



## MOHEGAN ANNOUNCES THIRD QUARTER FISCAL 2024 OPERATING RESULTS

Uncasville, Connecticut, August 8, 2024 – Mohegan Tribal Gaming Authority (“Mohegan,” “we” or “our”) today announced operating results for its third fiscal quarter ended June 30, 2024.

### Third Quarter 2024 and Recent Highlights:

- Mohegan achieved its highest quarterly net revenues in our history, up 21.4% year over year.
- Mohegan Digital net revenues up 151.3% year over year.
- INSPIRE generated net revenues of \$101.1 million since opening.
- Joe Hasson appointed to Chief Operating Officer of Mohegan.
- Mohegan Sun Arena hosted its 3,000th show and received three national awards for Best Casino/Resort Arena.

“As I look across our enterprise, I feel confident about how our strategy is taking shape and I’m excited about our near and long-term prospects. The combination of profitable growth in Digital, the ramp at INSPIRE since the grand opening in March, combined with the stability and resilience of our flagship, Mohegan Sun in Connecticut, highlights some of the important drivers for our growth in the present and future,” said Raymond Pineault, Chief Executive Officer of Mohegan.

### Mohegan Operating Results

|   | Three Months Ended |               | Variance  |         |
|---|--------------------|---------------|-----------|---------|
|   | June 30, 2024      | June 30, 2023 | \$        | %       |
| <i>(\$ in thousands, unaudited)</i>       |                    |               |           |         |
| Net revenues                              | \$ 504,167         | \$ 415,394    | \$ 88,773 | 21.4 %  |
| Income from operations                    | 72,431             | 82,393        | (9,962)   | (12.1)% |
| Net income (loss) attributable to Mohegan | (29,939)           | 50,557        | (80,496)  | N.M.    |
| Adjusted EBITDA <sup>1</sup>              | 104,745            | 108,670       | (3,925)   | (3.6)%  |

“Net revenues of \$504.2 million increased \$88.8 million compared with the prior-year period, primarily due to continued growth in Mohegan Digital and revenue from Mohegan INSPIRE,” said Ari Glazer, Chief Financial Officer of Mohegan. “Consolidated Adjusted EBITDA of \$104.7 million decreased \$3.9 million compared with the prior-year period, primarily due to operating costs related to the opening of Mohegan INSPIRE and non-controlling interest adjustments at Niagara Resorts, offset by strong growth in our Digital operations. Excluding the adjustment of non-controlling interest at Niagara Resorts, Adjusted EBITDA would have been \$108.3 million or flat to prior year.”

<sup>1</sup> Refer to the Reconciliation of Non-US GAAP Financial Measures for a discussion and reconciliation of Adjusted EBITDA.

## Domestic

| <i>(\$ in thousands, unaudited)</i> | Three Months Ended |               | Variance |        |
|-------------------------------------|--------------------|---------------|----------|--------|
|                                     | June 30, 2024      | June 30, 2023 | \$       | %      |
| Net revenues                        | \$ 310,747         | 302,729       | \$ 8,018 | 2.6 %  |
| Income from operations              | 63,556             | 61,884        | 1,672    | 2.7 %  |
| Net income                          | 63,536             | 60,077        | 3,459    | 5.8 %  |
| Adjusted EBITDA                     | 82,245             | 82,975        | (730)    | (0.9)% |

Net revenues of \$310.7 million increased \$8.0 million compared with the prior-year period, primarily due to higher non-gaming revenues. The non-gaming growth was driven by strong entertainment, food and beverage revenues in the period. Adjusted EBITDA of \$82.2 million and Adjusted EBITDA margin of 26.5% was 94 bps unfavorable compared with the prior-year period.

