—	—	159,093
Operating leases	18,106	27,660	17,592	441,640	504,998
Finance leases	17,839	29,398	2,406	63,881	113,524
Employment agreements (2)	62,195	56,543	1,143	—	119,881
Massachusetts surrounding community payments (3)	14,198	29,147	29,996	102,279	175,620
Other (4)	222,200	151,932	39,717	70,781	484,630
Total contractual commitments	\$1,100,861	\$3,356,251	\$6,003,443	\$5,840,221	\$16,300,776

- (1) Amounts for all periods represent our estimated future interest payments on our debt facilities based upon amounts outstanding and LIBOR or HIBOR rates as of December 31, 2021. Actual rates will vary.
- (2) Represents payments to executive officers, other members of management and certain key employees. Employment agreements generally have three to five year terms and typically indicate a base salary and often contain provisions for discretionary bonuses. Certain of the executives are also entitled to a separation payment if terminated without “cause” or upon voluntary termination of employment for “good reason” following a “change of control” (as these terms are defined in the employment contracts).
- (3) Represents payments to certain communities surrounding Encore Boston Harbor, required as a condition of the gaming license awarded to Wynn MA, LLC.
- (4) Other includes open purchase orders, future charitable contributions, fixed gaming tax payments in Macau, performance contracts and other contracts. As further discussed in Item 8—“Financial Statements and Supplementary Data,” Note 13, “Income Taxes,” we had \$141.5 million of unrecognized tax benefits as of December 31, 2021. Due to the inherent uncertainty of the underlying tax positions, it is not practicable to assign this liability to any particular year and therefore it is not included in the table above as of December 31, 2021.

Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements in conformity with GAAP involves the use of estimates and assumptions that affect the amounts reported in the consolidated financial statements. Certain of our accounting policies require management to apply significant judgment in defining the appropriate assumptions integral to financial estimates and on an ongoing basis, management evaluates those estimates. Judgments are based on historical experience, terms of existing contracts, industry trends and information available from outside sources, as appropriate. However, by their nature, judgments are subject to an inherent degree of uncertainty, and therefore actual results could differ from our estimates.

Allowance for Credit Losses

A substantial portion of our outstanding receivables relates to casino credit play. Credit play, through the issuance of markers, represents a significant portion of the table games volume. Our goal is to maintain strict controls over the issuance of credit and aggressively pursue collection from those customers who fail to pay their balances in a timely fashion. These collection efforts may include the mailing of statements and delinquency notices, personal contacts, the use of outside collection agencies, and litigation. Markers issued at our Las Vegas Operations and Encore Boston Harbor are generally legally enforceable instruments in the United States, and United States assets of foreign customers may be used to satisfy judgments entered in the United States.

The enforceability of markers and other forms of credit related to gaming debt outside of the United States varies from country to country. Some foreign countries do not recognize the enforceability of gaming related debt, or make enforcement burdensome. We closely consider the likelihood and difficulty of enforceability, among other factors, when issuing credit to customers who are not residents of the United States. In addition to our internal credit and collection departments, we have a network of legal, accounting and collection professionals to assist us in our determinations regarding enforceability and our overall collection efforts.

We regularly evaluate our reserve for credit losses based on a specific review of customer accounts and outstanding gaming promoter accounts, taking into consideration the amount owed, the age of the account, the customer's financial condition, management's experience with historical and current collection trends, current economic and business conditions, and management's expectations of future economic and business conditions and forecasts. Accounts are written off when management deems them to be uncollectible. Recoveries of accounts previously written off are recorded when received.

The following table presents key statistics related to our casino accounts receivable (dollars in thousands):

	December 31,	
	2021	2020
Casino accounts receivable	\$199,030	\$207,823
Allowance for casino credit losses	\$106,958	\$ 98,035
Allowance as a percentage of casino accounts receivable	53.7%	47.2%

The increase in allowance for casino credit losses as shown in the table above is primarily due to the impact of historical collection patterns and expectations of current and future collection trends in light of the COVID-19 pandemic, as well as the specific review of customer accounts. Although the Company believes that its allowance is adequate, it is possible the estimated amounts of cash collections with respect to receivables could change. Our allowance for credit losses is based on our estimates of amounts collectible and depends on the risk assessments and judgments by management regarding realizability, the current and expected future state of the economy and our credit policy. Our reserve methodology is applied similarly to credit extended at each of our resorts. As of December 31, 2021 and 2020, 42.9% and 50.0%, respectively, of our outstanding casino accounts receivable balance originated at our Macau Operations, which include advances to gaming promoters.

As of December 31, 2021, a 100 basis point change in the allowance for credit losses as a percentage of casino accounts receivable would change the provision for credit losses by approximately \$2.0 million.

As our customer payment experience evolves, we will continue to refine our estimated allowance for credit losses. Accordingly, the associated provision for credit losses may fluctuate. Because individual customer account balances can be significant, the reserve and the provision can change significantly between periods as we become aware of additional information about a customer or changes occur in a region's economy or legal system.

Development, Construction and Property, and Equipment Estimates

During the construction and development of a resort or other projects, pre-opening or start-up costs are expensed when incurred. In connection with the construction and development of our resorts, significant start-up costs are incurred and charged to pre-opening costs through their respective openings. Once our resorts open, expenses associated with the opening of the resorts are no longer charged as pre-opening costs.

During the construction and development stage, direct costs such as those incurred for the design and construction of our resorts, including applicable portions of interest, are capitalized. Accordingly, the recorded amounts of property and equipment increase significantly during construction periods. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. We determine the estimated useful lives based on our experience with similar assets, estimates of the usage of the asset and other factors specific to the asset. Depreciation expense related to capitalized construction costs and fixed assets commences when the related assets are placed in service. The remaining estimated useful lives of assets are periodically reviewed and adjusted as necessary.

Costs of repairs and maintenance are charged to expense when incurred. The cost and accumulated depreciation of property and equipment retired or otherwise disposed of are eliminated from the respective accounts and any resulting gain or loss is included in property charges and other.

Impairment of Long-lived Assets, Intangible assets, and Goodwill

We evaluate our property and equipment and other long-lived assets for impairment in accordance with applicable accounting standards. For assets to be disposed of we recognize the asset at the lower of carrying value or fair market value less costs of disposal, as estimated based on comparable asset sales, solicited offers, or a discounted cash flow model. For assets to be held and used, we review for impairment whenever indicators of impairment exist. In reviewing for impairment, we compare the estimated future cash flows of the asset, on an undiscounted basis, to the carrying value of the asset. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, an impairment is recorded based on the fair value of the asset, typically measured using a discounted cash flow model. If an asset is still under development, future cash flows include remaining construction costs. All recognized impairment losses, whether for assets to be disposed of or assets to be held and used, are recorded as operating expenses.

During the year ended December 31, 2021, Wynn Palace and Wynn Macau continued to experience disruptions to their respective businesses as a result of the COVID-19 pandemic as noted in Note 1, "Organization and Business." As a result, we concluded that a triggering event occurred at each of these asset groups. We tested our asset groups for recoverability as of December 31, 2021, and concluded no impairment existed at that date as the estimated undiscounted future cash flows exceeded the net carrying amount for each of the asset groups. The tests for recoverability include estimates of future cash flows and the useful lives of our primary assets. These estimates are subjective and may change should the COVID-19 pandemic, including travel restrictions and operating capacity limitations, persist longer than expected. Unfavorable changes in the Company's estimates could require an impairment charge in the future.

The Company tests goodwill for impairment annually, or more frequently if events or changes in circumstances indicate that this asset may be impaired. The Company's test of goodwill impairment starts with a qualitative assessment to determine whether it is necessary to perform a quantitative goodwill impairment test. If qualitative factors indicate that the fair value of the reporting unit is more likely than not less than its carrying amount, then a quantitative goodwill impairment test is performed. For the quantitative analysis, the Company compares the fair value of its reporting unit to its carrying value. If the estimated fair value exceeds its carrying value, goodwill is considered not to be impaired and no additional steps are necessary. However, if the fair value of the reporting unit is less than its carrying amount, goodwill impairment is recorded equal to the difference between the carrying amount of the reporting unit and its fair value, not to exceed the carrying amount of goodwill. Most of the Company's goodwill recorded as of December 31, 2021 and 2020 was the result of an acquisition during the fourth quarter of 2020.

On November 12, 2021, Wynn Resorts announced the termination of a previously announced agreement and plan of merger which contemplated the combination of Wynn Interactive and a special purpose acquisition company. The Company concluded that the termination of the agreement constituted a potential indicator of impairment, and as a result of revisiting its estimated fair value of the reporting units comprising Wynn Interactive based on a combination of the income and market approaches, recognized impairment of \$10.3 million during the year ended December 31, 2021.

Litigation and Contingency Estimates

We are subject to various claims, legal actions and other contingencies, and we accrue for these matters when they are both probable and estimable. For matters that arose on or prior to the balance sheet date, we estimate any accruals based on the relevant facts and circumstances available through the date of issuance of the financial statements. We include the accruals associated with any contingent matters in other accrued liabilities on the consolidated balance sheets.

Income Taxes

We are subject to income taxes in the United States and other foreign jurisdictions where we operate. Accounting standards require the recognition of deferred tax assets, net of applicable reserves, and liabilities for the estimated future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates on the income tax provision and deferred tax assets and liabilities generally is recognized in the results of operations in the period that includes the enactment date. Accounting standards require recognition of a future tax benefit to the extent that realization of such benefit is more likely than not. Otherwise, a valuation allowance is applied.

As of December 31, 2021, we had deferred tax assets of \$2.5 billion including a foreign tax credit ("FTC") carryforward of \$2.0 billion and a deferred tax asset related to interest expense carryforwards of \$154.5 million. As of December 31, 2021, we have recorded a valuation allowance of \$2.5 billion against the FTC carryforward, disallowed interest expense carryforward and the other deferred tax assets based on our estimate of future realization. In assessing the need for a valuation allowance, the Company considers whether it is more likely than not that the deferred tax assets will be realized. In this assessment, appropriate consideration was given to all positive and negative evidence including recent operating profitability, forecasts of future earnings, ability to carryback, the reversal of net taxable temporary differences, the duration of statutory carryforward periods, and tax planning strategies. As of December 31, 2021 and 2020, the Company no longer relies on forecast of future taxable income due to tax legislation that reduces future sources of taxable income as well as the uncertainty caused by the COVID-19 pandemic and relies solely on the reversal of net taxable temporary differences.

Our income tax returns are subject to examination by the IRS and other tax authorities in the locations where we operate. We assess potentially unfavorable outcomes of such examinations based on accounting standards for uncertain income taxes. The accounting standards prescribe a minimum recognition threshold that a tax position is required to meet before being recognized in the financial statements.

Uncertain tax position accounting standards apply to all tax positions related to income taxes. These accounting standards utilize a two-step approach for evaluating tax positions. The tax benefit is measured as the largest amount of benefit that is more likely than not to be realized upon settlement.

As applicable, we recognize accrued penalties and interest related to unrecognized tax benefits in the provision for income taxes.

Recently Adopted Accounting Standards and Accounting Standards Issued But Not Yet Adopted

See Item 8—“Financial Statements and Supplementary Data,” Note 2, “Basis of Presentation and Significant Accounting Policies.”

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices.

Interest Rate Risks

One of our primary exposures to market risk is interest rate risk associated with our debt facilities that bear interest based on floating rates. We attempt to manage interest rate risk by managing the mix of long-term fixed rate borrowings and variable rate borrowings, supplemented by hedging activities as believed by us to be appropriate. We cannot assure you that these risk management strategies will have the desired effect, and interest rate fluctuations could have a negative impact on our results of operations.

The following table provides estimated future cash flow information derived from our best estimates of repayments as of December 31, 2021, of our expected long-term indebtedness and related weighted average interest rates by expected maturity dates. However, we cannot predict the LIBOR or HIBOR rates that will be in effect in the future. Actual rates will vary. Additionally, the potential effect that the proposed LIBOR phaseout could have on our business and financial condition cannot yet be determined (see Item 1A—“Risk Factors,” *Risks Related to our Indebtedness* for further discussion). The one-month LIBOR and HIBOR rates as of December 31, 2021 of 0.10% and 0.15%, respectively, were used for all variable rate calculations in the table below.

The information is presented in U.S. dollar equivalents as applicable.

	Years Ending December 31,						
	Expected Maturity Date						
	2022	2023	2024	2025	2026	Thereafter	Total
Long-term debt:							
Fixed rate	\$ —	\$500.0	\$600.0	\$2,380.0	\$1,000.0	\$4,730.0	\$9,210.0
Average interest rate	— %	4.3%	4.9%	6.1%	5.5%	5.4%	5.5%
Variable rate	\$50.0	\$ 50.0	\$787.5	\$1,902.8	\$ —	\$ —	\$2,790.3
Average interest rate	1.9%	1.9%	2.2%	2.9%	— %	— %	2.6%

Interest Rate Sensitivity

As of December 31, 2021, approximately 77.0% of our long-term debt was based on fixed rates. Based on our borrowings as of December 31, 2021, an assumed 100 basis point change in the variable rates would cause our annual interest expense to change by \$22.4 million.

In order to mitigate exposure to interest rate fluctuations on the Retail Term Loan, the Company entered into a five year interest rate collar with a notional value of \$615.0 million. The interest rate collar establishes a range whereby the Company will pay the counterparty if one-month LIBOR falls below the established floor rate of 1.00%, and the counterparty will pay the Company if one-month LIBOR exceeds the ceiling rate of 3.75%.

Foreign Currency Risks

The currency delineated in Wynn Macau SA's concession agreement with the government of Macau is the Macau pataca. The Macau pataca, which is not a freely convertible currency, is linked to the Hong Kong dollar, and in many cases the two are used interchangeably in Macau. The Hong Kong dollar is linked to the U.S. dollar and the exchange rate between these two currencies has remained relatively stable over the past several years. However, the exchange linkages of the Hong Kong dollar and the Macau pataca, and the Hong Kong dollar and the U.S. dollar, are subject to potential changes due to, among other things, changes in Chinese governmental policies and international economic and political developments.

If the Hong Kong dollar and the Macau pataca are not linked to the U.S. dollar in the future, severe fluctuations in the exchange rate for these currencies may result. We also cannot assure you that the current rate of exchange fixed by the applicable monetary authorities for these currencies will remain at the same level.

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 and Wynn Macau SA 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 December 31, 2021, an assumed 1% change in the U.S. dollar/Hong Kong dollar exchange rate would cause a foreign currency transaction gain/loss of \$38.7 million.

Item 8. Financial Statements and Supplementary Data

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Wynn Resorts, Limited and subsidiaries

Opinion on Internal Control Over Financial Reporting

We have audited Wynn Resorts, Limited and subsidiaries' internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Wynn Resorts, Limited and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity (deficit) and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedule listed in the Index at Item 15(a)2 and our report dated February 28, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Las Vegas, Nevada

February 28, 2022

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of Wynn Resorts, Limited and subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Wynn Resorts, Limited and subsidiaries (the Company) as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity (deficit) and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedule listed in the Index at Item 15(a)2 (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 28, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosure to which it relates.

Allowance for Credit Losses on Casino Receivables

Description of the Matter At December 31, 2021, the Company's allowance for credit losses on accounts receivable was \$111.3 million, primarily consisting of casino receivables. As discussed in Note 2 to the consolidated financial statements, casino receivables primarily consist of credit issued to patrons in the form of markers and advances paid to gaming promoters. The Company records an estimated allowance for credit losses to reduce the Company's receivables to their carrying amount, which reflects the net amount the Company expects to collect. The Company estimates the allowance based on specific review of customer and outstanding gaming promoter accounts taking into consideration the amount due from the patron and gaming promoters, the age of the account, the customer's financial condition, as well as management's experience with historical and current collection trends, current economic and business conditions, and management's expectations of future economic and business conditions and forecasts.

Auditing management's estimate of the allowance for credit losses on casino receivables is complex due to the highly judgmental nature of the qualitative factors used to estimate the collectability of casino receivables and high degree of subjectivity in evaluating management's judgments related to the collectability of patron accounts receivable.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's allowance for credit losses process. For example, we tested controls over the issuance of markers to patrons, the collection processes and management's review controls over the assessment of the expected collection of casino receivables and evaluation of the allowance for credit losses, including the information used by management in those controls.

To test the allowance for credit losses, our audit procedures included, among others: testing management's historical collections analysis by obtaining evidence related to the original issuance of the credit to patrons on a sample of casino accounts receivable and examining support for subsequent settlement, if any; corroborating management's representations for specific provisions made for certain individual casino patrons with internal data and examination of publicly available information of the customers' financial condition; evaluating management's assumptions regarding future collectability in comparison to current business trends, third-party macroeconomic data and peer data; and evaluating management's use of this information in establishing the allowance for credit losses as of December 31, 2021.

In addition, we performed sensitivity analyses over the Company's significant assumptions and evaluated the overall allowance for credit losses by performing a retrospective analysis of the Company's historical estimates, which consisted of comparing the Company's estimates to subsequent settlements and write-offs.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2006.

Las Vegas, Nevada
February 28, 2022

WYNN RESORTS, LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	December 31,	
	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,522,530	\$ 3,482,032
Restricted cash	4,896	—
Accounts receivable, net of allowance for credit losses of \$111,319 and \$100,329	199,463	200,158
Inventories	69,967	66,285
Prepaid expenses and other	79,061	64,672
Total current assets	2,875,917	3,813,147
Property and equipment, net	8,765,308	9,196,644
Restricted cash	3,641	4,352
Goodwill and intangible assets, net	307,578	278,195
Operating lease assets	371,365	398,594
Other assets	207,017	178,615
Total assets	\$12,530,826	\$13,869,547
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts and construction payables	\$ 170,542	\$ 148,478
Customer deposits	436,388	646,856
Gaming taxes payable	73,173	66,346
Accrued compensation and benefits	206,225	126,846
Accrued interest	132,877	136,421
Current portion of long-term debt	50,000	596,408
Other accrued liabilities	218,675	159,533
Total current liabilities	1,287,880	1,880,888
Long-term debt	11,884,546	12,469,362
Long-term operating lease liabilities	115,187	123,124
Other long-term liabilities	79,428	133,490
Total liabilities	13,367,041	14,606,864
Commitments and contingencies (Note 17)		
Stockholders' deficit:		
Preferred stock, par value \$0.01; 40,000,000 shares authorized; zero shares issued and outstanding	—	—
Common stock, par value \$0.01; 400,000,000 shares authorized; 131,449,806 and 123,482,836 shares issued; 115,714,943 and 107,888,336 shares outstanding, respectively	1,314	1,235
Treasury stock, at cost; 15,734,863 and 15,594,500 shares, respectively	(1,436,373)	(1,422,531)
Additional paid-in capital	3,502,715	2,598,115
Accumulated other comprehensive income	6,004	3,604
Accumulated deficit	(2,288,078)	(1,532,420)
Total Wynn Resorts, Limited stockholders' deficit	(214,418)	(351,997)
Noncontrolling interests	(621,797)	(385,320)
Total stockholders' deficit	(836,215)	(737,317)
Total liabilities and stockholders' deficit	\$12,530,826	\$13,869,547

The accompanying notes are an integral part of these consolidated financial statements.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Years Ended December 31,		
	2021	2020	2019
Operating revenues:			
Casino	\$ 2,133,420	\$ 1,237,230	\$ 4,573,924
Rooms	592,571	307,973	804,162
Food and beverage	633,911	329,584	818,822
Entertainment, retail and other	403,762	221,074	414,191
Total operating revenues	3,763,664	2,095,861	6,611,099
Operating expenses:			
Casino	1,394,098	1,064,976	2,924,254
Rooms	197,734	172,223	276,095
Food and beverage	516,391	398,792	696,498
Entertainment, retail and other	450,358	107,228	170,206
General and administrative	796,592	720,849	896,670
Provision for credit losses	29,487	64,375	21,898
Pre-opening	6,821	6,506	102,009
Depreciation and amortization	715,962	725,502	624,878
Property charges and other	50,762	67,455	20,286
Total operating expenses	4,158,205	3,327,906	5,732,794
Operating income (loss)	(394,541)	(1,232,045)	878,305
Other income (expense):			
Interest income	3,213	15,384	24,449
Interest expense, net of amounts capitalized	(605,562)	(556,474)	(414,030)
Change in derivatives fair value	11,360	(13,060)	(3,228)
Loss on extinguishment of debt	(2,060)	(4,601)	(12,437)
Other	(23,926)	28,521	15,159
Other income (expense), net	(616,975)	(530,230)	(390,087)
Income (loss) before income taxes	(1,011,516)	(1,762,275)	488,218
Provision for income taxes	(474)	(564,671)	(176,840)
Net income (loss)	(1,011,990)	(2,326,946)	311,378
Less: net (income) loss attributable to noncontrolling interests	256,204	259,701	(188,393)
Net income (loss) attributable to Wynn Resorts, Limited	\$ (755,786)	\$ (2,067,245)	\$ 122,985
Basic and diluted net income (loss) per common share:			
Net income (loss) attributable to Wynn Resorts, Limited:			
Basic	\$ (6.64)	\$ (19.37)	\$ 1.15
Diluted	\$ (6.64)	\$ (19.37)	\$ 1.15
Weighted average common shares outstanding:			
Basic	113,760	106,745	106,745
Diluted	113,760	106,745	106,985

