

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

**FORM 10-Q**

(Mark One)

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

For the quarterly period ended March 31, 2024  
OR

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

For the transition period from to  
Commission File No. 001-10362

**MGM Resorts International**  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

88-0215232  
(I.R.S. Employer  
Identification No.)

3600 Las Vegas Boulevard South, Las Vegas, Nevada 89109  
(Address of principal executive offices) (Zip Code)

(702) 693-7120  
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock (Par Value \$0.01)	MGM	New York Stock Exchange (NYSE)

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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Outstanding at April 29, 2024</u>
Common Stock, \$0.01 par value	313,680,435 shares

**MGM RESORTS INTERNATIONAL AND SUBSIDIARIES**  
**FORM 10-Q**  
**I N D E X**

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**Part I. FINANCIAL INFORMATION**  
**Item 1. Financial Statements**

**MGM RESORTS INTERNATIONAL AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
*(In thousands, except share data)*  
*(Unaudited)*

	March 31, 2024	December 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 2,722,292	\$ 2,927,833
Accounts receivable, net	924,060	929,135
Inventories	147,357	141,678
Income tax receivable	91,880	141,444
Prepaid expenses and other	688,223	770,503
Total current assets	4,573,812	4,910,593
<b>Property and equipment, net</b>	5,630,014	5,449,544
<b>Other assets</b>		
Investments in and advances to unconsolidated affiliates	246,167	240,803
Goodwill	5,152,826	5,165,694
Other intangible assets, net	1,686,245	1,724,582
Operating lease right-of-use assets, net	23,901,023	24,027,465
Other long-term assets, net	888,966	849,867
Total other assets	31,875,227	32,008,411
	\$ 42,079,053	\$ 42,368,548
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts and construction payable	\$ 448,158	\$ 461,718
Accrued interest on long-term debt	114,828	60,173
Other accrued liabilities	2,471,000	2,604,177
Total current liabilities	3,033,986	3,126,068
<b>Deferred income taxes, net</b>	2,849,583	2,860,997
<b>Long-term debt, net</b>	6,269,763	6,343,810
<b>Operating lease liabilities</b>	25,115,883	25,127,464
<b>Other long-term obligations</b>	750,280	542,708
<b>Commitments and contingencies (Note 8)</b>		
<b>Redeemable noncontrolling interests</b>	32,281	33,356
<b>Stockholders' equity</b>		
Common stock, \$0.01 par value: authorized 1,000,000,000 shares, issued and outstanding 314,915,054 and 326,550,141 shares	3,149	3,266
Capital in excess of par value	—	—
Retained earnings	3,393,805	3,664,008
Accumulated other comprehensive income	59,810	143,896
Total MGM Resorts International stockholders' equity	3,456,764	3,811,170
<b>Noncontrolling interests</b>	570,513	522,975
Total stockholders' equity	4,027,277	4,334,145
	\$ 42,079,053	\$ 42,368,548

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

**MGM RESORTS INTERNATIONAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
*(In thousands, except per share data)*  
*(Unaudited)*

	Three Months Ended March 31,	
	2024	2023
<b>Revenues</b>		
Casino	\$ 2,241,095	\$ 1,882,428
Rooms	956,401	848,488
Food and beverage	769,403	722,131
Entertainment, retail and other	404,391	409,578
Reimbursed costs	12,180	10,671
	<u>4,383,470</u>	<u>3,873,296</u>
<b>Expenses</b>		
Casino	1,271,844	990,890
Rooms	274,408	240,114
Food and beverage	558,080	511,592
Entertainment, retail and other	244,297	243,528
Reimbursed costs	12,180	10,671
General and administrative	1,194,682	1,135,540
Corporate expense	129,666	127,559
Preopening and start-up expenses	1,095	139
Property transactions, net	17,154	(396,076)
Depreciation and amortization	196,562	203,501
	<u>3,899,968</u>	<u>3,067,458</u>
<b>Loss from unconsolidated affiliates</b>	(25,124)	(74,999)
<b>Operating income</b>	<u>458,378</u>	<u>730,839</u>
<b>Non-operating income (expense)</b>		
Interest expense, net of amounts capitalized	(110,037)	(130,300)
Non-operating items from unconsolidated affiliates	(136)	(1,184)
Other, net	(4,806)	46,307
	<u>(114,979)</u>	<u>(85,177)</u>
<b>Income before income taxes</b>	343,399	645,662
Provision for income taxes	(43,673)	(165,779)
<b>Net income</b>	<u>299,726</u>	<u>479,883</u>
Less: Net income attributable to noncontrolling interests	(82,250)	(13,076)
<b>Net income attributable to MGM Resorts International</b>	<u>\$ 217,476</u>	<u>\$ 466,807</u>
<b>Earnings per share</b>		
Basic	\$ 0.68	\$ 1.25
Diluted	\$ 0.67	\$ 1.24
<b>Weighted average common shares outstanding</b>		
Basic	320,488	374,085
Diluted	323,757	378,095

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

**MGM RESORTS INTERNATIONAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
*(In thousands)*  
*(Unaudited)*

	Three Months Ended March 31,	
	2024	2023
<b>Net income</b>	\$ 299,726	\$ 479,883
Other comprehensive income (loss), net of tax:		
Foreign currency translation	(85,190)	(49)
Other	—	871
Other comprehensive income (loss)	(85,190)	822
<b>Comprehensive income</b>	214,536	480,705
Less: Comprehensive income attributable to noncontrolling interests	(81,146)	(10,589)
<b>Comprehensive income attributable to MGM Resorts International</b>	\$ 133,390	\$ 470,116

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

**MGM RESORTS INTERNATIONAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)  
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
<b>Cash flows from operating activities</b>		
Net income	\$ 299,726	\$ 479,883
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	196,562	203,501
Amortization of debt discounts, premiums and issuance costs	7,020	7,130
Provision for credit losses	18,152	16,133
Stock-based compensation	26,780	23,891
Foreign currency transaction (gain) loss	(32,925)	16,226
Property transactions, net	17,154	(396,076)
Noncash lease expense	128,509	132,223
Other investment losses (gains)	21,287	(6,152)
Loss from unconsolidated affiliates	25,260	76,183
Distributions from unconsolidated affiliates	1,317	1,315
Deferred income taxes	(8,203)	38,098
Change in operating assets and liabilities:		
Accounts receivable	34,607	75,690
Inventories	(5,727)	(2,690)
Income taxes receivable and payable, net	52,949	134,564
Prepaid expenses and other	(39,249)	(23,671)
Accounts payable and accrued liabilities	(224,616)	(78,810)
Other	30,668	6,615
Net cash provided by operating activities	549,271	704,053
<b>Cash flows from investing activities</b>		
Capital expenditures	(172,080)	(139,820)
Dispositions of property and equipment	547	5,185
Investments in unconsolidated affiliates	(10,029)	(35,730)
Proceeds from sale of operating resorts	—	452,824
Acquisitions, net of cash acquired	(491)	—
Proceeds from repayment of principal on note receivable	—	152,518
Distributions from unconsolidated affiliates	595	549
Investments and other	73,048	(223,348)
Net cash provided by (used in) investing activities	(108,410)	212,178
<b>Cash flows from financing activities</b>		
Net repayments under bank credit facilities - maturities of 90 days or less	(76,702)	(586,456)
Repayment of long-term debt	—	(1,250,000)
Debt issuance costs	(9,608)	—
Distributions to noncontrolling interest owners	(11,572)	(17,936)
Repurchases of common stock	(506,571)	(484,399)
Other	(24,517)	(41,342)
Net cash used in financing activities	(628,970)	(2,380,133)
<b>Effect of exchange rate on cash, cash equivalents, and restricted cash</b>	(17,600)	(6,480)
<b>Change in cash and cash equivalents classified as assets held for sale</b>	—	25,938
<b>Cash, cash equivalents, and restricted cash</b>		
Net change for the period	(205,709)	(1,444,444)
Balance, beginning of period	3,014,896	6,036,388
Balance, end of period	\$ 2,809,187	\$ 4,591,944
<b>Supplemental cash flow disclosures</b>		
Interest paid, net of amounts capitalized	\$ 48,362	\$ 92,239
Federal, state and foreign income taxes paid, net	2,327	372
<b>Non-cash investing and financing activities</b>		
MGM Grand Paradise gaming concession intangible asset	\$ —	\$ 226,083
MGM Grand Paradise gaming concession long-term obligation	—	226,083

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

**MGM RESORTS INTERNATIONAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
*(In thousands)*  
*(Unaudited)*

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income	Total MGM Resorts International Stockholders' Equity	Noncontrolling Interests	Total Stockholders' Equity
	Shares	Par Value						
<b>Balances, January 1, 2024</b>	326,550	\$ 3,266	\$ —	\$ 3,664,008	\$ 143,896	\$ 3,811,170	\$ 522,975	\$ 4,334,145
Net income	—	—	—	217,476	—	217,476	82,048	299,524
Currency translation adjustment	—	—	—	—	(84,086)	(84,086)	(1,104)	(85,190)
Stock-based compensation	—	—	25,894	—	—	25,894	707	26,601
Issuance of common stock pursuant to stock-based compensation awards	68	—	(1,161)	—	—	(1,161)	—	(1,161)
Distributions to noncontrolling interest owners	—	—	—	—	—	—	(33,183)	(33,183)
Repurchases of common stock	(11,703)	(117)	(23,553)	(487,812)	—	(511,482)	—	(511,482)
Adjustment of redeemable noncontrolling interest to redemption value	—	—	—	133	—	133	—	133
Other	—	—	(1,180)	—	—	(1,180)	(930)	(2,110)
<b>Balances, March 31, 2024</b>	<u>314,915</u>	<u>\$ 3,149</u>	<u>\$ —</u>	<u>\$ 3,393,805</u>	<u>\$ 59,810</u>	<u>\$ 3,456,764</u>	<u>\$ 570,513</u>	<u>\$ 4,027,277</u>

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

**MGM RESORTS INTERNATIONAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
*(In thousands)*  
*(Unaudited)*

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income	Total MGM Resorts International Stockholders' Equity	Noncontrolling Interests	Total Stockholders' Equity
	Shares	Par Value						
<b>Balances, January 1, 2023</b>	379,088	\$ 3,791	\$ —	\$ 4,794,239	\$ 33,499	\$ 4,831,529	\$ 378,594	\$ 5,210,123
Net income	—	—	—	466,807	—	466,807	12,909	479,716
Currency translation adjustment	—	—	—	—	2,438	2,438	(2,487)	(49)
Stock-based compensation	—	—	23,228	—	—	23,228	663	23,891
Issuance of common stock pursuant to stock-based compensation awards	73	1	(1,342)	—	—	(1,341)	—	(1,341)
Cash distributions to noncontrolling interest owners	—	—	—	—	—	—	(6,641)	(6,641)
Issuance of restricted stock units	—	—	1,701	—	—	1,701	—	1,701
Repurchases of common stock	(11,920)	(120)	(24,881)	(461,868)	—	(486,869)	—	(486,869)
Adjustment of redeemable noncontrolling interest to redemption value	—	—	1,297	—	—	1,297	—	1,297
Other	—	—	(3)	—	871	868	(593)	275
<b>Balances, March 31, 2023</b>	<u>367,241</u>	<u>\$ 3,672</u>	<u>\$ —</u>	<u>\$ 4,799,178</u>	<u>\$ 36,808</u>	<u>\$ 4,839,658</u>	<u>\$ 382,445</u>	<u>\$ 5,222,103</u>

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

**MGM RESORTS INTERNATIONAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

**NOTE 1 — ORGANIZATION**

**Organization.** MGM Resorts International, a Delaware corporation (together with its consolidated subsidiaries, unless otherwise indicated or unless the context requires otherwise, the “Company”) is a global gaming and entertainment company with domestic and international locations featuring hotels and casinos, convention, dining, and retail offerings, and sports betting and online gaming operations.

As of March 31, 2024, the Company’s domestic casino resorts include the following integrated casino, hotel and entertainment resorts in Las Vegas, Nevada: Aria (including Vdara), Bellagio, The Cosmopolitan of Las Vegas (“The Cosmopolitan”), MGM Grand Las Vegas (including The Signature), Mandalay Bay, Luxor, New York-New York, Park MGM, and Excalibur. The Company also operates MGM Grand Detroit in Detroit, Michigan, MGM National Harbor in Prince George’s County, Maryland, MGM Springfield in Springfield, Massachusetts, Borgata in Atlantic City, New Jersey, Empire City in Yonkers, New York, MGM Northfield Park in Northfield Park, Ohio, and Beau Rivage in Biloxi, Mississippi. Additionally, the Company operates The Park, a dining and entertainment district located between New York-New York and Park MGM. The Company leases the real estate assets of its domestic properties pursuant to triple-net lease agreements.

The Company has an approximate 56% controlling interest in MGM China Holdings Limited (together with its subsidiaries, “MGM China”), which owns MGM Grand Paradise, S.A. (“MGM Grand Paradise”). MGM Grand Paradise owns and operates MGM Macau and MGM Cotai, two integrated casino, hotel and entertainment resorts in Macau, as well as the related gaming concession and land concessions.

The Company also owns LV Lion Holding Limited (“LeoVegas”), a consolidated subsidiary that has global online gaming operations headquartered in Sweden and Malta. Additionally, the Company and its venture partner, Entain plc, each have a 50% ownership interest in BetMGM, LLC (“BetMGM”), an unconsolidated affiliate, which provides online sports betting and gaming in certain jurisdictions in North America. The Company also has a 50% ownership interest in Osaka IR KK, an unconsolidated affiliate, which plans to develop an integrated resort in Osaka, Japan.

**Reportable segments.** The Company has three reportable segments: Las Vegas Strip Resorts, Regional Operations and MGM China. See Note 11 for additional information about the Company’s segments.

**NOTE 2 — BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Basis of presentation.** As permitted by the rules and regulations of the Securities and Exchange Commission (“SEC”), certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) have been condensed or omitted. These consolidated financial statements should be read in conjunction with the Company’s 2023 annual consolidated financial statements and notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023.

In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments, which include only normal recurring adjustments, necessary to present fairly the Company’s interim financial statements. The results for such periods are not necessarily indicative of the results to be expected for the full year.

**Principles of consolidation.** The Company evaluates entities for which control is achieved through means other than voting rights to determine if it is the primary beneficiary of a variable interest entity (“VIE”). The Company consolidates its investment in a VIE when it determines that it is its primary beneficiary. Bellagio BREIT Venture (the landlord of Bellagio, which is a venture in which the Company has a 5% ownership interest) and Osaka IR KK are VIEs in which the Company is not the primary beneficiary because it does not have power on its own to direct the activities that could potentially be significant to the ventures and, accordingly, does not consolidate the ventures. The Company may change its original assessment of a VIE upon subsequent events such as the modification of contractual arrangements that affect the characteristics or adequacy of the entity’s equity investments at risk and the disposition of all or a portion of an interest held by the primary beneficiary. The Company performs this analysis on an ongoing basis.