## International

| <i>(\$ in thousands, unaudited)</i> | Three Months Ended |               | Variance  |          |
|-------------------------------------|--------------------|---------------|-----------|----------|
|                                     | June 30, 2024      | June 30, 2023 | \$        | %        |
| Net revenues                        | \$ 135,429         | \$ 81,086     | \$ 54,343 | 67.0 %   |
| Loss from operations                | (14,456)           | (317)         | (14,139)  | N.M.     |
| Net loss                            | (35,921)           | (4,513)       | (31,408)  | (695.9)% |
| Adjusted EBITDA                     | (2,059)            | 13,693        | (15,752)  | N.M.     |

Net revenues of \$135.4 million increased \$54.3 million compared with the prior-year period, primarily driven by Mohegan INSPIRE. Adjusted EBITDA loss of \$2.1 million was unfavorable, primarily due to operating costs related to the opening of Mohegan INSPIRE and a \$3.6 million non-controlling interest adjustment related to Niagara Resorts. Excluding the adjustment for non-controlling interest, Adjusted EBITDA would have been \$1.5 million, which we believe presents a more accurate comparison with prior periods.

## Mohegan Digital

| <i>(\$ in thousands, unaudited)</i> | Three Months Ended |               | Variance  |         |
|-------------------------------------|--------------------|---------------|-----------|---------|
|                                     | June 30, 2024      | June 30, 2023 | \$        | %       |
| Net revenues                        | \$ 41,861          | \$ 16,661     | \$ 25,200 | 151.3 % |
| Income from operations              | 22,956             | 11,473        | 11,483    | 100.1 % |
| Net income                          | 23,060             | 11,580        | 11,480    | 99.1 %  |
| Adjusted EBITDA                     | 23,066             | 11,564        | 11,502    | 99.5 %  |

Net revenues of \$41.9 million increased \$25.2 million compared with the prior-year period, primarily due to strong growth in our Connecticut digital operations. Results were partially impacted by \$6.0 million in iGaming tax reimbursements from our iGaming partners being included as an increase to both net revenues and expenses in the current year. Adjusted EBITDA of \$23.1 million was \$11.5 million favorable compared with the prior-year period, as Mohegan Digital continues to experience strong growth.

## Management, development and other

| <i>(\$ in thousands, unaudited)</i> | Three Months Ended |               | Variance |         |
|-------------------------------------|--------------------|---------------|----------|---------|
|                                     | June 30, 2024      | June 30, 2023 | \$       | %       |
| Net revenues                        | \$ 22,489          | \$ 21,463     | \$ 1,026 | 4.8 %   |
| Income from operations              | 11,176             | 16,523        | (5,347)  | (32.4)% |
| Net income (loss)                   | (9,734)            | 6,158         | (15,892) | N.M.    |
| Adjusted EBITDA                     | 11,193             | 16,366        | (5,173)  | (31.6)% |

Net revenues of \$22.5 million increased \$1.0 million compared with the prior-year period, driven by higher management fee and inter-company entertainment revenues, partially offset by Mohegan INSPIRE development fees earned in the prior-year period. Adjusted EBITDA of \$11.2 million was \$5.2 million unfavorable compared with the prior-year period, primarily due to Mohegan INSPIRE development fees earned in the prior-year period.

## Corporate and other

| <i>(\$ in thousands, unaudited)</i> | Three Months Ended |               | Variance |          |
|-------------------------------------|--------------------|---------------|----------|----------|
|                                     | June 30, 2024      | June 30, 2023 | \$       | %        |
| Net revenues                        | \$ 27              | \$ 10         | \$ 17    | 170.0 %  |
| Loss from operations                | (10,798)           | (11,610)      | 812      | 7.0 %    |
| Net loss                            | (70,877)           | (25,860)      | (45,017) | (174.1)% |
| Adjusted EBITDA                     | (9,696)            | (10,425)      | 729      | 7.0 %    |

Adjusted EBITDA was \$0.7 million favorable compared with the prior-year period, primarily due to Corporate labor savings. Net loss was \$45.0 million unfavorable compared with the prior-year period, primarily due to a loss on fair value adjustment driven by changes in the estimated value of the warrants and put option related to our Korea Term Loan.