The accompanying notes are an integral part of these consolidated financial statements.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Years Ended December 31,		
	2021	2020	2019
Net income (loss)	\$ (1,011,990)	\$ (2,326,946)	\$ 311,378
Other comprehensive income:			
Foreign currency translation adjustments, before and after tax	3,477	7,367	376
Total comprehensive income (loss)	(1,008,513)	(2,319,579)	311,754
Less: comprehensive (income) loss attributable to noncontrolling interests	255,127	257,617	(188,498)
Comprehensive income (loss) attributable to Wynn Resorts, Limited	\$ (753,386)	\$ (2,061,962)	\$ 123,256

The accompanying notes are an integral part of these consolidated financial statements.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(in thousands, except share data)

	Common stock						Total Wynn Resorts, Limited stockholders' equity (deficit)	Noncontrolling interests	Total stockholders' equity (deficit)
	Shares outstanding	Par value	Treasury stock	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings (accumulated deficit)			
Balances, January 1, 2019	107,232,026	\$1,221	\$1,344,012	\$2,457,079	\$(1,950)	\$ 921,785	\$ 2,034,123	\$(219,334)	\$ 1,814,789
Net income	—	—	—	—	—	122,985	122,985	188,393	311,378
Currency translation adjustment	—	—	—	—	271	—	271	105	376
Exercise of stock options	293,690	3	—	14,693	—	—	14,696	—	14,696
Issuance of restricted stock	472,480	5	—	14,343	—	—	14,348	785	15,133
Cancellation of restricted stock	(43,825)	(1)	—	1	—	—	—	—	—
Shares repurchased by the Company and held as treasury shares	(590,428)	—	(66,986)	—	—	—	(66,986)	—	(66,986)
Shares of subsidiary repurchased for share award plan	—	—	—	(3,885)	—	—	(3,885)	(1,499)	(5,384)
Cash dividends declared	—	—	—	—	—	(402,952)	(402,952)	(165,835)	(568,787)
Distribution to noncontrolling interest	—	—	—	—	—	—	—	(7,745)	(7,745)
Stock-based compensation	—	—	—	30,445	—	—	30,445	3,557	34,002
Balances, December 31, 2019	107,363,943	1,228	(1,410,998)	2,512,676	(1,679)	641,818	1,743,045	(201,573)	1,541,472
Net loss	—	—	—	—	—	(2,067,245)	(2,067,245)	(259,701)	(2,326,946)
Currency translation adjustment	—	—	—	—	5,283	—	5,283	2,084	7,367
Issuance of restricted stock	886,014	9	—	6,711	—	—	6,720	823	7,543
Cancellation of restricted stock	(241,108)	(2)	—	2	—	—	—	—	—
Shares repurchased by the Company and held as treasury shares	(120,513)	—	(11,533)	—	—	—	(11,533)	—	(11,533)
Cash dividends declared	—	—	—	—	—	(106,993)	(106,993)	44	(106,949)
Wynn Interactive transactions	—	—	—	26,262	—	—	26,262	73,768	100,030
Distribution to noncontrolling interest	—	—	—	—	—	—	—	(6,238)	(6,238)
Stock-based compensation	—	—	—	52,464	—	—	52,464	5,473	57,937
Balances, December 31, 2020	107,888,336	1,235	(1,422,531)	2,598,115	3,604	(1,532,420)	(351,997)	(385,320)	(737,317)
Net loss	—	—	—	—	—	(755,786)	(755,786)	(256,204)	(1,011,990)
Currency translation adjustment	—	—	—	—	2,400	—	2,400	1,077	3,477
Issuance of common stock, net of \$17.7 million underwriter discounts, commissions and other expenses	7,475,000	75	—	841,821	—	—	841,896	—	841,896
Issuance of restricted stock	518,191	4	—	5,897	—	—	5,901	370	6,271
Cancellation of restricted stock	(26,221)	—	—	—	—	—	—	—	—
Shares repurchased by the Company and held as treasury shares	(140,363)	—	(13,842)	—	—	—	(13,842)	—	(13,842)
Cash dividends declared	—	—	—	—	—	128	128	21	149
Wynn Interactive transactions	—	—	—	(20,211)	—	—	(20,211)	25,372	5,161
Distribution to noncontrolling interest	—	—	—	—	—	—	—	(18,761)	(18,761)
Stock-based compensation	—	—	—	77,093	—	—	77,093	11,648	88,741
Balances, December 31, 2021	115,714,943	\$1,314	\$1,436,373	\$3,502,715	\$ 6,004	\$(2,288,078)	\$ (214,418)	\$(621,797)	\$ (836,215)

The accompanying notes are an integral part of these consolidated financial statements.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended December 31,		
	2021	2020	2019
Cash flows from operating activities:			
Net income (loss)	\$(1,011,990)	\$(2,326,946)	\$ 311,378
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:			
Depreciation and amortization	715,962	725,502	624,878
Deferred income taxes	(2,706)	562,484	174,190
Stock-based compensation expense	95,238	62,254	40,372
Amortization of debt issuance costs	27,047	28,932	28,954
Loss on extinguishment of debt	2,060	4,601	12,437
Provision for credit losses	29,487	64,375	21,898
Change in derivatives fair value	(11,360)	13,060	3,228
Property charges and other	74,688	38,933	5,122
Increase (decrease) in cash from changes in:			
Receivables, net	(29,441)	81,646	(86,712)
Inventories, prepaid expenses and other	(21,499)	27,660	(37,907)
Customer deposits	(207,878)	(192,451)	(134,858)
Accounts payable and accrued expenses	117,801	(162,475)	(61,910)
Net cash (used in) provided by operating activities	(222,591)	(1,072,425)	901,070
Cash flows from investing activities:			
Capital expenditures, net of construction payables and retention	(290,657)	(290,115)	(1,063,293)
Purchase of intangible and other assets	(56,034)	—	(6,000)
Cash acquired from business combination	—	4,604	—
Proceeds from sale of assets and other	4,268	19,752	695
Net cash used in investing activities	(342,423)	(265,759)	(1,068,598)
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	1,340,281	4,691,953	3,893,778
Repayments of long-term debt	(2,488,401)	(2,035,354)	(2,930,015)
Proceeds from issuance of Wynn Resorts, Limited common stock	841,896	—	—
Proceeds from issuance of subsidiary common stock	4,662	—	—
Repurchase of common stock	(13,842)	(11,533)	(66,986)
Finance lease payments	(15,658)	(5,916)	(73)
Proceeds from exercise of stock options	—	70	14,696
Shares of subsidiary repurchased for share award plan	—	—	(5,384)
Dividends paid	(1,553)	(108,777)	(566,521)
Payments to acquire ownership interest in subsidiary	(5,433)	(33,621)	—
Distribution to noncontrolling interest	(18,761)	(6,238)	(7,745)
Payments for financing costs	(31,193)	(27,339)	(32,738)
Net cash (used in) provided by financing activities	(388,002)	2,463,245	299,012
Effect of exchange rate on cash, cash equivalents and restricted cash	(2,301)	3,031	7,485
Cash, cash equivalents and restricted cash:			
(Decrease) increase in cash, cash equivalents and restricted cash	(955,317)	1,128,092	138,969
Balance, beginning of period	3,486,384	2,358,292	2,219,323
Balance, end of period	\$ 2,531,067	\$ 3,486,384	\$ 2,358,292

	Years Ended December 31,		
	2021	2020	2019
Supplemental cash flow disclosures			
Cash paid for interest, net of amounts capitalized	\$ 581,650	\$ 463,458	\$ 373,052
Capitalized stock-based compensation	\$ 5,058	\$ 2,212	\$ 350
Cash paid for income taxes (income tax refunds received)	\$ 1,749	\$ 1,433	\$ (16,811)
Finance lease liabilities arising from obtaining finance lease assets	\$ 7,423	\$ 56,215	\$ 1,413
Liability settled with shares of common stock	\$ 6,272	\$ 6,720	\$ 15,134
Accounts and construction payables related to property and equipment	\$ 52,647	\$ 62,956	\$ 163,471
Other liabilities related to intangible assets	\$ 5,417	\$ 13,822	\$ 13,945
Financing costs included in accounts payable and other liabilities	\$ 290	\$ 3,116	\$ 1,857
Dividends payable on unvested restricted stock included in other accrued liabilities	\$ 1,846	\$ 3,564	\$ 6,690

The accompanying notes are an integral part of these consolidated financial statements.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Organization and Business

Organization

Wynn Resorts, Limited, a Nevada corporation (together with its subsidiaries, “Wynn Resorts” or the “Company”) is 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.

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. In Las Vegas, Nevada, the Company operates and, with the exception of certain retail space, owns 100% of Wynn Las Vegas. Additionally, the Company is a 50.1% owner and managing member of a joint venture that owns and leases certain retail space at Wynn Las Vegas (the “Retail Joint Venture”). The Company refers to Wynn Las Vegas, Encore, an expansion at Wynn Las Vegas, and the Retail Joint Venture as its Las Vegas Operations. On June 23, 2019, the Company opened Encore Boston Harbor, an integrated resort in Everett, Massachusetts, that is owned 100% by the Company. In October 2020, Wynn Interactive Ltd. (“Wynn Interactive”) was formed through the merger of our U.S. online sports betting and gaming business, social casino business, and our strategic partner, BetBull Limited (“BetBull”). Wynn Resorts holds an approximately 74% interest in, and consolidates, Wynn Interactive. For more information on the BetBull Acquisition, see Note 19, “Business Combination.”

Macau Operations

Wynn Palace, which opened in August 2016, features a luxury hotel tower with 1,706 guest rooms, suites and villas, approximately 424,000 square feet of casino space, 14 food and beverage outlets, approximately 37,000 square feet of meeting and convention space, approximately 107,000 square feet of retail space, public attractions including a performance lake and floral art displays, and recreation and leisure facilities.

Wynn Macau features two luxury hotel towers with a total of 1,010 guest rooms and suites, approximately 252,000 square feet of casino space, 14 food and beverage outlets, approximately 31,000 square feet of meeting and convention space, approximately 59,000 square feet of retail space, a performance lake, a rotunda show and recreation and leisure facilities.

Las Vegas Operations

Wynn Las Vegas features two luxury hotel towers with a total of 4,748 guest rooms, suites and villas, approximately 194,000 square feet of casino space, 32 food and beverage outlets, approximately 513,000 square feet of meeting and convention space, approximately 155,000 square feet of retail space (the majority of which is owned and operated under a joint venture of which the Company owns 50.1%), as well as two theaters, three nightclubs and a beach club and recreation and leisure facilities.

Encore Boston Harbor

On June 23, 2019, the Company opened Encore Boston Harbor, an integrated resort in Everett, Massachusetts, adjacent to Boston along the Mystic River. The property features a luxury hotel tower with a total of 671 guest rooms and suites, approximately 211,000 square feet of casino space, 15 food and beverage outlets, one nightclub, approximately 71,000 square feet of meeting and convention space, and approximately 10,000 square feet of retail space. Public attractions include a waterfront park, floral displays, and water shuttle service to downtown Boston.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Wynn Interactive

Wynn Interactive's subsidiary operates the digital and interactive sports betting app, WynnBET, which is operational in New Jersey, Colorado, Michigan, Virginia, Indiana, Arizona, Tennessee, Louisiana, and New York. In addition, subject to all necessary legislative authorizations and regulatory approvals, Wynn Interactive's subsidiary has secured market access in Iowa and Ohio. BetBull, a wholly owned subsidiary of Wynn Interactive, operates a digital and interactive sports betting app in the United Kingdom.

Recent Developments Related to COVID-19

Macau Operations

Visitation to Macau has fallen significantly since the outbreak of COVID-19, driven by the strong deterrent effect of the COVID-19 pandemic on travel and social activities, quarantine measures put in place in Macau and elsewhere, travel and entry restrictions and conditions in Macau, the PRC, Hong Kong and Taiwan involving COVID-19 testing, among other things, and the suspension or reduced accessibility of transportation to and from Macau. Beginning in June 2020, certain restrictions and conditions have eased to allow for visitation to Macau as some regions continue to recover from the COVID-19 pandemic. Quarantine-free travel, subject to COVID-19 safeguards such as testing and the usual visa requirements, has been reintroduced between Macau and most areas and cities within the PRC, and in September 2020, PRC authorities fully resumed the IVS exit visa program, which permits individual PRC citizens from nearly 50 PRC cities to travel to Macau for tourism purposes. Given the evolving conditions created by and in response to the COVID-19 pandemic, measures that have been lifted may be reintroduced if there are adverse developments in the COVID-19 situation in Macau and other regions with access to Macau, and the Company is currently unable to determine when protective measures and the suspension of certain offerings in effect at our Macau Operations will be lifted. 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.

Las Vegas Operations and Encore Boston Harbor

In response to the COVID-19 outbreak, the Company's Las Vegas Operations and Encore Boston Harbor each implemented certain COVID-19 specific protective measures, such as limiting the number of seats per table game, slot machine spacing, temperature checks, mask protection, and suspension of certain entertainment and nightlife offerings. Over the course of the twelve months ended December 31, 2021, the Company's Las Vegas Operations and Encore Boston Harbor have each incrementally resumed full operations, including reopening gaming areas to 100% of capacity and restoring seven-day-per-week hotel operations, as permitted by governmental authorities and in response to increased customer demand. Given the evolving conditions created by and in response to the COVID-19 pandemic, measures that have been lifted may be reintroduced if there are adverse developments in the COVID-19 situation, and management cannot reasonably estimate the impact of such developments to the Company's future results of operations, cash flows, or financial condition.

Liquidity

As of December 31, 2021, the Company had total cash and cash equivalents, excluding restricted cash, of \$2.52 billion, and had access to \$835.6 million of available borrowing capacity from the WRF Revolver and \$212.5 million of available borrowing capacity from the WM Cayman II Revolver (as defined and discussed further in Note 7, "Long Term Debt"). The Company has suspended its dividend program. Given the Company's liquidity position at December 31, 2021 and the steps the Company has taken as further described in Note 7, "Long-Term Debt," the Company believes it is able to support continuing operations and respond to the COVID-19 pandemic challenges.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Macau Gaming Concession

The term of the Company's concession agreement with the Macau government ends on June 26, 2022. If the term of this concession agreement is not extended or renewed or is not replaced by a new gaming concession, all of the Company's gaming operations and related equipment in Macau will be automatically transferred to the Macau government without compensation on that date and the Company will cease to generate gaming revenues from its Macau Operations. In addition, under the indentures governing the Company's \$4.7 billion aggregate principal amount of WML Senior Notes and the facility agreement governing the WM Cayman II Revolver, upon the occurrence of any event after which the Company does not own or manage casino or gaming areas or operate casino games of fortune and chance in Macau in substantially the same manner as of the issue date of the respective senior notes or the date of the facility agreement, for a period of 10 consecutive days or more in the case of the WML Senior Notes or a period of 30 consecutive days or more in the case of the WM Cayman II Revolver, and such event has a material adverse effect on the financial condition, business, properties or results of operations of WML and its subsidiaries, taken as a whole, holders of the WML Senior Notes can require the Company to repurchase all or any part of the WML Senior Notes at par, plus any accrued and unpaid interest (the "Special Put Option"), and any amounts owed under the WM Cayman II Revolver may become immediately due and payable (the "Property Mandatory Prepayment Event").

In January 2022, the Macau government published a draft of its proposed revisions to the gaming law. The Company is monitoring developments with respect to the Macau government's concession renewal or extension process, and at this time believes that its concession will be renewed or extended beyond June 26, 2022. The failure to extend or renew the Company's concession or obtain a new concession and the resulting ability of the WML Senior Note holders to exercise the Special Put Option and triggering of the Property Mandatory Prepayment Event would have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

Note 2 - Basis of Presentation and Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and include the accounts of the Company, its majority-owned subsidiaries, and entities the Company identifies as variable interest entities ("VIEs") of which the Company is determined to be the primary beneficiary. For information on the Company's VIEs, see Note 18, "Retail Joint Venture." All significant intercompany accounts and transactions have been eliminated. Certain amounts in the consolidated financial statements for the previous years have been reclassified to be consistent with the current year presentation of the Company's reportable segments. These reclassifications had no effect on the previously reported net income.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents consist of cash and highly liquid investments with original maturities of three months or less and include both U.S. dollar-denominated and foreign currency-denominated securities. Cash

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

equivalents are carried at cost, which approximates fair value. Restricted cash consists of cash collateral associated with obligations and cash held in a trust in accordance with WML's share award plan.

Accounts Receivable and Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of casino accounts receivable. The Company issues credit in the form of "markers" to approved casino customers following investigations of creditworthiness.

Accounts receivable, including casino and hotel receivables, are typically non-interest bearing and are recorded at amortized cost. Casino receivables primarily consist of credit issued to patrons in the form of markers and advances paid to gaming promoters. The Company issues credit based on factors such as level of play and financial resources, following background and credit checks. The casino credit extended by the Company is generally unsecured and due on demand. Gaming promoter advances are settled shortly after each month end. As of December 31, 2021, the Company had no agreements in place with gaming promoters.

An estimated allowance for credit losses is maintained to reduce the Company's receivables to their carrying amount, which reflects the net amount the Company expects to collect. The allowance estimate reflects specific review of customer accounts and outstanding gaming promoter accounts taking into consideration the amount owed, the age of the account, the customer's financial condition, management's experience with historical and current collection trends, current economic and business conditions, and management's expectations of future economic and business conditions and forecasts. Accounts are written off when management deems them to be uncollectible. Recoveries of accounts previously written off are recorded when received.

Inventories

Inventories consist of retail merchandise and food and beverage items, which are stated at the lower of cost or net realizable value, and certain operating supplies. Cost is determined by the first-in, first-out, weighted average and specific identification methods.

Property and Equipment

Purchases of property and equipment are stated at cost, and when placed into service, are depreciated over the estimated useful lives of the assets using the straight-line method as follows:

	<u>Estimated Useful Life in Years</u>
Buildings and improvements	10 - 45
Land improvements	10 - 45
Furniture, fixtures and equipment	3 - 20
Leasehold interest in land	25
Airplanes	20

Costs related to improvements are capitalized, while costs of repairs and maintenance are charged to expense as incurred. The cost and accumulated depreciation of property and equipment retired or otherwise disposed of are eliminated from the respective accounts and any resulting gain or loss is included in property charges and other.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Capitalized Interest

The interest cost associated with major development and construction projects is capitalized and included in the cost of the project. Interest capitalization ceases once a project is substantially complete or no longer undergoing construction activities to prepare it for its intended use. When no debt is specifically identified as being incurred in connection with a construction project, the Company capitalizes interest on amounts expended on the project using the weighted average cost of the Company's outstanding borrowings. For the year ended December 31, 2021, the Company did not capitalize any interest. Interest of \$1.3 million and \$53.9 million was capitalized for the years ended December 31, 2020 and 2019, respectively.

Business Combinations

The Company allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed, and intangible assets acquired based on their estimated fair values in accordance with the applicable accounting standards. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. When determining the fair values of assets acquired and liabilities assumed, management makes estimates and assumptions to determine the fair value of intangible assets.

Estimates in valuing certain intangible assets include, but are not limited to future expected cash flows from acquired technology and acquired trademarks from a market participant perspective, useful lives, and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates.

Acquisition-related costs are recognized separately from the acquisition and are expensed as incurred.

During the measurement period, which is not to exceed one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to the Consolidated Statements of Operations.

Goodwill

Goodwill represents the excess of the purchase price in a business combination over the fair value of the tangible and intangible assets acquired and the liabilities assumed. Goodwill is not amortized, but rather is subject to an annual impairment test.

The Company tests goodwill for impairment annually, or more frequently if events or changes in circumstances indicate that this asset may be impaired. The Company's test of goodwill impairment starts with a qualitative assessment to determine whether it is necessary to perform a quantitative goodwill impairment test. If qualitative factors indicate that the fair value of the reporting unit is more likely than not less than its carrying amount, then a quantitative goodwill impairment test is performed. For the quantitative analysis, the Company compares the fair value of its reporting unit to its carrying value. If the estimated fair value exceeds its carrying amount, goodwill is considered not to be impaired and no additional steps are necessary. However, if the fair value of the reporting unit is less than its carrying amount, goodwill impairment is recorded equal to the difference between the carrying amount of the reporting unit and its fair value, not to exceed the carrying amount of goodwill.

Intangible Assets other than goodwill

The Company's intangible assets other than goodwill consist primarily of finite-lived intangible assets, including its Macau gaming concession and Massachusetts gaming license. Finite-lived intangible assets are

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

amortized over the shorter of their contractual terms or estimated useful lives. The Company's indefinite-lived intangible assets are not amortized, but are reviewed for impairment annually.

Long-Lived Assets

Long-lived assets, which are to be held and used, including finite-lived intangible assets and property and equipment, are periodically reviewed by management for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. If an indicator of impairment exists, the Company compares the estimated future cash flows of the asset, on an undiscounted basis, to the carrying value of the asset. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, then impairment is measured as the difference between fair value and carrying value, with fair value typically based on a discounted cash flow model. If an asset is still under development, future cash flows include remaining construction costs.

Leases

Lessee Arrangements

The Company is the lessee under non-cancelable real estate and equipment leases. Finance and operating lease assets and liabilities are measured and recorded upon lease commencement at the present value of the future minimum lease payments. The Company combines lease and nonlease components in its determination of minimum lease payments, except for certain asset classes that have significant nonlease components. As the interest rate implicit in its leases is not readily determinable, the Company uses its incremental borrowing rate to determine the present value of lease payments. The Company does not record an asset or liability for leases with a term of less than one year. Variable lease costs generally arise from changes in an index, such as the consumer price index. Variable lease costs are expensed as incurred and are not included in the determination of lease assets or liabilities.

