

# **Genting New York LLC**

**Consolidated Financial Statements**

**For the Three and Six month periods ended June 30, 2024 and  
2023**

**Genting New York LLC**  
**Index**  
**For the Three and Six month periods ended June 30, 2024 and 2023**

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**Genting New York LLC**  
**Consolidated Balance Sheets**  
**June 30, 2024 (unaudited) and December 31, 2023**

	(in thousands)	
	June 30, 2024 (unaudited)	December 31, 2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 294,644	\$ 267,733
Restricted cash	2,628	-
Accounts receivable, net	6,279	6,645
Related party, net	137,068	125,676
Prepaid expenses and other current assets	9,979	10,058
Total current assets	450,598	410,112
Property and equipment, net	731,150	757,220
Right of use asset	1,985	125
Long term related party loan receivables	166,721	159,240
Deferred financing cost, net	1,735	1,904
Construction deposits	48	134
Gaming license	583	600
Prepaid ground rent	72,339	74,435
Total assets	\$ 1,425,159	\$ 1,403,770
<b>Liabilities and Member's Equity</b>		
Current liabilities		
Accounts payable	\$ 9,693	\$ 10,972
Construction payable	296	774
Financing lease, current portion	502	58
Deferred revenue, current portion	5,262	12,681
Accrued expenses and other current liabilities	52,430	46,349
Total current liabilities	68,183	70,834
Long-term debt	695,421	693,753
Interest payable	6,497	6,497
Financing lease, less current portion	1,141	93
Total liabilities	771,242	771,177
<b>Member's Equity</b>		
Contributed capital	466,435	466,435
Retained earnings	187,482	166,158
Total member's equity	653,917	632,593
Total liabilities and member's equity	\$ 1,425,159	\$ 1,403,770

See accompanying notes

**Genting New York LLC**  
**Consolidated Statements of Operations**  
**Three and Six month periods ended June 30, 2024 and 2023**

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	(in thousands)			
	Three months ended June 30, 2024 (Unaudited)	Three months ended June 30, 2023 (Unaudited)	Six months ended June 30, 2024 (Unaudited)	Six months ended June 30, 2023 (Unaudited)
<b>Revenue</b>				
Gaming	\$ 76,451	\$ 73,579	\$ 153,089	\$ 149,083
Room	6,141	5,842	10,770	9,615
Food, beverage and other	9,623	8,143	18,746	16,102
Total revenue	<u>92,215</u>	<u>87,564</u>	<u>182,605</u>	<u>174,800</u>
<b>Operating expenses</b>				
Salaries and benefits	31,348	30,650	65,624	63,546
Cost of goods sold	1,435	1,333	2,928	2,495
Professional fees	767	925	1,415	1,694
Nassau Off Track Betting hosting agreement	7,632	7,385	15,264	14,769
Other operating expenses	25,863	26,120	51,839	50,725
Depreciation	14,333	13,987	28,577	27,601
Grant income	(10,557)	(10,555)	(21,113)	(21,110)
Lease expense	1,161	1,077	2,238	2,155
(Gain) Loss on disposal of assets	19	-	19	(226)
Pre-opening expenses	<u>3,265</u>	<u>3,732</u>	<u>8,421</u>	<u>9,379</u>
Total operating expenses	<u>75,266</u>	<u>74,654</u>	<u>155,212</u>	<u>151,028</u>
Total operating income	<u>16,949</u>	<u>12,910</u>	<u>27,393</u>	<u>23,772</u>
<b>Nonoperating income (expense)</b>				
Interest and other income	5,885	4,987	11,716	9,763
Interest expense	<u>(8,784)</u>	<u>(9,001)</u>	<u>(17,785)</u>	<u>(17,569)</u>
Total nonoperating income (loss)	<u>(2,899)</u>	<u>(4,014)</u>	<u>(6,069)</u>	<u>(7,806)</u>
Net Income	<u>\$ 14,050</u>	<u>\$ 8,896</u>	<u>\$ 21,324</u>	<u>\$ 15,966</u>

See accompanying notes

**Genting New York LLC**  
**Consolidated Statements of Changes in Member's Equity**  
**Three and Six month periods ended June 30, 2024 and 2023**