## **Other Information**

### ***Liquidity***

As of June 30, 2024 and September 30, 2023, Mohegan held cash and cash equivalents of \$180.9 million and \$217.3 million, respectively. Inclusive of letters of credit, which reduce borrowing availability, Mohegan had \$170.0 million of borrowing capacity under its senior secured credit facility and line of credit as of June 30, 2024. In addition, inclusive of letters of credit which reduce borrowing availability, Niagara Resorts had \$36.5 million of borrowing capacity under its revolving credit and swingline facility as of June 30, 2024.

### ***Conference Call***

Mohegan will host a conference call regarding its third quarter fiscal 2024 operating results on August 8, 2024, at 11:00 a.m. (Eastern Time).

Those interested in participating on the call should dial as follows:

(877) 407-0890

+1(201) 389-0918 (International)

A live stream and subsequent replay of the call will also be available at: <https://www.webcast-eqs.com/mohegan20240808>

Call-in participants should join five minutes in advance to ensure they are connected prior to the initiation of the call. Questions and answers will be reserved for call-in analysts and investors. Interested parties also may listen to a replay of the entire conference call commencing two hours after the call's completion on Thursday, August 8, 2024. This replay will run through Thursday, August 22, 2024.

## **About Mohegan**

Mohegan is the owner, developer, and manager of premier entertainment resorts in the United States, Canada, and Northern Asia. Mohegan's U.S. operations include resorts in Connecticut, Washington, Pennsylvania, New Jersey, and Nevada; Canadian operations are based in Niagara Falls, Ontario; and Mohegan INSPIRE is located in Incheon, South Korea. The brand's iGaming division, Mohegan Digital, provides cutting-edge online gaming solutions to Mohegan's loyal fan base and meets the digital needs of customers on a global scale. Mohegan is owner and operator of Connecticut Sun, a professional basketball team in the WNBA. For more information on Mohegan and its properties, please visit [www.mohegaming.com](http://www.mohegaming.com).

## **Cautionary Statements Regarding Forward-Looking Information**

Some information included within this press release contains forward-looking statements. Such statements may include information relating to business development activities, as well as capital spending, financing sources, the effects of regulation, including gaming and tax regulation, and increased competition. These statements can sometimes be identified by our use of forward-looking words such as "may," "will," "anticipate," "estimate," "expect" or "intend" and similar expressions. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated future results and, accordingly, such results may differ materially from those expressed in any forward-looking statements made by us or on our behalf. The forward-looking statements included within this press release are made only as of the date of this press release. We do not undertake any obligation to update or supplement any forward-looking statements to reflect subsequent events or circumstances. We cannot assure you that projected results or events will be achieved or will occur.

### **Contact:**

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**Mohegan**

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**MOHEGAN TRIBAL GAMING AUTHORITY**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands)  
(unaudited)

|   | <b>Three Months Ended</b> |                      |
|---|---------------------------|----------------------|
|   | <b>June 30, 2024</b>      | <b>June 30, 2023</b> |
| <b>Revenues:</b>  |                           |                      |
| Gaming  | \$ 335,797                | \$ 281,932           |
| Food and beverage   | 49,829                    | 40,098               |
| Hotel   | 39,435                    | 30,385               |
| Retail, entertainment and other                               | 79,106                    | 62,979               |
| Net revenues  | <u>504,167</u>            | <u>415,394</u>       |
| <b>Operating costs and expenses:</b>                          |                           |                      |
| Gaming  | 182,571                   | 140,519              |
| Food and beverage   | 45,063                    | 32,007               |
| Hotel   | 15,560                    | 12,504               |
| Retail, entertainment and other                               | 33,189                    | 23,744               |
| Advertising, general and administrative                       | 104,003                   | 83,264               |
| Corporate   | 15,266                    | 14,622               |
| Depreciation and amortization                                 | 32,824                    | 25,266               |
| Impairment of tangible assets                                 | (2,210)                   | —                    |
| Other, net  | 5,470                     | 1,075                |
| Total operating costs and expenses                            | <u>431,736</u>            | <u>333,001</u>       |
| Income from operations  | <u>72,431</u>             | <u>82,393</u>        |
| <b>Other income (expense):</b>                                |                           |                      |
| Interest income   | 318                       | 583                  |
| Interest expense, net   | (86,187)                  | (59,277)             |
| Loss on modification and early extinguishment of debt         | —                         | (54)                 |
| Gain (loss) on fair value adjustment                          | (14,310)                  | 29,250               |
| Other, net  | (261)                     | (49)                 |
| Total other expense   | <u>(100,440)</u>          | <u>(29,547)</u>      |
| Income (loss) before income tax                               | (28,009)                  | 52,846               |
| Income tax provision  | (1,775)                   | (2,225)              |
| <b>Net income (loss)</b>                                      | <u>(29,784)</u>           | <u>50,621</u>        |
| Loss attributable to non-controlling interests                | (155)                     | (64)                 |
| Income (loss) attributable to Mohegan Tribal Gaming Authority | <u>\$ (29,939)</u>        | <u>\$ 50,557</u>     |