Lessor Arrangements

The Company is the lessor under non-cancelable operating leases for retail and food and beverage outlet space at its integrated resorts, which represents approximately 105,000, 59,000, 155,000, and 39,500 square feet of space at Wynn Palace, Wynn Macau, Wynn Las Vegas, and Encore Boston Harbor, respectively. The lease arrangements generally include minimum base rent and contingent rental clauses based on a percentage of net sales. Generally, the terms of the leases range between five and 10 years. The Company records revenue on a straight-line basis over the term of the lease, and recognizes revenue for contingent rentals when the contingency has been resolved. The Company has elected to combine lease and nonlease components for the purpose of measuring lease revenue.

Debt Issuance Costs

Direct and incremental costs and original issue discounts and premiums incurred in connection with the issuance of long-term debt are deferred and amortized to interest expense using the effective interest method or, if the amounts approximate the effective interest method, on a straight-line basis. Debt issuance costs incurred in connection with the issuance of the Company's revolving credit facilities are presented in noncurrent assets on the Consolidated Balance Sheets. All other debt issuance costs are presented as a direct reduction of long-term debt on the Consolidated Balance Sheets. Approximately \$27.0 million, \$28.9 million, and \$29.0 million was amortized to interest expense during the years ended December 31, 2021, 2020, and 2019, respectively.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Derivative Financial Instruments

The Company has an interest rate collar to manage interest rate exposure on its Retail Term Loan (as defined in Note 7, “Long-Term Debt”). The Company measures the fair value of the interest rate collar at each balance sheet date based on a Black-Scholes option pricing model, which incorporates observable market inputs such as market volatility and interest rates. The fair value of the interest rate collar is recognized as an asset or liability at each balance sheet date, with changes in fair value recorded in earnings as the Company’s interest rate collar does not qualify for hedge accounting. The fair value approximates the amount the Company would pay if the interest rate collar was settled at the respective valuation date.

Revenue Recognition

The Company’s revenue from contracts with customers primarily consists of casino wagers and sales of rooms, food and beverage, entertainment, retail and other goods and services.

Gross casino revenues are measured by the aggregate net difference between gaming wins and losses. The Company applies a practical expedient by accounting for its casino wagering transactions on a portfolio basis versus an individual basis as all wagers have similar characteristics. Commissions rebated to customers either directly or indirectly through games promoters and cash discounts and other cash incentives earned by customers are recorded as a reduction of casino revenues. In addition to the wager, casino transactions typically include performance obligations related to complimentary goods or services provided to incentivize future gaming or in exchange for points earned under the Company’s loyalty programs.

For casino transactions that include complimentary goods or services provided by the Company to incentivize future gaming, the Company allocates the standalone selling price of each good or service to the appropriate revenue type based on the good or service provided. Complimentary goods or services that are provided under the Company’s control and discretion and supplied by third parties are recorded as an operating expense.

The Company offers loyalty programs at each of its resorts. Customers earn points based on their level of table games and slots play, which can be redeemed for slots free play, gifts and complimentary goods or services provided by the Company. For casino transactions that include points earned under the Company’s loyalty programs, the Company defers a portion of the revenue by recording the estimated standalone selling price of the earned points that are expected to be redeemed as a liability.

Upon redemption of the points for Company-owned goods or services, the standalone selling price of each good or service is allocated to the appropriate revenue type based on the good or service provided. Upon the redemption of points with third parties, the redemption amount is deducted from the liability and paid directly to the third party with any difference between the amount paid and the stand-alone selling price recorded as Entertainment, retail and other revenue in the accompanying Consolidated Statements of Operations.

After allocating amounts to the complimentary goods or services provided and to the points earned under the Company’s loyalty programs, the residual amount is recorded as casino revenue when the wager is settled.

The transaction price for rooms, food and beverage, entertainment, retail and other transactions is the net amount collected from the customer for such goods and services and is recorded as revenue when the goods are provided, services are performed or events are held. Sales tax and other applicable taxes collected by the Company are excluded from revenues. Advance deposits on rooms and advance ticket sales are performance obligations that are recorded as customer deposits until services are provided to the customer. Revenues from

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

contracts with multiple goods or services are allocated to each good or service based on its relative standalone selling price. As previously noted, Entertainment, retail and other revenue also includes lease revenue, which is recognized in accordance with the relevant accounting principles.

Gaming Taxes

The Company is subject to taxes based on gross gaming revenues in the jurisdictions in which it operates, subject to applicable jurisdictional adjustments. These gaming taxes are recorded as casino expenses in the accompanying Consolidated Statements of Operations. These taxes totaled \$830.4 million, \$527.5 million, and \$2.24 billion for the years ended December 31, 2021, 2020, and 2019, respectively.

Advertising Costs

The cost of advertising is expensed as incurred, and totaled \$250.6 million, \$28.3 million, and \$61.3 million for the years ended December 31, 2021, 2020, and 2019, respectively.

Pre-opening Expenses

Pre-opening expenses represent personnel, advertising, and other costs incurred prior to the opening of new ventures and are expensed as incurred. During the year ended December 31, 2021, the Company incurred pre-opening expenses primarily in connection with restaurant remodels at our Las Vegas Operations. During the year ended December 31, 2020, the Company incurred pre-opening expenses primarily in connection with restaurant remodels at our Las Vegas Operations and the meeting and convention expansion at Wynn Las Vegas, which opened in February 2020. During the year ended December 31, 2019, the Company incurred pre-opening expenses primarily in connection with the development of Encore Boston Harbor.

Income Taxes

The Company is subject to income taxes in the U.S. and foreign jurisdictions where it operates. Accounting standards require the recognition of deferred tax assets, net of applicable reserves, and liabilities for the estimated future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates on the income tax provision and deferred tax assets and liabilities generally is recognized in the results of operations in the period that includes the enactment date. Accounting standards also require recognition of a future tax benefit to the extent that realization of such benefit is more likely than not; otherwise, a valuation allowance is applied.

The Company's income tax returns are subject to examination by the Internal Revenue Service ("IRS") and other tax authorities in the locations where it operates. The Company assesses potentially unfavorable outcomes of such examinations based on accounting standards for uncertain income taxes. The accounting standards prescribe a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements.

Uncertain tax position accounting standards apply to all tax positions related to income taxes. These accounting standards utilize a two-step approach for evaluating tax positions. If a tax position, based on its technical merits, is deemed more likely than not to be sustained, then the tax benefit is measured as the largest amount of benefit that is more likely than not to be realized upon settlement.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

As applicable, the Company will recognize accrued penalties and interest related to unrecognized tax benefits in the provision for income taxes.

Foreign Currency

Gains or losses from foreign currency remeasurements are included in Other income (expense) in the accompanying Consolidated Statements of Operations. Balance sheet accounts are translated at the exchange rate in effect at each balance sheet date and income statement accounts are translated at the average rate of exchange prevailing during the year. Translation adjustments resulting from this process are charged or credited to other comprehensive income (loss).

Comprehensive Income (Loss) and Accumulated Other Comprehensive Income (Loss)

Comprehensive income (loss) includes net income (loss) and all other non-stockholder changes in equity or other comprehensive income (loss). Components of the Company's comprehensive income (loss) are reported in the accompanying Consolidated Statements of Stockholders' Equity (Deficit) and Consolidated Statements of Comprehensive Income (Loss).

Fair Value Measurements

The Company measures certain of its financial assets and liabilities, at fair value on a recurring basis pursuant to accounting standards for fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. These accounting standards establish a three-tier fair value hierarchy, which prioritizes the inputs used to measure fair value. These tiers include:

- **Level 1** - Observable inputs such as quoted prices in active markets.
- **Level 2** - Inputs other than quoted prices in active markets that are either directly or indirectly observable.
- **Level 3** - Unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with accounting standards, which require the compensation cost relating to share-based payment transactions be recognized in the Company's Consolidated Statements of Operations. The cost is measured at the grant date, based on the estimated fair value of the award using the Black-Scholes option pricing model for stock options, and based on the closing share price of the Company's stock on the grant date for nonvested share awards. Dividend yield is based on the estimate of annual dividends expected to be paid at the time of the grant. Expected volatility is based on implied and historical factors related to the Company's common stock. The risk-free interest rate used for each period presented is based on the U.S. Treasury yield curve for stock options issued under the Wynn Resorts Omnibus Plan and Wynn Interactive Omnibus Plan (as defined and discussed in Note 12, "Stock-Based Compensation") and the Hong Kong Exchange Fund rates for stock options issued under the Share Option Plan (as defined in Note 12, "Stock-Based Compensation"), both at the time of grant for the period equal to the expected term. Expected term represents the weighted average time between the option's grant date and its exercise date. The Company uses historical award exercise activity and termination activity in estimating the expected term for the Omnibus Plan and Share Option Plan. The cost is recognized as an expense on a straight-line basis over the

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

employee's requisite service period (the vesting period of the award), and forfeitures are recognized as they occur. The Company's stock-based employee compensation arrangements are more fully discussed in Note 12, "Stock-Based Compensation."

Recently Issued Accounting Standards

In March 2020, the FASB issued ASU No. 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting" ("ASU 2020-04"). ASU 2020-04 provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. In response to the concerns about structural risks of interbank offered rates and, particularly, the risk of cessation of the London Interbank Offered Rate (referred to as "LIBOR"), regulators in several jurisdictions around the world have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction-based and less susceptible to manipulation. ASU 2020-04 also provides companies with optional guidance to ease the potential accounting burden associated with transitioning away from reference rates that are expected to be discontinued. ASU 2020-04 can be adopted no later than December 1, 2022 with early adoption permitted. The Company is currently assessing the impact the adoption of the new guidance will have on its consolidated financial statements.

Note 3 - Cash, Cash Equivalents and Restricted Cash

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

	December 31,	
	2021	2020
Cash and cash equivalents:		
Cash (1)	\$2,021,553	\$2,501,452
Cash equivalents (2)	500,977	980,580
Total cash and cash equivalents	2,522,530	3,482,032
Restricted cash (3)	8,537	4,352
Total cash, cash equivalents and restricted cash	\$2,531,067	\$3,486,384

(1) Cash consists of cash on hand and bank deposits.

(2) Cash equivalents consist of bank time deposits and money market funds.

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

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 4 - Receivables, net

Receivables, net consisted of the following (in thousands):

	December 31,	
	2021	2020
Casino	\$ 199,030	\$ 207,823
Hotel	36,749	7,075
Other	75,003	85,589
	310,782	300,487
Less: allowance for credit losses	(111,319)	(100,329)
	\$ 199,463	\$ 200,158

As of December 31, 2021 and 2020, approximately 70.3% and 77.3%, respectively, of the Company's markers were due from customers residing outside the United States, primarily in Asia. Business or economic conditions or other significant events in the countries in which the Company's customers reside could affect the collectability of such receivables.

The Company's allowance for casino credit losses was 53.7% and 47.2% of gross casino receivables as of December 31, 2021 and 2020, respectively. Although the Company believes that its allowance is adequate, it is possible the estimated amounts of cash collections with respect to receivables could change. The Company's allowance for credit losses from its hotel and other receivables is not material.

The following table shows the movement in the Company's allowance for credit losses recognized for receivables that occurred during the period (in thousands):

	December 31,	
	2021	2020
Balance at beginning of year	\$100,329	\$ 39,317
Provision for credit losses	29,487	64,375
Write-offs	(19,898)	(4,692)
Recoveries of receivables previously written-off	1,661	1,264
Effect of exchange rate	(260)	65
Balance at end of period	\$111,319	\$100,329

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 5 - Property and Equipment, net

Property and equipment, net consisted of the following (in thousands):

	December 31,	
	2021	2020
Buildings and improvements	\$ 9,785,514	\$ 9,758,846
Land and improvements	1,278,010	1,265,510
Furniture, fixtures and equipment	3,067,793	3,093,481
Airplanes	110,623	110,623
Construction in progress	250,378	136,390
	14,492,318	14,364,850
Less: accumulated depreciation	(5,727,010)	(5,168,206)
	\$ 8,765,308	\$ 9,196,644

As of December 31, 2021 and 2020, construction in progress consisted primarily of costs capitalized for various capital enhancements at the Company's properties, including the Wynn Las Vegas room remodel.

Depreciation expense for the years ended December 31, 2021, 2020 and 2019 was \$685.7 million, \$699.6 million, and \$602.9 million, respectively.

Encore Boston Harbor Real Estate Sale and Leaseback

On February 15, 2022, the Company announced its entry into a sale-leaseback arrangement with respect to certain real estate assets related to Encore Boston Harbor. Upon closing of the related transactions, currently expected to take place in the fourth quarter of 2022 subject to regulatory approvals and customary closing conditions, the Company expects to receive cash consideration of approximately \$1.7 billion in exchange for the sale of such real estate assets to an unrelated third party, and to concurrently enter into a lease agreement whereby the Company will lease such real estate assets for the purpose of continuing to operate the Encore Boston Harbor property. The lease agreement provides for an initial annual minimum rent of \$100.0 million for an initial term of 30 years, subject to certain annual rent escalations and renewal provisions. The Company expects to use the cash proceeds from the sale of the real estate assets for general corporate purposes, which may include the repayment of certain debt obligations.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 6 - Goodwill and Intangible Assets, net

Goodwill and intangible assets, net consisted of the following (in thousands):

	December 31,	
	2021	2020
Finite-lived intangible assets:		
Macau gaming concession	\$ 42,300	\$ 42,300
Less: accumulated amortization	(41,114)	(38,731)
	1,186	3,569
Massachusetts gaming license	117,700	117,700
Less: accumulated amortization	(19,791)	(11,944)
	97,909	105,756
Other finite-lived intangible assets	76,317	16,998
Less: accumulated amortization	(5,969)	(620)
	70,348	16,378
Total finite-lived intangible assets	169,443	125,703
Indefinite-lived intangible assets:		
Water rights and other	8,397	8,397
Total indefinite-lived intangible assets	8,397	8,397
Goodwill:		
Balance at beginning of year	144,095	18,463
Acquisitions	—	121,039
Foreign currency translation	(4,103)	4,593
Impairment	(10,254)	—
Balance end of period	129,738	144,095
Total goodwill and intangible assets, net	\$307,578	\$278,195

The Macau gaming concession is a finite-lived intangible asset that is being amortized over the 20 year life of the concession. The Company expects that amortization of the Macau gaming concession will be \$1.2 million in 2022.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

The Massachusetts gaming license is a finite-lived intangible asset that is being amortized over the 15 year life of the license. The Company expects that amortization of the Massachusetts gaming license will be \$7.8 million each year from 2022 through 2033, and \$3.7 million in 2034.

The Other finite-lived intangible assets consist of trademarks and customer lists acquired in connection with the BetBull Acquisition and are being amortized over ten and three years, respectively. For more information on the BetBull Acquisition, see Note 19, “Business Combination.” The Company expects that amortization of Other intangible assets will be \$3.4 million in 2022, \$2.9 million for 2023, \$1.0 million each year from 2024 through 2029, and \$0.8 million in 2030.

The Company recognized goodwill of \$121.0 million in 2020 in connection with the BetBull Acquisition. Goodwill is recorded within Wynn Interactive as of December 31, 2021 and 2020.

On November 12, 2021, Wynn Resorts announced the termination of a previously announced agreement and plan of merger which contemplated the combination of Wynn Interactive and a special purpose acquisition company. The Company concluded that the termination of the agreement constituted a potential indicator of impairment, and as a result of revisiting its estimated fair value of the reporting units comprising Wynn Interactive based on a combination of the income and market approaches, the Company recognized impairment of \$10.3 million. Impairment of goodwill is recorded in Property charges and other in the accompanying Consolidated Statements of Operations during the year ended December 31, 2021.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 7 - Long-Term Debt

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

	December 31,	
	2021	2020
<i>Macau Related:</i>		
WM Cayman II Revolver, due 2025 (1)	\$ 1,287,766	\$ —
<i>Wynn Macau Credit Facilities (2):</i>		
Wynn Macau Term Loan, due 2022	—	1,268,106
Wynn Macau Revolver, due 2022	—	407,443
WML 4 7/8% Senior Notes, due 2024	600,000	600,000
WML 5 1/2% Senior Notes, due 2026	1,000,000	1,000,000
WML 5 1/2% Senior Notes, due 2027	750,000	750,000
WML 5 5/8% Senior Notes, due 2028	1,350,000	1,350,000
WML 5 1/8% Senior Notes, due 2029	1,000,000	1,000,000
<i>U.S. and Corporate Related:</i>		
WRF Credit Facilities (3):		
WRF Term Loan, due 2024	887,500	937,500
WRF Revolver, due 2024	—	716,000
WLV 4 1/4% Senior Notes, due 2023	500,000	500,000
WLV 5 1/2% Senior Notes, due 2025	1,780,000	1,780,000
WLV 5 1/4% Senior Notes, due 2027	880,000	880,000
WRF 7 3/4% Senior Notes, due 2025	600,000	600,000
WRF 5 1/8% Senior Notes, due 2029	750,000	750,000
Retail Term Loan, due 2025 (4)	615,000	615,000
	12,000,266	13,154,049
Less: Unamortized debt issuance costs and original issue discounts and premium, net	(65,720)	(88,279)
	11,934,546	13,065,770
Less: Current portion of long-term debt	(50,000)	(596,408)
Total long-term debt, net of current portion	\$11,884,546	\$12,469,362

- (1) The borrowings under the WM Cayman II Revolver bear interest at LIBOR or HIBOR plus a margin of 1.875% to 2.875% per annum based on WM Cayman II's leverage ratio on a consolidated basis. Approximately \$268.2 million and \$1.02 billion of the WM Cayman II Revolver bears interest at a rate of LIBOR plus 2.625% per year and HIBOR plus 2.625% per year, respectively. As of December 31, 2021, the weighted average interest rate was approximately 2.80%. As of December 31, 2021, the available borrowing capacity under the WM Cayman II Revolver was \$212.5 million.
- (2) In September 2021, the Company repaid in full the then-outstanding principal amount of \$1.26 billion owed under Wynn Macau Credit Facilities.
- (3) The WRF Credit Facilities bear interest at a rate of LIBOR plus 1.75% per year. As of December 31, 2021 and 2020, the weighted average interest rate was 1.86% and 1.90%, respectively. Additionally, as of December 31, 2021, the available borrowing capacity under

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

the WRF Revolver was \$835.6 million, net of \$14.4 million in outstanding letters of credit. The Company repaid \$716.0 million of the outstanding borrowings under the WRF Revolver in February 2021.

- (4) The Retail Term Loan bears interest at a rate of LIBOR plus 1.70% per year. As of December 31, 2021 and 2020, the effective interest rate was 2.70% for both years.

Macau Related Debt

WM Cayman II Revolver

On September 16, 2021, WM Cayman Holdings Limited II, an indirect wholly owned subsidiary of WML, as borrower (“WM Cayman II”) and WML as guarantor, each an indirect subsidiary of Wynn Resorts, entered into a facility agreement with, among others, Bank of China Limited, Macau Branch as agent and a syndicate of lenders (the “Facility Agreement”), pursuant to which the lenders will make available in an aggregate amount of \$1.50 billion equivalent revolving unsecured credit facility consisting of one tranche in an amount of \$312.5 million and one tranche in an amount of HK\$9.26 billion (approximately \$1.19 billion) to WM Cayman II (the “WM Cayman II Revolver”). WM Cayman II has the ability to upsize the total WM Cayman II Revolver by an additional \$1.00 billion equivalent under the Facility Agreement and related agreements upon the satisfaction of various conditions.

The final maturity of all outstanding loans under the WM Cayman II Revolver is September 16, 2025 (or if September 16, 2025 is not a business day, the next business day in the relevant calendar month), by which time any outstanding borrowings from the WM Cayman II Revolver must be repaid.

Borrowings of \$1.09 billion under the WM Cayman II Revolver, along with \$200.0 million of cash, were used to facilitate the prepayment of the outstanding \$1.26 billion of borrowings under the Wynn Macau Credit Facilities, and to pay related fees and expenses totaling \$30.3 million, of which \$29.2 million was recorded as debt issuance costs within the Consolidated Balance Sheet. The Company recognized this transaction primarily as a modification of existing debt with the related unamortized debt issuance costs reallocated to the WM Cayman II Revolver. For those components of debt that were deemed extinguished, the Company recognized a loss on extinguishment of debt of \$0.7 million.

Wynn Macau Credit Facilities

The Company’s Wynn Macau credit facilities consisted of an approximately \$1.27 billion equivalent senior secured term loan facility (the “Wynn Macau Term Loan”) and an approximately \$751 million equivalent senior secured revolving credit facility (the “Wynn Macau Revolver” and together with the Wynn Macau Term Loan, the “Wynn Macau Credit Facilities”). The borrower was Wynn Resorts (Macau) S.A. (“Wynn Macau SA”), an indirect subsidiary of WML.

During 2020, the Company prepaid \$938.2 million, excluding contractual amortization payments of \$100.7 million, on the Wynn Macau Term Loan using the proceeds from issuances of WML Senior Notes and operating cash. In January 2021, the Company prepaid \$412.5 million of the Wynn Macau Term Loan, and accordingly, has presented that amount as a current liability on the accompanying Consolidated Balance Sheet as of December 31, 2020.