For entities determined not to be a VIE, the Company consolidates such entities in which the Company owns 100% of the equity. For entities in which the Company owns less than 100% of the equity interest, the Company consolidates the

entity under the voting interest model if it has a controlling financial interest based upon the terms of the respective entities' ownership agreements, such as MGM China. For these entities, the Company records a noncontrolling interest in the consolidated balance sheets and all intercompany balances and transactions are eliminated in consolidation. If the entity does not qualify for consolidation under the voting interest model and the Company has significant influence over the operating and financial decisions of the entity, the Company generally accounts for the entity under the equity method, such as BetMGM, which does not qualify for consolidation as the Company has joint control, given the entity is structured with substantive participating rights whereby both owners participate in the decision making process, which prevents the Company from exerting a controlling financial interest in such entity, as defined in Accounting Standards Codification ("ASC") 810. For entities over which the Company does not have significant influence, the Company accounts for its equity investment under ASC 321.

**Reclassifications.** Certain reclassifications have been made to conform the prior period presentation.

**Fair value measurements.** Fair value measurements affect the Company's accounting and impairment assessments of its long-lived assets, investments in unconsolidated affiliates or equity interests, assets acquired, and liabilities assumed in an acquisition, and goodwill and other intangible assets. Fair value measurements also affect the Company's accounting for certain of its financial assets and liabilities. Fair value is defined as 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 and is measured according to a hierarchy that includes: Level 1 inputs, such as quoted prices in an active market; Level 2 inputs, which are quoted prices for identical or comparable instruments or pricing using observable market data; or Level 3 inputs, which are unobservable inputs. The Company used the following inputs in its fair value measurements:

- Level 1 inputs when measuring its equity investments recorded at fair value;
- Level 2 inputs for its long-term debt fair value disclosures; See Note 5; and
- Level 1 and Level 2 inputs for its debt investments.

*Equity investments.* Fair value is measured based upon trading prices on the applicable securities exchange for equity investments for which the Company has elected the fair value option of ASC 825 and equity investments accounted for under ASC 321 that have a readily determinable fair value. The fair value of these investments was \$411 million and \$435 million as of March 31, 2024 and December 31, 2023, respectively, and is reflected within "Other long-term assets, net" on the consolidated balance sheets. Gains and losses are recorded in "Other, net" in the statements of operations. For the three months ended March 31, 2024 and 2023, the Company recorded a net loss on its equity investments of \$24 million and less than \$1 million, respectively.

*Debt investments.* The Company's investments in debt securities are classified as trading securities and recorded at fair value. Gains and losses are recorded in "Other, net" in the statements of operations. Debt securities are considered cash equivalents if the criteria for such classification is met or otherwise classified as short-term investments within "Prepaid expenses and other" since the investment of cash is available for current operations.

The following table presents information regarding the Company's debt investments:

	Fair value level	March 31, 2024	December 31, 2023
		<i>(In thousands)</i>	
<b>Cash and cash equivalents:</b>			
Money market funds	Level 1	\$ 193,051	\$ 18,828
<b>Cash and cash equivalents</b>		<b>193,051</b>	<b>18,828</b>
<b>Short-term investments:</b>			
U.S. government securities	Level 1	24,067	37,805
U.S. agency securities	Level 2	—	9,804
Corporate bonds	Level 2	277,615	364,926
Asset-backed securities	Level 2	12,268	7,170
<b>Short-term investments</b>		<b>313,950</b>	<b>419,705</b>
<b>Total debt investments</b>		<b>\$ 507,001</b>	<b>\$ 438,533</b>

**Cash and cash equivalents.** Cash and cash equivalents consist of cash and highly liquid investments with maturities of 90 days or less at the date of purchase. The fair value of cash and cash equivalents approximates carrying value because of the short maturity of those instruments (Level 1).

**Restricted cash.** MGM China’s pledged cash of \$87 million for each of March 31, 2024 and December 31, 2023, securing the bank guarantees discussed in Note 8 is restricted in use and classified within “Other long-term assets, net.” Such amounts plus “Cash and cash equivalents” on the consolidated balance sheets equal “Cash, cash equivalents, and restricted cash” on the consolidated statements of cash flows as of March 31, 2024 and December 31, 2023.

**Accounts receivable.** As of March 31, 2024 and December 31, 2023, the loss reserve on accounts receivable was \$139 million and \$130 million, respectively.

**Note receivable.** In February 2023, the secured note receivable related to the sale of Circus Circus Las Vegas and the adjacent land was repaid, prior to maturity, for \$170 million, which approximated its carrying value on the date of repayment.

**Accounts payable.** As of March 31, 2024 and December 31, 2023, the Company had accrued \$76 million and \$84 million, respectively, for purchases of property and equipment within “Accounts and construction payable” on the consolidated balance sheets.

**Revenue recognition. Contract and Contract-Related Liabilities.** There may be a difference between the timing of cash receipts from the customer and the recognition of revenue, resulting in a contract or contract-related liability. The Company generally has three types of liabilities related to contracts with customers: (1) outstanding chip liability, which represents the amounts owed in exchange for gaming chips held by a customer, (2) loyalty program obligations, which represents the deferred allocation of revenue relating to loyalty program incentives earned, and (3) customer advances and other, which is primarily funds deposited by customers before gaming play occurs (“casino front money”) and advance payments on goods and services yet to be provided, such as advance ticket sales and deposits on rooms and convention space or for unpaid wagers. These liabilities are generally expected to be recognized as revenue within one year of being purchased, earned, or deposited and are recorded within “Other accrued liabilities” on the consolidated balance sheets.

The following table summarizes the activity related to contract and contract-related liabilities:

	Outstanding Chip Liability		Loyalty Program		Customer Advances and Other	
	2024	2023	2024	2023	2024	2023
	<i>(In thousands)</i>					
<b>Balance at January 1</b>	\$ 211,606	\$ 185,669	\$ 201,973	\$ 183,602	\$ 766,226	\$ 816,376
<b>Balance at March 31</b>	190,631	168,307	194,946	183,101	781,973	787,866
<b>Increase / (decrease)</b>	\$ (20,975)	\$ (17,362)	\$ (7,027)	\$ (501)	\$ 15,747	\$ (28,510)

The January 1, 2023 balances exclude liabilities related to assets held for sale related to Gold Strike Tunica.

**Revenue by source.** The Company presents the revenue earned disaggregated by the type or nature of the good or service (casino, room, food and beverage, and entertainment, retail and other) and by relevant geographic region within Note 11.

**Leases.** Refer to Note 7 for information regarding leases under which the Company is a lessee. The Company is a lessor under certain other lease arrangements. Lease revenues earned by the Company from third parties are classified within the line item corresponding to the type or nature of the tenant’s good or service. For the three months ended March 31, 2024, lease revenues from third-party tenants include \$20 million recorded within food and beverage revenue and \$28 million recorded within entertainment, retail, and other revenue. For the three months ended March 31, 2023, lease revenues from third-party tenants include \$18 million recorded within food and beverage revenue and \$30 million recorded within entertainment, retail, and other revenue. Lease revenues from the rental of hotel rooms are recorded as rooms revenues within the consolidated statements of operations.

### NOTE 3 — ACQUISITIONS AND DIVESTITURES

**Push Gaming acquisition.** On August 31, 2023, LeoVegas acquired 86% of digital gaming developer, Push Gaming Holding Limited (“Push Gaming”) for total consideration of \$146 million, which was allocated to \$126 million of goodwill and \$40 million of amortizable intangible assets.

**Gold Strike Tunica.** On February 15, 2023, the Company completed the sale of the operations of Gold Strike Tunica to CNE Gaming Holdings, LLC, a subsidiary of Cherokee Nation Business, for cash consideration of \$450 million, or \$474 million, net of purchase price adjustments and transaction costs. At closing, the master lease between the Company and VICI was amended to remove Gold Strike Tunica and to reflect a \$40 million reduction in annual cash rent. The Company recognized a \$398 million gain recorded within “Property transactions, net.” The gain reflects the net cash consideration less the net carrying value of the assets and liabilities derecognized of \$75 million.

### NOTE 4 — INVESTMENTS IN AND ADVANCES TO UNCONSOLIDATED AFFILIATES

Investments in and advances to unconsolidated affiliates were \$246 million and \$241 million as of March 31, 2024 and December 31, 2023, respectively. The Company’s share of losses of BetMGM in excess of its equity method investment balance is \$37 million and \$5 million as of March 31, 2024 and December 31, 2023, respectively.

The Company recorded its share of loss from unconsolidated affiliates as follows:

	Three Months Ended March 31,	
	2024	2023
	<i>(In thousands)</i>	
Loss from unconsolidated affiliates	\$ (25,124)	\$ (74,999)
Non-operating items from unconsolidated affiliates	(136)	(1,184)
	<u>\$ (25,260)</u>	<u>\$ (76,183)</u>

The following table summarizes information related to the Company’s share of operating loss from unconsolidated affiliates:

	Three Months Ended March 31,	
	2024	2023
	<i>(In thousands)</i>	
BetMGM	\$ (32,601)	\$ (81,872)
Other	7,477	6,873
	<u>\$ (25,124)</u>	<u>\$ (74,999)</u>

## NOTE 5 — LONG-TERM DEBT

Long-term debt consisted of the following:

	March 31, 2024	December 31, 2023
	<i>(In thousands)</i>	
MGM China first revolving credit facility	\$ 293,911	\$ 371,300
5.375% MGM China senior notes, due 2024	750,000	750,000
6.75% senior notes, due 2025	750,000	750,000
5.75% senior notes, due 2025	675,000	675,000
5.25% MGM China senior notes, due 2025	500,000	500,000
5.875% MGM China senior notes, due 2026	750,000	750,000
4.625% senior notes, due 2026	400,000	400,000
5.5% senior notes, due 2027	675,000	675,000
4.75% MGM China senior notes, due 2027	750,000	750,000
4.75% senior notes, due 2028	750,000	750,000
7% debentures, due 2036	552	552
	6,294,463	6,371,852
Less: Unamortized discounts and debt issuance costs, net	(24,700)	(28,042)
	\$ 6,269,763	\$ 6,343,810

MGM China's senior notes due within one year of the March 31, 2024 balance sheet were classified as long-term as MGM China has both the intent and ability to refinance the current maturities on a long-term basis.

**Senior secured credit facility.** In February 2024, the Company amended its senior secured credit facility to increase the facility to \$2.3 billion and extend the maturity date to February 2029. At March 31, 2024, no amounts were drawn.

The Company's senior secured credit facility contains customary representations and warranties, events of default and positive and negative covenants. The Company was in compliance with its credit facility covenants at March 31, 2024.

**MGM China first revolving credit facility.** At March 31, 2024, the MGM China first revolving credit facility consisted of a HK\$9.75 billion (approximately \$1.2 billion) unsecured revolving credit facility, which matures in May 2026, and had a weighted average interest rate of 7.62%.

The MGM China first revolving credit facility contains customary representations and warranties, events of default, and positive, negative and financial covenants, including that MGM China maintains compliance with a maximum leverage ratio and a minimum interest coverage ratio. The financial covenants under the MGM China first revolving credit facility are waived through December 31, 2024 and become effective beginning on March 31, 2025. MGM China was in compliance with its applicable MGM China first revolving credit facility covenants at March 31, 2024.

**MGM China second revolving credit facility.** At March 31, 2024, the MGM China second revolving credit facility consisted of a HK\$4.6 billion (approximately \$587 million) unsecured revolving credit facility with an option to increase the amount of the facility up to HK\$5.85 billion (approximately \$748 million), subject to certain conditions, and matures in May 2026. At March 31, 2024, no amounts were drawn on the MGM China second revolving credit facility.

The MGM China second revolving credit facility contains customary representations and warranties, events of default, and positive, negative and financial covenants, including that MGM China maintains compliance with a maximum leverage ratio and a minimum interest coverage ratio. The financial covenants under the MGM China second revolving credit facility are waived through December 31, 2024 and become effective beginning on March 31, 2025. MGM China was in compliance with its applicable MGM China second revolving credit facility covenants at March 31, 2024.

**Senior notes.** Subsequent to March 31, 2024, in April 2024, the Company issued \$750 million in aggregate principal amount of 6.5% notes due 2032. The Company used the net proceeds from the offering to fund the redemption of its \$750 million in aggregate principal amount of 6.75% notes due 2025 in May 2024.

In March 2023, the Company repaid its \$1.25 billion 6% notes due 2023 upon maturity.

**Fair value of long-term debt.** The estimated fair value of the Company's long-term debt was \$6.2 billion and \$6.3 billion at March 31, 2024 and December 31, 2023, respectively.

#### NOTE 6 — INCOME TAXES

For interim income tax reporting the Company estimates its annual effective tax rate and applies it to its year-to-date ordinary income. The tax effects of unusual or infrequently occurring items, including changes in judgment about valuation allowances and effects of changes in tax laws or rates, are reported in the interim period in which they occur. The Company's effective income tax rate was 12.7% and 25.7% for the three months ended March 31, 2024, and March 31, 2023, respectively.

On January 29, 2024, MGM Grand Paradise was granted an extension of its exemption from the Macau 12% complementary tax on gaming profits for the period of January 1, 2023 through December 31, 2027.

The Company recognizes deferred income tax assets, net of applicable reserves, related to net operating losses, tax credit carryforwards and certain temporary differences. The Company recognizes future tax benefits to the extent that realization of such benefit is more likely than not. Otherwise, a valuation allowance is applied.

#### NOTE 7 — LEASES

The Company leases real estate, land underlying certain of its properties, and various equipment under operating and, to a lesser extent, finance lease arrangements.

**Other information.** Components of lease costs and other information related to the Company's leases are:

	Three Months Ended March 31,	
	2024	2023
<i>(In thousands)</i>		
Operating lease cost, primarily classified within "General and administrative" <sup>(1)</sup>	\$ 574,943	\$ 580,988
Finance lease costs		
Interest expense	\$ 8,884	\$ 1,414
Amortization expense	12,896	17,526
Total finance lease costs	\$ 21,780	\$ 18,940

(1) Operating lease cost includes \$83 million for each of the three months ended March 31, 2024 and 2023 related to the Bellagio lease, which is held with a related party.

