



MOHEGAN ANNOUNCES FIRST QUARTER FISCAL 2025 OPERATING RESULTS

Uncasville, Connecticut, February 13, 2025 – Mohegan Tribal Gaming Authority (“Mohegan,” “we” or “our”) today announced operating results for its first fiscal quarter ended December 31, 2024.

First Quarter 2025 and Recent Highlights:

- Mohegan’s net revenues increased \$73.7 million year over year.
- Mohegan Digital Adjusted EBITDA increased 52.1% year over year.
- Mohegan INSPIRE generated net revenues of \$63.5 million.

“During 2024, Mohegan rolled out a number of important initiatives as part of our strategy to become one of the premier global omnichannel resort operators. Our success in accomplishing these transformational objectives is a credit to our incredible team, and as I look forward to 2025, I’m optimistic about the trends I see emerging within our omnichannel business and from the increased contributions by our non-gaming segments.” said Raymond Pineault, Chief Executive Officer of Mohegan.

Mohegan Operating Results

	Three Months Ended		Variance	
	December 31, 2024	December 31, 2023	\$	%
<i>(\$ in thousands, unaudited)</i>				
Net revenues	\$ 498,907	\$ 425,232	\$ 73,675	17.3 %
Income from operations	51,043	31,970	19,073	59.7 %
Net loss attributable to Mohegan	(85,941)	(97,019)	11,078	11.4 %
Adjusted EBITDA ¹	85,096	79,110	5,986	7.6 %

“Net revenues of \$498.9 million increased \$73.7 million compared with the prior-year period, driven by a strong quarter from Mohegan Sun and continued growth from Mohegan INSPIRE and Mohegan Digital,” said Ari Glazer, Chief Financial Officer of Mohegan. “Consolidated Adjusted EBITDA of \$85.1 million increased \$6.0 million compared with the prior-year period, as our Domestic Resorts, International Resorts, and Mohegan Digital outperformed prior year results.”

Domestic Resorts

	Three Months Ended		Variance	
	December 31, 2024	December 31, 2023	\$	%
<i>(\$ in thousands, unaudited)</i>				
Net revenues	\$ 311,985	\$ 294,891	\$ 17,094	5.8 %
Income from operations	54,884	46,856	8,028	17.1 %
Net income	54,852	45,035	9,817	21.8 %
Adjusted EBITDA	74,597	68,140	6,457	9.5 %

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

Net revenues of \$312.0 million increased \$17.1 million compared with the prior-year period, driven by strong results from Mohegan Sun. Domestic Resorts' gaming revenues increased \$5.5 million, or 2.7%, and non-gaming revenues increased \$11.6 million, or 12.6%. The non-gaming growth was primarily attributed to increased food, beverage, and entertainment revenues in the period. Adjusted EBITDA of \$74.6 million increased \$6.5 million and Adjusted EBITDA margin of 23.9% was 80 bps favorable compared with the prior-year period.

International Resorts

(\$ in thousands, unaudited)	Three Months Ended		Variance	
	December 31, 2024	December 31, 2023	\$	%
Net revenues	\$ 135,679	\$ 79,268	\$ 56,411	71.2 %
Loss from operations	(9,715)	(23,479)	13,764	58.6 %
Net loss	(33,924)	(32,885)	(1,039)	(3.2)%
Adjusted EBITDA	4,082	(5,922)	10,004	N.M.

Net revenues of \$135.7 million increased \$56.4 million compared with the prior-year period, driven by Mohegan INSPIRE. Adjusted EBITDA of \$4.1 million increased \$10.0 million, or 168.9% compared with the prior-year period. The increase is primarily attributed to the continued ramp up of Mohegan INSPIRE and a favorable one-time property tax expense adjustment at Niagara Resorts.

Mohegan Digital

(\$ in thousands, unaudited)	Three Months Ended		Variance	
	December 31, 2024	December 31, 2023	\$	%
Net revenues	\$ 53,081	\$ 36,187	\$ 16,894	46.7 %
Income from operations	24,997	16,417	8,580	52.3 %
Net income	25,095	16,509	8,586	52.0 %
Adjusted EBITDA	25,090	16,497	8,593	52.1 %

Net revenues of \$53.1 million increased \$16.9 million compared with the prior-year period, primarily due to strong results from our Connecticut operations. Adjusted EBITDA of \$25.1 million was \$8.6 million, or 52.1% favorable compared with the prior-year period.

Management, development and other

(\$ in thousands, unaudited)	Three Months Ended		Variance	
	December 31, 2024	December 31, 2023	\$	%
Net revenues	\$ 5,074	\$ 19,168	\$ (14,094)	(73.5)%
(Loss) income from operations	(5,107)	9,162	(14,269)	N.M.
Net (loss) income	(90,688)	294	(90,982)	N.M.
Adjusted EBITDA	(4,844)	9,403	(14,247)	N.M.