As discussed above, in September 2021, the Wynn Macau Credit Facilities were repaid in full along with related financing costs.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

WML Senior Notes

During 2020, WML issued \$1.0 billion of 5 1/2% Senior Notes due 2026 and \$1.35 billion of 5 5/8% Senior Notes due 2028 (the “2026 and 2028 WML Senior Notes” and collectively with the WML 4 7/8% Senior Notes, due 2024, the WML 5 1/2% Senior Notes, due 2027, and the WML 5 1/8% Senior Notes, due 2029, the “WML Senior Notes”). The Company used the proceeds from the 2026 and 2028 WML Senior Notes to facilitate repayments on the Wynn Macau Credit Facilities and for general corporate purposes. The WML Senior Notes bear interest at each of their respective interest rates and interest is payable semi-annually. In connection with the issuance of the 2026 and 2028 WML Senior Notes, the Company paid fees and expenses totaling \$20.7 million, which were recorded as debt issuance costs within the Consolidated Balance Sheets.

The WML Senior Notes are WML’s general unsecured obligations and rank pari passu in right of payment with all of WML’s existing and future senior unsecured indebtedness, will rank senior to all of WML’s future subordinated indebtedness, if any; will be effectively subordinated to all of WML’s future secured indebtedness to the extent of the value of the assets securing such debt; and will be structurally subordinated to all existing and future obligations of WML’s subsidiaries, including the WM Cayman II Revolver. The WML Senior Notes are not registered under the Securities Act of 1933, as amended (the “Securities Act”) and the WML Notes are subject to restrictions on transferability and resale.

The WML Senior Notes were issued pursuant to indentures between WML and Deutsche Bank Trust Company Americas, as trustee (the “WML Senior Notes Indentures”). The WML Senior Notes Indentures contain covenants limiting WML’s (and certain of its subsidiaries’) ability to, among other things: merge or consolidate with another company; transfer or sell all or substantially all of its properties or assets; and lease all or substantially all of its properties or assets. The WML Senior Notes Indentures also contain customary events of default. In the case of an event of default arising from certain events of bankruptcy or insolvency, all WML Senior Notes then outstanding will become due and payable immediately without further action or notice.

Upon the occurrence of (a) any event after which none of WML or any subsidiary of WML has the applicable gaming concessions or authorizations in Macau in substantially the same manner and scope as WML and its subsidiaries are entitled to at the date on which each of the WML Senior Notes are issued, for a period of 10 consecutive days or more, and such event has a material adverse effect on WML and its subsidiaries, taken as a whole; or (b) the termination or modification of any such concessions or authorizations which has a material adverse effect on WML and its subsidiaries, taken as a whole, each holder of the WML Senior Notes will have the right to require WML to repurchase all or any part of such holder’s WML Senior Notes at a purchase price in cash equal to 100% of the principal amount thereof, plus accrued and unpaid interest. If WML undergoes a Change of Control (as defined in the WML Senior Notes Indentures), it must offer to repurchase the WML Senior Notes at a price equal to 101% of the aggregate principal amount thereof, plus accrued and unpaid interest.

U.S. and Corporate Related Debt

Refinancing Transactions

On September 20, 2019, WRF and its subsidiary Wynn Resorts Capital Corp. (collectively with WRF, the “WRF Issuers”), each an indirect wholly owned subsidiary of the Company, issued \$750.0 million aggregate principal amount of 5 1/8% Senior Notes due 2029 (the “2029 WRF Senior Notes”) pursuant to an indenture (the “2029 Indenture”) among the WRF Issuers, the guarantors party thereto, and U.S. Bank National Association, as trustee (the “Trustee”).

Concurrently with the issuance of the 2029 WRF Senior Notes, WRF entered into a credit agreement (the “WRF Credit Agreement”) providing for a new first lien term loan facility in an aggregate principal amount of

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

\$1.0 billion (the “WRF Term Loan”) and a new first lien revolving credit facility in an aggregate principal amount of \$850.0 million (the “WRF Revolver” and together with the WRF Term Loan, the “WRF Credit Facilities”) (the WRF Credit Facilities and 2029 WRF Notes are collectively referred to as the “Refinancing Transactions”).

WRF used the net proceeds from the Refinancing Transactions to refinance the existing Wynn America credit facilities and the Wynn Resorts term loan and to pay related fees and expenses totaling \$19.3 million, of which \$15.1 million was recorded as debt issuance costs within the Consolidated Balance Sheet. The Company recognized the Refinancing Transactions primarily as a modification of existing debt with the related unamortized debt issuance costs reallocated to the new debt instruments. For those components of debt that were deemed extinguished, the Company recognized a loss on extinguishment of debt of \$12.4 million.

WRF Credit Facilities

Subject to certain exceptions, the WRF Credit Facilities bear interest at LIBOR plus 1.75% per annum. The annual fee required to pay for unborrowed amounts under the WRF Revolver, if any, is 0.25% per annum. The Company is required to make quarterly repayments on the WRF Term Loan of \$12.5 million beginning in the fourth quarter of 2019, with any remaining principal amount outstanding repayable in full on September 20, 2024.

The WRF Credit Agreement contains customary representations and warranties, events of default and negative and affirmative covenants, including, but not limited to, covenants that restrict our ability to pay dividends or distributions to any direct or indirect subsidiaries, to incur and/or repay indebtedness, to make certain restricted payments, and to enter into mergers and acquisitions, negative pledges, liens, transactions with affiliates, and sales of assets. In addition, WRF is subject to financial covenants, including maintaining a Consolidated First Lien Net Leverage Ratio, as defined in the WRF Credit Agreement. Commencing with the fourth quarter of 2019, the Consolidated Senior Secured Net Leverage Ratio is not to exceed 3.75 to 1.00.

The WRF Credit Facilities are guaranteed by each of WRF’s existing and future wholly owned domestic restricted subsidiaries (the “Guarantors”), subject to certain exceptions, and are secured by a first priority lien on substantially all of WRF’s and each of the guarantors’ existing and future property and assets, subject to certain exceptions, including a limitation on the amount of collateral granted by Wynn Las Vegas, LLC (“WLV”) and its subsidiaries so as to not violate the indenture governing WLV’s outstanding senior notes.

On April 10, 2020 and November 27, 2020, the WRF Credit Agreement was collectively amended to, among other things, implement a financial covenant relief period (the “Financial Covenant Relief Period”) through April 1, 2022 (unless earlier terminated by WRF), implement a financial covenant increase period (the “Financial Covenant Increase Period”) commencing on the first day after the expiration of the Financial Covenant Relief Period and ending on the first day of the fourth fiscal quarter after the expiration of the Financial Covenant Relief Period (unless earlier terminated by WRF), amend the definition of “Consolidated EBITDA” in the WRF Credit Agreement during the Financial Covenant Increase Period, amend WRF’s financial reporting obligations (including extensions to certain deadlines), add certain restrictions on restricted payments (including restrictions on a portion of dividends received from WRF’s subsidiaries) during the Financial Covenant Relief Period and the Financial Covenant Increase Period, and amend the definition of “Material Adverse Effect” in the WRF Credit Agreement to take into consideration COVID-19.

During the Financial Covenant Relief Period, the existing consolidated first lien net leverage ratio financial covenant was replaced with a minimum liquidity financial covenant that requires WRF and its restricted subsidiaries to maintain liquidity of at least \$325.0 million at all times (with liquidity being the sum of

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

unrestricted operating cash, as defined in the WRF Credit Agreement, and the available borrowing capacity under the WRF Revolver). Following the Financial Covenant Relief Period and for as long as the Financial Covenant Increase Period is in effect, WRF may not permit the consolidated first lien net leverage ratio as of the last day of any fiscal quarter to exceed for the first fiscal quarter of the Financial Covenant Increase Period, 4.50 to 1.00, for the second fiscal quarter of the Financial Covenant Increase Period, 4.25 to 1.00, for the third fiscal quarter of the Financial Covenant Increase Period, 4.00 to 1.00, and for each subsequent fiscal quarter thereafter (including from and including the first fiscal quarter during which the Financial Covenant Increase Period has been terminated by WRF), 3.75 to 1.00.

WRF Senior Notes

On April 14, 2020, the WRF Issuers issued \$600.0 million aggregate principal amount of 7 3/4% Senior Notes due 2025 (the “2025 WRF Senior Notes” and collectively with the 2029 WRF Senior Notes, the “WRF Senior Notes”) pursuant to an indenture (the “2025 Indenture” and collectively with the 2029 Indenture, the “WRF Indentures”) among the WRF Issuers, the guarantors party thereto, and the Trustee. The Company intends to use the proceeds from the 2025 Senior Notes for general corporate purposes. The WRF Senior Notes bear interest at each of their respective interest rates and interest is payable semi-annually. In connection with the issuance of the 2025 WRF Senior Notes and the 2029 WRF Senior Notes, the Company paid fees and expenses totaling \$13.5 million, which were recorded as debt issuance costs within the Consolidated Balance Sheets.

The WRF Senior Notes are the WRF Issuers’ senior unsecured obligations and rank pari passu in right of payment with the WLV Senior Notes (as defined below), and rank equally in right of payment with Wynn Las Vegas’ guaranteee of the WRF Credit Facilities, and rank senior in right of payment to all of the WRF Issuers’ existing and future subordinated debt. The WRF Senior Notes are effectively subordinated in right of payment to all of the WRF Issuers’ existing and future secured debt (to the extent of the value of the collateral securing such debt), and structurally subordinated to all of the liabilities of any of the WRF Issuers’ subsidiaries that do not guarantee the WRF Senior Notes, including WML and its subsidiaries.

The WRF Senior Notes are jointly and severally guaranteed by each of WRF’s existing domestic restricted subsidiaries that guarantee indebtedness under the WRF Credit Agreement, including Wynn Las Vegas, LLC and each of its subsidiaries that guarantees the WLV Senior Notes. The guarantees are senior unsecured obligations of the Guarantors and rank senior in right of payment to all of their future subordinated debt. The guarantees rank equally in right of payment with all existing and future liabilities of the Guarantors that are not so subordinated and will be effectively subordinated in right of payment to all of such Guarantors’ existing and future secured debt (to the extent of the collateral securing such debt).

The WRF Indentures contains covenants that limit the ability of the WRF Issuers and the guarantors to, among other things, enter into sale-leaseback transactions, create or incur liens to secure debt, and merge, consolidate or sell all or substantially all of the WRF Issuers’ assets. These covenants are subject to exceptions and qualifications set forth in the WRF Indentures. The WRF Indentures also contain customary events of default, including, but not limited to, failure to make required payments, failure to comply with certain covenants, certain events of bankruptcy and insolvency, and failure to pay certain judgments.

The WRF Senior Notes were offered pursuant to an exemption under the Securities Act of 1933, as amended (the “Securities Act”). The WRF Senior Notes were offered only to qualified institutional buyers in reliance on Rule 144A under the Securities Act. The WRF Senior Notes have not been and will not be registered under the Securities Act or under any state securities laws. Therefore, the WRF Senior Notes may not be offered or sold within the United States to, or for the account or benefit of, any United States person unless the offer or sale would qualify for a registration exemption from the Securities Act and applicable state securities laws.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

WLV Senior Notes

Wynn Las Vegas, LLC and Wynn Las Vegas Capital Corp. (“Capital Corp.” and together with Wynn Las Vegas, LLC, the “Issuers”) issued \$500.0 million 4 1/4% Senior Notes due 2023 (the “2023 WLV Senior Notes”), \$1.8 billion 5 1/2% Senior Notes due 2025 (the “2025 WLV Senior Notes”), and \$900.0 million 5 1/4% Senior Notes due 2027 (the 2027 WLV Senior Notes) pursuant to indentures, dated as of May 22, 2013 (the “2023 Indenture”), February 18, 2015 (the “2025 Indenture”), and May 11, 2017 (the “2027 Indenture”), respectively, among the Issuers, the Guarantors (as defined below) and the Trustee. The 2023 WLV Senior Notes, 2025 WLV Senior Notes, and 2027 WLV Senior Notes are collectively referred to as the “WLV Senior Notes.” The 2023 Indenture, 2025 Indenture, and 2027 Indenture are collectively referred to as the “WLV Indentures.”

The WLV Senior Notes are the WLV Issuers’ senior unsecured obligations and each rank pari passu in right of payment. The WLV Senior Notes are unsecured, except by the first priority pledge by Wynn Las Vegas Holdings, LLC (“WLVH”), a direct wholly owned subsidiary of Wynn Resorts Finance, LLC, of its equity interests in Wynn Las Vegas, LLC. If Wynn Resorts receives an investment grade rating from one or more ratings agencies, the first priority pledge securing the WLV Senior Notes will be released.

The WLV Senior Notes are jointly and severally guaranteed by all of the Issuers’ subsidiaries, other than Capital Corp., which was a co-issuer. The guarantees are senior unsecured obligations of the guarantors and rank senior in right of payment to all of their existing and future subordinated debt. The guarantees rank equally in right of payment with all existing and future liabilities of the guarantors that are not so subordinated and will be effectively subordinated in right of payment to all of such guarantors’ existing and future secured debt (to the extent of the collateral securing such debt).

The WLV Indentures contain covenants limiting the WLV Issuers’ and the guarantors’ ability to create liens on assets to secure debt; enter into sale-leaseback transactions; and merge or consolidate with another company. These covenants are subject to a number of important and significant limitations, qualifications and exceptions.

Events of default under the WLV Indentures include, among others, the following: default for 30 days in the payment of interest when due on the WLV Senior Notes; default in payment of the principal or premium, if any, when due on the WLV Senior Notes; failure to comply with certain covenants in the WLV Indentures; and certain events of bankruptcy or insolvency. In the case of an event of default arising from certain events of bankruptcy or insolvency with respect to the WLV Issuers or any guarantor, all WLV Senior Notes then outstanding will become due and payable immediately without further action or notice.

In 2018, Wynn Resorts purchased \$20.0 million principal amount of the 2025 WLV Senior Notes and 2027 WLV Senior Notes, respectively through open market purchases. As of December 31, 2021, Wynn Resorts holds this debt and has not contributed it to its wholly owned subsidiary, Wynn Las Vegas, LLC.

The WLV Issuers and certain of their subsidiaries will guarantee and secure their obligation under the WRF Credit Facilities with liens on substantially all of their assets, with such liens limiting the amount of such obligations secured to 15% of their total assets.

The WLV Senior Notes were offered pursuant to an exemption under the Securities Act only to qualified institutional buyers in reliance on Rule 144A under the Securities Act. The WLV Senior Notes have not been and will not be registered under the Securities Act or under any state securities laws. Therefore, the WLV Senior Notes may not be offered or sold within the United States to, or for the account or benefit of, any United States person unless the offer or sale would qualify for a registration exemption from the Securities Act and applicable state securities laws.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Retail Term Loan

On July 25, 2018, Wynn/CA Plaza Property Owner, LLC and Wynn/CA Property Owner, LLC (collectively, the “Retail Borrowers”), subsidiaries of the Retail Joint Venture, entered into a term loan agreement (the “Retail Term Loan Agreement”).

The Retail Term Loan Agreement provides for a term loan facility to the Retail Borrowers of \$615.0 million (the “Retail Term Loan”). The Retail Term Loan is secured by substantially all of the assets of the Retail Borrowers. The Retail Term Loan matures on July 24, 2025 and bears interest at a rate of LIBOR plus 1.70% per annum. In accordance with the Retail Term Loan Agreement, the Retail Borrowers entered into an interest rate collar agreement with a LIBOR floor of 1.00% and a ceiling of 3.75%. The Retail Borrowers distributed approximately \$589 million of the net proceeds of the Retail Term Loan to their members on a proportionate basis to each member’s ownership percentage. At any time subsequent to July 25, 2019, the Retail Borrowers may prepay the Retail Term Loan, in whole or in part, with no premium above the principal amount.

The Retail Term Loan Agreement contains customary representations and warranties, events of default and affirmative and negative covenants for debt facilities of this type, including, among other things, limitations on leasing matters, incurrence of indebtedness, distributions and transactions with affiliates. The Retail Term Loan Agreement also provides for customary sweeps of the Retail Borrowers’ excess cash in the event of a default or in the event the Retail Borrowers fail to maintain certain financial ratios as defined in the Retail Term Loan Agreement. In addition, the Company will indemnify the lenders under the Retail Term Loan and be liable, in each case, for certain customary environmental and non-recourse carve out matters pursuant to a hazardous materials indemnity agreement and a recourse indemnity agreement, each entered into concurrently with the execution of the Retail Term Loan Agreement.

In accordance with the terms of the Retail Term Loan Agreement, the Retail Borrowers entered into a five year interest rate collar with a notional value of \$615.0 million for a cash payment of \$3.9 million in July 2018. The interest rate collar establishes a range whereby the Retail Borrowers will pay the counterparty if one-month LIBOR falls below the established floor rate of 1.00%, and the counterparty will pay the Retail Borrowers if one-month LIBOR exceeds the ceiling rate of 3.75%. The interest rate collar settles monthly commencing in August 2019 through the termination date in August 2024. No payments or receipts are exchanged on interest rate collar contracts unless interest rates rise above or fall below the pre-determined ceiling or floor rate, respectively. The Company measures the fair value of the interest rate collar at each balance sheet date based on a Black-Scholes option pricing model, which incorporates observable market inputs such as market volatility and interest rates, with changes in fair value recorded in earnings. As of December 31, 2021, the fair value of the interest rate collar was a liability of \$5.5 million, of which \$3.9 million was recorded in Other accrued liabilities and \$1.6 million was recorded in Other long-term liabilities in the accompanying Consolidated Balance Sheets.

On May 5, 2020, the Retail Borrowers entered into an amendment (the “Retail Term Loan Agreement Amendment”) to its existing retail term loan agreement (the “Retail Term Loan Agreement”). The Retail Term Loan Agreement Amendment amended the Retail Term Loan Agreement to, among other things, temporarily suspend the requirement to maintain certain financial ratios to avoid triggering excess cash sweep provisions from the first quarter of 2020 through the fourth quarter of 2021.

Debt Covenant Compliance

As of December 31, 2021, management believes the Company was in compliance with all debt covenants.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Scheduled Maturities of Long-Term Debt

Scheduled maturities of long-term debt as of December 31, 2021 were as follows (in thousands):

<u>Years Ending December 31,</u>	
2022	\$ 50,000
2023	550,000
2024	1,387,500
2025	4,282,766
2026	1,000,000
Thereafter	4,730,000
	12,000,266
Unamortized debt issuance costs and original issue discounts and premium, net	(65,720)
	\$11,934,546

Fair Value of Long-Term Debt

The estimated fair value of the Company's long-term debt as of December 31, 2021 and 2020, was approximately \$11.72 billion and \$13.35 billion, respectively, compared to its carrying value, excluding debt issuance costs and original issue discount and premium, of \$12.00 billion, and \$13.15 billion, respectively. The estimated fair value of the Company's long-term debt is based on recent trades, if available, and indicative pricing from market information (Level 2 inputs).

Note 8 - Stockholders' Equity (Deficit)

Common Stock

On February 11, 2021, the Company completed a registered public offering of 7,475,000 newly issued shares of its common stock, par value \$0.01 per share, at a price of \$115.00 per share for proceeds of \$841.9 million, net of \$17.7 million in underwriting discounts and commissions. The Company used the net proceeds from this equity offering for general corporate purposes, including the repayment of debt.

The Company's board of directors has authorized an equity repurchase program of up to \$1.0 billion, which may include repurchases from time to time through open market purchases or negotiated transactions, depending on market conditions. During the years ended December 31, 2021 and 2020, the Company did not repurchase any of its shares under the program. During the year ended December 31, 2019, the Company repurchased 413,439 shares at a net cost of \$43.2 million under the equity repurchase program. As of December 31, 2021, the Company had \$800.1 million in repurchase authority under the program.

During the years ended December 31, 2021, 2020, and 2019, the Company withheld a total of 140,363 shares, 120,513 shares, and 176,989 shares, respectively, in satisfaction of tax withholding obligations on vested restricted stock and stock option exercises.

Dividends

During the first quarter of 2020, the Company paid a cash dividend of \$1.00 per share. On May 6, 2020, the Company announced that it had suspended its quarterly dividend program due to the financial impact of the COVID-19 pandemic.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

During the first quarter of 2019, the Company paid a cash dividend of \$0.75 per share and \$1.00 per share for each of the three subsequent quarters, for annual cash dividends of \$3.75 per share.

During the years ended December 31, 2020 and 2019, the Company recorded \$107.5 million and \$403.0 million, respectively, as a reduction of retained earnings from cash dividends declared.

Noncontrolling Interests

Wynn Interactive Ltd

On April 16, 2021, Wynn Interactive issued a pre-emptive rights notice to its shareholders in connection with the proposed creation and issuance of new Class A shares. Upon the consummation of the share issuance in May 2021, Wynn Interactive issued 3,229 new Class A shares to noncontrolling interest holders in exchange for aggregate proceeds of \$4.7 million.

Wynn Macau, Limited

In October 2009, WML, the developer, owner and operator of Wynn Macau and Wynn Palace, listed its ordinary shares of common stock on The Stock Exchange of Hong Kong Limited through an initial public offering. The Company currently owns approximately 72% of this subsidiary's common stock. The shares of WML were not and will not be registered under the Securities Act and may not be offered or sold in the United States absent a registration under the Securities Act, or an applicable exception from such registration requirements.

The WML board of directors concluded not to recommend the payment of a dividend with respect to the years ended December 31, 2021, 2020 and 2019 due to the financial impact of the COVID-19 pandemic. As such, WML paid no dividends during 2021 and 2020.

On September 16, 2019, WML paid a cash dividend of HK\$0.45 per share for a total of \$298.0 million. The Company's share of this dividend was \$215.1 million with a reduction of \$82.9 million to noncontrolling interest in the accompanying Consolidated Balance Sheet.

On June 19, 2019, WML paid a cash dividend of HK\$0.45 per share for a total of \$298.0 million. The Company's share of this dividend was \$215.0 million with a reduction of \$83.0 million to noncontrolling interest in the accompanying Consolidated Balance Sheet.