	March 31, 2024	December 31, 2023
<i>(In thousands)</i>		
<b>Operating leases</b>		
Operating lease ROU assets, net <sup>(1)</sup>	\$ 23,901,023	\$ 24,027,465
Operating lease liabilities - current, <i>classified within "Other accrued liabilities"</i>	\$ 78,614	\$ 74,988
Operating lease liabilities - long-term <sup>(2)</sup>	25,115,883	25,127,464
Total operating lease liabilities	\$ 25,194,497	\$ 25,202,452
<b>Finance leases</b>		
Finance lease ROU assets, net, <i>classified within "Property and equipment, net"</i>	\$ 261,302	\$ 85,783
Finance lease liabilities - current, <i>classified within "Other accrued liabilities"</i>	\$ 51,382	\$ 9,166
Finance lease liabilities - long-term, <i>classified within "Other long-term obligations"</i>	217,257	85,391
Total finance lease liabilities	\$ 268,639	\$ 94,557
<b>Weighted average remaining lease term (years)</b>		
Operating leases	25	25
Finance leases	10	22
<b>Weighted average discount rate (%)</b>		
Operating leases	7	7
Finance leases	6	6

(1) As of March 31, 2024 and December 31, 2023, operating lease right-of-use assets, net included \$3.5 billion related to the Bellagio lease.

(2) As of March 31, 2024 and December 31, 2023, operating lease liabilities – long-term included \$3.8 billion related to the Bellagio lease.

	Three Months Ended March 31,	
	2024	2023
<i>(In thousands)</i>		
<b>Cash paid for amounts included in the measurement of lease liabilities</b>		
Operating cash outflows from operating leases	\$ 456,382	\$ 453,480
Operating cash outflows from finance leases	3,817	1,787
Financing cash outflows from finance leases <sup>(1)</sup>	14,309	21,119
<b>ROU assets obtained in exchange for new lease liabilities</b>		
Operating leases	\$ 3,072	\$ 4,581
Finance leases	186,197	—

(1) Included within "Other" within "Cash flows from financing activities" on the consolidated statements of cash flows.

Maturities of lease liabilities were as follows:

Year ending December 31,	Operating Leases		Finance Leases	
	<i>(In thousands)</i>			
2024 (excluding the three months ended March 31, 2024)	\$	1,379,997	\$	49,601
2025		1,860,924		61,777
2026		1,886,070		58,347
2027		1,913,779		58,154
2028		1,941,940		7,036
Thereafter		48,942,391		128,194
Total future minimum lease payments		57,925,101		363,109
Less: Amount of lease payments representing interest		(32,730,604)		(94,470)
Present value of future minimum lease payments		25,194,497		268,639
Less: Current portion		(78,614)		(51,382)
Long-term portion of lease liabilities	\$	25,115,883	\$	217,257

## NOTE 8 — COMMITMENTS AND CONTINGENCIES

**Cybersecurity litigation, claims, and investigations.** In September 2023, through unauthorized access to certain of its U.S. systems, third-party criminal actors accessed, for some of the Company's customers, personal information (including name, contact information (such as phone number, email address and postal address), gender, date of birth and driver's license numbers). For a limited number of customers, Social Security numbers and passport numbers were also accessed by the criminal actors. The Company has notified individuals impacted by this issue in accordance with federal and state law.

In connection with this cybersecurity issue, the Company became subject to consumer class actions in U.S. federal and state courts. These class actions assert a variety of common law and statutory claims based on allegations that the Company failed to use reasonable security procedures and practices to safeguard customers' personal information, and seek monetary and statutory damages, injunctive relief and other related relief. In addition, the Company is the subject of investigations by state and federal regulators, which also could result in monetary fines and other relief. The Company cannot predict the timing or outcome of any of these potential matters, or whether the Company may be subject to additional legal proceedings, claims, regulatory inquiries, investigations, or enforcement actions. While the Company believes it is reasonably possible that it may incur losses associated with the above-described proceedings, it is not possible to estimate the amount of loss or range of loss, if any, that might result from adverse judgments, settlements, or other resolution given the preliminary stage of these proceedings. The Company has incurred, and expects to continue to incur, certain expenses related to the cybersecurity issue, including expenses to respond to, remediate, and investigate this matter. The full scope of the costs and related impacts of this issue, including the extent to which all of the costs will be offset by cybersecurity insurance, has not been determined.

**Other litigation.** The Company is a party to various other legal proceedings, most of which relate to routine matters incidental to its business. Management does not believe that the outcome of such proceedings will have a material adverse effect on the Company's financial position, results of operations or cash flows.

**MGM China bank guarantees.** In connection with the issuance of the gaming concession in January 2023, bank guarantees were provided to the government of Macau in the amount of MOP 1 billion (approximately \$124 million as of March 31, 2024) to warrant the fulfillment of labor liabilities and of damages or losses that may result if there is noncompliance with the concession. The guarantees expire 180 days after the end of the concession term. As of March 31, 2024, MOP 700 million of the bank guarantees (approximately \$87 million as of March 31, 2024) were secured by pledged cash.

**Shortfall guarantees.** The Company provides shortfall guarantees of the \$3.01 billion principal amount of indebtedness (and any interest accrued and unpaid thereon) of Bellagio BREIT Venture, the landlord of Bellagio, which matures in 2029, and of the \$3.0 billion principal amount of indebtedness (and any interest accrued and unpaid thereon) of the landlords of Mandalay Bay and MGM Grand Las Vegas, which matures in 2032 and has an anticipated repayment date of March 2030. The terms of the shortfall guarantees provide that after the lenders have exhausted certain remedies to collect on the obligations under the indebtedness, the Company would then be responsible for any shortfall between the

value of the collateral, which is the real estate assets of the applicable property owned by the landlord, and the debt obligation. The guarantees are accounted for under ASC 460 at fair value; such value is immaterial.

**MGM/Osaka IR KK guarantees.** The Company provides for guarantees (1) in the amount of 12.65 billion yen (approximately \$84 million as of March 31, 2024) for 50% of Osaka IR KK's obligations to Osaka under various agreements related to the venture's development of an integrated resort in Osaka, Japan and (2) of an uncapped amount to provide funding to Osaka IR KK, if necessary, for the completion of the construction and full opening of the integrated resort. The guarantees expire when the obligations relating to the full opening of the integrated resort are fulfilled. The guarantees are accounted for under ASC 460 at fair value; such value is immaterial.

**MGM/Osaka IR KK funding commitment.** The Company has commitments to fund Osaka IR KK for its proportionate share of the unfinanced portion of Osaka IR KK's development project, which is approximately 306 billion yen (approximately \$2.0 billion as of March 31, 2024). The amount and timing of funding may vary based upon the progress and scope of the development.

**Other guarantees.** The Company and its subsidiaries are party to various guarantee contracts in the normal course of business, which are generally supported by letters of credit issued by financial institutions. The Company's senior credit facility limits the amount of letters of credit that can be issued to \$1.35 billion. At March 31, 2024, \$28 million in letters of credit were outstanding under the Company's senior credit facility. The amount of available borrowings under the credit facility is reduced by any outstanding letters of credit.

## NOTE 9 — EARNINGS PER SHARE

The table below reconciles basic and diluted earnings per share of common stock. Diluted weighted-average common and common equivalent shares include adjustments for potential dilution of stock-based awards outstanding under the Company's stock compensation plan.

	Three Months Ended March 31,	
	2024	2023
	<i>(In thousands)</i>	
<b>Numerator:</b>		
Net income attributable to MGM Resorts International	\$ 217,476	\$ 466,807
Adjustment related to redeemable noncontrolling interests	133	1,297
Net income attributable to common stockholders – basic and diluted	<u>\$ 217,609</u>	<u>\$ 468,104</u>
<b>Denominator:</b>		
Weighted-average common shares outstanding – basic	320,488	374,085
Potential dilution from stock-based awards	3,269	4,010
Weighted-average common and common equivalent shares – diluted	<u>323,757</u>	<u>378,095</u>
Antidilutive stock-based awards excluded from the calculation of diluted earnings per share	<u>177</u>	<u>276</u>

## NOTE 10 — STOCKHOLDERS' EQUITY

**MGM Resorts International stock repurchases.** In March 2022, the Company announced that the Board of Directors authorized a \$2.0 billion stock repurchase plan, in February 2023, the Company announced that the Board of Directors authorized a \$2.0 billion stock repurchase plan and, in November 2023, the Company announced that the Board of Directors authorized a \$2.0 billion stock repurchase plan. Under these stock repurchase plans, the Company may repurchase shares from time to time in the open market or in privately negotiated agreements. Repurchases of common stock may also be made under a Rule 10b5-1 plan, which would permit common stock to be repurchased when the Company might otherwise be precluded from doing so under insider trading laws. The timing, volume and nature of stock repurchases will be at the sole discretion of management, dependent on market conditions, applicable securities laws, and other factors, and may be suspended or discontinued at any time.

During the three months ended March 31, 2023, the Company repurchased approximately 12 million shares of its common stock for an aggregate amount of \$487 million. In connection with these repurchases, the March 2022 stock repurchase plan was completed. Repurchased shares were retired.

During the three months ended March 31, 2024, the Company repurchased approximately 12 million shares of its common stock for an aggregate amount of \$511 million. In connection with these repurchases, the February 2023 stock repurchase plan was completed. Repurchased shares were retired. The remaining availability under the November 2023 \$2.0 billion stock repurchase plan was \$1.7 billion as of March 31, 2024.

Subsequent to March 31, 2024, the Company repurchased approximately 1 million shares of its common stock for an aggregate amount of \$62 million, excluding excise tax. Repurchased shares were retired.

#### **NOTE 11 — SEGMENT INFORMATION**

The Company's management views each of its casino properties as an operating segment. Operating segments are aggregated based on their similar economic characteristics, types of customers, types of services and products provided, the regulatory environments in which they operate and their management and reporting structure. The Company has aggregated its operating segments into the following reportable segments: Las Vegas Strip Resorts, Regional Operations and MGM China.

**Las Vegas Strip Resorts.** Las Vegas Strip Resorts consists of the following casino resorts in Las Vegas, Nevada: Aria (including Vdara), Bellagio, The Cosmopolitan, MGM Grand Las Vegas (including The Signature), Mandalay Bay (including Delano and Four Seasons), Luxor, New York-New York (including The Park), Excalibur, and Park MGM (including NoMad Las Vegas).

**Regional Operations.** Regional Operations consists of the following casino properties: MGM Grand Detroit in Detroit, Michigan; Beau Rivage in Biloxi, Mississippi; Gold Strike Tunica in Tunica, Mississippi (until its disposition in February 2023); Borgata in Atlantic City, New Jersey; MGM National Harbor in Prince George's County, Maryland; MGM Springfield in Springfield, Massachusetts; Empire City in Yonkers, New York; and MGM Northfield Park in Northfield Park, Ohio.

**MGM China.** MGM China consists of MGM Macau and MGM Cotai.

The Company's operations related to LeoVegas, investments in unconsolidated affiliates, and certain other corporate operations and management services have not been identified as separate reportable segments; therefore, these operations are included in "Corporate and other" in the following segment disclosures to reconcile to consolidated results.

Adjusted Property EBITDAR is the Company's reportable segment GAAP measure, which management utilizes as the primary profit measure for its reportable segments and underlying operating segments. Adjusted Property EBITDAR is a measure defined as earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening and start-up expenses, property transactions, net, rent expense related to triple-net operating leases and ground leases, income from unconsolidated affiliates related to investments in real estate ventures, and also excludes corporate expense and stock compensation expense, which are not allocated to each operating segment.

The following tables present the Company's segment information:

	Three Months Ended March 31,	
	2024	2023
	<i>(In thousands)</i>	
<b>Net revenue</b>		
Las Vegas Strip Resorts		
Casino	\$ 497,548	\$ 500,563
Rooms	827,253	751,691
Food and beverage	599,281	582,627
Entertainment, retail and other	330,947	341,271
	<u>2,255,029</u>	<u>2,176,152</u>
Regional Operations		
Casino	684,968	716,977
Rooms	65,933	67,304
Food and beverage	107,753	111,879
Entertainment, retail and other, and reimbursed costs	50,825	49,683
	<u>909,479</u>	<u>945,843</u>
MGM China		
Casino	920,048	555,272
Rooms	63,215	29,493
Food and beverage	62,369	27,625
Entertainment, retail and other	10,385	5,202
	<u>1,056,017</u>	<u>617,592</u>
Reportable segment net revenues	4,220,525	3,739,587
Corporate and other	162,945	133,709
	<u>\$ 4,383,470</u>	<u>\$ 3,873,296</u>
	Three Months Ended March 31,	
	2024	2023
	<i>(In thousands)</i>	
<b>Adjusted Property EBITDAR</b>		
Las Vegas Strip Resorts	\$ 827,788	\$ 835,809
Regional Operations	274,102	313,175
MGM China	301,186	168,948
Reportable segment Adjusted Property EBITDAR	<u>1,403,076</u>	<u>1,317,932</u>
<b>Other operating income (expense)</b>		
Corporate and other, net	(168,249)	(211,669)
Preopening and start-up expenses	(1,095)	(139)
Property transactions, net	(17,154)	396,076
Depreciation and amortization	(196,562)	(203,501)
Triple-net operating lease and ground lease rent expense	(564,339)	(570,555)
Income from unconsolidated affiliates related to real estate ventures	2,701	2,695
Operating income	<u>458,378</u>	<u>730,839</u>
<b>Non-operating income (expense)</b>		
Interest expense, net of amounts capitalized	(110,037)	(130,300)
Non-operating items from unconsolidated affiliates	(136)	(1,184)
Other, net	(4,806)	46,307
	<u>(114,979)</u>	<u>(85,177)</u>
<b>Income before income taxes</b>		
Provision for income taxes	343,399	645,662
	<u>(43,673)</u>	<u>(165,779)</u>
<b>Net income</b>		
Less: Net income attributable to noncontrolling interests	299,726	479,883
	<u>(82,250)</u>	<u>(13,076)</u>
<b>Net income attributable to MGM Resorts International</b>	<u>\$ 217,476</u>	<u>\$ 466,807</u>



## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

This management’s discussion and analysis of financial condition and results of operations contain forward-looking statements that involve risks and uncertainties. Please see “Cautionary Statement Concerning Forward-Looking Statements” for a discussion of the uncertainties, risks and assumptions that may cause our actual results to differ materially from those discussed in the forward-looking statements. This discussion should be read in conjunction with our historical financial statements and related notes thereto and the other disclosures contained elsewhere in this Quarterly Report on Form 10-Q, the audited consolidated financial statements and notes for the fiscal year ended December 31, 2023, which were included in our Form 10-K, filed with the Securities and Exchange Commission (“SEC”) on February 23, 2024. The results of operations for the periods reflected herein are not necessarily indicative of results that may be expected for future periods. MGM Resorts International together with its subsidiaries may be referred to as “we,” “us” or “our.” MGM China Holdings Limited together with its subsidiaries is referred to as “MGM China.”

