



MOHEGAN ANNOUNCES FOURTH QUARTER AND FULL FISCAL YEAR 2024 OPERATING RESULTS

Uncasville, Connecticut, December 31, 2024 – Mohegan Tribal Gaming Authority (“Mohegan,” “we” or “our”) today announced operating results for its fourth quarter and full fiscal year ended September 30, 2024.

Fourth Quarter 2024 Highlights:

- Mohegan achieved its second highest quarterly net revenues in our history, up 12.0% year over year.
- Mohegan Digital Adjusted EBITDA up 59.9% year over year.
- Mohegan INSPIRE generated net revenues of \$62.2 million.

Full Fiscal Year 2024 Highlights:

- Mohegan achieved its highest annual net revenues in our history, up 13.0% year over year.
- Mohegan Digital net revenues up \$60.1 million year over year.
- Mohegan INSPIRE generated net revenues of \$163.3 million since opening.

“It’s been 30 years since the Mohegan Tribe was granted federal recognition in 1994, and in that time since we opened the Mohegan Sun here in Connecticut, we have transformed Mohegan from a regional, single casino, into one of the premier global integrated omni-channel resort operators. This year marks the culmination of a number of important initiatives which enables us to build on these accomplishments and remain focused on executing our strategy.” said Raymond Pineault, Chief Executive Officer of Mohegan.

Mohegan Operating Results

(\$ in thousands, unaudited)	Three Months Ended		Fiscal Year Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net revenues	\$ 497,732	\$ 444,319	\$ 1,888,865	\$ 1,672,181
Income from operations	33,456	48,093	169,067	264,532
Net income (loss) attributable to Mohegan	(58,937)	(19,900)	(231,974)	21,830
Adjusted EBITDA ¹	81,288	88,049	348,994	399,919

Fourth Quarter 2024

“Net revenues of \$497.7 million increased \$53.4 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 \$81.3 million decreased \$6.8 million compared with the prior-year period, primarily due to operating costs related to the opening of Mohegan INSPIRE, low table hold at Mohegan INSPIRE, an \$11.9 million non-cash adjustment to the value of a customer contract asset at Niagara Resorts, and a full quarter of ilani management fees earned in the prior-year period, partially offset by strong growth in our Digital operations.

Full Fiscal Year 2024

“Net revenues of \$1.9 billion increased \$216.7 million compared with the prior-year period, due to the addition of Mohegan INSPIRE, continued growth in Mohegan Digital, and strong non-gaming revenues at our other resorts,” said Ari Glazer, Chief Financial Officer of Mohegan. “Consolidated Adjusted EBITDA of \$349.0 million decreased \$50.9 million compared with the prior-year period, primarily due to operating costs related to the opening of Mohegan INSPIRE, low table hold at Mohegan INSPIRE, an \$11.9 million non-cash adjustment to the value of a customer contract asset at Niagara Resorts, \$12.1 million in non-controlling interest at Niagara Resorts, and a full year of ilani management fees earned in the prior-year period, partially offset by strong growth in our Digital operations.

Domestic Resorts

(\$ in thousands, unaudited)	Three Months Ended		Fiscal Year Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net revenues	\$ 327,065	\$ 290,857	\$ 1,233,137	\$ 1,198,559
Income from operations	66,422	45,846	228,780	222,750
Net income	66,731	44,287	225,465	215,642
Adjusted EBITDA	88,852	66,976	318,890	310,586

Fourth Quarter 2024

Net revenues of \$327.1 million increased \$36.2 million compared with the prior-year period, primarily due to strong gaming and non-gaming revenues. The non-gaming growth was driven by strong entertainment revenues in the period. Adjusted EBITDA of \$88.9 million increased \$21.9 million and Adjusted EBITDA margin of 27.2% was 414 bps favorable compared with the prior-year period.

Full Fiscal Year 2024

Net revenues of \$1.2 billion increased \$34.6 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 \$318.9 million increased \$8.3 million and Adjusted EBITDA margin of 25.9% was flat compared with the prior-year period.