Retail Joint Venture

During the years ended December 31, 2021, 2020 and 2019, the Retail Joint Venture made aggregate distributions of \$18.8 million, \$6.2 million and \$7.7 million, respectively, to its non-controlling interest holder. For more information on the Retail Joint Venture, see Note 18, "Retail Joint Venture".

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 9 - Fair Value Measurements

The following tables present assets and liabilities carried at fair value (in thousands):

	December 31, 2021	Fair Value Measurements Using:		
		Quoted Market Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Assets:				
Cash equivalents	\$ 500,977	\$ —	\$ 500,977	\$ —
Restricted cash	\$ 8,537	\$ 6,950	\$ 1,587	\$ —
Liabilities:				
Interest rate collar	\$ 5,548	\$ —	\$ 5,548	\$ —
	December 31, 2020	Fair Value Measurements Using:		
		Quoted Market Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Assets:				
Cash equivalents	\$ 980,580	\$ 504,980	\$ 475,600	\$ —
Restricted cash	\$ 4,352	\$ 2,054	\$ 2,298	\$ —
Liabilities:				
Interest rate collar	\$ 16,908	\$ —	\$ 16,908	\$ —

Note 10 - Benefit Plans

Defined Contribution Plans

The Company established a retirement savings plan under Section 401(k) of the Internal Revenue Code covering its U.S. non-union employees in July 2000. The plan allows employees to defer, within prescribed limits, a percentage of their income on a pre-tax basis through contributions to this plan. The Company matches 50% of employee contributions, up to 6% of employees' eligible compensation. During the year ended December 31, 2021, the Company recorded matching contribution expenses of \$8.0 million. During the year ended December 31, 2020, the Company did not match employee contributions. During the year ended December 31, 2019, the Company recorded matching contribution expenses of \$6.9 million.

Wynn Macau SA also operates a defined contribution retirement benefit plan (the "Wynn Macau Plan"). Eligible employees are allowed to contribute 5% of their base salary to the Wynn Macau Plan and the Company matches any contributions. On July 1 2019, the Company offered the option for the eligible Macau resident employees to join the non-mandatory central provident fund (the "CPF") system. Eligible Macau resident employees joining the Company from July 1, 2019 onwards have the option of enrolling in the CPF system while the Company's existing Macau resident employees who are currently members of the Wynn Macau Plan will be provided with the option of joining the CPF system or staying in the existing Wynn Macau Plan,

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

which will continue to be in effect in parallel. The CPF system allows eligible employees to contribute 5% or more of their base salary to the CPF while the Company matches with a 5% of such salary as employer's contribution to the CPF. The Company's matching contributions vest to the employee at 10% per year with full vesting in ten years. The assets of the Wynn Macau Plan and the CPF are held separately from those of the Company in independently administered funds and overseen by the Macau government. Forfeitures of unvested contributions are used to reduce the Company's liability for its contributions payable. During the years ended December 31, 2021, 2020 and 2019, the Company recorded matching contribution expenses of \$17.2 million, \$19.5 million, and \$17.8 million, respectively.

Multi-Employer Pension Plan

Wynn Las Vegas, LLC contributes to a multi-employer defined benefit pension plan for certain of its union employees under the terms of the Southern Nevada Culinary and Bartenders Union collective-bargaining agreement, which expires in July 2023. The term of the collective bargaining agreement was extended through Memoranda of Agreement ("MOA") that the Company and the Culinary and Bartenders' Unions entered into in April 2020 and January 2021, respectively. The MOA further provided for a partial deferral of the 2020 and 2021 contractual wage increases until 2023, and allowed the Company additional flexibility in scheduling during the pandemic. The legal name of the multi-employer pension plan is the Southern Nevada Culinary and Bartenders Pension Plan (the "Plan") (EIN: 88-6016617 Plan Number: 1). The Company recorded expenses of \$9.8 million, \$7.0 million, and \$11.9 million for contributions to the Plan for the years ended December 31, 2021, 2020 and 2019, respectively. For the 2020 plan year, the most recent for which plan data is available, the Company's contributions were identified by the Plan to exceed 5% of total contributions for that year. Based on information the Company received from the Plan, it was certified to be in neither endangered nor critical status for the 2020 plan year. Risks of participating in a multi-employer plan differ from single-employer plans for the following reasons: (1) assets contributed to a multi-employer plan by one employer may be used to provide benefits to employees of other participating employers; (2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; (3) if a participating employer stops participating, it may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability; and (4) if the plan is terminated by withdrawal of all employers and if the value of the nonforfeitable benefits exceeds plan assets and withdrawal liability payments, employers are required by law to make up the insufficient difference.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 11 - Customer Contract Liabilities

In providing goods and services to its customers, there is often a timing difference between the Company receiving cash and the Company recording revenue for providing services or holding events.

The Company's primary liabilities associated with customer contracts are as follows (in thousands):

	December 31, 2021	December 31, 2020	Increase/ (Decrease)	December 31, 2020	December 31, 2019	Increase/ (Decrease)
Casino outstanding chips and front money deposits (1)	\$352,830	\$596,463	\$(243,633)	\$596,463	\$769,053	\$(172,590)
Advance room deposits and ticket sales (2)	55,438	29,224	26,214	29,224	49,834	(20,610)
Other gaming-related liabilities (3)	26,515	7,882	18,633	7,882	13,970	(6,088)
Loyalty program and related liabilities (4)	34,695	22,736	11,959	22,736	21,148	1,588
	\$469,478	\$656,305	\$(186,827)	\$656,305	\$854,005	\$(197,700)

- (1) Casino outstanding chips generally represent amounts owed to gaming promoters and customers for chips in their possession, and casino front money deposits represent funds deposited by customers before gaming play occurs. These amounts are included in customer deposits on the Consolidated Balance Sheets and may be recognized as revenue or redeemed for cash in the future. As of December 31, 2021, the Company had no agreements in place with gaming promoters.
- (2) Advance room deposits and ticket sales represent cash received in advance for goods or services to be provided in the future. These amounts are included in customer deposits on the Consolidated Balance Sheets and will be recognized as revenue when the goods or services are provided or the events are held. Decreases in this balance generally represent the recognition of revenue and increases in the balance represent additional deposits made by customers. The deposits are expected to primarily be recognized as revenue within one year.
- (3) Other gaming-related liabilities generally represent unpaid wagers primarily in the form of unredeemed slot, race and sportsbook tickets or wagers for future sporting events. The amounts are included in other accrued liabilities on the Consolidated Balance Sheets.
- (4) Loyalty program and related liabilities represent the deferral of revenue until the loyalty points or other complimentaries are redeemed. The amounts are included in other accrued liabilities on the Consolidated Balance Sheets and are expected to be recognized as revenue within one year of being earned by customers.

Note 12 - Stock-Based Compensation

The Company has adopted equity plans that allow for grants of stock-based compensation awards. The following sections describe each of these plans.

Wynn Resorts, Limited 2014 Omnibus Incentive Plan (the "WRL Omnibus Plan")

On May 16, 2014, the Company adopted the WRL Omnibus Plan after approval from its stockholders, which was adopted for a period of 10 years. The WRL Omnibus Plan allows for the grant of stock options, restricted stock, restricted stock units, stock appreciation rights, performance awards, and other share-based awards to eligible participants. The Company reserved 4,409,390 shares of its common stock for issuance under the WRL Omnibus Plan. On June 25, 2020, the Company's shareholders approved an amendment to the WRL Omnibus Plan that increases the shares authorized for issuance by 1,500,000 shares, for an aggregate number of shares authorized for issuance to 5,909,390 shares.

As of December 31, 2021, the Company had an aggregate of 3,003,920 shares of its common stock available for grant as share-based awards under the WRL Omnibus Plan.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Wynn Macau, Limited Share Option and Share Award Plans

The Company's majority-owned subsidiary, WML, has two stock-based compensation plans that provide awards based on shares of WML's common stock. The shares available for issuance under these plans are separate and distinct from the common stock of Wynn Resorts' share plan and are not available for issuance for any awards under the Wynn Resorts share plan.

WML Share Option Plan ("WML Share Option Plan")

WML adopted the WML Share Option Plan for the grant of stock options to purchase shares of WML to eligible directors and employees of WML and its subsidiaries. The WML Share Option Plan is administered by WML's Board of Directors, which has the discretion on the vesting and service requirements, exercise price, performance targets to exercise if applicable and other conditions, subject to certain limits.

The WML Share Option Plan was adopted for a period of 10 years commencing from May 30, 2019. The maximum number of shares which may be issued pursuant to the WML Share Option Plan is 519,695,860 shares. As of December 31, 2021, there were 501,735,860 shares available for issuance under the WML Share Option Plan.

WML Employee Share Ownership Scheme (the "WML Share Award Plan")

On June 30, 2014, WML adopted the WML Share Award Plan. The Share Award Plan allows for the grant of nonvested shares of WML's common stock to eligible employees. The WML Share Award Plan has been mandated under the plan to allot, issue and process the transfer of a maximum of 75,000,000 shares. As of December 31, 2021, there were 45,094,570 shares available for issuance under the WML Share Award Plan.

Wynn Interactive Ltd. 2020 Omnibus Incentive Plan (the "WIL Omnibus Plan")

On October 23, 2020, the Wynn Interactive board of directors adopted the WIL Omnibus Plan. The WIL Omnibus Plan, which is administered by the Wynn Interactive board of directors, allows for an aggregate number of shares totaling 101,419 for the grant of stock options, restricted stock, restricted stock units, stock appreciation rights, performance awards, and other share-based awards to eligible participants. As of December 31, 2021, there were 14,660 shares available to grant under the WIL Omnibus Plan.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Stock Options

The summary of stock option activity for the year ended December 31, 2021 is presented below:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
<i>WRL Omnibus Plan</i>				
Outstanding as of January 1, 2021	23,700	\$ 80.42		
Granted	—	\$ —		
Exercised	—	\$ —		
Forfeited or expired	—	\$ —		
Outstanding as of December 31, 2021	23,700	\$ 80.42	4.16	\$230,023
Fully vested and expected to vest as of December 31, 2021	23,700	\$ 80.42	4.16	\$230,023
Exercisable as of December 31, 2021	23,700	\$ 80.42	4.16	\$230,023
<i>WML Share Option Plan</i>				
Outstanding as of January 1, 2021	19,858,400	\$ 2.36		
Granted	9,065,000	\$ 0.89		
Exercised	—	\$ —		
Forfeited or expired	(400,000)	\$ 3.33		
Outstanding as of December 31, 2021	28,523,400	\$ 1.87	7.70	\$ —
Fully vested and expected to vest as of December 31, 2021	28,523,400	\$ 1.87	7.70	\$ —
Exercisable as of December 31, 2021	10,030,200	\$ 2.39	5.34	\$ —
<i>WIL Omnibus Plan</i>				
Outstanding as of January 1, 2021	90,298	\$1,134.00		
Granted	5,297	\$ 760.79		
Exercised	—	\$ —		
Forfeited or expired	(4,961)	\$ 593.15		
Outstanding as of December 31, 2021	90,634	\$1,143.48	8.94	\$ 1,185
Fully vested and expected to vest as of December 31, 2021	90,634	\$1,143.48	8.94	\$ 1,185
Exercisable as of December 31, 2021	—	\$ —	—	\$ —

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

The following is provided for stock options under the Company's stock-based compensation plans (in thousands, except weighted average grant date fair value):

	Years Ended December 31,		
	2021	2020	2019
<i>WRL Omnibus Plan (1)</i>			
Intrinsic value of stock options exercised	\$ —	\$ —	\$24,731
Cash received from the exercise of stock options	\$ —	\$ —	\$14,696
<i>WML Share Option Plan (2)</i>			
Weighted average grant date fair value	\$ 0.26	\$ 0.54	\$ 0.55
Intrinsic value of stock options exercised	\$ —	\$ 57	\$ —
Cash received from the exercise of stock options	\$ —	\$ 70	\$ —
<i>WIL Omnibus Plan (3)</i>			
Weighted average grant date fair value	\$159.51	\$146.97	\$ —

- (1) As of December 31, 2021, there was no unamortized compensation expense related to stock options.
- (2) As of December 31, 2021, there was \$6.8 million of unamortized compensation expense related to stock options, which is expected to be recognized over a weighted average period of 3.8 years.
- (3) As of December 31, 2021, there was \$6.4 million of unamortized compensation expense related to stock options, which is expected to be recognized over a weighted average period of 2.7 years.

Option Valuation Inputs

There were no stock options granted under the WRL Omnibus Plan during the years ended December 31, 2021, 2020, and 2019.

The fair value of stock options granted under WML's Share Option Plan was estimated on the date of grant using the following weighted average assumptions:

	Years Ended December 31,		
	2021	2020	2019
Expected dividend yield	2.9%	4.7%	5.7%
Expected volatility	46.4%	42.6%	40.7%
Risk-free interest rate	1.1%	1.0%	1.4%
Expected term (years)	6.5	6.5	6.5

The fair value of stock options granted under the WIL Omnibus Plan was estimated on the date of grant using the following weighted average assumptions:

	Years Ended December 31,	
	2021	2020
Expected dividend yield	— %	— %
Expected volatility	50.0%	50.0%
Risk-free interest rate	0.60%	0.61%
Expected term (years)	6.3	6.5

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Nonvested and performance nonvested shares

The summary of nonvested and performance nonvested share activity under the Company's stock-based compensation plans for the year ended December 31, 2021 is presented below:

	Shares	Weighted Average Grant Date Fair Value
<i>WRL Omnibus Plan</i>		
Nonvested as of January 1, 2021	929,635	\$ 112.11
Granted	415,360	\$ 108.68
Vested	(417,146)	\$ 95.50
Forfeited	(26,221)	\$ 113.85
Nonvested as of December 31, 2021	901,628	\$ 118.09
<i>WML Share Award Plan</i>		
Nonvested as of January 1, 2021	10,878,778	\$ 2.33
Granted	5,319,814	\$ 1.56
Vested	(4,934,549)	\$ 2.06
Forfeited	(1,239,306)	\$ 2.12
Nonvested as of December 31, 2021	10,024,737	\$ 2.06
<i>WIL Omnibus Plan</i>		
Nonvested as of January 1, 2021	—	\$ —
Granted	4,094	\$ 3,150.00
Vested	—	\$ —
Forfeited	(54)	\$ 3,150.00
Nonvested as of December 31, 2021	4,040	\$ 3,150.00

Certain members of the executive management team receive grants of nonvested share awards that are subject to service and performance conditions. Generally, these awards vest if certain revenue and Adjusted Property EBITDA fair share metrics (as approved by the Company's Compensation Committee of the Board of Directors) are attained over a one-, two-, or three-year performance period. The Company records expense for these awards if it determines that vesting is probable. At December 31, 2021, all performance nonvested awards were deemed to be probable of vesting; however, none of the performance criteria contingencies have been resolved. The activity for these performance nonvested shares is included in the table above.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

The following is provided for the share awards under the Company's stock-based compensation plans (in thousands, except weighted average grant date fair value):

	Years Ended December 31,		
	2021	2020	2019
<i>WRL Omnibus Plan</i>			
Weighted average grant date fair value	\$108.68	\$ 99.21	\$119.61
Fair value of shares vested	\$41,133	\$34,068	\$19,428
<i>WML Share Award Plan</i>			
Weighted average grant date fair value	\$ 1.56	\$ 1.86	\$ 2.43
Fair value of shares vested	\$ 4,771	\$ 8,371	\$ 5,139

As of December 31, 2021, there was \$49.4 million of unamortized compensation expense related to nonvested shares, which is expected to be recognized over a weighted average period of 1.88 years under the WRL Omnibus Plan. As of December 31, 2021, there was \$8.5 million of unamortized compensation expense, which is expected to be recognized over a weighted average period of 2.14 years under the WML Share Award Plan.

Annual Incentive Bonus

Certain members of the Company's management team receive a portion of their annual incentive bonus in shares of the Company's stock. The number of shares is determined based on the closing stock price on the date the annual incentive bonus is settled. As the number of shares is variable, the Company records a liability for the fixed monetary amount over the service period. The Company recorded stock-based compensation expense associated with these awards of \$9.3 million, \$5.7 million and \$6.7 million for each of the years ended December 31, 2021, 2020 and 2019, respectively. The Company settled its obligations for the 2021, 2020, and 2019 annual incentive bonuses by issuing 108,224, 58,058, 44,788 of vested shares with a weighted-average grant date fair value of \$85.80, \$108.03, and \$150.03, in January of the respective following year.

Compensation Cost

The total compensation cost for stock-based compensation plans was recorded as follows (in thousands):

	Years Ended December 31,		
	2021	2020	2019
Casino (1)	\$ 13,899	\$ 8,538	\$ 7,903
Rooms	1,525	1,618	1,046
Food and beverage	3,264	3,189	1,807
Entertainment, retail and other (2)	19,978	432	174
General and administrative	56,572	48,477	28,772
Pre-opening	—	—	670
Total stock-based compensation expense	95,238	62,254	40,372
Total stock-based compensation capitalized	5,058	2,212	350
Total stock-based compensation costs	\$100,296	\$64,466	\$40,722

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

- (1) In 2020, reflects the reversal of \$3.3 million of compensation cost previously recognized for awards forfeited in connection with the departure of an employee.
- (2) In 2021, reflects compensation cost of \$2.7 million recognized in connection with the vesting of restricted stock performance awards.

During the years ended December 31, 2021, 2020 and 2019, the Company recognized income tax benefits in the Consolidated Statements of Operations of \$14.9 million, \$9.3 million, and \$5.8 million, respectively, related to stock-based compensation expense. Additionally, during the years ended December 31, 2021, 2020, and 2019, the Company realized tax benefits of \$8.0 million, \$3.7 million, and \$8.4 million, respectively, related to stock option exercises and restricted stock vesting that occurred in those years.

Note 13 - Income Taxes

Consolidated income (loss) before taxes for United States ("U.S.") and foreign operations consisted of the following (in thousands):

	Years Ended December 31,		
	2021	2020	2019
United States	\$ (264,323)	\$ (821,012)	\$ (158,937)
Foreign	(747,193)	(941,263)	647,155
Total	\$(1,011,516)	\$(1,762,275)	\$ 488,218

The income tax provision (benefit) attributable to income before income taxes is as follows (in thousands):

	December 31,		
	2021	2020	2019
Current			
U.S. Federal	\$ —	\$ (2)	\$ (14)
U.S. State	—	309	868
Foreign	2,746	1,879	1,796
Total	2,746	2,186	2,650
Deferred			
U.S. Federal	(176)	563,658	170,508
U.S. State	(20)	(1,095)	3,682
Foreign	(2,076)	(78)	—
Total	(2,272)	562,485	174,190
Total income tax provision (benefit)	\$ 474	\$564,671	\$176,840

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

The reconciliation of the U.S. federal statutory tax rate to the actual tax rate is as follows:

	December 31,		
	2021	2020	2019
U.S. Federal statutory rate	21.0%	21.0%	21.0%
State Tax	1.6%	— %	— %
Foreign tax credits, net of valuation allowance	0.7%	(31.8)%	13.1%
Non-taxable foreign income	(3.0)%	(2.2)%	(27.4)%
Foreign tax rate differential	(9.4)%	(5.3)%	(10.4)%
Global intangible low-taxed income	— %	— %	10.1%
Valuation allowance, other	(6.8)%	(11.1)%	20.6%
Other, net	(4.1)%	(2.6)%	9.2%
Effective income tax rate	— %	(32.0)%	36.2%

Wynn Macau SA received a five year exemption from Macau's 12% Complementary Tax on casino gaming profits through December 31, 2020. 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.

For the years ended December 31, 2021 and 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.

Wynn Macau SA also entered into an agreement with the Macau government that provides for an annual payment of MOP 12.8 million (approximately \$1.6 million) as complementary tax otherwise due by stockholders of Wynn Macau SA on dividend distributions through 2020. In March 2021, the Company received an extension of its Macau dividend tax agreement, providing for a payment of MOP 12.8 million (approximately \$1.6 million) for 2021 and MOP 6.3 million (approximately \$0.8 million) for the period ending June 26, 2022, the expiration date of the gaming concession agreement. As a result of the stockholder dividend tax agreements, income tax expense includes \$1.6 million for each of the years ended December 31, 2021, 2020, and 2019.

The Macau special gaming tax is 35% of gross gaming revenue. U.S. tax laws only allow a foreign tax credit ("FTC") up to 21% of foreign source income. In February 2010, the Company and the IRS entered into a Pre-Filing Agreement ("PFA") providing that the Macau special gaming tax qualifies as a tax paid in lieu of an income tax and could be claimed as a U.S. FTC.

During the years ended December 31, 2021 and 2020, the Company did not recognize any tax benefits for FTCs generated by the earnings of Wynn Macau SA. During the year ended December 31, 2019, the Company recognized tax benefits of \$32.9 million (net of valuation allowance and uncertain tax positions) for FTCs generated from the earnings of Wynn Macau SA.

Accounting standards require recognition of a future tax benefit to the extent that realization of such benefit is more likely than not; otherwise, a valuation allowance is applied. During the years ended December 31, 2021 and 2020, the aggregate valuation allowance for deferred tax assets decreased \$485.4 million and increased \$227.3 million, respectively. The 2021 decrease is primarily related to the expiration of FTCs. The 2020 increase is primarily related to the realizability of FTCs, intangible assets, U.S. loss carryforwards and other deferred tax assets.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

The Company recorded tax benefits resulting from the exercise of nonqualified stock options and the value of vested restricted stock and accrued dividends of \$1.9 million, \$1.2 million, and \$5.7 million for the years ended December 31, 2021, 2020, and 2019, respectively, in excess of the amounts reported for such items as compensation costs under accounting standards related to stock-based compensation.