### Key Performance Indicators

Key performance indicators related to gaming and hotel revenue are:

- Gaming revenue indicators: table games drop and slot handle (volume indicators); “win” or “hold” percentage, which is not fully controllable by us. Our normal table games hold percentage at our Las Vegas Strip Resorts is in the range of 25.0% to 35.0% of table games drop for baccarat and 19.0% to 23.0% for non-baccarat; and
- Hotel revenue indicators (for Las Vegas Strip Resorts) – hotel occupancy (a volume indicator); average daily rate (“ADR,” a price indicator); and revenue per available room (“RevPAR,” a summary measure of hotel results, combining ADR and occupancy rate). Our calculation of ADR, which is the average price of occupied rooms per day, includes the impact of complimentary rooms. Complimentary room rates are determined based on standalone selling price. Because the mix of rooms provided on a complimentary basis, particularly to casino customers, includes a disproportionate suite component, the composite ADR including complimentary rooms is slightly higher than the ADR for cash rooms, reflecting the higher retail value of suites.

### Results of Operations

#### Summary Operating Results

The following table summarizes our consolidated operating results:

	Three Months Ended March 31,	
	2024	2023
	<i>(In thousands)</i>	
Net revenues	\$ 4,383,470	\$ 3,873,296
Operating income	458,378	730,839
Net income	299,726	479,883
Net income attributable to MGM Resorts International	217,476	466,807

Consolidated net revenues increased 13% for the three months ended March 31, 2024 compared to the prior year quarter due primarily to a 71% increase at MGM China and a 4% increase at our Las Vegas Strip Resorts, partially offset by a 4% decrease at our Regional Operations.

Consolidated operating income decreased 37% for the three months ended March 31, 2024 compared to the prior year quarter. The decrease was due primarily to the \$398 million gain in the prior year quarter related to the sale of the operations of Gold Strike Tunica recorded in property transactions, net, partially offset by the increase in net revenues discussed above.

## Net Revenues by Segment

The following table presents a detail by segment of net revenues:

	Three Months Ended March 31,	
	2024	2023
<i>(In thousands)</i>		
<b>Las Vegas Strip Resorts</b>		
Casino	\$ 497,548	\$ 500,563
Rooms	827,253	751,691
Food and beverage	599,281	582,627
Entertainment, retail and other	330,947	341,271
	2,255,029	2,176,152
<b>Regional Operations</b>		
Casino	684,968	716,977
Rooms	65,933	67,304
Food and beverage	107,753	111,879
Entertainment, retail and other, and reimbursed costs	50,825	49,683
	909,479	945,843
<b>MGM China</b>		
Casino	920,048	555,272
Rooms	63,215	29,493
Food and beverage	62,369	27,625
Entertainment, retail and other	10,385	5,202
	1,056,017	617,592
Reportable segment net revenues	4,220,525	3,739,587
Corporate and other	162,945	133,709
	\$ 4,383,470	\$ 3,873,296

### Las Vegas Strip Resorts

Las Vegas Strip Resorts net revenues increased 4% for the three months ended March 31, 2024 due primarily to the increase in rooms revenue in the current year quarter discussed below.

Las Vegas Strip Resorts casino revenue decreased 1% for the three months ended March 31, 2024 compared to the prior year quarter.

The following table shows key gaming statistics for our Las Vegas Strip Resorts:

	Three Months Ended March 31,	
	2024	2023
<i>(Dollars in millions)</i>		
Table games drop	\$ 1,537	\$ 1,524
Table games win	\$ 388	\$ 346
Table games win %	25.2 %	22.7 %
Slot handle	\$ 5,417	\$ 5,759
Slot win	\$ 511	\$ 544
Slot win %	9.4 %	9.4 %

Las Vegas Strip Resorts rooms revenue increased 10% for the three months ended March 31, 2024 compared to the prior year quarter due primarily to the increase in ADR as a result of the Super Bowl being hosted in Las Vegas during the quarter, compared to the prior year quarter.

The following table shows key hotel statistics for our Las Vegas Strip Resorts:

	Three Months Ended March 31,			
	2024		2023	
Occupancy	93 %		92 %	
Average daily rate (ADR)	\$	277	\$	258
Revenue per available room (RevPAR)	\$	258	\$	239

Las Vegas Strip Resorts food and beverage revenue increased 3% for the three months ended March 31, 2024 compared to the prior year quarter due primarily to an increase in catering and banquet revenue and improved restaurant options.

Las Vegas Strip Resorts entertainment, retail and other revenues decreased 3% for the three months ended March 31, 2024 compared to the prior year quarter due primarily to a decrease in theater revenue and attrition revenue.

### Regional Operations

Regional Operations net revenues decreased 4% for the three months ended March 31, 2024 due primarily to the disposition of Gold Strike Tunica and a decrease in casino revenues.

Regional Operations casino revenue decreased 4% for the three months ended March 31, 2024 compared to the prior year quarter due primarily to the disposition of Gold Strike Tunica discussed above as well as a decrease in volume.

The following table shows key gaming statistics for our Regional Operations:

	Three Months Ended March 31,			
	2024		2023	
<i>(Dollars in millions)</i>				
Table games drop	\$	962	\$	1,013
Table games win	\$	202	\$	214
Table games win %	21.0 %		21.1 %	
Slot handle	\$	6,612	\$	6,999
Slot win	\$	641	\$	670
Slot win %	9.7 %		9.6 %	

Regional Operations rooms revenue decreased 2% for the three months ended March 31, 2024 compared to the prior year quarter due primarily to the disposition of Gold Strike Tunica discussed above.

Regional Operations food and beverage revenue decreased 4% for the three months ended March 31, 2024 compared to the prior year quarter due primarily to the disposition of Gold Strike Tunica discussed above.

Regional Operations entertainment, retail and other revenue increased 2% for the three months ended March 31, 2024 compared to the prior year quarter primarily driven by an improved event calendar compared to prior years.

### MGM China

MGM China net revenues increased 71% for the three months ended March 31, 2024 due primarily to an increase in casino revenue discussed below.

The following table shows key gaming statistics for MGM China:

	Three Months Ended March 31,	
	2024	2023
	<i>(Dollars in millions)</i>	
Main floor table games drop	\$ 3,822	\$ 2,177
Main floor table games win	\$ 950	\$ 523
Main floor table games win %	24.9 %	24.0 %

MGM China casino revenues increased 66% for the three months ended March 31, 2024 compared to the prior year quarter due primarily to the continued ramp up of operations after the COVID-19 related restrictions were removed in the first quarter of 2023 in Macau.

#### Corporate and other

Corporate and other revenue primarily includes revenues from LeoVegas, other corporate operations, and management services.

#### *Adjusted Property EBITDAR and Adjusted EBITDAR*

The following table presents Adjusted Property EBITDAR and Adjusted EBITDAR. Adjusted Property EBITDAR is our reportable segment GAAP measure, which we utilize as the primary profit measure for our reportable segments. See Note 11 in the accompanying consolidated financial statements and “Reportable Segment GAAP measure” below for additional information. Adjusted EBITDAR is a non-GAAP measure, discussed within “Non-GAAP measures” below.

	Three Months Ended March 31,	
	2024	2023
	<i>(In thousands)</i>	
Las Vegas Strip Resorts	\$ 827,788	\$ 835,809
Regional Operations	274,102	313,175
MGM China	301,186	168,948
Corporate and other	(168,249)	(211,669)
Adjusted EBITDAR	<u>\$ 1,234,827</u>	

#### Las Vegas Strip Resorts

Las Vegas Strip Resorts Adjusted Property EBITDAR decreased 1% for the three months ended March 31, 2024 compared to the prior year quarter. Las Vegas Strip Resorts Adjusted Property EBITDAR margin was 36.7% for the three months ended March 31, 2024, compared to 38.4% in the prior year quarter due primarily to an increase in payroll related expenses.

#### Regional Operations

Regional Operations Adjusted Property EBITDAR decreased 12% for the three months ended March 31, 2024, compared to the prior year quarter. Regional Operations Adjusted Property EBITDAR margin was 30.1% for the three months ended March 31, 2024 compared to 33.1% in the prior year quarter due primarily to a decrease in casino revenues and an increase in payroll related expenses.

#### MGM China

MGM China Adjusted Property EBITDAR increased 78% for the three months ended March 31, 2024 compared to the prior year quarter. MGM China Adjusted Property EBITDAR margin was 28.5% for the three months ended March 31, 2024 compared to 27.4% in the prior year quarter due primarily to the increase in casino revenues, discussed above.

*Supplemental Information - Same-store Results of Operations*

The following table presents the financial results of Regional Operations on a same-store basis for the three months ended March 31, 2024 and 2023. Same-Store Adjusted Property EBITDAR is a non-GAAP measure, discussed within “Non-GAAP measures” below.

	Three Months Ended March 31,	
	2024	2023
	<i>(In thousands)</i>	
Regional Operations net revenues	\$ 909,479	\$ 945,843
Dispositions <sup>(1)</sup>	—	(26,967)
Regional Operations same-store net revenues	<u>\$ 909,479</u>	<u>\$ 918,876</u>
Regional Operations Adjusted Property EBITDAR	\$ 274,102	\$ 313,175
Dispositions <sup>(1)</sup>	—	(11,073)
Regional Operations Same-Store Adjusted Property EBITDAR	<u>\$ 274,102</u>	<u>\$ 302,102</u>

<sup>(1)</sup> Excludes the net revenues and Adjusted Property EBITDAR of Gold Strike Tunica for the three months ended March 31, 2023.

**Income (loss) from Unconsolidated Affiliates**

The following table summarizes information related to our share of operating loss from unconsolidated affiliates:

	Three Months Ended March 31,	
	2024	2023
	<i>(In thousands)</i>	
BetMGM	\$ (32,601)	\$ (81,872)
Other	7,477	6,873
	<u>\$ (25,124)</u>	<u>\$ (74,999)</u>

**Non-operating Results**

*Interest Expense*

Gross interest expense was \$111 million and \$131 million for the three months ended March 31, 2024 and 2023, respectively. The decrease from the prior year quarter is due primarily to a decrease in debt outstanding as a result of the repayment of the \$1.25 billion 6% senior notes in March 2023, the decrease in the debt outstanding under MGM China’s first revolving credit facility, and the repayment of the LeoVegas senior notes in August 2023. See Note 5 to the accompanying consolidated financial statements for discussion on long-term debt and see “Liquidity and Capital Resources” for discussion on issuances and repayments of long-term debt and other sources and uses of cash.

*Other, net*

Other, net was expense of \$5 million and income of \$46 million for the three months ended March 31, 2024 and 2023, respectively. Other expense, net for the three months ended March 31, 2024 was primarily comprised of a loss related to foreign currency contracts of \$38 million, a loss related to debt and equity investments of \$21 million, partially offset by foreign currency transaction gain of \$33 million and interest and dividend income of \$23 million. Other income, net for the three months ended March 31, 2023 was primarily comprised of interest and dividend income of \$57 million, partially offset by a foreign currency transaction loss of \$16 million.

## *Income Taxes*

Our effective income tax rate was 12.7% and 25.7% for the three months ended March 31, 2024 and March 31, 2023, respectively. The effective rate for the three months ended March 31, 2024 was favorably impacted primarily by an increase in Macau gaming profits which are exempt from complementary tax.

### **Reportable segment GAAP measure**

“Adjusted Property EBITDAR” is our reportable segment GAAP measure, which we utilize as the primary profit measure for our reportable segments and underlying operating segments. Adjusted Property EBITDAR is a measure defined as earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening and start-up expenses, property transactions, net, rent expense related to triple-net operating leases and ground leases, income from unconsolidated affiliates related to investments in real estate ventures, and also excludes corporate expense and stock compensation expense, which are not allocated to each operating segment. “Adjusted Property EBITDAR margin” is Adjusted Property EBITDAR divided by related segment net revenues.

### **Non-GAAP measures**

“Same-Store Adjusted Property EBITDAR” is Adjusted Property EBITDAR further adjusted to exclude the Adjusted Property EBITDAR of acquired operating segments from the date of acquisition through the end of the reporting period and to exclude the Adjusted Property EBITDAR of disposed operating segments from the beginning of the reporting period through the date of disposition. Accordingly, for Regional Operations, we have excluded the Adjusted Property EBITDAR of Gold Strike Tunica for the periods prior to its disposition on February 15, 2023, as applicable.

Same-Store Adjusted Property EBITDAR is a non-GAAP measure and is presented solely as a supplemental disclosure to reported GAAP measures because management believes this measure is useful in providing meaningful period-to-period comparisons of the results of our operations for operating segments that were consolidated for the full period presented to assist users of the financial statements in reviewing operating performance over time. Same-Store Adjusted Property EBITDAR should not be viewed as a measure of overall operating performance, considered in isolation, or as an alternative to our reportable segment GAAP measure or net income, or as an alternative to any other measure determined in accordance with generally accepted accounting principles, because this measure is not presented on a GAAP basis, and is provided for the limited purposes discussed herein. In addition, Same-Store Adjusted Property EBITDAR may not be defined in the same manner by all companies and, as a result, may not be comparable to similarly titled non-GAAP financial measures of other companies, and such differences may be material. A reconciliation of our reportable segment Adjusted Property EBITDAR GAAP measure to Same-Store Adjusted Property EBITDAR is included herein.

“Adjusted EBITDAR” is earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening and start-up expenses, property transactions, net, rent expense related to triple-net operating leases and ground leases, and income from unconsolidated affiliates related to investments in real estate ventures.

Adjusted EBITDAR information is a non-GAAP measure that is a valuation metric, should not be used as an operating metric, and is presented solely as a supplemental disclosure to reported GAAP measures because we believe this measure is widely used by analysts, lenders, financial institutions, and investors as a principal basis for the valuation of gaming companies. We believe that while items excluded from Adjusted EBITDAR may be recurring in nature and should not be disregarded in evaluation of our earnings performance, it is useful to exclude such items when analyzing current results and trends. Also, we believe excluded items may not relate specifically to current trends or be indicative of future results. For example, preopening and start-up expenses will be significantly different in periods when we are developing and constructing a major expansion project and will depend on where the current period lies within the development cycle, as well as the size and scope of the project(s). Property transactions, net includes normal recurring disposals, gains and losses on sales of assets related to specific assets within our properties, but also includes gains or losses on sales of an entire operating resort or a group of resorts and impairment charges on entire asset groups or investments in unconsolidated affiliates, which may not be comparable period over period. In addition, management excludes rent expense related to triple-net operating leases and ground leases. Management believes excluding rent expense related to triple-net operating leases and ground leases provides useful information to analysts, lenders, financial institutions, and investors when valuing us, as well as comparing our results to other gaming companies, without regard to differences in capital structure and leasing arrangements since the operations of other gaming companies may or may not include triple-net operating leases or ground leases. However, as discussed herein, Adjusted EBITDAR should not be viewed as a measure of overall operating performance, an indicator of our performance, considered in isolation, or construed as an alternative to operating income or net income, or 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 generally accepted accounting principles because this measure is not presented on a GAAP basis and excludes certain expenses, including the rent expense related to triple-net operating leases

and ground leases, and is provided for the limited purposes discussed herein. In addition, other companies in the gaming and hospitality industries that report Adjusted EBITDAR may calculate Adjusted EBITDAR in a different manner and such differences may be material. We have significant uses of cash flows, including capital expenditures, interest payments, taxes, real estate triple-net lease and ground lease payments, and debt principal repayments, which are not reflected in Adjusted EBITDAR. A reconciliation of GAAP net income to Adjusted EBITDAR is included herein.