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

International Resorts

(\$ in thousands, unaudited)	Three Months Ended		Fiscal Year Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net revenues	\$ 125,414	\$ 88,680	\$ 448,182	\$ 314,536
Loss from operations	(36,137)	(18,812)	(113,563)	(24,067)
Net loss	(48,080)	(26,346)	(180,478)	(32,766)
Adjusted EBITDA	(11,468)	23,304	(36,119)	43,488

Fourth Quarter 2024

Net revenues of \$125.4 million increased \$36.7 million compared with the prior-year period, driven by Mohegan INSPIRE and partially offset by Niagara's results, which were negatively impacted by a \$19.8 million, before non-controlling interest, non-cash adjustment to the value of a customer contract asset. Adjusted EBITDA loss of \$11.5 million was primarily due to operating costs related to the opening of Mohegan INSPIRE, low table hold at Mohegan INSPIRE, and an \$11.9 million non-cash adjustment to the value of a customer contract asset at Niagara Resorts.

Full Fiscal Year 2024

Net revenues of \$448.2 million increased \$133.6 million compared with the prior-year period, primarily driven by the continued ramp of Mohegan INSPIRE. Adjusted EBITDA loss of \$36.1 million was primarily due to operating costs related to the opening of Mohegan INSPIRE, low table hold at Mohegan INSPIRE, an \$11.9 million non-cash adjustment to the value of a customer contract asset at Niagara Resorts, and \$12.1 million in non-controlling interest at Niagara Resorts.

Mohegan Digital

(\$ in thousands, unaudited)	Three Months Ended		Fiscal Year Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net revenues	\$ 43,884	\$ 50,040	\$ 160,710	\$ 100,575
Income from operations	19,336	11,963	78,658	48,359
Net income	19,339	12,132	79,166	49,200
Adjusted EBITDA	19,366	12,112	79,161	49,140

Fourth Quarter 2024

Net revenues of \$43.9 million decreased \$6.2 million compared with the prior-year period, due to a cumulative fiscal year 2023 accounting adjustment in the prior-year period which increased net revenues to account for iGaming tax reimbursements from our iGaming partners, and for a net-neutral outcome, increased expenses by an equivalent amount, for tax payments made to the state. Adjusted EBITDA of \$19.4 million was \$7.3 million favorable compared with the prior-year period, due to strong growth in our Mohegan Digital operations.

Full Fiscal Year 2024

Net revenues of \$160.7 million increased \$60.1 million compared with the prior-year period, primarily due to robust growth in our Connecticut digital operations. Adjusted EBITDA of \$79.2 million was \$30.0 million favorable compared with the prior-year period, as Mohegan Digital continues to experience rapid growth.

Management, development and other

(\$ in thousands, unaudited)	Three Months Ended		Fiscal Year Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net revenues	\$ 11,633	\$ 48,537	\$ 71,659	\$ 110,366
Income (loss) from operations	(2,705)	21,995	27,439	69,005
Net income (loss)	(26,747)	15,128	(46,048)	18,046
Adjusted EBITDA	(2,231)	21,804	28,366	68,127

Fourth Quarter 2024

Net revenues of \$11.6 million decreased \$36.9 million compared with the prior-year period. The decrease is attributed to the prior year benefiting from a full quarter of ilani management fees, Mohegan INSPIRE development fees, and higher inter-company entertainment revenues. Adjusted EBITDA loss of \$2.2 million was \$24.0 million unfavorable compared with the prior-year period.

Full Fiscal Year 2024

Net revenues of \$71.7 million decreased \$38.7 million compared with the prior-year period, primarily driven by a full year of ilani management fees earned and Mohegan INSPIRE development fees in the prior-year period. Adjusted EBITDA of \$28.4 million was \$39.8 million unfavorable compared with the prior-year period.

Corporate and other

(\$ in thousands, unaudited)	Three Months Ended		Fiscal Year Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net revenues	\$ (13)	\$ 129	\$ 135	\$ 441
Loss from operations	(13,460)	(7,861)	(52,247)	(41,485)
Net loss	(70,180)	(61,388)	(310,079)	(218,262)
Adjusted EBITDA	(13,232)	(11,081)	(41,304)	(41,364)

Fourth Quarter 2024

Adjusted EBITDA was \$2.2 million unfavorable compared with the prior-year period, primarily due to higher Corporate labor costs. Net loss was \$8.8 million unfavorable compared with the prior-year period, primarily due to a loss on fair value adjustment attributable to changes in the estimated value of the warrants and put option related to our Korea Term Loan.

Full Fiscal Year 2024

Adjusted EBITDA was flat compared with the prior-year period, primarily due to Corporate cost management. Net loss was \$91.8 million unfavorable compared with the prior-year period, primarily due to a loss on fair value adjustment attributable to changes in the estimated value of the warrants and put option related to our Korea Term Loan.