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(unaudited)	(in thousands)		
	Contributed Capital	Retained Earnings	Total
Balance, December 31, 2022	\$ 466,435	\$ 130,696	\$ 597,131
Net income	-	7,070	7,070
Balance, March 31, 2023	466,435	137,766	604,201
Net income	-	8,896	8,896
<b>Balance, June 30, 2023</b>	<b>\$ 466,435</b>	<b>\$ 146,662</b>	<b>\$ 613,097</b>

(unaudited)	(in thousands)		
	Contributed Capital	Retained Earnings	Total
Balance, December 31, 2023	\$ 466,435	\$ 166,158	\$ 632,593
Net income	-	7,274	7,274
Balance, March 31, 2024	466,435	173,432	639,867
Net income	-	14,050	14,050
<b>Balance, June 30, 2024</b>	<b>\$ 466,435</b>	<b>\$ 187,482</b>	<b>\$ 653,917</b>

See accompanying notes

**Genting New York LLC**  
**Consolidated Statements of Cash Flows**  
**Six month periods ended June 30, 2024 and 2023**

	(in thousands)	
	Six months ended June 30, 2024	Six months ended June 30, 2023
	(unaudited)	(unaudited)
<b>Cash flows from operating activities</b>		
Net income	\$ 21,324	\$ 15,965
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	28,577	27,601
Non-cash lease expense for prepaid ground rent and right of use assets	2,221	2,138
Amortization of deferred financing costs and accretion of debt discount	2,224	2,173
Amortization of gaming license	17	17
Paid in kind interest from related parties	(7,481)	(322)
(Gain) Loss on disposal of assets	19	(226)
Changes in operating assets and liabilities		
Related party, net	(11,392)	(13,232)
Prepaid expenses and other current assets	80	3,414
Accounts receivable	366	(5,062)
Accrued expenses and other current liabilities	6,081	(7,443)
Accounts payable	(1,281)	(3,536)
Deferred revenue	(7,419)	(7,528)
Net cash provided by operating activities	<u>33,336</u>	<u>13,959</u>
<b>Cash flows from investing activities</b>		
Construction deposits	87	(778)
Proceeds from disposal of assets	55	226
Purchases of property, plant and equipment, net	(3,060)	(6,967)
Net cash used in investing activities	<u>(2,918)</u>	<u>(7,519)</u>
<b>Cash flows from financing activities</b>		
Payments of financing fees	(387)	(484)
Repayment of principal on finance lease	(492)	(40)
Net cash used in financing activities	<u>(879)</u>	<u>(524)</u>
Net change in cash and cash equivalents during the period	29,539	5,916
<b>Cash and cash equivalents</b>		
Beginning of period	267,733	221,623
End of year period	<u>\$ 297,272</u>	<u>\$ 227,539</u>
<b>Supplemental disclosures of cash flow information:</b>		
Cash paid for interest	\$ 15,949	\$ 15,704
<b>Supplemental schedule of noncash investing and financing activities:</b>		
Fixed asset expenditures included in construction payables	\$ 296	\$ 562

See accompanying notes

# **Genting New York LLC**

## **Notes to Consolidated Financial Statements**

### **Three and Six month periods ended June 30, 2024 and 2023**

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#### **1. Organization and Nature of Business**

##### **Organization**

Genting Berhad, its subsidiaries and affiliates operate under the “Genting” name. Genting North America Holdings LLC (“GNAH”) is the sole member of Genting New York LLC (“GENNY” or the “Company”) and an indirect wholly-owned subsidiary of Genting Americas Inc. (“GAI”) and ultimately Genting Malaysia Berhad. GENNY has constructed and operates a Video Lottery Facility (“VLF”) in Queens, New York that commenced operations on October 28, 2011. The VLF has various amenities including food and beverage outlets and an entertainment stage. In 2017, the Company broke ground on an expansion project (“Expansion Project”), which included the development of a hotel on the facility premises, the expansion of the gaming space at the VLF, and the development and expansion of related amenities, including retail, food and beverage facilities, and meeting space. The first phase of the gaming expansion was opened in September of 2019. The hotel, retail, food and beverage and meeting space components of the Expansion Project were completed and opened in the third quarter of 2021.