The following table presents a reconciliation of net income attributable to MGM Resorts International to Adjusted EBITDAR:

	Three Months Ended March 31,	
	2024	2023
	<i>(In thousands)</i>	
Net income attributable to MGM Resorts International	\$ 217,476	\$ 466,807
Plus: Net income attributable to noncontrolling interests	82,250	13,076
Net income	299,726	479,883
Provision for income taxes	43,673	165,779
Income before income taxes	343,399	645,662
Non-operating (income) expense:		
Interest expense, net of amounts capitalized	110,037	130,300
Non-operating items from unconsolidated affiliates	136	1,184
Other, net	4,806	(46,307)
	114,979	85,177
Operating income	458,378	730,839
Preopening and start-up expenses	1,095	139
Property transactions, net	17,154	(396,076)
Depreciation and amortization	196,562	203,501
Triple-net operating lease and ground lease rent expense	564,339	570,555
Income from unconsolidated affiliates related to real estate ventures	(2,701)	(2,695)
Adjusted EBITDAR	\$ 1,234,827	

#### Guarantor Financial Information

As of March 31, 2024, all of our principal debt arrangements are guaranteed by each of our wholly owned material domestic subsidiaries that guarantee our senior credit facility. Our principal debt arrangements are not guaranteed by MGM Grand Detroit, MGM National Harbor, Blue Tarp reDevelopment, LLC (the entity that owns the operations of MGM Springfield), MGM Sports & Interactive Gaming, LLC (the entity that owns our 50% interest in BetMGM), and each of their respective subsidiaries. Our foreign subsidiaries, including LeoVegas, MGM China, and each of their respective subsidiaries, are also not guarantors of our principal debt arrangements. In the event that any subsidiary is no longer a guarantor of our credit facility or any of our future capital markets indebtedness, that subsidiary will be released and relieved of its obligations to guarantee our existing senior notes. The indentures governing the senior notes further provide that in the event of a sale of all or substantially all of the assets of, or capital stock in a subsidiary guarantor then such subsidiary guarantor will be released and relieved of any obligations under its subsidiary guarantee.

The guarantees provided by the subsidiary guarantors rank senior in right of payment to any future subordinated debt of ours or such subsidiary guarantors, junior to any secured indebtedness to the extent of the value of the assets securing such debt and effectively subordinated to any indebtedness and other obligations of our subsidiaries that do not guarantee the senior notes. In addition, the obligations of each subsidiary guarantor under its guarantee is limited so as not to constitute a fraudulent conveyance under applicable law, which may eliminate the subsidiary guarantor's obligations or reduce such obligations to an amount that effectively makes the subsidiary guarantee lack value.

The summarized financial information of us and our guarantor subsidiaries, on a combined basis, is presented below.

	March 31, 2024	December 31, 2023
<b>Balance Sheet</b>		
	<i>(In thousands)</i>	
Current assets	\$ 3,400,778	\$ 3,783,644
Intercompany debt due from non-guarantor subsidiaries	2,527,630	2,516,281
Other long-term assets	28,583,926	28,518,540
Other current liabilities	2,096,650	2,235,733
Intercompany debt due to non-guarantor subsidiaries	2,199,773	2,199,888
Other long-term liabilities	28,398,202	28,236,137
<b>Income Statement</b>		
	<i>(In thousands)</i>	
Net revenues	\$ 2,742,021	\$ 2,742,021
Operating income	247,095	247,095
Intercompany interest income	61,169	61,169
Intercompany interest expense	(61,169)	(61,169)
Income before income taxes	161,772	161,772
Net income	116,831	116,831
Net income attributable to MGM Resorts International	116,831	116,831

## Liquidity and Capital Resources

### Cash Flows

**Operating activities.** Trends in our operating cash flows tend to follow trends in operating income, excluding non-cash charges, but can be affected by changes in working capital, the timing of significant interest payments, and tax payments or refunds. Cash provided by operating activities was \$549 million in the three months ended March 31, 2024 compared to \$704 million in the prior year period. The decrease from the prior year period was due primarily to a decrease in working capital primarily related to payroll liabilities, partially offset by the increase in Adjusted Property EBITDAR at MGM China discussed within the Results of Operations section above and a decrease in cash paid for interest.

**Investing activities.** Our investing cash flows can fluctuate significantly from year to year depending on our decisions with respect to strategic capital investments in new or existing resorts, business acquisitions or dispositions, and the timing of maintenance capital expenditures to maintain the quality of our resorts. Capital expenditures related to regular investments in our existing resorts can also vary depending on timing of larger remodel projects related to our public spaces and hotel rooms.

Cash used in investing activities was \$108 million in the three months ended March 31, 2024 compared to cash provided by investing activities of \$212 million in the prior year period. In the three months ended March 31, 2024, we made payments of \$172 million in capital expenditures, as further discussed below, contributed \$10 million to unconsolidated affiliates, and received \$105 million related to net short-term investments in debt securities. In comparison, in the prior year period we received \$439 million in net cash related to the sale of the operations of Gold Strike Tunica, received \$153 million in cash related to the principal portion of the Circus Circus Las Vegas note receivable that was repaid, and made payments of \$140 million in capital expenditures, as further discussed below, contributed \$25 million to BetMGM, and made \$218 million in net short-term investments in debt securities.

### Capital Expenditures

We made capital expenditures of \$172 million in the three months ended March 31, 2024, of which \$15 million related to MGM China and is inclusive of capital expenditures relating to the gaming concession investment. Capital expenditures at our Las Vegas Strip Resorts, Regional Operations, and corporate and other entities of \$157 million primarily related to information technology and room remodels.

We made capital expenditures of \$140 million in the three months ended March 31, 2023, of which \$6 million related to MGM China, for which the MGM China amount is inclusive of capital expenditures related to the gaming concession investment. Capital expenditures at our Las Vegas Strip Resorts, Regional Operations and corporate entities of \$134 million primarily related to expenditures in information technology, room remodels, and convention center remodels.

**Financing activities.** Cash used in financing activities was \$629 million in the three months ended March 31, 2024 compared to \$2.4 billion in the prior year period. In the three months ended March 31, 2024, we had net repayments of debt of \$77 million, as further discussed below, paid \$507 million for repurchases of our common stock as further discussed in Note 10, and distributed \$12 million to noncontrolling interest owners. In comparison, in the prior year period, we had net repayments of debt of \$1.8 billion, as further discussed below, distributed \$18 million to noncontrolling interest owners, and repurchased \$484 million of our common stock.

#### *Borrowings and Repayments of Long-term Debt*

During the three months ended March 31, 2024, we had net repayments of debt of \$77 million, which consisted of net repayments on MGM China's first revolving credit facility. The net repayments of debt were funded with cash on hand.

During the three months ended March 31, 2023, we had net repayments of debt of \$1.8 billion, which consisted of the repayment of \$1.25 billion of aggregate principal amount of our 6% senior notes due 2023 upon maturity, and aggregate repayments of \$586 million on MGM China's revolving credit facilities.

#### *Share Repurchases*

During the three months ended March 31, 2024, we paid \$507 million relating to repurchases of our common stock pursuant to our stock repurchase plans. See Note 10 for further information on the stock repurchases. In connection with those repurchases, the February 2023 \$2.0 billion stock repurchase plan was completed. The remaining availability under the November 2023 \$2.0 billion stock repurchase plan was \$1.7 billion as of March 31, 2024.

During the three months ended March 31, 2023, we repurchased and retired \$484 million of our common stock pursuant to our stock repurchase plans.

#### *Other Factors Affecting Liquidity and Anticipated Uses of Cash*

We require a certain amount of cash on hand to operate our businesses. In addition to required cash on hand for operations, we utilize corporate cash management procedures to minimize the amount of cash held on hand or in banks. Funds are swept from the accounts at most of our domestic resorts daily into central bank accounts, and excess funds are invested overnight or are used to repay amounts drawn under our revolving credit facilities. In addition, from time to time we may use excess funds to repurchase our outstanding debt and equity securities subject to limitations in our revolving credit facility and Delaware law, as applicable. We have significant outstanding debt, interest payments, rent payments, and contractual obligations in addition to planned capital expenditures and commitments.

As of March 31, 2024, we had cash and cash equivalents of \$2.7 billion, of which MGM China held \$622 million, and we had \$6.3 billion in principal amount of indebtedness, including \$3.0 billion related to MGM China. No amounts were drawn on our revolving credit facility or MGM China's second revolving credit facility and, as of March 31, 2024, there was \$294 million outstanding under MGM China's first revolving credit facility.

In February 2024, we amended our senior secured credit facility to increase the facility to \$2.3 billion and extend the maturity date to February 2029. In April 2024, we issued \$750 million in aggregate principal amount of 6.5% senior notes due 2032. In May 2024, we used the net proceeds to fund the redemption of our \$750 million in aggregate principal amount of 6.75% notes due 2025.

Our expected cash interest payments over the next twelve months, based on principal amounts of debt outstanding, contractual maturity dates, and interest rates, each as of March 31, 2024, are approximately \$185 million to \$195 million, excluding MGM China, and approximately \$345 million to \$355 million on a consolidated basis, which includes MGM China.

We are also required, as of March 31, 2024, to make annual cash rent payments of \$1.8 billion over the next twelve months under triple-net lease agreements, which triple-net leases are also subject to annual escalators and also require us to

pay substantially all costs associated with the lease, including real estate taxes, ground lease payments, insurance, utilities and routine maintenance, in addition to the annual cash rent.

We have planned capital expenditures expected over the remainder of 2024 of approximately \$675 million to \$725 million domestically, which is inclusive of the capital expenditures required under the triple-net lease agreements, each of which requires us to spend a specified percentage of net revenues at the respective domestic properties, and an estimate of approximately \$150 million to \$200 million at MGM China, which is inclusive of the estimated amount of the gaming concession investment for 2024 that relates to capital projects.

We continue to explore potential development or investment opportunities, such as expanding our global online gaming presence and pursuing a commercial gaming facility in New York, which may require cash commitments in the future. If our pursuit of a commercial gaming facility in New York is successful, we expect the project cost to be approximately \$2 billion, inclusive of a \$500 million license fee, with the amount and timing of costs dependent upon progress of the project and selection process. Additionally, we have cash commitments to fund Osaka IR KK relating to the development of an integrated resort in Osaka, Japan for our proportionate share of the unfinanced portion of Osaka IR KK's development project. We currently expect our share to be 306 billion yen (approximately \$2.0 billion as of March 31, 2024), which we anticipate funding over the next five years, subject to changes in the progress and scope of the development. Refer to Note 8 to the accompanying consolidated financial statements for further discussion regarding our commitments and guarantees.

In March 2024, MGM China's Board of Directors declared a special dividend for 2023 of \$51 million, which was paid in April 2024, of which we received approximately \$29 million and noncontrolling interests received approximately \$22 million. A final dividend for 2023 was also declared in March 2024, subject to shareholders' approval, which is expected in May 2024. If approved, MGM China would pay approximately \$118 million in June 2024, of which we would receive approximately \$66 million.

### Critical Accounting Policies and Estimates

A complete discussion of our critical accounting policies and estimates is included in our Form 10-K for the fiscal year ended December 31, 2023. There have been no significant changes in our critical accounting policies and estimates since year end.

### Market Risk

There have been no material changes in our market risk from the quantitative and qualitative disclosures about market risk included in our Form 10-K for the fiscal year ended December 31, 2023, other than those below.

**Interest rate risk.** We are subject to interest rate risk associated with our variable rate long-term debt. We attempt to limit our exposure to interest rate risk by managing the mix of our long-term fixed rate borrowings and short-term borrowings under our bank credit facilities. A change in interest rates generally does not have an impact upon our future earnings and cash flow for fixed-rate debt instruments. As fixed-rate debt matures, however, and if additional debt is acquired to fund the debt repayment, future earnings and cash flow may be affected by changes in interest rates. This effect would be realized in the periods subsequent to the periods when the debt matures.