## **MOHEGAN TRIBAL GAMING AUTHORITY RECONCILIATION OF NON-US GAAP FINANCIAL MEASURES**

### **Adjusted EBITDA Explanation:**

Net income before interest, income taxes, depreciation and amortization, or EBITDA, is a commonly used measure of performance in the casino and hospitality industry. EBITDA is not a measure of performance calculated in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). Mohegan historically has evaluated its operating performance with the non-GAAP measure, Adjusted EBITDA, which as used in this press release, primarily represents EBITDA further adjusted to exclude certain non-cash and other items as exhibited in the following reconciliation.

Adjusted EBITDA provides an additional way to evaluate Mohegan’s operations and, when viewed with both Mohegan’s GAAP results and the reconciliation provided, Mohegan believes that Adjusted EBITDA provides a more complete understanding of its financial performance than could be otherwise obtained absent this disclosure. Adjusted EBITDA is presented solely as a supplemental disclosure because: (1) Mohegan believes it enhances an overall understanding of Mohegan’s past and current financial performance; (2) Mohegan believes it is a useful tool for investors to assess the operating performance of the business in comparison to other operators within the casino and hospitality industry because Adjusted EBITDA excludes certain items that may not be indicative of Mohegan’s operating results; (3) measures that are comparable to Adjusted EBITDA are often used as an important basis for the valuation of casino and hospitality companies; and (4) Mohegan uses Adjusted EBITDA internally to evaluate the performance of its operating personnel and management and as a benchmark to evaluate its operating performance in comparison to its competitors.

The use of Adjusted EBITDA has certain limitations. Adjusted EBITDA should be considered in addition to, not as a substitute for or superior to, any US GAAP financial measure including net income (as an indicator of Mohegan’s performance) or cash flows provided by operating activities (as an indicator of Mohegan’s liquidity), nor should it be considered as an indicator of Mohegan’s overall financial performance. Mohegan’s calculation of Adjusted EBITDA is likely to be different from the calculation of Adjusted EBITDA or other similarly titled measurements used by other casino and hospitality companies and, therefore, comparability may be limited. Adjusted EBITDA eliminates certain items from net income, such as interest and depreciation and amortization, that are items that have been incurred in the past and will continue to be incurred in the future and, therefore, should be considered in the overall evaluation of Mohegan’s results. Mohegan compensates for these limitations by providing relevant disclosures of items excluded in the calculation of Adjusted EBITDA, both in its reconciliation to the US GAAP financial measure of net income and in its consolidated financial statements, all of which should be considered when evaluating its results. Mohegan strongly encourages investors to review its financial information in its entirety and not to rely on a single financial measure.