##### **Gaming Act**

The operations of GENNY are subject to regulation by the New York State Gaming Commission (“NYSGC”), Division of Gaming. The Gaming Act provides, among other things, the statutory framework for the regulation of full-scale casino gaming. However, gaming facility licenses for such casinos are not currently authorized in Bronx, Kings, New York, Queens or Richmond counties and there was an exclusivity period through 2023 during which no further such gaming facility licenses could be granted by the NYSGC without New York State (“NYS”) legislative action. Therefore, our gaming operations at GENNY currently consist solely of video lottery terminals, and we are subject to regulation regarding the number of and types of such terminals we may have at GENNY, including electronic slot machines, other electronic games and electronic table gaming.

The Gaming Act also authorized two video lottery facilities to be located in each of Nassau County and Suffolk County on Long Island (the “OTB VGM Facilities”). After unsuccessful efforts by Nassau County’s OTB (“NOTB”) to find an acceptable VLF site within county limits, NOTB and GENNY reached an agreement, which was signed into law in April 2016, permitting us to “host” up to 1,000 electronic table games on behalf of NOTB at GENNY. The law allows GENNY to be taxed at NOTB’s preferential 60% gaming tax rate for these 1,000 hosted games (as compared to the normal 70% gaming tax rate for GENNY’s other games) in return for annual payments to NOTB of \$25 million (with cost-of-living increases).

The legislation also stated that once the OTB VGM Facilities opened, the NYSGC was required to make annual racing support payments (“Racing Support Payments”) to the New York Racing Association (“NYRA”) from the Net Win from the new OTB VGM Facilities. These Racing Support Payments, when combined with the Racing Support Payments from GENNY, were to be no less than the Racing Support Payments realized by NYRA from GENNY alone in 2013, as adjusted by the consumer price index for all urban consumers. Effectively, New York State agreed to make NYRA whole (“Make Whole”) for any declines in Racing Support Payments as a result of a reduction of GENNY’s gaming revenue from the new market entrants.

In 2016, as part of the legislation to approve GENNY’s Hosting Agreement with Nassau OTB, new legislation was enacted to require that GENNY assume the responsibilities of NYSGC for the Make Whole obligation with NYRA.

**Genting New York LLC**  
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Additionally, the law allows GENNY to participate in NYS's casino Capital Award program for the Expansion Project, provided we are able demonstrate that the Expansion Project's new non-gaming amenities could reasonably drive increased gaming revenues. Pursuant to the Capital Award program, GENNY was awarded an aggregate amount of \$419 million in gaming tax relief on GENNY non-hosted games.

**2. Basis of Presentation and Summary of Significant Accounting Policies**

**Basis for Presentation**

We prepare our unaudited consolidated financial statements in conformity with U.S. generally accepted accounting principles. The accompanying consolidated financial statements and notes include the accounts of Genting New York LLC and its subsidiaries. All intercompany balances and transactions are eliminated in consolidation. Our financial statements require the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent liabilities. Actual amounts could differ from those estimates.

In the opinion of management, the accompanying unaudited consolidated financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results for the interim periods presented. Because of the influence of various factors on the Company's operations, including certain holidays and other seasonal influences, operating results for any interim period may not be comparable to the same interim period in previous years or necessarily indicative of income for the full year.

These consolidated financial statements and notes should be read in conjunction with the consolidated financial statements and notes thereto for the year ended December 31, 2023 and do not include all footnote disclosures from the annual financial statements.

**Property and Equipment**

The Company's property and equipment are assessed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. If it is determined that the carrying amounts may not be recoverable based on current and future levels of income and expected future cash flows, as well as other factors, an impairment loss will be recognized at such time.

**Fair Value of Financial Instruments**

The Company has adopted fair value provisions in accordance with authoritative guidance issued by the Financial Accounting Standards Board ("FASB") pertaining to financial assets and liabilities. The guidance clarifies how companies are required to use a fair value measure for recognition and disclosure by establishing a common definition of fair value, a framework for measuring fair value and expanded disclosures about fair value measurements. The Company applies the following fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels:

- Level 1      Quoted prices for identical assets or liabilities in active markets;
- Level 2      Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets or valuations based on models where the significant inputs are observable or can be corroborated by observable market data; and
- Level 3      Valuations based on models where the significant inputs are not observable. The unobservable inputs reflect the Company's estimates or assumptions that market participants would use in pricing the asset or liability.