As of March 31, 2024, variable rate borrowings represented approximately 5% of our total borrowings. The following table provides additional information about our gross long-term debt subject to changes in interest rates:

	Debt maturing in							Total	Fair Value March 31, 2024
	2024	2025	2026	2027	2028	Thereafter			
	<i>(In millions except interest rates)</i>								
Fixed-rate	\$ 750	\$ 1,925	\$ 1,150	\$ 1,425	\$ 750	\$ 1	\$ 6,001	\$ 5,886	
Average interest rate	5.4 %	6.0 %	5.4 %	5.1 %	4.8 %	7.0 %	5.4 %		
Variable rate	\$ —	\$ —	\$ 293	\$ —	\$ —	\$ —	\$ 293	\$ 293	
Average interest rate	N/A	N/A	7.6 %	N/A	N/A	N/A	7.6 %		

## Cautionary Statement Concerning Forward-Looking Statements

This Form 10-Q contains “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects,” “will,” “may” and similar references to future periods. Examples of forward-looking statements include, but are not limited to: statements we make regarding expectations regarding the impact of macroeconomic trends on our business; our ability to execute on ongoing and future strategic initiatives, including the development of an integrated resort in Japan, a commercial gaming facility in New York, expectations regarding the potential opportunity for gaming expansion in Dubai, and investments we make in online sports betting and iGaming, the expansion of LeoVegas and the MGM digital brand; positioning BetMGM as a leader in sports betting and iGaming; amounts we will spend on capital expenditures and investments; our expectations with respect to future share repurchases and cash dividends on our common stock; dividends and distributions we will receive from MGM China; amounts projected to be realized as deferred tax assets; our ability to achieve our public social impact and sustainability goals; the impact to our business, operations and reputation from, and expenses and uncertainties associated with, the September 2023 cybersecurity issue; the timing and outcome of the claims and class actions against us and of the investigations by state and federal regulators, related to our September 2023 cybersecurity issue, and the availability of cybersecurity insurance proceeds and the nature and scope of any claims, litigation or regulatory proceedings that may be brought against us. The foregoing is not a complete list of all forward-looking statements we make.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. Therefore, we caution you against relying on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, regional, national or global political, economic, business, competitive, market, and regulatory conditions and the following:

- our substantial indebtedness and significant financial commitments, including our rent payments and guarantees we provide of the indebtedness of the landlords of Bellagio, Mandalay Bay, and MGM Grand Las Vegas could adversely affect our development options and financial results and impact our ability to satisfy our obligations;
- current and future economic, capital and credit market conditions could adversely affect our ability to service our substantial indebtedness and significant financial commitments, including our rent payments, and to make planned expenditures;
- restrictions and limitations in the agreements governing our senior credit facility and other senior indebtedness could significantly affect our ability to operate our business, as well as significantly affect our liquidity;
- the fact that we are required to pay a significant portion of our cash flows as rent, which could adversely affect our ability to fund our operations and growth, service our indebtedness and limit our ability to react to competitive and economic changes;
- significant competition we face with respect to destination travel locations generally and with respect to our peers in the industries in which we compete;
- the impact on our business of economic and market conditions in the jurisdictions in which we operate and in the locations in which our customers reside;
- the fact that we suspended our payment of ongoing regular dividends to our stockholders, and may not elect to resume paying dividends in the foreseeable future or at all;
- all of our domestic gaming facilities are leased and could experience risks associated with leased property, including risks relating to lease termination, lease extensions, charges and our relationship with the lessor, which could have a material adverse effect on our business, financial position or results of operations;
- financial, operational, regulatory or other potential challenges that may arise with respect to landlords under our master leases may adversely impair our operations;
- the concentration of a significant number of our major gaming resorts on the Las Vegas Strip;

- the fact that we extend credit to a large portion of our customers and we may not be able to collect such gaming receivables;
- the occurrence of impairments to goodwill, indefinite-lived intangible assets or long-lived assets which could negatively affect future profits;
- the susceptibility of leisure and business travel, especially travel by air, to global geopolitical events, such as terrorist attacks, other acts of violence, acts of war or hostility or outbreaks of infectious disease (including the COVID-19 pandemic);
- the fact that co-investing in properties or businesses, including our investment in BetMGM, decreases our ability to manage risk;
- the fact that future construction, development, or expansion projects will be subject to significant development and construction risks;
- the fact that our insurance coverage may not be adequate to cover all possible losses that our properties could suffer, our insurance costs may increase and we may not be able to obtain similar insurance coverage in the future;
- the fact that a failure to protect our intellectual property could have a negative impact on the value of our brand names and adversely affect our business;
- the fact that a significant portion of our labor force is covered by collective bargaining agreements;
- the sensitivity of our business to energy prices and a rise in energy prices could harm our operating results;
- the failure of future efforts to expand through investments in other businesses and properties or through alliances or acquisitions, or to divest some of our properties and other assets;
- the failure to maintain the integrity of our information and other systems and internal customer information could result in damage to our reputation and/or subject us to fines, payment of damages, lawsuits or other restrictions on our use or transfer of data;
- reputational harm as a result of increased scrutiny related to our corporate social responsibility efforts;
- we may not achieve our social impact and sustainability related goals or that our social impact and sustainability initiatives may not result in their intended or anticipated benefits;
- extreme weather conditions or climate change may cause property damage or interrupt business;
- water scarcity could negatively impact our operations;
- the fact that our businesses are subject to extensive regulation and the cost of compliance or failure to comply with such regulations could adversely affect our business;
- the risks associated with doing business outside of the United States and the impact of any potential violations of the Foreign Corrupt Practices Act or other similar anti-corruption laws;
- increases in taxes and fees, including gaming taxes, in the jurisdictions in which we operate;
- our ability to recognize our foreign tax credit deferred tax asset and the variability of the valuation allowance we may apply against such deferred tax asset;
- changes to fiscal and tax policies;
- risks related to pending claims that have been, or future claims that may be brought against us;
- disruptions in the availability of our information and other systems (including our website and digital platform) or those of third parties on which we rely, through cyber-attacks or otherwise, which could adversely impact our ability to service our customers and affect our sales and the results of operations;
- impact to our business, operations, and reputation from, and expenses and uncertainties associated with, a cybersecurity incident, including the cybersecurity issue that occurred in September 2023, and any related legal

proceedings, other claims or investigations, and costs of remediation, restoration, or enhancement of information technology systems;

- the availability of cybersecurity insurance proceeds;
- restrictions on our ability to have any interest or involvement in gaming businesses in mainland China, Macau, Hong Kong and Taiwan, other than through MGM China;
- the ability of the Macau government to (i) terminate MGM Grand Paradise's concession under certain circumstances without compensating MGM Grand Paradise, (ii) from the eighth year of MGM Grand Paradise's concession, redeem the concession by providing MGM Grand Paradise at least one year's prior notice and subject to the payment of reasonable and fair damages or indemnity to MGM Grand Paradise, or (iii) refuse to grant MGM Grand Paradise an extension of the concession prior to its expiry; and
- the potential for conflicts of interest to arise because certain of our directors and officers are also directors of MGM China.

Any forward-looking statement made by us in this Form 10-Q speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law. If we update one or more forward-looking statements, no inference should be made that we will make additional updates with respect to those or other forward-looking statements.

You should also be aware that while we from time to time communicate with securities analysts, we do not disclose to them any material non-public information, internal forecasts or other confidential business information. Therefore, you should not assume that we agree with any statement or report issued by any analyst, irrespective of the content of the statement or report. To the extent that reports issued by securities analysts contain projections, forecasts or opinions, those reports are not our responsibility and are not endorsed by us.

### **Item 3. Quantitative and Qualitative Disclosures about Market Risk**

We incorporate by reference the information appearing under "Market Risk" in Part I, Item 2 of this Form 10-Q.

### **Item 4. Controls and Procedures**

#### **Disclosure Controls and Procedures**

Our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer) have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("the Exchange Act")) were effective as of March 31, 2024 to provide reasonable assurance that information required to be disclosed in the Company's reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and regulations and to provide that such information is accumulated and communicated to management to allow timely decisions regarding required disclosures. This conclusion is based on an evaluation as required by Rules 13a-15(b) and 15d-15(b) under the Exchange Act conducted under the supervision and participation of the principal executive officer and principal financial officer along with company management.

#### **Changes in Internal Control over Financial Reporting**

During the quarter ended March 31, 2024, there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## Part II. OTHER INFORMATION

### Item 1. Legal Proceedings

See discussion of legal proceedings in Note 8 – *Commitments and Contingencies* in the accompanying consolidated financial statements.

### Item 1A. Risk Factors

A description of certain factors that may affect our future results and risk factors is set forth in our Annual Report on Form 10-K for the year ended December 31, 2023. Except as set forth below, there have been no material changes to those factors previously disclosed in our 2023 Annual Report on Form 10-K.

***Our substantial indebtedness and significant financial commitments, including our rent payments and guarantees we provide of the indebtedness of the landlords of Bellagio, Mandalay Bay, and MGM Grand Las Vegas could adversely affect our operations and financial results and impact our ability to satisfy our obligations.*** As of March 31, 2024, we had approximately \$6.3 billion of principal amount of indebtedness outstanding on a consolidated basis, including \$3.0 billion of outstanding indebtedness of MGM China. Any increase in the interest rates applicable to our existing or future borrowings would increase the cost of our indebtedness and reduce the cash flow available to fund our other liquidity needs. We do not guarantee MGM China's obligations under its debt agreements and, to the extent MGM China was to cease to produce cash flow sufficient to service its indebtedness, our ability to make additional investments into MGM China is limited by the covenants in our existing senior credit facility.

In addition, our substantial indebtedness and significant financial commitments could have important negative consequences on us, including:

- increasing our exposure to general adverse economic and industry conditions;
- limiting our flexibility to plan for, or react to, changes in our business and industry;
- limiting our ability to borrow additional funds for working capital requirements, capital expenditures, debt service requirements, execution of our business strategy (including returning value to our shareholders) or other general operating requirements;
- making it more difficult for us to make payments on our indebtedness; or
- placing us at a competitive disadvantage compared to less-leveraged competitors.

We currently also provide shortfall guarantees of the \$3.01 billion and \$3.0 billion principal amount of indebtedness (and any interest accrued and unpaid thereon) of the landlords of Bellagio and Mandalay Bay and MGM Grand Las Vegas, respectively. The terms of each guarantee provide that, after the lenders have exhausted certain remedies to collect on the obligations under the underlying indebtedness, we would then be responsible for any shortfall between the value of the collateral and the debt obligation, which amount may be material, and we may not have sufficient cash on hand to fund any such obligation to the extent it is triggered in the future. We also provide for guarantees (i) in the amount of 12.65 billion yen (approximately \$84 million as of March 31, 2024) for 50% of Osaka IR KK's obligations to Osaka under various agreements related to the venture's development of an integrated resort in Osaka, Japan and (ii) of an uncapped amount to provide funding to Osaka IR KK, if necessary, for the completion of the construction and full opening of the integrated resort. The guarantees expire when the obligations relating to the full opening of the integrated resort are fulfilled. If we do not have sufficient cash on hand to satisfy any obligations with respect to any of these guarantees or our other financial commitments, we may need to raise capital, including incurring additional indebtedness, in order to satisfy our obligation. There can be no assurance that any financing will be available to us, or, if available, will be on terms that are satisfactory to us.

Under the terms of MGM Grand Paradise's concession, MGM Grand Paradise is required to implement certain investments in gaming and non-gaming projects, for which the non-gaming commitment is subject to increase if market-wide Macau annual gross gaming revenue reaches a specified level. There can be no assurance, however, that MGM Grand Paradise will have sufficient cash on hand to fund these obligations, including any increased investment amounts to the extent they are triggered in the future, or that it would be able to obtain financing to fund these obligations on satisfactory terms or at all. If MGM Grand Paradise is unable to satisfy its investment commitments, its concession contract may be subject to termination by the Macau government.

Moreover, our businesses are capital intensive. For our owned, leased and managed properties to remain attractive and competitive, we must periodically invest significant capital to keep the properties well-maintained, modernized and refurbished. The leases for our operating properties have fixed rental payments (with annual escalators) and also require us to apply a percentage of net revenues generated at the leased properties to capital expenditures at those properties. Such investments require an ongoing supply of cash and, to the extent that we cannot fund expenditures from cash generated by operations, funds must be borrowed or otherwise obtained. Similarly, development projects, including any potential future development of an integrated resort in Japan, strategic initiatives, including positioning BetMGM as a leader in online sports betting and iGaming, investments in the growth of our international digital gaming business, and acquisitions could require significant capital commitments, the incurrence of additional debt, guarantees of third-party debt or the incurrence of contingent liabilities, any or all of which could have an adverse effect on our business, financial condition, results of operations, and cash flows.

## Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information about share repurchases of our common stock during the quarter ended March 31, 2024:

Period	Total Number of Shares Purchased	Average Price Paid per Share <sup>(1)</sup>	Total Number of Shares Purchased as Part of a Publicly Announced Program	Dollar Value of Shares that May Yet be Purchased Under the Program <sup>(1)</sup> (In thousands)
January 1, 2024 — January 31, 2024	4,796,438	\$ 43.27	4,796,438	\$ 1,958,636
February 1, 2024 — February 29, 2024	3,535,536	\$ 43.01	3,535,536	\$ 1,806,577
March 1, 2024 — March 31, 2024	3,100,626	\$ 43.19	3,100,626	\$ 1,672,665

(1) In accordance with applicable disclosure requirements, the “Average Price Paid per Share” figures presented above are calculated on an execution date (trade date) basis and exclude commissions and other expenses, such as excise taxes. Figures presented under “Dollar Value of Shares that May Yet be Purchased Under the Program” indicate the total amount of authorized capacity remaining in accordance with the terms of the applicable share repurchase plan. The amount authorized under the February 2023 \$2.0 billion stock repurchase plan includes the cost of commissions, while the amount authorized under the November 2023 \$2.0 billion stock repurchase plan excludes the cost of commissions. The amount authorized for both plans excludes other expenses, such as excise taxes.

In February 2023, we announced that the Board of Directors had authorized a \$2.0 billion stock repurchase plan, and, in November 2023, we announced that the Board of Directors had authorized a \$2.0 billion stock repurchase plan. Under the stock repurchase plans, we may repurchase shares from time to time in the open market or in privately negotiated agreements. Repurchases of common stock may also be made under a Rule 10b5-1 plan, which would permit common stock to be purchased when we might otherwise be precluded from doing so under insider trading laws. The timing, volume and nature of stock repurchases will be at the sole discretion of management, dependent on market conditions, applicable securities laws, and other factors, and may be suspended or discontinued at any time. All shares we repurchased during the quarter ended March 31, 2024 were purchased pursuant to our publicly announced stock repurchase plan and have been retired.

## Item 5. Other Information

During the three months ended March 31, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933, as amended (the “Securities Act”).

**Item 6. Exhibits**

- 10.1 [Second Amendment to Credit Agreement, dated as of February 9, 2024, among the Company, Bank of America, N.A., as administrative agent, and certain lenders party thereto \(incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on February 14, 2024\).](#)
- 10.2 [Core Shareholders, etc. Support Letter, dated March 29, 2024, among Osaka IR KK, as Borrower, the Company, MGM Resorts Japan LLC and ORIX Corporation, as Core Shareholders, etc., MUFG Bank Ltd, as Facility Agent, Sumitomo Mitsui Banking Corporation, as Securities Agent, and certain lenders party thereto \(English translation of Japanese original\).](#)
- 10.3 [Guarantee and Keep-Well Letter, dated September 28, 2023, by MGM Resorts International, as guarantor, to Osaka Prefecture and Osaka City \(English translation of Japanese original\).](#)
- 22 [Subsidiary Guarantors.](#)
- 31.1 [Certification of Chief Executive Officer of Periodic Report Pursuant to Rule 13a-14\(a\) and Rule 15d-14\(a\).](#)
- 31.2 [Certification of Chief Financial Officer of Periodic Report Pursuant to Rule 13a-14\(a\) and Rule 15d-14\(a\).](#)
- 32.1 [Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350.](#)
- 32.2 [Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350.](#)
- 101.INS Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- 101.SCH Inline XBRL Taxonomy Extension Schema Document.
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document.
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document.
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document.
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document.
- 104 The cover page from this Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, has been formatted in Inline XBRL.

In accordance with Rule 402 of Regulation S-T, the XBRL information included in Exhibit 101 and Exhibit 104 to this Form 10-Q shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

## SIGNATURES

Pursuant to the requirements 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.