The tax effects of significant temporary differences representing net deferred tax assets and liabilities consisted of the following (in thousands):

	December 31,	
	2021	2020
Deferred tax assets—U.S.:		
Foreign tax credit carryforwards	\$ 2,000,145	\$ 2,540,400
Disallowable interest expense carryforward	154,530	138,339
Net operating loss carryforward	89,665	45,015
Lease liability	22,021	22,826
Property and Equipment	28,710	3,048
Receivables, inventories, accrued liabilities and other	21,714	25,882
Stock-based compensation	12,488	7,528
Other tax credit carryforwards	10,784	10,049
Intangibles and related other	28,038	50,750
Other	553	5,502
	2,368,648	2,849,339
Less: valuation allowance	(2,329,495)	(2,812,808)
	39,153	36,531
Deferred tax liabilities—U.S.:		
Property and equipment	(1,217)	—
Lease asset	(22,021)	(22,826)
Prepaid insurance, maintenance and taxes	(14,271)	(13,606)
Other	(1,749)	(400)
	(39,258)	(36,832)
Deferred tax assets—Foreign:		
Net operating loss carryforwards	99,873	107,653
Property and equipment	69,166	61,428
Pre-opening expenses	1,536	3,832
Other	6,060	6,529
	176,635	179,442
Less: valuation allowance	(171,768)	(173,876)
	4,867	5,566
Deferred tax liabilities—Foreign:		
Property and equipment	(3,352)	(4,234)
Intangibles	(77)	(2,402)
	(3,429)	(6,636)
Net deferred tax asset (liability)	\$ 1,333	\$ (1,371)

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

FTC carryforwards of \$533.6 million expired on December 31, 2021. As of December 31, 2021, the Company had FTC carryforwards (net of uncertain tax positions) of \$2.0 billion. Of this amount, \$756.0 million will expire in 2023, \$710.7 million in 2024, \$47.2 million in 2025 and \$486.2 million in 2027. The Company has a disallowed interest carryforward of \$674.9 million which does not expire. The Company has U.S. federal tax loss carryforwards of \$343.1 million and state tax loss carryforwards of \$74.4 million. U.S. federal tax loss carryforwards do not expire. The majority of state tax loss carryforwards expire in 2040. The Company incurred foreign tax losses of \$394.1 million, \$378.6 million and \$376.8 million during the tax years ended December 31, 2021, 2020 and 2019, respectively. The majority of foreign tax loss carryforwards expire in 2024, 2023 and 2022, respectively.

The Company records valuation allowances on certain of its U.S. and foreign deferred tax assets. In assessing the need for a valuation allowance, the Company considers whether it is more likely than not that the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. In the assessment of the valuation allowance, appropriate consideration is given to all positive and negative evidence including recent operating profitability, forecast of future earnings, ability to carryback, the reversal of net taxable temporary differences, the duration of statutory carryforward periods and tax planning strategies. For the year ended December 31, 2019, the Company relied on the forecast of future taxable income and tax planning strategies in assessing the need for a valuations allowance. Due to tax legislation that reduces future sources of taxable income as well as the uncertainty caused by the COVID-19 pandemic, the Company relied solely on the reversal of net taxable temporary differences in assessing the need for a valuation allowance in the years ended December 31, 2021 and 2020.

As of December 31, 2021 and 2020, the Company had valuation allowances provided on its deferred tax assets as follows (in thousands):

	December 31,	
	2021	2020
Foreign tax credits	\$2,000,145	\$2,540,400
Disallowed interest expense carryforwards	154,530	138,339
Intangible assets	29,081	48,395
U.S. loss carryforwards	89,665	45,015
Other U.S. deferred tax assets	56,073	40,659
Foreign loss carryforwards	99,971	106,737
Other foreign deferred tax assets	71,798	67,139
Total	\$2,501,263	\$2,986,684

The Company had the following activity for unrecognized tax benefits as follows (in thousands):

	December 31,		
	2021	2020	2019
Balance at beginning of period	\$107,661	\$104,295	\$ 99,470
Increases based on tax positions of the current year	14,079	7,061	8,986
Increases based on tax positions of prior years	66,043	—	—
Reductions based on tax positions of prior years	(35,633)	—	—
Reductions due to lapse in statutes of limitations	(10,635)	(3,695)	(4,161)
Balance at end of period	\$141,515	\$107,661	\$104,295

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

As of December 31, 2021, 2020 and 2019, unrecognized tax benefits of \$141.5 million, \$107.7 million and \$104.3 million, respectively, were recorded as reductions in deferred income taxes, net. The Company had no unrecognized tax benefits recorded in other long-term liabilities as of December 31, 2021, 2020 and 2019.

As of December 31, 2021, 2020 and 2019, \$74.3 million, \$40.2 million and \$36.6 million, respectively, of unrecognized tax benefits would, if recognized, impact the effective tax rate.

The Company recognizes penalties and interest related to unrecognized tax benefits in the provision for income taxes. During each of the years ended December 31, 2021, 2020 and 2019, the Company recognized no interest and penalties.

The Company anticipates that the 2017 statute of limitations will expire in the next 12 months for certain foreign tax jurisdictions. Also, the Company's unrecognized tax benefits include certain income tax accounting methods, which govern the timing and deductibility of income tax deductions. As a result, the Company's unrecognized tax benefits could decrease up to \$0.9 million over the next 12 months.

The Company files income tax returns in the U.S. federal jurisdiction, various states and foreign jurisdictions. The Company's income tax returns are subject to examination by the IRS and other tax authorities in the locations where it operates. The Company's 2002 to 2017 domestic income tax returns remain subject to examination by the IRS to the extent tax attributes carryforward to future years. The Company's 2018 to 2020 domestic income tax returns also remain subject to examination by the IRS. The Company's 2017 to 2020 Macau income tax returns remain subject to examination by the Financial Services Bureau.

The Company has participated in the IRS Compliance Assurance Program ("CAP") for the 2012 through 2021 tax years and will continue to participate in the IRS CAP for the 2022 tax year.

In May 2019, July 2020, and February 2021, the Company received notification that the IRS completed its examination of the Company's 2017, 2018, and 2019 U.S. income tax returns, respectively.

On December 31, 2019, 2020 and 2021, the statute of limitations for the 2014, 2015, and 2016 Macau Complementary tax return expired, respectively. As a result of the expiration of the statute of limitations for the Macau Complementary Tax return, the total amount of unrecognized tax benefits decreased by \$4.2 million, \$3.7 million, and \$10.6 million, respectively.

In January of 2020, the Financial Services Bureau commenced an examination of the 2015 and 2016 Macau income tax returns of Palo. In July 2020, the Financial Services Bureau issued final tax assessments for Palo for the years 2015 and 2016 and the examination resulted in no change to the tax returns.

In July 2020, the Financial Services Bureau issued final tax assessments for the Company's Macau income tax returns of Wynn Macau SA for the years 2015 and 2016, while no additional tax was due, adjustments were made to the Company's tax loss carryforwards.

In March 2021, the Financial Services Bureau concluded its review of the 2017 and 2018 Macau income tax returns of Palo with no changes.

In January 2022, the Financial Services Bureau issued final tax assessments for the Company's Macau income tax returns of Wynn Macau SA for the years 2017 and 2018, while no additional tax was due, adjustments were made to the Company's tax loss carryforwards.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 14 - Earnings Per Share

Basic earnings per share (“EPS”) is computed by dividing net income (loss) attributable to Wynn Resorts by the weighted average number of common shares outstanding during the year. Diluted EPS is computed by dividing net income (loss) attributable to Wynn Resorts by the weighted average number of common shares outstanding during the period increased to include the number of additional shares of common stock that would have been outstanding if the potential dilutive securities had been issued, to the extent such impact is not anti-dilutive. Potentially dilutive securities include outstanding stock options and unvested restricted stock.

The weighted average number of common and common equivalent shares used in the calculation of basic and diluted EPS consisted of the following (in thousands, except per share amounts):

	Years Ended December 31,		
	2021	2020	2019
Numerator:			
Net income (loss) attributable to Wynn Resorts, Limited	<u><u>\$ (755,786)</u></u>	<u><u>\$(2,067,245)</u></u>	<u><u>\$ 122,985</u></u>
Denominator:			
Weighted average common shares outstanding	113,760	106,745	106,745
Potential dilutive effect of stock options, nonvested, and performance nonvested shares	—	—	240
Weighted average common and common equivalent shares outstanding	<u><u>113,760</u></u>	<u><u>106,745</u></u>	<u><u>106,985</u></u>
Net income (loss) attributable to Wynn Resorts, Limited per common share, basic	\$ (6.64)	\$ (19.37)	\$ 1.15
Net income (loss) attributable to Wynn Resorts, Limited per common share, diluted	\$ (6.64)	\$ (19.37)	\$ 1.15
Anti-dilutive stock options, nonvested, and performance nonvested shares excluded from the calculation of diluted net income per share	925	1,044	277

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 15 - Leases

Lessee Arrangements

The following table summarizes the balance sheet classification of the Company's lease assets and liabilities (in thousands):

	Balance Sheet Classification	December 31,	
		2021	2020
Assets			
Operating leases	Operating lease assets	\$371,365	\$398,594
Finance leases	Property and equipment, net	\$ 64,646	\$ 73,201
Current liabilities			
Operating leases	Other accrued liabilities	\$ 10,881	\$ 13,627
Finance leases	Other accrued liabilities	\$ 16,041	\$ 13,879
Non-current liabilities			
Operating leases	Long-term operating lease liabilities	\$115,187	\$123,124
Finance leases	Other long-term liabilities	\$ 44,018	\$ 54,379

The following tables disclose the components of the Company's lease cost, supplemental cash flow disclosures, and other information regarding the Company's lease arrangements (in thousands):

	Years Ended December 31,		
	2021	2020	2019
Lease cost:			
Operating lease cost	\$22,878	\$29,574	\$33,126
Short-term lease cost	16,224	11,363	24,634
Amortization of leasehold interests in land	13,862	13,885	13,373
Variable lease cost	911	194	1,487
Finance lease interest cost	2,216	1,604	1,058
Total lease cost	\$56,091	\$56,620	\$73,678
Supplemental cash flow disclosures:			
Operating lease liabilities arising from obtaining operating lease assets	\$ 3,761	\$11,625	\$45,435
Finance lease liabilities arising from obtaining finance lease assets	\$ 7,423	\$56,215	\$ 1,413
Cash paid for amounts included in the measurement of lease liabilities:			
Cash used in operating activities - Operating leases	\$21,404	\$28,873	\$30,409
Cash used in financing activities - Finance leases	\$15,658	\$ 5,916	\$ 73

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

	Years Ended December 31,		
	2021	2020	2019
Other information:			
Weighted-average remaining lease term - Operating leases	46.5 years	43.9 years	35.4 years
Weighted-average remaining lease term - Finance leases	14.0 years	13.6 years	42.8 years
Weighted-average discount rate - Operating leases	6.6%	6.5%	6.4%
Weighted-average discount rate - Finance leases	4.7%	4.5%	6.2%

The following table presents an analysis of lease liability maturities as of December 31, 2021 (in thousands):

<u>Years Ending December 31,</u>	<u>Operating Leases</u>	<u>Finance Leases</u>
2022	\$ 18,106	\$ 17,839
2023	16,285	17,839
2024	11,375	11,559
2025	9,300	1,203
2026	8,292	1,203
Thereafter	441,640	63,881
Total undiscounted cash flows	\$504,998	\$113,524
Present value		
Short-term lease liabilities	\$ 10,881	\$ 16,041
Long-term lease liabilities	115,187	44,018
Total lease liabilities	\$126,068	\$ 60,059
Interest on lease liabilities	\$378,930	\$ 53,465

Ground Leases

Undeveloped Land - Las Vegas

The Company leases approximately 16 acres of undeveloped land on Las Vegas Boulevard directly across from Wynn Las Vegas in Las Vegas, Nevada, pursuant to a lease agreement which expires in 2097. The ground lease payments, which increase at a fixed rate over the term of the lease, are \$3.8 million in 2022, \$3.9 million in 2023, \$4.0 million per year from 2024 to 2026 and total payments of \$355.8 million thereafter. As of December 31, 2021 and 2020, the liability associated with this lease was \$63.7 million and \$63.2 million, respectively.

At December 31, 2021 and 2020, operating lease assets included approximately \$84.7 million and \$85.8 million, respectively, related to an amount allocated to the leasehold interest in land upon the acquisition of a group of assets in 2018. The Company expects that the amortization of this amount will be \$1.1 million each year from 2022 through 2096 and \$0.7 million in 2097.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Macau Land Concessions

Wynn Palace and Wynn Macau were built on land that is leased under Macau land concession contracts each with terms of 25 years from May 2012 and August 2004, respectively, which may be renewed with government approval for successive 10-year periods in accordance with Macau legislation. The land concession payments are expected to be \$1.6 million per year through 2026 and total payments of \$12.3 million thereafter through 2037. At December 31, 2021 and 2020, the total liability associated with these leases was \$14.5 million and \$15.4 million, respectively.

At December 31, 2021 and 2020, operating lease assets included \$166.7 million and \$180.3 million of leasehold interests in land related to the Wynn Palace and Wynn Macau land concessions. The Company expects that the amortization associated with these leasehold interests will be approximately \$12.6 million per year from 2022 through 2028 and approximately \$9.3 million per year thereafter through 2037.

Lessor Arrangements

The following table presents the minimum and contingent operating lease income for the periods presented (in thousands):

	Years Ended December 31,		
	2021	2020	2019
Minimum rental income (1)	\$104,860	\$ 77,946	\$136,612
Contingent rental income	97,521	56,889	57,807
Total rental income	\$202,381	\$134,835	\$194,419

(1) For the year ended December 31, 2020, reflects the impact of rent concessions provided to tenants.

The following table presents the future minimum rentals to be received under operating leases (in thousands):

Years Ending December 31,	Operating Leases
2022	\$123,716
2023	109,838
2024	100,002
2025	83,095
2026	48,870
Thereafter	75,599
Total future minimum rentals	\$541,120

Note 16 - Related Party Transactions

Home Purchase

In May 2010, the Company entered into an employment agreement with Linda Chen (“Ms. Chen”), who is the President and Executive Director of Wynn Macau SA. Under the terms of the employment agreement, the Company purchased a home in Macau for use by Ms. Chen and has made renovations to the home with a total cost of \$11.0 million. In addition, Ms. Chen has an option to purchase the home for no further consideration at any time before the expiration of this option arrangement.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Cooperation Agreement

On August 3, 2018, the Company entered into a Cooperation Agreement (the “Cooperation Agreement”) with Elaine P. Wynn regarding the composition of the Company’s Board of Directors and certain other matters, including, among other things, the appointment of Mr. Philip G. Satre to the Company’s Board of Directors, standstill restrictions, releases, non-disparagement, reimbursement of expenses and the grant of certain complimentary privileges. The term of the Cooperation Agreement expires on the date that Mr. Satre no longer serves as Chair of the Board, unless earlier terminated pursuant to the circumstances described in the Cooperation Agreement.

Amounts Due to Officers, Directors and Former Directors

The Company periodically provides services to certain executive officers, directors or former directors of the Company, including the personal use of employees, construction work and other personal services, for which the officers, directors or former directors reimburse the Company. The Company requires prepayment for any such services, which amounts are replenished on an ongoing basis as needed. As of December 31, 2021 and 2020, these net deposit balances with the Company were immaterial, as were the services provided.

Note 17 - Commitments and Contingencies

Employment Agreements

The Company has entered into employment agreements with several executive officers, other members of management and certain key employees. These agreements generally have three to five year terms and typically indicate a base salary and often contain provisions for discretionary bonuses. Certain of the executives are also entitled to a separation payment if terminated without “cause” or upon voluntary termination of employment for “good reason” following a “change of control” (as these terms are defined in the employment contracts). As of December 31, 2021, the Company was obligated to make future payments of \$62.2 million, \$41.5 million, \$15.0 million, \$0.9 million, and \$0.2 million during the years ending December 31, 2022, 2023, 2024, 2025 and 2026, respectively. There are no employment agreement obligations after December 31, 2026.

Other Commitments

The Company has additional commitments for gaming tax payments in Macau, open purchase orders, construction contracts, payment obligations to communities surrounding Encore Boston Harbor, and performance and other miscellaneous contracts. As of December 31, 2021, the Company was obligated under these arrangements to make future minimum payments as follows (in thousands):

<u>Years Ending December 31,</u>	
2022	\$376,328
2023	134,420
2024	65,821
2025	41,059
2026	28,655
Thereafter	173,060
Total minimum payments	\$819,343

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Letters of Credit

As of December 31, 2021, the Company had outstanding letters of credit of \$14.4 million.

Litigation

In addition to the actions noted below, the Company and its affiliates are involved in litigation arising in the normal course of business. In the opinion of management, such litigation is not expected to have a material effect on the Company's financial condition, results of operations, and cash flows.

Macau Litigation Related to Dore

Wynn Macau SA has been named as a defendant in lawsuits filed in the Macau Court of First Instance by individuals who claim to be investors in or persons with credit in accounts maintained by Dore Entertainment Company Limited ("Dore"), an independent, Macau registered and licensed company that operated a gaming promoter business at Wynn Macau. In connection with the alleged theft, embezzlement, fraud and/or other crime(s) perpetrated by a former employee of Dore (the "Dore Incident"), the plaintiffs of the lawsuits allege that Dore failed to honor withdrawal of funds deposited with Dore as investments or gaming deposits that allegedly resulted in certain losses for these individuals. The principal allegations common to the lawsuits are that Wynn Macau SA, as a gaming concessionaire, should be held responsible for Dore's conduct on the basis that Wynn Macau SA is responsible for the supervision of Dore's activities at Wynn Macau that resulted in the purported losses.

On November 19, 2021, the Macau Court of Final Appeal issued a final ruling (the "Ruling") with respect to one such lawsuit that Wynn Macau SA was held jointly liable to a plaintiff. Pursuant to the Ruling, Wynn Macau SA was required to pay approximately \$1.2 million, inclusive of accumulated interest, to such plaintiff.

The Company believes most remaining cases are without merit and unfounded and intends to vigorously defend against the remaining claims pleaded against Wynn Macau SA in these lawsuits. The Company has made estimates for potential litigation costs based upon its assessment of the likely outcome and has recorded provisions for such amounts in the accompanying consolidated financial statements for the year ended December 31, 2021. No assurances can be provided as to the outcome of the pending Dore cases, and actual results may differ from these estimates.

Massachusetts Gaming License Related Actions

On September 17, 2014, the Massachusetts Gaming Commission ("MGC") designated Wynn MA the award winner of the Greater Boston (Region A) gaming license (the "Boston area license"). On November 7, 2014, the gaming license became effective.

Revere Action

On October 16, 2014, the City of Revere, the host community to the unsuccessful bidder for the Boston area license, the International Brotherhood of Electrical Workers, Local 103, and several individuals, filed a complaint against the MGC and its gaming commissioners in Suffolk Superior Court in Boston, Massachusetts (the "Revere Action"). Mohegan Sun ("Mohegan"), the other applicant for the Boston area license, joined the lawsuit and challenged the MGC's award of the Boston area license. On December 3, 2015, the court granted the MGC's motion to dismiss the claims asserted in the Revere Action and the court dismissed all claims except Mohegan's claim alleging procedural error by the MGC in granting the license to Wynn MA. The plaintiffs

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

appealed. After multiple appeals and cross appeals, only two claims remained: (1) individual plaintiffs' claim for violation of the open meeting laws; and (2) Mohegan's claim for procedural error. On July 12, 2019, the Suffolk Superior Court granted the MGC's motion for summary judgment and dismissed the open meeting law claim, leaving only Mohegan's procedural claim for procedural error.

On August 2, 2019, Mohegan filed a motion to file a second amended complaint, to add new claims related to the MGC's allegedly inadequate 2013 investigation. On October 15, 2019, the court granted Mohegan's motion to amend and allowed it to file a second amended intervenor's complaint. Mohegan and the MGC engaged in supplemental briefing on Mohegan's still-pending Motion for Judgment Against the MGC and Individual Commissioners, which concluded in April 2021. On February 16, 2022, the court denied Mohegan's motion, and ordered that judgment shall enter for the MGC and Individual Commissioners on all remaining claims asserted in the action.

Wynn MA was not a party to and was not named in the Revere Action.

Derivative Litigation

A number of stockholder derivative actions were filed in state and federal court located in Clark County, Nevada against certain current and former members of the Company's Board of Directors and, in some cases, the Company's current and former officers. Each of the complaints alleged, among other things, breach of fiduciary duties in failing to detect, prevent and remedy alleged inappropriate personal conduct by Stephen A. Wynn in the workplace.

The actions filed in the Eighth Judicial District Court of Clark County, Nevada were consolidated as *In re Wynn Resorts, Ltd. Derivative Litigation* ("State Derivative Case").

On June 3, 2019, a separate stockholder derivative action was filed in the Eighth Judicial District Court of Clark County, Nevada alleging substantially similar causes of action as the State Derivative Case with the additional allegation that various of the Company's attorneys committed professional malpractice, and certain current and former executives also breached fiduciary duties and aided and abetted the breach of fiduciary duties, in connection with the alleged inappropriate personal conduct by Stephen A. Wynn in the workplace. This case was consolidated in September 2019 into the State Derivative Case.