**Genting New York LLC**  
**Notes to Consolidated Financial Statements**  
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The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of financial assets and liabilities and their placement within the fair value hierarchy.

The carrying amount of the Company's financial assets and liabilities approximate fair value at June 30, 2024 and December 31, 2023 due to the short-term nature of these instruments.

**Revenue Recognition**

The Company's patron transactions consist of gaming wagers, hotel room, as well as food and beverage purchases. The Company recognizes gaming revenues as the portion of the net win (commission) that is retained by GENNY as the operator of the VLF. The Company utilizes a deferred revenue model to reduce gaming revenues by the estimated fair value of loyalty points earned by patrons and recognizes the related revenues when such loyalty points are redeemed. Unredeemed Genting Points are recognized based upon the estimated stand-alone selling price ("SSP") after factoring in the likelihood of redemption. Revenues from hotel, food and beverage, retail, entertainment and other services, including revenues associated with loyalty point redemptions and complimentary, are recognized at the time such service is performed.

Food and beverage revenues include (i) revenues generated from transactions with patrons for such goods and/or services, (ii) revenues recognized through the redemption of points from our loyalty programs for such goods and/or services, and (iii) revenues generated as a result of providing such goods and/or services on a complimentary basis in conjunction with gaming activities. Food and beverage revenues are recognized when goods are delivered. In general, performance obligations associated with these transactions are satisfied at a point-in-time. The Company's performance obligation liabilities are included in "Accrued expenses and other current liabilities" in our consolidated balance sheets. The transaction price for hotel room and food and beverage purchases is the net amount collected from the patron for such goods and services. Hotel room and food and beverage services have been determined to be separate, standalone transactions and the transaction price for such services is recorded as revenue as the good or service is transferred to the patron over the duration of the patron's stay at the hotel or when the Company provides the food and beverage services. The Company collects advanced deposits from hotel patrons for future reservations representing obligations of the Company until the room stay is provided to the patron.

Other revenues primarily include commissions received on ATM transactions and cash advances, as well as lottery tickets, which are recorded on a net basis as the Company represents the agent in its relationship with the third-party service providers. Other revenues also include the sale of retail goods, which are recognized at the time the goods are delivered to the customer.

The Company's performance obligation related to its loyalty point obligation is generally completed within one year, as a patron's loyalty point balance is forfeited after six months of inactivity, as defined in the loyalty programs. Loyalty points are generally earned and redeemed constantly over time, and the decrease is primarily attributed to the expiration of points, per policy.

**Genting New York LLC**  
**Notes to Consolidated Financial Statements**  
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Complimentary food and beverage revenues, and complimentary room revenues for the quarters ended June 30, 2024 and 2023 were as follows:

	(in thousands)	
	<b>Three months ended</b>	
	<b>June 30, 2024</b>	<b>June 30, 2023</b>
Complimentary food, beverage and other revenue	\$ 1,613	\$ 1,241
Complimentary hotel revenue	\$ 516	\$ 361

	(in thousands)	
	<b>Six months ended</b>	
	<b>June 30, 2024</b>	<b>June 30, 2023</b>
Complimentary food, beverage and other revenue	\$ 3,170	\$ 2,481
Complimentary hotel revenue	\$ 1,055	\$ 1,063

A difference may exist between the timing of cash receipts from patrons and the recognition of revenues, resulting in a performance obligation. In general, the Company has two types of such performance obligations: (1) outstanding gaming voucher liability, which represents amounts owed in exchange for outstanding gaming voucher held by patrons; and (2) loyalty points deferred revenue liability, as discussed above. The loyalty points liability is generally expected to be recognized as revenues within one year and are recorded within other current liabilities.

The following table summarizes these liabilities at June 30, 2024 and December 31, 2023:

	(in thousands)	
	<b>June 30, 2024</b>	<b>December 31, 2023</b>
Unredeemed point liability	\$ 1,288	\$ 1,485
Gaming voucher liability	3,652	3,825
Total	<u>\$ 4,940</u>	<u>\$ 5,310</u>

**Income Taxes**

GENNY is a disregarded single member LLC, and its activity is included on the consolidated federal and state returns filed for GAI. GENNY follows ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes recording income taxes for a disregarded single member LLC not subject to income tax. In accordance with ASU 2019-12, GENNY previously elected to not record income taxes. Tax expense related to the consolidated federal and state tax provisions is recorded at GAI, and GAI makes income tax payments for the US consolidated group that includes GENNY.