Date: May 1, 2024

MGM Resorts International  
By: /s/ WILLIAM J. HORNBUCKLE  
William J. Hornbuckle  
Chief Executive Officer and President (Principal Executive Officer)

Date: May 1, 2024

/s/ JONATHAN S. HALKYARD  
Jonathan S. Halkyard  
Chief Financial Officer and Treasurer (Principal Financial Officer)

**Establishment/Operation Business of the Specified Integrated Resort in Yumeshima Area of  
Osaka**

**Core Shareholders, etc. Support Letter**

**March 29, 2024**

**Borrower:**

**Osaka IR KK**

**Core Shareholders, etc.:**

**ORIX Corporation  
MGM Resorts Japan LLC  
MGM Resorts International**

**Senior Loan Lenders:**

**Financial institutions listed in Section 1 of Exhibit 1**

**VAT Loan Lenders:**

**Financial institutions listed in Section 2 of Exhibit 1**

**Revolving Loan Lenders:**

**Financial institutions listed in Section 3 of Exhibit 1**

**Facility Agent:**

**MUFG Bank, Ltd.**

**Security Agent:**

**Sumitomo Mitsui Banking Corporation**

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## Core Shareholders, etc. Support Letter

This Core Shareholders, etc. Support Letter (this “**Letter**”) is entered into as of March 29, 2024 and made by and between the financial institutions listed in Section 1 of Exhibit 1 as Senior Loan Lenders (collectively, the “**Senior Loan Lenders**,” and each individually, a “**Senior Loan Lender**”), the financial institutions listed in Section 2 of Exhibit 1 as VAT Loan Lenders (collectively, the “**VAT Loan Lenders**,” and each individually, a “**VAT Loan Lender**”), the financial institutions listed in Section 3 of Exhibit 1 as Revolving Loan Lenders (collectively, the “**Revolving Loan Lenders**,” and each individually, a “**Revolving Loan Lender**,” and the Senior Loan Lenders, the VAT Loan Lenders and the Revolving Loan Lenders are referred to as, collectively, the “**Lenders**,” and each individually, a “**Lender**”), MUFG Bank, Ltd. as Facility Agent (the “**Facility Agent**”) and Sumitomo Mitsui Banking Corporation as Security Agent (the “**Security Agent**”), ORIX Corporation, MGM Resorts Japan LLC and MGM Resorts International (collectively, the “**Core Shareholders, etc.**,” and each individually, a “**Core Shareholder, etc.**” and ORIX Corporation and MGM Resorts International are referred to as, collectively, the “**Completion Guarantors**,” and each individually a “**Completion Guarantor**” and ORIX Corporation and MGM Resorts Japan LLC are referred to as, collectively, the “**Core Shareholders**,” and each individually a “**Core Shareholder**”), and Osaka IR KK (the “**Borrower**”). It is acknowledged and agreed as follows:

### Article 1 Definitions, etc.

1. The following terms used in this Letter shall have the meanings defined below. Any capitalized term used but not defined herein shall have the meaning ascribed thereto in the Credit Agreement (defined below) unless the context otherwise requires. In addition, the Core Shareholders, etc. hereby confirm that the Core Shareholders, etc. have received a copy of the Credit Agreement from the Borrower and understand the content thereof.
  - (1) “**Fixed Senior Receivables**” (確定上位債権(*kakutei zuyōi saiken*)) has the meaning set forth in Article 5, Paragraph 1, Item (1), (i).
  - (2) “**Share Pledge Agreement**” (株式質権設定契約(*kabusiki sitiken settei keiyaku*)) means, as set forth in Section 7 of Exhibit 11 to the Credit Agreement, the Share (Revolving) Pledge Agreement for the Establishment/Operation Business of the Specified Integrated Resort in Yumeshima Area of Osaka under which the shares of the Borrower held by the Shareholders will be provided as collateral.
  - (3) “**Completion Guarantee Ratio**” (完工保証割合(*kankō hōsyō wariiai*)) means the ratio of the number of voting rights each Completion Guarantor holds, directly or indirectly, in the Borrower to the total number of voting rights of common shares issued by the Borrower to all Completion Guarantors.

- (4) “**Construction Related Costs**” (建設関連費用 (*kensetu kanren hiyō*)) means (a) any contract amount and other costs or expenditures payable by the Borrower (limited to those which become due on or prior to the Project Completion Date) under the Construction Contracts and the Construction, etc. Design Service Agreements (for the purposes of this definition, “Design Service Agreements” means, collectively or individually, the Construction Implementation Design Service Agreements listed as the Project Documents as set forth in Items 16 through 19 of Exhibit 12 of the Credit Agreement); (b) any rent and other costs or expenditures payable by the Borrower under the Fixed-term Land Lease Agreement for Business Purpose; (c) any insurance premiums and other costs or expenditures payable by the Borrower under the Insurance Agreements; (d) any service fees and other costs or expenditures payable by the Borrower to any advisors or consultants appointed for the Project (including, but not limited to, the Tax & Accounting Memorandum Provider, the Technical Consultant, the Demand Forecast Consultant and the Insurance Consultant); (e) any and all costs incurred for the design, development, construction, exterior work and opening of the IR Facilities (including mobilization fees and personnel expenses); and (f) any and all other costs or expenditures required for the Borrower to accomplish the full completion of the IR Facilities and the Full Opening of the IR Facilities, in each case which are incurred on or before the Project Completion Date. In each case, any costs or expenditures subject to a dispute over the appropriate completion of the corresponding work as of the Project Completion Date shall not be included in the Construction Related Costs until and unless the amount and scope of such costs or expenditures are determined, and only to the extent determined to be borne by the Borrower, such costs or expenditures shall be included in the Construction Related Costs regardless of when they are due and payable. For the avoidance of doubt, expenses other than those listed above are not included in the scope of the Construction Related Costs and the payment obligations under the Finance-Related Documents to be borne by the Borrower against the Loan-Related Parties are excluded from the Construction Related Costs.
- (5) “**Senior Receivables**” (上位債権 (*zyōi saiken*)) means, collectively or individually, any and all present and future receivables held or to be held by the Loan-Related Parties against the Borrower under the Finance-Related Documents (if refinancing is provided by the Loan-Related Parties as a result of refinancing activity as set forth in Article 11.1, Item (23) of the Credit Agreement, including such receivables after the refinancing).
- (6) “**Senior Obligations**” (上位債務 (*zyōi saimu*)) means, collectively or individually, the obligations of the Borrower that correspond to the Senior Receivables.
- (7) “**Subject Receivables**” (対象債権 (*taisyo saiken*)) means, collectively or individually, any

and all present and future receivables held or to be held by the Core Shareholders, etc. against the Borrower (i) under the Subordinated Loan Agreement, and (ii) based on the rights for personal interests (*jieki-ken*) and rights for common interests (*kyoeki-ken*) related to the shares of the Borrower held by them (for the avoidance of doubt, including the right to demand dividends of profits in respect of the shares of the Borrower, but not including the right to be acquired regardless of the rights for personal interests or rights for common interests related to the shares of the Borrower, such as service fee receivables for the services provided by a Core Shareholder, etc. to the Borrower).

- (8) “**Core Shareholders, etc. Adverse Effect**” (中核株主等悪影響(*tyūkaku kabunusi tō akueikyō*)) means any non-minor adverse effect on any Core Shareholder, etc.’s ability to perform its obligations under the Core Shareholders, etc.-Relevant Documents.
- (9) “**Core Shareholders, etc. Material Adverse Effect**” (中核株主等重大悪影響(*tyūkaku kabunusi tō zyūdai akueikyō*)) means any material adverse effect on any Core Shareholder, etc.’s ability to perform its obligations under the Core Shareholders, etc.-Relevant Documents.
- (10) “**Notice, etc.**” (通知等(*tūti tō*)) has the meaning set forth in Article 10, Paragraph 1.
- (11) “**Credit Agreement**” (本貸付契約(*hon kasituke keiyaku*)) means the Credit Agreement for the Establishment/Operation Business of the Specified Integrated Resort in Yumeshima Area of Osaka dated March 29, 2024, entered into by and among the Borrower, the Loan-Related Parties, and MUFG Bank, Ltd. and Sumitomo Mitsui Banking Corporation as Arrangers.

2. In this Letter, the following rules of construction shall apply, unless the context otherwise requires:

- (1) Laws, etc. Any references to Laws, etc. shall be references to the then current Laws, etc., including any amendments or modifications made thereto from time to time. Any references to article numbers of Laws, etc. shall be references to the article numbers of Laws, etc. in effect as of the date of execution hereof, and in the case where any amendment or modification is made thereto, shall be replaced with the corresponding article numbers after such amendment or modification if it is evident in light of the purpose of such amendment or modification.
- (2) Agreements. Any references to any of the Finance-Relevant Documents, the Project Documents or any other agreements shall be references to the then current version thereof, including any modifications, supplements, additions or amendments (including any change or addition of parties) made thereto from time to time.
- (3) Articles, paragraphs, etc. Any references to articles, paragraphs or exhibits shall be references to articles, paragraphs or exhibits of this Letter. Any references to this Letter shall include any exhibits.

- (4) Headings. Headings of articles and paragraphs are included in this Letter for convenience of reference only and shall not affect the construction of this Letter.
3. Except as otherwise provided in this Letter, the rights and obligations of the Core Shareholders, etc. and the Borrower under this Letter shall be respectively separate and independent rights and obligations, and shall not be joint and several obligations against each other, and none of the Core Shareholders, etc. nor the Borrower shall be liable for the obligations of, or exercise of rights by, any other Core Shareholders, etc. or the Borrower, unless there is any reason attributable to it.
4. Any references in this Letter to the Core Shareholders, etc., the Borrower, the Lenders, the Facility Agent and the Security Agent or other private individuals or entities shall include their respective successors and the transferees of the rights, obligations and status under this Letter related thereto pursuant to the provisions of this Letter.

## Article 2 Representations and Warranties of Core Shareholders, etc.

Each Core Shareholder, etc. represents and warrants to the Loan-Related Parties that each of the matters set forth below is true and correct for such Core Shareholder, etc. as of the date of the execution of this Letter, each date of the submission by the Borrower of Drawdown Requests to the Facility Agent and each Drawdown Date (if there is any time explicitly indicated below, at the time so indicated); provided, however, that with respect to the matters related to the Core Shareholders, etc. collectively, it shall be sufficient for each Core Shareholder, etc. to represent and warrant to the extent that such representations and warranties pertain to such Core Shareholder, etc. alone:

- (1) Incorporation and existence. The Core Shareholders, etc. are corporations duly incorporated and validly existing under their jurisdiction of incorporation.
- (2) Powers and authority. The Core Shareholders, etc. have the requisite power and authority for the execution and performance of the Core Shareholders, etc.-Relevant Documents.
- (3) Internal procedures. The Core Shareholders, etc. have duly completed all procedures necessary for the execution and performance of the Core Shareholders, etc.-Relevant Documents (limited to those required to be executed at or prior to the time as of which the representations and warranties are made) under the Laws, etc. and the Articles of Incorporation and other internal rules of the Core Shareholders, etc.
- (4) Authorization. Any person who signs or affixes his/her name and seal to the Core Shareholders, etc.-Relevant Documents (limited to those required to be executed at or prior to the time as of which the representations and warranties are made; hereinafter the same shall apply in this Item) on behalf of the Core Shareholders, etc. is fully authorized to sign or affix his/her name and seal to such Core Shareholders, etc.-Relevant Documents representing or on behalf of the Core Shareholders, etc. pursuant to any procedures required under the Laws, etc. and other internal rules of the Core Shareholders, etc.

- (5) Legality. The execution and performance of the Core Shareholders, etc.-Relevant Documents by the Core Shareholders, etc. do not result in (i) any violation or breach of the Laws, etc. which bind the Core Shareholders, etc. or their assets except that the internal procedures set forth in Item (3) are required to be separately performed, (ii) any violation or breach of the Articles of Incorporation or other internal rules of the Core Shareholders, etc. except that the internal procedures set forth in Item (3) are required to be separately performed, (iii) any violation or breach of any contract to which the Core Shareholders, etc. are parties or any contract with a third party which binds the Core Shareholders, etc. or their assets, and (iv) creating, or incurring an obligation to create, any mortgage, pledge, lien or other encumbrance on any assets or businesses of the Core Shareholders, etc., except for those contemplated or permitted under the Finance Relevant Documents or security interests that become effective by operation of the Laws, etc., except such as would not cause a Core Shareholders, etc. Material Adverse Effect.
- (6) The Core Shareholders, etc.-Relevant Documents.
- (i) The Core Shareholders, etc.-Relevant Documents (limited to those required to be executed on or prior to the time as of which the representations and warranties are made; hereinafter the same shall apply in this Item) have been lawfully executed and constitute legal, valid and binding obligations of the Core Shareholders, etc., enforceable in accordance with their respective terms subject to limitations under bankruptcy, insolvency or other applicable Laws, etc. affecting the rights of creditors generally.
  - (ii) Except to the extent where the Loan-Related Parties have provided the prior written approval (the Loan-Related Parties shall not unreasonably refuse, withhold, or delay such approval) and except to the extent contemplated or permitted under the Core Shareholders, etc.-Relevant Documents, the Core Shareholders, etc.-Relevant Documents have not been amended or terminated.
  - (iii) Except as contemplated or permitted under the Core Shareholders, etc.-Relevant Documents and security interests that become effective by operation of the Laws, etc., the Core Shareholders, etc. have not assigned all or part of the rights, obligations or position under the Core Shareholders, etc.-Relevant Documents and have not executed an assignment reservation contract or an assignment contract with a condition precedent related thereto.
- (7) Composition of the Borrower's Shareholders.
- (i) As of the execution date of this Letter, the direct voting ratios of the Core Shareholders, etc. and the Completion Guarantee Ratio of the Completion Guarantors are as follows.