On November 27, 2019, the State Derivative Case parties agreed to terms of a settlement agreement. The court approved the settlement agreement on February 12, 2020, and entered a written order approving the settlement on March 10, 2020. Following the Nevada Supreme Court's dismissal of the only appeal, the settlement agreement became effective and final. Following the dismissal, the Company received net proceeds of \$30.2 million, which has been recognized as a reduction of general and administrative expense within the Consolidated Statements of Operations for the year ended December 31, 2020.

In 2018, several actions filed in the United States District Court, District of Nevada were consolidated as *In re Wynn Resorts, Ltd. Derivative Litigation* ("Federal Derivative Case"), which also claim corporate waste and violation of Section 14(a) of the Exchange Act. In June 2018, the Company filed a motion to dismiss and a motion to stay pending resolution of the Securities Action (described below). On March 29, 2019, the Court granted the Company's request for a stay. On March 25, 2020, the parties stipulated to dismiss the Federal Derivative Case given the approved settlement in the State Derivative Case.

On March 25, 2019, a separate stockholder derivative action was filed in the United States District Court, District of Nevada alleging similar causes of action as the Federal Derivative Case with the additional allegation

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

that the Board of Directors improperly refused the stockholder's demand to commence litigation against the officers and directors of the Company. On April 30, 2020, the Company filed a motion for summary judgment, seeking dismissal of the claims given the approved settlement in the State Derivative Case. On January 12, 2021, the court granted the Company's motion for summary judgment of this action and denied the stockholder's request to vacate the parties' stipulation to dismiss the Federal Derivative Case. On February 11, 2021, the stockholder filed a notice of appeal to the United States Court of Appeals for the Ninth Circuit. On May 12, 2021, the parties stipulated to dismiss the appeal.

Each of the actions sought to recover for the Company unspecified damages, including restitution and disgorgement of profits, and also sought to recover attorneys' fees, costs and related expenses for the plaintiff.

Securities Action

On February 20, 2018, a putative securities class action was filed against the Company and certain current and former officers of the Company in the United States District Court, Southern District of New York (which was subsequently transferred to the United States District Court, District of Nevada) by John V. Ferris and Joann M. Ferris on behalf of all persons who purchased the Company's common stock between February 28, 2014 and January 25, 2018. The complaint alleges, among other things, certain violations of federal securities laws and seeks to recover unspecified damages as well as attorneys' fees, costs and related expenses for the plaintiffs. On April 15, 2019, the Company filed a motion to dismiss, which the court granted on May 27, 2020, with leave to amend. On July 1, 2020, the plaintiffs filed an amended complaint. On August 14, 2020, the Company filed a motion to dismiss the amended complaint. On July 28, 2021, the court granted in part, and denied in part, the Company's motion to dismiss the amended complaint, dismissing certain of plaintiffs' claims, including all claims against Mr. Billings and the individual directors, and allowing other claims to proceed against the Company and several of the Company's former executive officers, including Mr. Maddox, Stephen A. Wynn, Kimmarie Sinatra, and Steven Cootev.

The defendants in these actions will vigorously defend against the claims pleaded against them. These actions are in preliminary stages and management has determined that based on proceedings to date, it is currently unable to determine the probability of the outcome of these actions or the range of reasonably possible loss, if any.

Federal Investigation

From time to time, the Company receives regulatory inquiries about compliance with anti-money laundering laws. The Company received requests for information from the U.S. Attorney's Office for the Southern District of California relating to its anti-money laundering policies and procedures, and beginning in 2020 received several grand jury subpoenas regarding various transactions at Wynn Las Vegas relating to certain patrons and agents who reside or operate in foreign jurisdictions. The Company continues to cooperate with the U.S. Attorney's Office in its investigation, which remains ongoing. Because no charges or claims have been brought, the Company is unable to predict the outcome of the investigation, the extent of the materiality of the outcome, or reasonably estimate the possible range of loss, if any, which could be associated with the resolution of any possible charges or claims that may be brought against the Company.

Note 18 - Retail Joint Venture

In December 2016, the Company entered into the Retail Joint Venture with Crown Acquisitions Inc. ("Crown") to own and operate approximately 88,000 square feet of existing retail space at Wynn Las Vegas. In November 2017, the Company contributed approximately 74,000 square feet of additional retail space to the

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Retail Joint Venture. The Company opened the additional retail space during the fourth quarter of 2018. The Company maintains a 50.1% ownership in the Retail Joint Venture and is the managing member. The Company's responsibilities with respect to the Retail Joint Venture include day-to-day business operations, property management services and a role in the leasing decisions of the retail space.

The Company assessed its ownership in the Retail Joint Venture based on consolidation accounting guidance with an evaluation being performed to determine if the Retail Joint Venture is a VIE, if the Company has a variable interest in the Retail Joint Venture and if the Company is the primary beneficiary of the Retail Joint Venture. The primary beneficiary is the party who has the power to direct the activities of a VIE that most significantly impact the entity's economic performance and who has an obligation to absorb losses of the entity or a right to receive benefits from the entity that could potentially be significant to the entity.

The Company concluded that the Retail Joint Venture is a VIE and the Company is the primary beneficiary based on its involvement in the leasing activities of the Retail Joint Venture. As a result, the Company consolidates all of the Retail Joint Venture's assets, liabilities and results of operations. The Company will evaluate its primary beneficiary designation on an ongoing basis and will assess the appropriateness of the Retail Joint Venture's VIE status when changes occur.

As of December 31, 2021 and 2020, the Retail Joint Venture had total assets of \$98.0 million and \$96.3 million, respectively, and total liabilities of \$624.4 million and \$633.5 million, respectively. The Retail Joint Venture's total liabilities as of December 31, 2021 included long-term debt of \$612.9 million, net of debt issuance costs, related to the outstanding borrowings under the Retail Term Loan.

Note 19 - Business Combination

On October 23, 2020, the Company acquired a controlling interest in Wynn Interactive, which was formed in stages through the merger of Wynn Resorts' digital gaming businesses and BetBull (the "BetBull Acquisition"). As part of the BetBull Acquisition, BetBull shareholders, which included Wynn Resorts, exchanged their shares in BetBull for shares of Wynn Interactive, and Wynn Resorts exchanged its membership interests in its subsidiaries that operated its existing digital and social casino businesses ("WSI" and "WSG", respectively) for a controlling interest in Wynn Interactive. Prior to the BetBull Acquisition, the Company held a 22.5% interest in BetBull, which was accounted for as a cost method investment.

Total consideration (including the fair value of noncontrolling interest) in order to compute goodwill related to the business combination was \$164.7 million, which included the following:

- The acquisition date fair value of Wynn Resorts' previously held minority equity interest in BetBull of \$37.3 million. Immediately prior to the BetBull Acquisition, the book value of this cost method investment was \$21.5 million. The Company recorded a gain of \$15.7 million to reflect the fair value of its interest at the date of acquisition, which was recorded in Other non-operating income (expense) on the Consolidated Statement of Operations for the year ended December 31, 2020.
- The acquisition date fair value of the non-controlling interests in WSI and WSG that Wynn Resorts transferred to legacy BetBull shareholders in exchange for a controlling interest in BetBull, totaling \$49.5 million.
- The settlement of transactions from Wynn Resorts' pre-existing relationship with BetBull and the fair value of vested replacement stock options, all of which totaled \$5.9 million.
- The fair value of BetBull's noncontrolling interest totaling \$72.0 million.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

The fair values of WSI, WSG, and BetBull were all determined using the market approach given the early stages of each of the businesses. The settlement of pre-existing transactions was valued based on the contractual amounts owed to either party. Wynn Resorts' contribution of its remaining, controlling membership interests in WSI and WSG were accounted for as a transfer of businesses between entities under the common control of Wynn Resorts and therefore transferred at Wynn Resorts' carrying value.

BetBull is licensed to operate online sports and casino wagering in the United Kingdom and develops mobile applications for that purpose. This acquisition provides the Company with access to the online market in the United Kingdom, synergies in mobile application development, and digital gaming operations expertise.

The BetBull Acquisition was accounted for as a business combination. The assets acquired and liabilities assumed were recognized at their fair values at the acquisition date, which was estimated using both level 2 (observable) and level 3 (unobservable) inputs.

The following table sets forth the final purchase price allocation (in thousands):

Consideration	
Total consideration	\$164,672
Less: Cash acquired	4,604
Total consideration, net of cash acquired	\$160,068
Identifiable assets acquired and liabilities assumed	
Other current assets	1,484
Property and equipment	33,179
Intangible assets other than goodwill	16,462
Goodwill	120,092
Deferred tax liabilities	(905)
Liabilities assumed	(10,244)
Total identifiable assets acquired and liabilities assumed	\$160,068

Acquired intangible assets included in the above table are being amortized on a straight-line basis over their estimated useful life of ten years for trademarks and three years for customer lists. In addition, the Company acquired software totaling \$31.5 million, which is included in Property and equipment in the table above and is being amortized over an estimated useful life of three years. The estimated useful lives approximate the pattern in which the economic benefits of the intangible assets and software are expected to be realized.

Immediately after the BetBull Acquisition, the Company contributed \$78.0 million to Wynn Interactive and purchased approximately \$33.6 million of Wynn Interactive shares from non-controlling shareholders (the "Secondary Transaction"). Immediately after the BetBull Acquisition and the Secondary Transaction, the Company held an approximately 72% interest in Wynn Interactive, which owns 100% of BetBull, WSI, and WSG.

The Secondary Transaction was recorded as an adjustment to Stockholders' equity (deficit) on the Consolidated Balance Sheet as the Company had a controlling interest in BetBull at the time of the transaction.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Pro forma results of operations for this acquisition have not been presented because they are not material to the consolidated statements of operations.

Note 20 - Segment Information

The Company has identified its reportable segments based on factors such as geography, regulatory environment, the information reviewed by its chief operating decision maker, and the Company's organizational and management reporting structure.

The Company has identified the following reportable segments: (i) Wynn Macau, representing the aggregate of Wynn Macau and Encore, an expansion at Wynn Macau, which are managed as a single integrated resort; (ii) Wynn Palace; (iii) Las Vegas Operations, representing the aggregate of Wynn Las Vegas, Encore, an expansion at Wynn Las Vegas, and the Retail Joint Venture, which are managed as a single integrated resort; (iv) Encore Boston Harbor; and (v) Wynn Interactive. For geographical reporting purposes, Wynn Macau, Wynn Palace, and Other Macau (which represents the assets of the Company's Macau holding company and other ancillary entities) have been aggregated into Macau Operations.

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

	Years Ended December 31,		
	2021	2020	2019
Operating revenues			
Macau Operations:			
Wynn Palace			
Casino	\$ 677,917	\$ 368,284	\$2,139,756
Rooms	69,022	46,110	174,576
Food and beverage	47,985	43,198	117,376
Entertainment, retail and other (1)	88,083	47,828	111,986
	883,007	505,420	2,543,694
Wynn Macau			
Casino	476,999	344,595	1,796,209
Rooms	50,492	39,111	110,387
Food and beverage	32,420	33,094	81,576
Entertainment, retail and other (1)	66,104	57,857	81,857
	626,015	474,657	2,070,029
Total Macau Operations	1,509,022	980,077	4,613,723
Las Vegas Operations:			
Casino	426,440	236,826	394,104
Rooms	425,777	202,073	483,055
Food and beverage	489,587	216,426	558,782
Entertainment, retail and other (1)	161,877	92,622	197,516
Total Las Vegas Operations	1,503,681	747,947	1,633,457
Encore Boston Harbor:			
Casino	552,064	287,525	243,855
Rooms	47,280	20,679	36,144
Food and beverage	63,919	36,866	61,088
Entertainment, retail and other (1)	28,260	16,596	22,832
Total Encore Boston Harbor	691,523	361,666	363,919
Wynn Interactive:			
Entertainment, retail and other	59,438	6,171	—
Total Wynn Interactive	59,438	6,171	—
Total operating revenues	\$3,763,664	\$2,095,861	\$6,611,099

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

	Years Ended December 31,		
	2021	2020	2019
Adjusted Property EBITDA (2)			
Macau Operations:			
Wynn Palace	\$ 91,646	\$ (149,647)	\$ 729,535
Wynn Macau	4,209	(87,189)	648,837
Total Macau Operations	95,855	(236,836)	1,378,372
Las Vegas Operations	530,878	(56,356)	413,886
Encore Boston Harbor	210,068	(23,762)	23,150
Wynn Interactive	(267,360)	(7,351)	—
Total	569,441	(324,305)	1,815,408
Other operating expenses			
Pre-opening	6,821	6,506	102,009
Depreciation and amortization	715,962	725,502	624,878
Property charges and other	50,762	67,455	20,286
Corporate expenses and other (3)	95,199	46,023	150,228
Stock-based compensation (4)	95,238	62,254	39,702
Total other operating expenses	963,982	907,740	937,103
Operating income (loss)	(394,541)	(1,232,045)	878,305
Other non-operating income and expenses			
Interest income	3,213	15,384	24,449
Interest expense, net of amounts capitalized	(605,562)	(556,474)	(414,030)
Change in derivatives fair value	11,360	(13,060)	(3,228)
(Loss) gain on extinguishment of debt	(2,060)	(4,601)	(12,437)
Other	(23,926)	28,521	15,159
Total other non-operating income and expenses	(616,975)	(530,230)	(390,087)
Income (loss) before income taxes	(1,011,516)	(1,762,275)	488,218
Provision for income taxes	(474)	(564,671)	(176,840)
Net income (loss)	(1,011,990)	(2,326,946)	311,378
Net income (loss) attributable to noncontrolling interests	256,204	259,701	(188,393)
Net income (loss) attributable to Wynn Resorts, Limited	\$ (755,786)	\$ (2,067,245)	\$ 122,985

- (1) Includes lease revenue accounted for under lease accounting guidance. For more information on leases, see Note 15, "Leases".
(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, meeting and convention, and water rights leases), stock-based compensation, change in derivatives fair value, loss on extinguishment of debt, and other non-operating income and expenses. We use Adjusted Property EBITDA to manage the operating results of our segments. 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

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

competitors, as well as a basis for determining certain incentive compensation. The Company also presents 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 pre-opening 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 the Company's 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 (loss), 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. The Company has significant uses of cash flows, including capital expenditures, interest payments, debt principal repayments, income taxes and other non-recurring charges, which are not reflected in Adjusted Property EBITDA. Also, the Company's calculation of Adjusted Property EBITDA may be different from the calculation methods used by other companies and, therefore, comparability may be limited.

- (3) For the year ended December 31, 2020, includes a \$30.2 million net gain recorded in relation to a derivative litigation settlement. For the year ended December 31, 2019, includes a \$35.0 million nonrecurring regulatory expense.
- (4) Excludes \$0.7 million included in pre-opening expenses for the year ended December 31, 2019.

	Years Ended December 31,		
	2021	2020	2019
Capital expenditures			
Macau Operations:			
Wynn Palace	\$ 37,169	\$ 46,717	\$ 66,545
Wynn Macau	25,249	49,845	142,112
Total Macau Operations	62,418	96,562	208,657
Las Vegas Operations	168,788	85,882	96,928
Encore Boston Harbor	38,730	61,342	471,381
Wynn Interactive	13,624	5,603	—
Corporate and other	7,097	40,726	286,327
Total	\$ 290,657	\$ 290,115	\$ 1,063,293
Assets			
Macau Operations:			
Wynn Palace	\$ 3,122,424	\$ 3,393,790	\$ 3,734,210
Wynn Macau	1,032,521	1,202,709	1,656,625
Other Macau	1,173,913	2,026,098	1,023,411
Total Macau Operations	5,328,858	6,622,597	6,414,246
Las Vegas Operations	3,063,897	2,992,870	2,806,972
Encore Boston Harbor	2,193,117	2,300,016	2,456,667
Wynn Interactive	287,805	265,945	—
Corporate and other	1,657,149	1,688,119	2,193,396
Total	\$12,530,826	\$13,869,547	\$13,871,281

WYNN RESORTS, LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

	December 31,		
	2021	2020	2019
Long-lived assets			
Macau	\$3,678,236	\$3,989,797	\$ 4,321,970
United States	5,604,531	5,738,343	5,909,847
Total	\$9,282,767	\$9,728,140	\$10,231,817

Quarterly Consolidated Financial Information (Unaudited)

The following tables (in thousands, except per share data) present selected quarterly financial information for 2021 and 2020, as previously reported. Because income (loss) per share amounts are calculated using the weighted average number of common and dilutive common equivalent shares outstanding during each quarter, the sum of the per share amounts for the four quarters may not equal the total income per share amounts for the year.

	Year Ended December 31, 2021				
	First	Second	Third	Fourth	Year
Operating revenues	\$ 725,783	\$ 990,113	\$ 994,644	\$1,053,124	\$ 3,763,664
Operating loss	\$(175,732)	\$ (29,521)	\$ (83,664)	\$ (105,624)	\$ (394,541)
Net loss	\$(336,179)	\$ (173,397)	\$ (245,983)	\$ (256,431)	\$ (1,011,990)
Net loss attributable to Wynn Resorts, Limited	\$(280,978)	\$ (131,369)	\$ (166,249)	\$ (177,190)	\$ (755,786)
Basic loss per share	\$ (2.53)	\$ (1.15)	\$ (1.45)	\$ (1.54)	\$ (6.64)
Diluted loss per share	\$ (2.53)	\$ (1.15)	\$ (1.45)	\$ (1.54)	\$ (6.64)

	Year Ended December 31, 2020				
	First	Second	Third	Fourth	Year
Operating revenues	\$ 953,716	\$ 85,698	\$ 370,452	\$ 685,995	\$ 2,095,861
Operating loss	\$(247,411)	\$ (523,016)	\$ (283,007)	\$ (178,611)	\$ (1,232,045)
Net loss	\$(450,253)	\$ (734,869)	\$ (831,533)	\$ (310,291)	\$ (2,326,946)
Net loss attributable to Wynn Resorts, Limited	\$(402,037)	\$ (637,564)	\$ (758,142)	\$ (269,502)	\$ (2,067,245)
Basic loss per share	\$ (3.77)	\$ (5.97)	\$ (7.10)	\$ (2.53)	\$ (19.37)
Diluted loss per share	\$ (3.77)	\$ (5.97)	\$ (7.10)	\$ (2.53)	\$ (19.37)

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures**Disclosure Controls and Procedures**

The Company's management, with the participation of the Company's Chief Executive Officer ("CEO") (Principal Executive and Financial Officer), has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this annual report. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on such evaluation, the Company's CEO (Principal Executive and Financial Officer) has concluded that, as of the period covered by this annual report, the Company's disclosure controls and procedures were effective, at the reasonable assurance level, in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act and were effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including the Company's Principal Executive and Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2021. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control-Integrated Framework* (2013). Based on our assessment, management believes that, as of December 31, 2021, our internal control over financial reporting was effective based on those criteria.

The effectiveness of our internal control over financial reporting as of December 31, 2021 has been audited by Ernst & Young, LLP, an independent registered public accounting firm. Their report appears under "Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting."

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2021 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item will be contained in the Registrant's definitive Proxy Statement for its 2022 Annual Stockholder Meeting to be filed with the Securities and Exchange Commission within 120 days after December 31, 2021 (the "2022 Proxy Statement") under the captions "Election of Directors," "Executive Officers," "Board Governance" and "Section 16(a) Beneficial Ownership Reporting Compliance," and is incorporated herein by reference.

As part of the Company's commitment to integrity, the Board of Directors has adopted a Code of Business Conduct and Ethics applicable to all directors, officers and employees of the Company and its subsidiaries. This Code is periodically reviewed by the Board of Directors. In the event we determine to amend or waive certain provisions of this code of ethics, we intend to disclose such amendments or waivers on our website at <https://wynnresortslimited.gcs-web.com/corporate-governance/code-business-conduct-and-ethics> within four business days following such amendment or waiver or as otherwise required by the Nasdaq listing standards.

Item 11. Executive Compensation

The information called for by this item is incorporated herein by reference to our definitive 2022 Proxy Statement under the captions "Board Compensation," "Compensation Discussion and Analysis" and "Executive Compensation Tables", which will be filed with the SEC.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Securities Authorized for Issuance Under Equity Compensation Plans

The following table summarizes compensation plans under which our equity securities are authorized for issuance, aggregated as to: (i) all compensation plans previously approved by stockholders, and (ii) all compensation plans not previously approved by stockholders. These plans are described in Item 8—"Financial Statements and Supplementary Data" of Part II (see Notes to Consolidated Financial Statements).

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	23,700	\$80.42	3,003,920
Equity compensation plans not approved by security holders	—	—	—
Total	23,700	\$80.42	3,003,920

Certain information required by this item will be contained in the 2022 Proxy Statement under the caption "Certain Beneficial Ownership and Management," and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information called for by this item is incorporated herein by reference to our definitive 2022 Proxy Statement under the caption “Certain Relationships and Related Transactions,” and “Board Governance,” which will be filed with the SEC.

Item 14. Principal Accountant Fees and Services

The information called for by this item is incorporated herein by reference to our definitive 2022 Proxy Statement under the caption “Ratification of Appointment of Independent Auditors,” which will be filed with the SEC.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a)1. The following consolidated financial statements of the Company are filed as part of this report under Item 8—“Financial Statements and Supplementary Data.”