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**Notes to Consolidated Financial Statements**  
**Three and Six month periods ended June 30, 2024 and 2023**

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**3. Cash and cash equivalents**

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the balance sheets that sum to the total of the amounts shown in the statement of cash flows. Restricted cash is funds held as collateral for property and casualty insurance.

	(in thousands)	
	June 30, 2024	December 31, 2023
Cash and cash equivalents	\$ 294,644	\$ 215,656
Restricted cash	2,628	-
Total cash, cash equivalents and restricted cash	<u>\$ 297,272</u>	<u>\$ 215,656</u>

**4. Property and Equipment**

Property and equipment at June 30, 2024 and December 31, 2023 consist of:

	(in thousands)	
	June 30, 2024	December 31, 2023
Building and improvements	\$ 1,010,342	\$ 1,010,340
Furniture, fixtures and equipment	151,494	147,753
Assets under construction	1,656	2,947
	<u>\$ 1,163,492</u>	<u>\$ 1,161,040</u>
Less: Accumulated depreciation	(432,342)	(403,820)
	<u>\$ 731,150</u>	<u>\$ 757,220</u>

The VLTs in our facility are owned by the gaming vendors and, accordingly, our consolidated financial statements include neither the cost nor the depreciation for these gaming devices.

Depreciation expense for the three months ended June 30, 2024 and 2023 was approximately \$14.3 million and \$14.0 million, respectively. Depreciation expense for the six months ended June 30, 2024 and 2023 was approximately \$28.6 million and \$27.6 million, respectively.

**5. Long Term Related Party Loan Receivables**

On March 9, 2015, GENNY entered into a loan agreement with its sister entity, Bimini Superfast Operations LLC ("Bimini"), to lend Bimini funds in the amount up to and including \$41.0 million. Between 2015 and 2017, the loan agreement was amended to increase the loan amount to \$216.0 million, at a monthly interest rate of 5% plus the Bahama Prime Lending Rate. At June 30, 2024, the interest rate under the loan agreement was 9.25%. The loan agreement entered into is due to mature ten (10) years from the date of the final draw down, with principal plus accrued interest payable upon maturity of the agreement, or at an earlier date when GENNY chooses to call the loan. At both June 30, 2024 and December 31, 2023, the related party loan receivable principal balance was \$131.2 million and is included in the Long term related party loan receivable balance. Accrued interest receivable was \$26.7 million and \$19.6 million at June 30, 2024 and December 31, 2023, respectively and is included in the Long term related party loan receivable balance. Interest income on the loan receivable is recognized as it is earned. For the three months ended June 30, 2024 and 2023, interest

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**Notes to Consolidated Financial Statements**  
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income on the loan receivable was \$3.6 million and \$3.5 million, respectively. For the six months ended June 30, 2024 and 2023, interest income on the loan receivable was \$7.1 million and \$7.0 million, respectively.

On August 15, 2016, GENNY entered into an agreement with its sister entity, Resorts World Omni LLC ("Omni"), to lend Omni funds in the amount up to \$10.0 million, and subsequently \$14.0 million as amended on May 15, 2017, at a rate of 1-month LIBOR plus 3.25%. On June 30, 2023, LIBOR ceased as an interest rate reference and was replaced with Secured Overnight Financing Rate ("SOFR"). The Company amended the loan agreement to revise the interest rate to 2.9% per annum above the applicable one-month SOFR. All other terms of the loan remained the same. At June 30, 2024, the interest rate under the loan agreement was 8.2%. The loan agreement entered into is due to mature ten (10) years from the date of the initial draw down, with principal plus accrued interest payable upon maturity of the agreement, or at an earlier date when GENNY chooses to call the loan. At both June 30, 2024 and December 31, 2023, the related party loan receivable principal balance was \$6.3 million and is included in the Long term related party and related party loan receivable balance. Accrued interest receivable was \$2.5 million and \$2.2 million at June 30, 2024 and December 31, 2023, respectively, and is included in the long term related party loan receivable balance. Interest income on the loan receivable is recognized as it is earned. For the three months ended June 30, 2024 and 2023, interest income on the loan receivable was \$0.2 million and \$0.2 million, respectively. For the six months ended June 30, 2024 and 2023, interest income on the loan receivable was \$0.4 million and \$0.3 million, respectively.