**Three Months Ended June 30, 2024**

| <i>(\$ in thousands, unaudited)</i>                       | <b>Domestic</b>  | <b>International</b> | <b>Mohegan<br/>Digital</b> | <b>Management,<br/>development<br/>and other</b> | <b>Corporate and<br/>other</b> | <b>Eliminations</b> | <b>Consolidated</b> |
|---|------------------|----------------------|----------------------------|--|--------------------------------|---------------------|---------------------|
| Net income (loss) attributable to Mohegan                 | \$ 63,536        | \$ (35,921)          | \$ 23,060                  | \$ (9,734)                                       | \$ (70,877)                    | \$ (3)              | \$ (29,939)         |
| Income (loss) attributable to non-controlling interests   | —                | (13)                 | (78)                       | 245  | 1                              | —                   | 155                 |
| Income tax provision                                      | —                | 1,754                | —                          | 21   | —                              | —                   | 1,775               |
| Interest income   | (21)             | (204)                | (26)                       | (60)   | (7)                            | —                   | (318)               |
| Interest expense, net                                     | 42               | 19,995               | —                          | 20,565   | 45,585                         | —                   | 86,187              |
| Loss on fair value adjustment                             | —                | —                    | —                          | —  | 14,310                         | —                   | 14,310              |
| Other, net  | (1)              | (67)                 | —                          | 139  | 190                            | —                   | 261                 |
| Income (loss) from operations                             | 63,556           | (14,456)             | 22,956                     | 11,176   | (10,798)                       | (3)                 | 72,431              |
| Adjusted EBITDA attributable to non-controlling interests | —                | (3,602)              | 78                         | (245)  | (1)                            | —                   | (3,770)             |
| Depreciation and amortization                             | 19,396           | 13,032               | 31                         | 263  | 102                            | —                   | 32,824              |
| Impairment of tangible assets                             | (2,210)          | —                    | —                          | —  | —                              | —                   | (2,210)             |
| Other, net  | 1,503            | 2,967                | 1                          | (1)  | 1,001                          | (1)                 | 5,470               |
| Adjusted EBITDA   | <u>\$ 82,245</u> | <u>\$ (2,059)</u>    | <u>\$ 23,066</u>           | <u>\$ 11,193</u>                                 | <u>\$ (9,696)</u>              | <u>\$ (4)</u>       | <u>\$ 104,745</u>   |

**Three Months Ended June 30, 2023**

| <i>(\$ in thousands, unaudited)</i>                       | <b>Domestic</b>  | <b>International</b> | <b>Mohegan<br/>Digital</b> | <b>Management,<br/>development<br/>and other</b> | <b>Corporate and<br/>other</b> | <b>Eliminations</b> | <b>Consolidated</b> |
|---|------------------|----------------------|----------------------------|--|--------------------------------|---------------------|---------------------|
| Net income (loss) attributable to Mohegan                 | \$ 60,077        | \$ (4,513)           | \$ 11,580                  | \$ 6,158   | \$ (25,860)                    | \$ 3,115            | \$ 50,557           |
| Income (loss) attributable to non-controlling interests   | —                | —                    | (91)                       | 157  | (2)                            | —                   | 64                  |
| Income tax (benefit) provision                            | —                | 1,961                | —                          | 265  | (1)                            | —                   | 2,225               |
| Interest income   | (48)             | (494)                | (16)                       | (2)  | (28)                           | 5                   | (583)               |
| Interest expense, net                                     | 1,855            | 2,622                | —                          | 11,100   | 43,705                         | (5)                 | 59,277              |
| Loss on modification and early extinguishment of debt     | —                | 23                   | —                          | —  | 31                             | —                   | 54                  |
| Gain on fair value adjustment                             | —                | —                    | —                          | —  | (29,250)                       | —                   | (29,250)            |
| Other, net  | —                | 84                   | —                          | (1,155)  | (205)                          | 1,325               | 49                  |
| Income (loss) from operations                             | 61,884           | (317)                | 11,473                     | 16,523   | (11,610)                       | 4,440               | 82,393              |
| Adjusted EBITDA attributable to non-controlling interests | —                | —                    | 91                         | (157)  | 2                              | —                   | (64)                |
| Depreciation and amortization                             | 20,922           | 4,285                | —                          | —  | 59                             | —                   | 25,266              |
| Other, net  | 169              | 9,725                | —                          | —  | 1,124                          | (9,943)             | 1,075               |
| Adjusted EBITDA   | <u>\$ 82,975</u> | <u>\$ 13,693</u>     | <u>\$ 11,564</u>           | <u>\$ 16,366</u>                                 | <u>\$ (10,425)</u>             | <u>\$ (5,503)</u>   | <u>\$ 108,670</u>   |