Other Information

Liquidity

As of September 30, 2024 and September 30, 2023, Mohegan held cash and cash equivalents of \$204.8 million and \$217.3 million, respectively. Inclusive of letters of credit, which reduce borrowing availability, Mohegan had \$187.2 million of borrowing capacity under its senior secured credit facility and line of credit as of September 30, 2024. In addition, inclusive of letters of credit which reduce borrowing availability, Niagara Resorts had \$37.0 million of borrowing capacity under its revolving credit and swingline facility as of September 30, 2024.

As discussed in Note 1 to our Fiscal 2024 Annual Report, the Company has upcoming debt maturities and faces an imminent debt covenant violation under its Korean Term Loan facility, which taken together present significant risks to investors. Investors are encouraged to review the Company's Annual Report available on the Mohegan Gaming Investor Relations website, including the Financial Statements and Risk Factors, for additional information.

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, 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 North American customers. 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.

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)

	Three Months Ended		Fiscal Year Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Revenues:				
Gaming	\$ 315,606	\$ 297,845	\$ 1,242,486	\$ 1,146,124
Food and beverage	54,971	41,566	197,431	157,569
Hotel	45,049	30,456	154,145	118,211
Retail, entertainment and other	82,106	74,452	294,803	250,277
Net revenues	<u>497,732</u>	<u>444,319</u>	<u>1,888,865</u>	<u>1,672,181</u>
Operating costs and expenses:				
Gaming	181,700	174,889	692,922	601,734
Food and beverage	50,760	32,735	179,172	129,330
Hotel	17,629	12,066	65,036	49,769
Retail, entertainment and other	41,852	31,542	131,020	98,750
Advertising, general and administrative	109,377	79,231	402,268	322,146
Corporate	18,472	21,184	60,912	65,854
Depreciation and amortization	33,968	25,277	130,297	101,046
Impairment of tangible assets	2,727	—	6,372	—
Other, net	7,791	19,302	51,799	39,020
Total operating costs and expenses	<u>464,276</u>	<u>396,226</u>	<u>1,719,798</u>	<u>1,407,649</u>
Income from operations	<u>33,456</u>	<u>48,093</u>	<u>169,067</u>	<u>264,532</u>
Other income (expense):				
Interest income	908	1,120	2,290	2,669
Interest expense, net	(88,013)	(54,642)	(328,728)	(230,366)
Loss on modification and early extinguishment of debt	—	(35)	(123)	(3,452)
Loss on fair value adjustment	(13,940)	(8,490)	(76,890)	(1,490)
Other, net	(740)	1,439	(1,474)	699
Total other expense	<u>(101,785)</u>	<u>(60,608)</u>	<u>(404,925)</u>	<u>(231,940)</u>
Income (loss) before income tax	(68,329)	(12,515)	(235,858)	32,592
Income tax benefit (provision)	4,999	(6,376)	1,318	(9,697)
Net income (loss)	<u>(63,330)</u>	<u>(18,891)</u>	<u>(234,540)</u>	<u>22,895</u>
Income (loss) attributable to non-controlling interests	4,393	(1,009)	2,566	(1,065)
Income (loss) attributable to Mohegan Tribal Gaming Authority	<u>\$ (58,937)</u>	<u>\$ (19,900)</u>	<u>\$ (231,974)</u>	<u>\$ 21,830</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.

<i>(\$ in thousands, unaudited)</i>	Three Months Ended		Fiscal Year Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Income (loss) attributable to Mohegan Tribal Gaming Authority	\$ (58,937)	\$ (19,900)	\$ (231,974)	\$ 21,830
Income (loss) attributable to non-controlling interests	(4,393)	1,009	(2,566)	1,065
Income tax benefit (provision)	(4,999)	6,376	(1,318)	9,697
Interest income	(908)	(1,120)	(2,290)	(2,669)
Interest expense, net	88,013	54,642	328,728	230,366
Loss on modification and early extinguishment of debt	—	35	123	3,452
Loss on fair value adjustment	13,940	8,490	76,890	1,490
Other, net	740	(1,439)	1,474	(699)
Income from operations	33,456	48,093	169,067	264,532
Adjusted EBITDA attributable to non-controlling interests	3,346	(4,623)	(8,541)	(4,679)
Depreciation and amortization	33,968	25,277	130,297	101,046
Impairment of tangible assets	2,727	—	6,372	—
Other, net	7,791	19,302	51,799	39,020
Adjusted EBITDA	\$ 81,288	\$ 88,049	\$ 348,994	\$ 399,919