- Reports of Independent Registered Public Accounting Firm
- Consolidated Balance Sheets as of December 31, 2021 and 2020
- Consolidated Statements of Operations for the years ended December 31, 2021, 2020, and 2019
- Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2021, 2020, and 2019
- Consolidated Statements of Stockholders’ Equity (Deficit) for the years ended December 31, 2021, 2020, and 2019
- Consolidated Statements of Cash Flows for the years ended December 31, 2021, 2020, and 2019
- Notes to Consolidated Financial Statements
- Quarterly Consolidated Financial Information (Unaudited)

(a)2. Financial Statement Schedule filed in Part IV of this report:

- Schedule II—Valuation and Qualifying Accounts

We have omitted all other financial statement schedules because they are not required or are not applicable, or the required information is shown in the consolidated financial statements or notes to the consolidated financial statements.

SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS (in thousands)

<u>Description</u>	<u>Balance at Beginning of Year</u>	<u>Provision (Benefit) for Credit Losses</u>	<u>Write-offs, Net of Recoveries</u>	<u>Balance at End of Year</u>
Allowance for credit losses:				
2021	\$ 100,329	29,487	(18,497)	\$ 111,319
2020	<u>\$ 39,317</u>	<u>64,375</u>	<u>(3,363)</u>	<u>\$ 100,329</u>
2019	<u>\$ 32,694</u>	<u>21,898</u>	<u>(15,275)</u>	<u>\$ 39,317</u>
 Description				
Deferred income tax asset valuation allowance:				
2021	\$2,986,684	142,058	(627,479)	\$2,501,263
2020	<u>\$2,759,431</u>	<u>264,366</u>	<u>(37,113)</u>	<u>\$2,986,684</u>
2019	<u>\$2,643,899</u>	<u>147,881</u>	<u>(32,349)</u>	<u>\$2,759,431</u>

(a)3. Exhibits

Exhibits that are not filed herewith have been previously filed with the SEC and are incorporated herein by reference.

<u>Exhibit No.</u>		<u>Incorporated by Reference</u>	
		<u>Form</u>	<u>Filing Date</u>
2.1	Equity Purchase Agreement, dated as of February 14, 2022 by and between Wynn MA, LLC and Realty Income Corporation.	8-K	2/14/2022
3.1	Third Amended and Restated Articles of Incorporation of the Registrant.	10-Q	5/8/2015
3.2	Ninth Amended and Restated Bylaws of the Registrant.	10-K	2/28/2020
4.1.0	Specimen certificate for shares of Common Stock, \$0.01 par value per share of the Registrant.	S-1	10/7/2002
4.1.1	Indenture, dated as of April 14, 2020, by and among Wynn Resorts Finance, LLC, and Wynn Resorts Capital Corp., as joint and several obligors and the Guarantors named therein and U.S. Bank National Association, as trustee.	10-Q	5/8/2020
4.1.2	Indenture, dated as of June 17, 2020, by and between Wynn Macau, Limited and Deutsche Bank Trust Company Americas, as trustee, related to senior notes due 2026.	10-Q	8/6/2020
4.1.3	Indenture, dated as of August 26, 2020, by and between Wynn Macau, Limited and Deutsche Bank Trust Company Americas, as trustee, related to senior notes due 2028.	10-Q	11/9/2020
4.2	Description of Registrant's Securities.	10-K	*
4.3	Indenture, dated as of May 22, 2013, by and among Wynn Las Vegas, LLC, Wynn Las Vegas Capital Corp., the Guarantors named therein and U.S. Bank National Association, as trustee.	8-K	5/22/2013
4.4	Supplemental Indenture, dated as of February 18, 2015, to Indenture, dated as of May 22, 2013, by and among Wynn Las Vegas, LLC, Wynn Las Vegas Capital Corp., the Guarantors named therein and U.S. Bank National Association, as trustee.	10-K	3/2/2015
4.5	Second Supplemental Indenture, dated as of March 20, 2018, to Indenture, dated as of May 22, 2013, by and among Wynn Las Vegas, LLC, Wynn Las Vegas Capital Corp., the guarantors party thereto and U.S. Bank National Association.	8-K	3/21/2018
4.6	Indenture, dated as of February 18, 2015, by and among Wynn Las Vegas, LLC, Wynn Las Vegas Capital Corp., the Guarantors named therein and U.S. Bank National Association, as trustee.	8-K	2/18/2015
4.7	Indenture, dated as of May 11, 2017, by and among Wynn Las Vegas, LLC, Wynn Las Vegas Capital Corp., the Guarantors named therein and U.S. Bank National Association, as trustee.	8-K	5/11/2017
4.8	Indenture, dated as of September 20, 2017, by and between Wynn Macau, Limited and Deutsche Bank Trust Company Americas, as trustee, relating to senior notes due 2024.	10-Q	11/8/2017

<u>Exhibit No.</u>	<u>Description</u>	<u>Incorporated by Reference</u>	
		<u>Form</u>	<u>Filing Date</u>
4.9	Indenture, dated as of September 20, 2017, by and between Wynn Macau, Limited and Deutsche Bank Trust Company Americas, as trustee, relating to senior notes due 2027.	10-Q	11/8/2017
4.10	Indenture, dated as of December 17, 2019, by and between Wynn Macau, Limited and Deutsche Bank Trust Company Americas, as trustee, related to senior notes due 2029.	10-K	2/28/2020
4.11	Indenture, dated as of September 20, 2019, by and among Wynn Resorts Finance, LLC, and Wynn Resorts Capital Corp., as joint and several obligors and the Guarantors named therein and U.S. Bank National Association, as trustee.	10-Q	11/6/2019
10.1.0	Credit Agreement, dated as of September 20, 2019, by and among Wynn Resorts Finance, LLC, as borrower, the subsidiaries of borrower party hereto, as guarantors, Deutsche Bank AG New York Branch, as administrative agent and as collateral agent.	10-Q	11/6/2019
10.1.1	Incremental Joinder Agreement No. 1, dated as of March 8, 2019, by and among Wynn Resorts, Limited, as borrower, Wynn Group Asia, Inc. and Wynn Resorts Holdings, LLC, as Guarantors, and Deutsche Bank AG New York Branch, as administrative agent.	10-Q	5/9/2019
10.1.2	First Amendment to Credit Agreement, dated as of April 10, 2020, by and among Wynn Resorts Finance, LLC, as borrower, the subsidiaries of borrower party hereto, as guarantors, Deutsche Bank AG New York Branch, as administrative agent and as collateral agent.	10-Q	5/8/2020
10.1.3	First Amendment to Term Loan Agreement, dated as of May 5, 2020, by and among Wynn/CA Plaza Property Owner, LLC and Wynn/CA Property Owner, LLC, as borrowers, United Overseas Bank Limited, New York Agency, as administrative agent, and the lenders party thereto.	10-Q	8/6/2020
10.1.4	Amendment No. 2 to Credit Agreement, dated as of November 27, 2020, by and among Wynn Resorts Finance, LLC, as borrower, the subsidiaries of borrower party hereto, as guarantors, Deutsche Bank AG New York Branch, as administrative agent.	10-K	2/26/2021
10.2.1	Common Terms Agreement Sixth Amendment Agreement, dated December 21, 2018, between, among others, Wynn Resorts (Macau) S.A. as the company and Bank of China Limited, Macau Branch as security agent.	10-Q	2/28/2019
10.2.2	Term Facility Agreement Fifth Amendment Agreement, dated December 21, 2018, by and among Wynn Resorts (Macau) S.A. and Bank of China Limited, Macau Branch as Hotel Facility Agent and Hotel Facility Lender.	10-Q	2/28/2019
10.2.3	Revolving Credit Facility Agreement Second Amendment Agreement, dated as of December 21, 2018, by and among Wynn Resorts (Macau) S.A. and Bank of China Limited, Macau Branch as Revolving Credit Facility Agent and Revolving Credit Facility Lender.	10-Q	2/28/2019

<u>Exhibit No.</u>	<u>Description</u>	<u>Incorporated by Reference</u>	
		<u>Form</u>	<u>Filing Date</u>
10.2.4	Common Terms Agreement Fifth Amendment Agreement, dated September 30, 2015, between, among others, Wynn Resorts (Macau) S.A. as the company and Bank of China Limited, Macau Branch as security agent.	10-Q	11/6/2015
10.2.5	Term Facility Agreement Fourth Amendment Agreement, dated September 30, 2015, by and among Wynn Resorts (Macau) S.A. and Bank of China Limited, Macau Branch as Hotel Facility Agent and Hotel Facility Lender.	10-Q	11/6/2015
10.2.6	Revolving Credit Facility Agreement Amendment Agreement, dated as of September 30, 2015, by and among Wynn Resorts (Macau) S.A. and Bank of China Limited, Macau Branch as Revolving Credit Facility Agent and Revolving Credit Facility Lender.	10-Q	11/6/2015
10.2.7	Debenture, dated as of September 14, 2004, between Wynn Resorts (Macau), S.A. and Société Générale, Hong Kong Branch as the Security Agent.	10-Q	11/4/2004
10.3.0	Term Loan Agreement, dated as of July 25, 2018, by and among Wynn/ CA Plaza Property Owner, LLC and Wynn/CA Property Owner, LLC, as borrowers, United Overseas Bank Limited, New York Agency, as administrative agent and lead arranger, Fifth Third Bank, as joint lead arranger, Sumitomo Mitsui Banking Corporation, as joint lead arranger, Credit Agricole Corporate and Investment Bank, as managing agent, and the lenders party thereto.	10-Q	7/30/2018
10.3.1	Facility Agreement, dated as of September 16, 2021, by and among WM Cayman Holdings Limited II, as borrower, Wynn Macau, Limited, as guarantor, and Bank of China Limited, Macau Branch, as agent and a syndicate of lenders.	10-Q	11/9/2021
10.4.1	Concession Contract for the Operation of Games of Chance or Other Games in Casinos in the Macau Special Administrative Region, dated June 24, 2002, between the Macau Special Administrative Region and Wynn Resorts (Macau), S.A. (English translation of Portuguese version of Concession Agreement).	10-Q	8/20/2002
10.4.2	Concession Contract for Operating Casino Gaming or Other Forms of Gaming in the Macao Special Administrative Region, dated June 24, 2002, between the Macau Special Administrative Region and Wynn Resorts (Macau), S.A. (English translation of Chinese version of Concession Agreement).	10-Q	9/18/2002
10.4.3	Unofficial English translation of Land Concession Contract between the Macau Special Administrative Region and Wynn Resorts (Macau), S.A.	10-Q	8/3/2004
10.4.4	Land Concession Contract, published on May 2, 2012, by and among Palo Real Estate Company Limited, Wynn Resorts (Macau), S.A. and the Macau Special Administrative Region of the People's Republic of China (translated to English from traditional Chinese and Portuguese).	10-Q	5/2/2012

<u>Exhibit No.</u>	<u>Description</u>	<u>Incorporated by Reference</u>	
		<u>Form</u>	<u>Filing Date</u>
10.4.5	Bank Guarantee Reimbursement Agreement, dated as of September 14, 2004, between Wynn Resorts (Macau), S.A. and Banco Nacional Ultramarino.	10-Q	11/4/2004
10.5.1	Corporate Allocation Agreement, dated as of September 19, 2009, by Wynn Macau, Limited and Wynn Resorts, Limited.	10-Q	3/2/2015
10.5.2	Amended and Restated Corporate Allocation Agreement, dated as of September 19, 2009, by Wynn Resorts (Macau), S.A., and Wynn Resorts, Limited.	10-Q	3/2/2015
10.5.3	Management Fee and Corporate Allocation Agreement, dated as of February 26, 2015, by and between Wynn Las Vegas, LLC and Wynn Resorts, Limited.	10-Q	3/2/2015
10.5.4	Management Fee and Corporate Allocation Agreement, dated as of November 20, 2014, by and among Wynn MA, LLC and Wynn Resorts, Limited.	10-Q	2/29/2016
10.6.1	Intellectual Property License Agreement, dated as of September 19, 2009, by and among Wynn Resorts Holdings, LLC, Wynn Resorts, Limited and Wynn Macau, Limited.	10-Q	3/2/2015
10.6.2	Amended and Restated Intellectual Property License Agreement, dated as of September 19, 2009, by and among Wynn Resorts Holdings, LLC, Wynn Resorts, Limited and Wynn Resorts (Macau), S.A.	10-Q	3/2/2015
10.6.3	2015 Intellectual Property License Agreement, dated as of February 26, 2015, by and between Wynn Resorts Holdings, LLC, Wynn Resorts, Limited and Wynn Las Vegas, LLC.	10-Q	5/8/2015
10.6.4	2014 Intellectual Property License Agreement, dated as of November 20, 2014, by and between Wynn Resorts Holdings, LLC, Wynn Resorts, Limited and Wynn MA, LLC.	10-Q	2/29/2016
10.6.5	Surname Rights Agreement, dated as of August 6, 2004, by and between Stephen A. Wynn and Wynn Resorts Holdings, LLC.	10-Q	11/4/2004
10.6.6	Rights of Publicity License, dated as of August 6, 2004, by and between Stephen A. Wynn and Wynn Resorts Holdings, LLC.	10-Q	11/4/2004
+10.7.1.0	Amended and Restated Employment Agreement, dated as of December 16, 2019, by and between Wynn Resorts, Limited and Matt Maddox.	10-K	2/28/2020
+10.7.1.1	Second Amended and Restated Employment Agreement dated as of January 1, 2021, by and between Wynn Resorts, Limited and Matt Maddox.	10-K	2/26/2021
+10.7.1.2	Transition Agreement, dated November 9, 2021, by and between Wynn Resorts, Limited and Matt Maddox.	10-Q	11/9/2021
+10.7.2.0	Employment Agreement, dated as of January 27, 2017 by and between Wynn Resorts, Limited and Craig Billings.	10-Q	5/4/2017

<u>Exhibit No.</u>	<u>Description</u>	<u>Form</u>	<u>Incorporated by Reference Filing Date</u>
+10.7.2.1	First Amendment to Employment Agreement, dated as of April 17, 2018, by and between Wynn Resorts, Limited and Craig S. Billings.	10-Q	5/9/2018
+10.7.2.2	Second Amendment to Employment Agreement, dated as of May 29, 2019, by and between Wynn Resorts, Limited and Craig Billings.	10-Q	8/8/2019
+10.7.2.3	Third Amended and Restated Employment Agreement dated as of January 1, 2021, by and between Wynn Resorts, Limited and Craig S. Billings.	10-K	2/26/2021
+10.7.2.4	Fourth Amended and Restated Employment Agreement dated as of May 24, 2021, by and between Wynn Resorts, Limited and Craig S. Billings.	8-K	5/24/2021
+10.7.2.5	Employment Agreement, dated November 9, 2021, by and between Wynn Resorts, Limited and Craig S. Billings.	10-Q	11/9/2021
+10.7.3.0	Employment Agreement, dated as of August 2, 2018, by and between Wynn Resorts, Limited and Ellen Whittemore.	10-Q	8/8/2018
+10.7.3.1	First Amendment to Employment Agreement, dated as of May 29, 2019, by and between Wynn Resorts, Limited and Ellen Whittemore.	10-Q	8/8/2019
+10.7.3.2	Second Amended and Restated Employment Agreement dated as of January 1, 2021, by and between Wynn Resorts, Limited and Ellen F. Whittemore.	10-K	2/26/2021
+10.7.3.3	Third Amended and Restated Employment Agreement dated as of January 12, 2022, by and between Wynn Resorts, Limited and Ellen F. Whittemore.	10-K	*
+10.7.4.0	Employment Agreement, dated as of December 7, 2021 by and between Wynn Resorts, Limited and Julie Cameron-Doe.	10-K	*
+10.8	Amended and Restated 2014 Omnibus Incentive Plan, dated January 1, 2017.	10-Q	2/24/2017
10.9	Cooperation Agreement, dated as of August 3, 2018, by and between Wynn Resorts, Limited and Elaine P. Wynn.	10-Q	8/6/2018
10.10	Second Amended and Restated Shareholders' Agreement, dated as of January 14, 2016, by and among Wynn Resorts (Macau), Ltd., Wynn Resorts International, Ltd., Chen Chi Ling Linda and Wynn Resorts (Macau), S.A.	10-Q	2/28/2018
10.11	Form of Indemnity Agreement.	10-Q	9/18/2002
21.1	Subsidiaries of the Registrant.	10-K	*
23.1	Consent of Ernst & Young LLP, Independent Registered Accounting Firm.	10-K	*
31.1	Certification of Chief Executive Officer (Principal Executive and Financial Officer) of Periodic Report Pursuant to Rule 13a – 14(a) and Rule 15d – 14(a).	10-K	*
32	Certification of CEO (Principal Executive and Financial Officer) pursuant to 18 U.S.C. Section 1350.	10-K	*

<u>Exhibit No.</u>	<u>Description</u>	<u>Incorporated by Reference</u>	
		<u>Form</u>	<u>Filing Date</u>
101	The following material from Wynn Resorts, Limited's Annual Report on Form 10-K, formatted in Inline XBRL (Inline Extensible Business Reporting Language): (i) the Consolidated Balance Sheets as of December 31, 2021 and December 31, 2020; (ii) the Consolidated Statements of Operations for the years ended December 31, 2021, 2020, and 2019; (iii) the Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2021, 2020, and 2019; (iv) the Consolidated Statements of Stockholders' Equity (Deficit) for the years ended December 31, 2021, 2020, and 2019; (v) the Consolidated Statements of Cash Flows for the years ended December 31, 2021, 2020 and 2019; and (vi) Notes to Consolidated Financial Statements. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	10-K	*
104	Cover Page Interactive Data File—The cover page XBRL tags are embedded within the Inline XBRL document.		

* Filed herewith.

+ Denotes management contract or compensatory plan or arrangement.

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WYNN RESORTS, LIMITED

Dated: February 28, 2022

By: /s/ Craig S. Billings

Craig S. Billings
Director, Chief Executive Officer
(Principal Executive, Financial and Accounting
Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Craig S. Billings</u> Craig S. Billings	Director, Chief Executive Officer (Principal Executive, Financial and Accounting Officer)	February 28, 2022
<u>/s/ Philip G. Satre</u> Philip G. Satre	Non-Executive Chair of the Board and Director	February 28, 2022
<u>/s/ Betsy S. Atkins</u> Betsy S. Atkins	Director	February 28, 2022
<u>/s/ Richard J. Byrne</u> Richard J. Byrne	Director	February 28, 2022
<u>/s/ Jay L. Johnson</u> Jay L. Johnson	Director	February 28, 2022
<u>/s/ Patricia Mulroy</u> Patricia Mulroy	Director	February 28, 2022
<u>/s/ Margaret J. Myers</u> Margaret J. Myers	Director	February 28, 2022
<u>/s/ Clark T. Randt, Jr.</u> Clark T. Randt, Jr.	Director	February 28, 2022
<u>/s/ Darnell Strom</u> Darnell Strom	Director	February 28, 2022
<u>/s/ Winifred Webb</u> Winifred Webb	Director	February 28, 2022

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Corporate Headquarters

3131 Las Vegas Boulevard South
Las Vegas, Nevada 89109

Web Site

Visit the Company's websites at:
www.wynnresorts.com
www.wynnlasvegas.com
www.wynnmacau.com
www.wynnmacaulimited.com
www.wynnpalace.com
www.encorebostonharbor.com
www.wynnbet.com

Annual Report on Form 10-K

Our Annual Report on Form 10-K (including the financial statements and financial statement schedules relating thereto) filed with the Securities and Exchange Commission may be obtained upon written request and without charge. Requests should be directed to Wynn Resorts, Limited, c/o Investor Relations, 3131 Las Vegas Boulevard South, Las Vegas, Nevada 89109, telephone (702) 770-7555 or investorrelations@wynnresorts.com. In addition, the electronic version of the Annual Report can be found at www.wynnresorts.com.

Annual Meeting

Our 2022 Annual Meeting will be held entirely online. To participate in the virtual Annual Meeting, please visit www.virtualshareholdermeeting.com/wynn2022. March 11, 2022 is the record date for determining the shareholders entitled to notice of, and to vote at, the Annual Meeting of Shareholders.

Common Stock

Our common stock is traded on the NASDAQ Global Select Market under the symbol "WYNN."

Common Stock Transfer Agent and Registrar

American Stock Transfer & Trust Co.
6201 15th Avenue
Brooklyn, NY 11219
(800) 937-5449

Wynn and Encore are registered trademarks of Wynn Resorts Holdings, LLC.

Board of Directors

Philip G. Satre
Chair of the Board
Former CEO and Chair of Harrah's Entertainment, Inc.

Former Chair of the Board of International Game Technology, PLC from 2009 to 2018

Betsy S. Atkins
Director
Chief Executive Officer of Baja Corporation

Richard J. Byrne
Director
President of Benefit Street Partners

Admiral Jay L. Johnson
Director
Former Chairman and Chief Executive Officer of General Dynamics Corporation
Chief of Naval Operations and a member of the Joint Chiefs of Staff from August 1996 to July 2000

Craig Billings
Director, Chief Executive Officer

Patricia Mulroy
Director
Non-Resident Senior Fellow for Climate Adaptation & Environmental Policy
General Manager of the Southern Nevada Water Authority from 1993 to 2014

Margaret J. Myers
Director
Senior Advisor to the Governor of California and Director of the Governor's Office of Business and Economic Development

Ambassador Clark T. Randt, Jr.
Director
U.S. Ambassador to the People's Republic of China from July 2001 to January 2009

Darnell O. Strom
Partner and Head of Culture and Leadership for UTA

Winifred Webb
Director
Founder, Kestrel Corporate Advisors

Executive Officers

Craig Billings
Chief Executive Officer

Ellen F. Whittemore
Executive Vice President, General Counsel and Secretary

Information on this page is as of March 11, 2022.



OVERLOOK LOUNGE, WYNN LAS VEGAS



3131 LAS VEGAS BLVD, SOUTH
LAS VEGAS, NV 89109