Net revenues of \$5.1 million decreased \$14.1 million compared with the prior-year period. Adjusted EBITDA loss of \$4.8 million was \$14.2 million unfavorable compared with the prior-year period. The decreases in net revenues and Adjusted EBITDA are attributed to the prior year benefiting from ilani management fees. Net loss for the current-year period includes accelerated amortization of the debt discount and deferred finance charges related to the Korea Term Loan.

Corporate and other

<i>(\$ in thousands, unaudited)</i>	Three Months Ended		Variance	
	December 31, 2024	December 31, 2023	\$	%
Net revenues	\$ (27)	\$ 99	\$ (126)	N.M.
Loss from operations	(14,017)	(16,904)	2,887	17.1 %
Net loss	(41,277)	(125,972)	84,695	67.2 %
Adjusted EBITDA	(13,830)	(8,926)	(4,904)	(54.9)%

Adjusted EBITDA was \$4.9 million unfavorable compared with the prior-year period, primarily due to higher Corporate labor costs, which include labor costs that were previously recorded as non-EBITDA business transformation costs during the implementation of our new ERP system and increased consulting fees. Net loss in the current-year period includes a gain on fair value adjustment of \$17.6 million on the warrants and put option related to our Korea Term Loan compared with a \$62.6 million loss in the prior-year period.

Other Information

Liquidity

As of December 31, 2024 and September 30, 2024, Mohegan held cash and cash equivalents of \$192.7 million and \$204.8 million, respectively. Inclusive of letters of credit, which reduce borrowing availability, Mohegan had \$158.4 million of borrowing capacity under its senior secured credit facility and line of credit as of December 31, 2024. In addition, inclusive of letters of credit which reduce borrowing availability, Niagara Resorts had \$34.8 million of borrowing capacity under its revolving credit and swingline facility as of December 31, 2024.

As discussed in Note 1 to our Quarterly Report for December 31, 2024, Mohegan has upcoming debt maturities and faces a financial covenant violation under its Korean Term Loan facility, which taken together present significant risks to investors. Investors are encouraged to review Mohegan's Quarterly Report and Annual Report available on the Mohegan Gaming Investor Relations website, including the Financial Statements and Risk Factors, for additional information.

Conference Call

Mohegan will host a conference call regarding its first quarter fiscal 2025 operating results on Thursday, February 13, 2025, at 11:00 a.m. (Eastern Time).

Those interested in participating in 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/mohegan250213>

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, 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	
	December 31, 2024	December 31, 2023
Revenues:		
Gaming	\$ 344,437	\$ 285,683
Food and beverage	54,229	43,707
Hotel	39,992	31,563
Retail, entertainment and other	60,249	64,279
Net revenues	<u>498,907</u>	<u>425,232</u>
Operating costs and expenses:		
Gaming	185,293	159,088
Food and beverage	49,462	36,885
Hotel	17,670	11,695
Retail, entertainment and other	32,338	25,030
Advertising, general and administrative	104,705	95,726
Corporate	18,892	14,437
Depreciation and amortization	33,818	28,301
Impairment of tangible assets	299	—
Other, net	5,387	22,100
Total operating costs and expenses	<u>447,864</u>	<u>393,262</u>
Income from operations	<u>51,043</u>	<u>31,970</u>
Other income (expense):		
Interest income	356	701
Interest expense, net	(149,776)	(66,272)
Loss on modification and early extinguishment of debt	—	(116)
Gain (loss) on fair value adjustment	17,580	(62,580)
Other, net	(890)	(548)
Total other expense	<u>(132,730)</u>	<u>(128,815)</u>
Loss before income tax	(81,687)	(96,845)
Income tax provision	(2,083)	(122)
Net loss	<u>(83,770)</u>	<u>(96,967)</u>
Income attributable to non-controlling interests	(2,171)	(52)
Loss attributable to Mohegan Tribal Gaming Authority	<u>\$ (85,941)</u>	<u>\$ (97,019)</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	
	December 31, 2024	December 31, 2023
<i>(\$ in thousands, unaudited)</i>		
Loss attributable to Mohegan Tribal Gaming Authority	\$ (85,941)	\$ (97,019)
Income attributable to non-controlling interests	2,171	52
Income tax provision	2,083	122
Interest income	(356)	(701)
Interest expense, net	149,776	66,272
Loss on modification and early extinguishment of debt	—	116
(Gain) loss on fair value adjustment	(17,580)	62,580
Other, net	890	548
Income from operations	51,043	31,970
Adjusted EBITDA attributable to non-controlling interests	(5,451)	(3,272)
Depreciation and amortization	33,818	28,301
Impairment of tangible assets	299	—
Other, net	5,387	22,111
Adjusted EBITDA	<u>\$ 85,096</u>	<u>\$ 79,110</u>