Long term related party loan receivables at June 30, 2024 and December 31, 2023 consist of:

	(in thousands)	
	<b>June 30, 2024</b>	<b>December 31, 2023</b>
Bimini Superfast Operations LLC	\$ 157,883	\$ 150,780
Resorts World Omni LLC	8,838	8,460
	<hr/>	<hr/>
Long term related party loan receivables	<u>\$ 166,721</u>	<u>\$ 159,240</u>

**Genting New York LLC**  
**Notes to Consolidated Financial Statements**  
**Three and Six month periods ended June 30, 2024 and 2023**

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**6. Accrued expenses and other current liabilities**

Accrued expenses and other current liabilities consisted of the following at June 30, 2024 and December 31, 2023:

	(in thousands)	
	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Accrued payroll	\$ 12,936	\$ 15,412
Accrued property, occupancy, sales and use tax	19,871	11,517
Deferred revenue-loyalty points	1,288	1,485
Liability for progressive jackpots	2,606	3,214
Gaming voucher liability	3,652	3,825
Accrued other	<u>12,077</u>	<u>10,896</u>
Accrued expenses and other current liabilities	<u>\$ 52,430</u>	<u>\$ 46,349</u>

**7. Long-term Debt**

Long-term debt consisted of the following at June 30, 2024 and December 31, 2023:

	(in thousands)	
	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
3.300% Senior Notes	\$ 525,000	\$ 525,000
Term Loan A	<u>175,000</u>	<u>175,000</u>
Total long-term debt	700,000	700,000
Less: Debt issuance costs	<u>(4,579)</u>	<u>(6,247)</u>
Total long-term debt, net	<u>\$ 695,421</u>	<u>\$ 693,753</u>

In June 2017, GENNY refinanced a prior syndicate loan agreement with credit facilities in the amount of \$675 million, which were collateralized by the cash flows from the operations of the VLF. The credit facilities consisted of a \$175 million revolving credit facility, a \$290 million fully funded term loan facility ("Term Loan") and a \$210 million delayed draw term loan facility ("Building Term Loan", and together "Syndicate Loans").

In January of 2021, GENNY Capital Inc. ("GENNY Capital") was formed as a wholly-owned subsidiary of GENNY solely for the purpose of acting as a co-issuer of debt securities of GENNY. GENNY Capital does not have any operations or assets.

In February of 2021, GENNY and GENNY Capital Inc. issued \$525 million in aggregate principal amount of 3.300% senior notes due 2026 (the "Notes").

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In February of 2021, GENNY amended and extended the Syndicate Loans with a \$175 million term loan facility (“Term Loan A”), a \$175 million delayed draw term loan facility (“DDTL”) and a \$25 million revolving credit facility (“RCF”), (which includes an existing \$7.79 million letter of credit issued by Wells Fargo for the benefit of Liberty Mutual Insurance Company), together the Amended Credit Facilities (“Amended Credit Facilities”). The Amended Credit Facilities (i) extended the maturity date applicable to the Existing Term Loan Facility to August 10, 2025, (ii) amended the Applicable Rate applicable to the Existing Term Loan Facility, and (iii) amended certain financial and other covenants. The interest rate at June 30, 2024 was 7.7% based on the Applicable Rate as defined in Amended Credit Facilities. The Company drew down \$175 million on the Amended Credit Facilities at the closing of the transaction.

The proceeds from this transaction were utilized to pay off the existing Syndicate Loans consisting of the \$290 million Term Loan draw, the outstanding draw against the revolving credit facility of \$125 million and the outstanding draw against the Building Term Loan of \$110 million.

The Amended Credit Facilities include a consolidated total net leverage ratio covenant of 5.50:1.00 with step-downs over time and an interest coverage ratio covenant of 3.00:1.00. In December 2023, an amendment was executed to set a fixed total net leverage ratio covenant of 4.25:1.00 starting with the same quarter and each test date thereafter. There is also , a consolidated senior secured net leverage ratio covenant of 2.25:1.00 is to be tested at each borrowing under the revolving credit facility and quarterly while such revolving credit facility is drawn. As of June 30, 2024, the Company was in compliance with the covenants set forth in the loan agreements.

Upon issuance of the Notes and Amended Credit Facilities, capitalized debt issuance costs related to the RCF were recorded as deferred financing costs in the accompanying consolidated balance sheets and will be amortized over the term of the related debt. Capitalized debt issuance costs related to the Notes and Term Loan A were capitalized as contra-liabilities and included in long-term debt in the accompanying consolidated balance sheets and will be amortized over the term of the related debt.

GENNY incurred interest expense of \$7.6 million and \$7.7 million under the Amended Credit Facilities and Notes for three months ended June 30, 2024 and 2023, respectively, and \$15.4 and \$15.2 for the six months ended June 30, 2024 and 2023, respectively. Unamortized debt issuance costs totaling \$1.7 million and \$1.9 million were classified as assets at June 30, 2024 and December 31, 2023 respectively and debt discounts of \$4.6 million and \$6.2 million were reflected as contra-liabilities and included in long-term debt, in the accompanying consolidated balance sheet at June 30, 2024 and December 31, 2023, respectively.

At June 30, 2024 and December 31, 2023, \$175.0 million was drawn on the Term Loan A. There were no draws on the DDTL or RCF at June 30, 2024 and December 2023.

The aggregate amount of future principal payments for the long-term debt at June 30, 2024 are as follows:

(in thousands)	
2024	-
2025	175,000
2026	<u>525,000</u>
Total	<u>\$ 700,000</u>

**Genting New York LLC**  
**Notes to Consolidated Financial Statements**  
**Three and Six month periods ended June 30, 2024 and 2023**

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**8. Related Party Transactions**

In addition to the related party loans described in Note 4 above, during 2024 and 2023, GENNY entered into transactions with affiliated companies for various operating support services. Amounts due to and due from affiliated companies at June 30, 2024 and December 31, 2023 are as follows:

	(in thousands)	
	June 30, 2024	December 31, 2023
Due from Genting Americas Inc.	\$ 137,555	\$ 124,793
Due from related parties	<u>137,555</u>	<u>124,793</u>
Due from (to) Resorts World Inc. Pte Ltd.	\$ (487)	\$ 883
Due from (to) related parties	<u>(487)</u>	<u>883</u>
Net due from related parties	<u>\$ 137,068</u>	<u>\$ 125,676</u>

GENNY entered into transactions with GAI whereby GENNY provides various support services to and pays certain expenses on behalf of GAI. The Due to Resorts World Inc. Pte Ltd. balance relates to amounts accrued for royalties owed to Resorts World Inc. Pte Ltd. ("RWI") for the use of the Resorts World logo. As the royalty income is paid to a foreign person, the Company, as the withholding agent, is obligated to withhold 30% of the gross royalties and remit that portion to the IRS. At June 30, 2024 and December 31, 2023 the Company has accrued \$1.5 million and \$1.0 million, respectively, of taxes payable to the IRS which is recorded in accrued expenses and other current liabilities in the accompanying balances sheets.

**9. Member's Equity**

Contributed capital consists of 100,000,100 authorized units with a unit value of \$1 each. In addition, in 2010 GENNY entered into a loan agreement with Resorts World Capital Limited; an affiliated company. In December 2018, this loan was assigned to GNAH, the immediate parent of the Company, through an equity contribution to the Company. The amount of principal and interest assigned and equity contributed totaled \$366.4 million

**10. Commitments and Contingencies**

From time to time, GENNY is subject to certain legal proceedings and claims that arise in the normal course of business. As of June 30, 2024 and December 31, 2023, no litigation related loss contingencies were recorded as there were no legal proceedings or claims outstanding that were probable and reasonably estimable. Where it is reasonably possible such legal proceedings or claims outstanding could result in a possible loss, an estimate or range of possible loss cannot currently be made.

**11. Subsequent Events**

The Company has evaluated subsequent events from the balance sheet date through September 9, 2024 the date at which the consolidated financial statements were available to be issued and determined there are no items to disclose other than the items noted above.