Core Shareholder, etc.	Voting Ratio	Completion Guarantee Ratio
ORIX	50.0%	50.0%
MGM Japan	50.0%	-
MGMRI	-	50.0%

- (ii) The Core Shareholders are the lawful owners of the shares of the Borrower held directly by themselves, and all payments for such shares have been completed.
  - (iii) The shares of the Borrower held directly by the Core Shareholders have not been assigned to a third party, a security interest has not been created thereover, such shares have not been leased to a third party, or such shares have not otherwise been disposed of, except by foreclosure of the Security Interests and exercise of a security interest which takes effect by operation of the Laws, etc. and as permitted or contemplated under the Finance-Relevant Documents.
- (8) Antisocial Forces. Neither the Core Shareholders, etc. nor their respective officers fall under the definition of Antisocial Forces, have entered into any transaction with the Antisocial Forces, nor have they engaged in any Antisocial Activities. In addition, the Core Shareholders, etc. and their respective officers have established and maintained a framework reasonably deemed sufficient to maintain such condition and to ensure suitability.
- (9) No Dissolution or Petition for Bankruptcy, etc.
- (i) The Core Shareholders, etc. have not commenced any internal proceedings, and no resolution has been adopted on the decision on such internal proceedings, nor has any legal proceeding relating thereto been commenced for the purpose of dissolution, liquidation, management or corporate reorganization (including similar actions based on the governing law of the place of incorporation) of the Core Shareholders, etc. or for the purpose of the appointment of administrators, asset administrators, trustees or other similar persons for the Core Shareholders, etc. or all or any material part of their assets or incomes.
  - (ii) The Core Shareholders, etc. have not suspended payment of, and is not incapable of paying, its debts and, to the best knowledge of the Core Shareholders, etc., there is no specific and credible threat of such situation arising from the execution and performance of the Core Shareholders, etc.-Relevant Documents (limited to those required to be executed at or prior to the time as of which the representations and warranties are made).
  - (iii) With respect to the Core Shareholders, etc., no petition or application for commencement of proceedings for the Bankruptcy, etc. has been filed and, to the best knowledge of the Core Shareholders, etc., there are no circumstances that constitute grounds for commencement of such proceedings; provided, however, that this shall not apply where the Loan-Related Parties reasonably acknowledge that it is an abusive petition or application.

- (10) Permits, etc. All of the Permits, etc. (limited to those required to be obtained or performed at or prior to the time as of which the representations and warranties are made) to be obtained or implemented by the Core Shareholders, etc. that are necessary for the Core Shareholders, etc. to execute and perform the Core Shareholders, etc.-Relevant Documents (limited to those required to be executed at or prior to the time as of which the representations and warranties are made) have been legally obtained or performed and maintained in full force and effect, except such as would not cause a Core Shareholders, etc. Material Adverse Effect.
- (11) Creation and priority, etc. of the Security Interests. Subject to limitations under bankruptcy, insolvency or other applicable Laws, etc. affecting the rights of creditors generally, the Security Interests (limited to those Security Interests (i) which are created under the Security Documents required to be executed on or prior to the time as of which the representations and warranties are made, and (ii) for which the Core Shareholders, etc. are the security providers of the Security Interests) have been created, are lawful and valid and are enforceable in accordance with the terms and conditions of the respective Security Documents, and such Security Interests (limited to those required to ensure the Perfection, etc. on or prior to the time as of which the representations and warranties are made) have been perfected in accordance with the relevant Security Documents and at the priority specified by such Security Documents; provided, however, that the foregoing shall not apply to cases where the creation or Perfection, etc. of the Security Interests is withheld under the relevant Security Documents. For the avoidance of doubt, even if the Perfection, etc. fails to be ensured in taking the procedures set forth in the relevant Security Documents, if such procedures have been taken in accordance with such Security Documents (including the case where, although it is provided that a third party's approval shall be obtained for the Perfection, etc., it was not possible to obtain such approval from such third party), such failure will not constitute a violation of this Item.
- (12) No lawsuit, etc. To the knowledge of the Core Shareholders, etc., no lawsuit, conciliation, arbitration, preservation procedure, compulsory execution proceeding, or similar judicial or administrative proceeding or other dispute against the Core Shareholder, etc., which would cause the Core Shareholders, etc. Material Adverse Effect, exists, and there is no specific and credible threat of such lawsuit, conciliation, arbitration, preservation procedure, compulsory execution proceeding, or similar judicial or administrative proceeding or other dispute being caused, except for those approved in writing by the Loan-Related Parties in advance (the Loan-Related Parties shall not unreasonably refuse, withhold, or delay such approval).

- (13) No breach of representations and warranties under the Core Shareholders, etc.-Relevant Documents. The representations and warranties made by the Core Shareholders, etc. under the Core Shareholders, etc.-Relevant Documents (limited to those required to be executed at or prior to the time as of which the representations and warranties are made) (including the representations and warranties made by the Core Shareholders, etc. as the Project-Related Parties) are true and correct in any material respect at the relevant time so made.
- (14) No breach of obligations, etc. under Core Shareholders, etc.-Relevant Documents. There exists no default (including a breach of covenants and other obligations) with respect to the Core Shareholders, etc. under the Core Shareholders, etc.-Relevant Documents (limited to those required to be executed at or prior to the time as of which the representations and warranties are made) that is reasonably expected to cause a Core Shareholders, etc. Material Adverse Effect.
- (15) Compliance with Laws, etc. To the best knowledge of the Core Shareholders, etc., there exists no violation by the Core Shareholders, etc. of the Laws, etc. applicable in connection with the performance of the Core Shareholders, etc.-Relevant Documents (limited to those required to be executed at or prior to the time as of which the representations and warranties are made), except (i) where such corrective action as is reasonably satisfactory to the Loan-Related Parties is taken or is reasonably expected to be taken, (ii) where the Loan-Related Parties otherwise reasonably approve, and (iii) such as would not cause a Core Shareholders, etc. Material Adverse Effect.
- (16) Financial Statements, etc.
- (i) To the best knowledge of the Completion Guarantors, the Financial Statements prepared by the Completion Guarantors have been lawfully prepared in accordance with the Laws, etc. and the accounting principles generally accepted in the applicable jurisdiction, and the statements therein are true and accurate and, furthermore, there are no off-the-book liabilities not stated in the Financial Statements which shall be stated in accordance with applicable Laws, etc. and the accounting principles; provided, however, that minor errors, such as clear clerical errors, or errors that would not cause a Core shareholders, etc. Adverse Effect on the Completion Guarantors do not constitute any breach of this (i).
  - (ii) To the best knowledge of the Completion Guarantors, no change or subsequent event that causes a Core Shareholders, etc. Material Adverse Effect on the Completion Guarantors has occurred on or after the base date of the Financial Statements for the most recent Fiscal Year that were prepared by the Completion Guarantors.

- (17) Accuracy of information. To the knowledge of the Core Shareholders, etc., the documents relating to the Project submitted by Core Shareholders, etc. to the Loan-Related Parties, of which Core Shareholders, etc. were involved in the preparation, have not contained any inaccurate statements or descriptions with respect to material facts that are necessary to make the statements therein (excluding estimates and forward-looking statements) not misleading, and have not omitted statements of such facts, except such as would not cause a Core Shareholders, etc. Material Adverse Effect.

### Article 3 Core Shareholders, etc.'s Covenants

Each Core Shareholder, etc. covenants to the Loan-Related Parties that it will comply with the following Items on or after the date of execution of this Letter until such time as the lending obligations of the Lenders under the Credit Agreement cease to exist and any and all Senior Obligations have been repaid. For the avoidance of doubt, with respect to the matters related to the Core Shareholders, etc. collectively, each Core Shareholder, etc. is only required to comply with the items related to such Core Shareholder, etc., and no Core Shareholder, etc. shall be obligated to cause any other Core Shareholders, etc. to comply with the following Items. The Core Shareholders, etc. may cause the Borrower to submit documents or notification, but failure of the Borrower to do so shall not relieve the Core Shareholders, etc. of such obligation to make submission or notification.

- (1) Prohibition of disposal of the shares of the Borrower. Except as (i) pursuant to security interests becoming effective by operation of the Laws, etc., (ii) permitted or contemplated under the Finance-Relevant Documents, and (iii) necessary for compliance with laws and regulations or for the maintenance of Material Permits, etc., the Core Shareholders shall not transfer, pledge or otherwise dispose of the shares of the Borrower held by the Core Shareholders to a third party (“**Transfer, etc.**” in this Item); provided, however, that in the event of a Transfer, etc. of the shares of the Borrower to a third party for the purpose of compliance with laws and regulations or for the maintenance of Material Permits, etc. (for the avoidance of doubt, excluding such Transfer, etc. as permitted or contemplated under the other provisions of the Finance-Relevant Documents), the Core Shareholders shall, to the extent such Core Shareholder has discretion in selecting a counterparty of the Transfer, etc., obtain the prior consent of the Loan-Related Parties regarding the selection of such counterparty (provided, however, that the Loan-Related Parties shall not unreasonably refuse, withhold, or delay such consent).
- (2) Not to file a petition for the Bankruptcy, etc. against the Borrower
- (i) The Core Shareholders, etc. shall not file a petition or an application for commencement of the Bankruptcy, etc. with respect to the Borrower, and shall not cooperate with any third party in filing such petition or application.
  - (ii) The Core Shareholders, etc. shall not dissolve the Borrower.

(3) Compliance with, and no-amendment, etc. of, the Core Shareholders, etc.-Relevant Documents

- (i) The Core Shareholders, etc. shall execute the Core Shareholders, etc.-Relevant Documents in a form and substance reasonably satisfactory to the Loan-Related Parties not later than the date as specified in the Credit Agreement, and maintain (except where any agreement not required for the Project at that time expires or terminates upon achievement of the Project's objectives) and comply with them, except to the extent non-compliance with the foregoing would not cause a Core Shareholders, etc. Material Adverse Effect.
- (ii) The Core Shareholders, etc. shall not amend or modify any Core Shareholders, etc.-Relevant Document in any material respects, except (i) where the Loan-Related Parties give prior written consent (the Loan-Related Parties shall not unreasonably refuse, withhold, or delay such consent), (ii) where contemplated or permitted under the Finance-Relevant Documents, and (iii) where non-compliance with the foregoing would not cause a Core Shareholders, etc. Material Adverse Effect.
- (iii) Except for the Security Interests and any security interest which shall automatically become effective by operation of the Laws, etc. and unless otherwise contemplated or permitted under the Finance-Relevant Documents, the Core Shareholders, etc. shall not assign, waive, or create a security on, or otherwise dispose of, their rights, obligations or status under the Core Shareholders, etc.-Relevant Documents (including, but not limited to, creation of the right to complete the assignment of the contractual status), except to the extent non-compliance with the foregoing would not cause a Core Shareholders, etc. Material Adverse Effect.
- (iv) Except for the Security Interests, and unless contemplated or permitted in the Finance-Relevant Documents, the Core Shareholders, etc. shall not consent to assignment or waiver of, creation of a security on, or otherwise disposal of, their rights, obligations or status under the Core Shareholders, etc.-Relevant Documents (including, but not limited to, creation of the right to complete the assignment of the contractual status) by the other party to the Core Shareholders, etc.-Relevant Documents, or modification or amendment (except to the extent non-compliance with the foregoing would not cause a Core Shareholders, etc. Material Adverse Effect) or cancellation of the Core Shareholders, etc.-Relevant Documents by the other party thereto.

- (4) Support for the Borrower's implementation of the Project. The Core Shareholders, etc. shall provide the Borrower with reasonable operational support, to the extent practically and reasonably possible, in order that the Borrower may comply with and perform its obligations under the Related Agreements and implement the Project (including support for transfer, etc. of personnel and know-how necessary to develop a system so that there would have no material effect on the Borrower's Business Plan, etc. on or after the Full Opening Date even in a situation where continued support by the Core Shareholders, etc. is not expected due to bankruptcy, etc. of the Core Shareholders, etc.). For the avoidance of doubt, such support shall not include or imply any commitment of financial support or guarantee obligation to be provided by the Core Shareholders, etc. to the Borrower.
- (5) Antisocial Forces or Antisocial Activities. Neither the Core Shareholders, etc. nor their respective officers shall fall under the definition of Antisocial Forces, nor engage in, nor cause any third party to engage in, any Antisocial Activities. In addition, the Core Shareholders, etc. shall establish and maintain a framework reasonably deemed sufficient to maintain such condition and to ensure integrity.
- (6) AML Framework. The Core Shareholders, etc. shall provide the Borrower with operational support to the extent reasonable in order that the Borrower may establish the AML Framework no later than the opening of the Casino Facilities, maintain it, and establish a framework necessary for obtaining, maintaining and renewing the license for the Casino Business (including a framework reasonably deemed sufficient to ensure suitability).
- (7) Provision of performance guarantee, etc. The Core Shareholders, etc. shall cause the Borrower to perform the deposit for (i) the performance guarantee to Osaka Prefecture in the amount required pursuant to Section 7, Paragraph 1 of the Implementation Agreement (provided, however, that if such amount is reduced pursuant to the Implementation Agreement, the Core Shareholders, etc. shall cause the Borrower to perform the deposit for the amount so reduced) and (ii) the contract deposit to Osaka City in the amount equivalent to the rent for sixty six (66)-months pursuant to Section 12, Paragraph 1 of the Fixed-term Land Lease Agreement for Business Purpose.
- (8) Measures against gambling addiction, etc. The Core Shareholders, etc. shall provide the Borrower with operational support to the extent reasonable (including the provision of knowledge) in order that the Borrower may implement the policies and measures necessary for the Borrower to appropriately take gambling addiction countermeasures under the Borrower-Relevant Documents.
- (9) Substitute plan. Prior to the arrival of the Full Opening Date, (i) in the case of occurrence of the Bankruptcy, etc. or dissolution of any Core Shareholder, etc. or specific and credible threat of the foregoing, or (ii) in the event that the Loan-Related Parties reasonably determine that there will certainly be a material adverse effect on the Core Shareholders, etc. transferring necessary personnel and know-how to the Borrower, the Core Shareholders, etc. shall, upon reasonable request by the Loan-Related Parties and upon prior discussion with the Loan-Related Parties, submit a substitute plan to transfer necessary personnel and know-how from the Core Shareholders, etc. to the Borrower no later than the Full Opening Date. Such substitute plan must be such that the Loan-Related Parties may reasonably determine that it will not make the Project impossible or extremely difficult to be implemented.

- (10) Refinancing activity. If the Borrower implements the refinancing activity set forth in Article 11.1, Item (23) of the Credit Agreement, the Core Shareholders, etc. shall cooperate therewith to the extent reasonable and practicable. For the avoidance of doubt, the covenants of the Core Shareholders, etc. set forth in this Item shall not obligate the Core Shareholders, etc. to make certain payments, guarantee or enter into agreements relating to such refinancing activity.
- (11) Submission of documents. The Core Shareholders, etc. shall submit the following documents to the Facility Agent by the time of submission of the relevant documents; provided, however, that those that were already submitted under the Finance-Relevant Documents shall not be required to be submitted again unless there is any change. In addition, if a document specified below is disclosed on the Internet, the Core Shareholders, etc. may substitute the submission of the document by notifying, by itself or through the Borrower, the Facility Agent of such disclosure along with a verifiable URL, etc. For the Core Shareholders, etc., who are non-Japanese companies, it shall suffice to submit documents equivalent to or similar to the ones specified below, to the extent that such documents exist.
- (i) Audited annual Financial Statements of the Completion Guarantors and copies of the accounting auditor's audit reports thereon. Those for the Fiscal Year ending in March 2024 and thereafter shall be submitted promptly after preparation thereof; provided, however, that the submission shall be within three (3) months after the end of the relevant Fiscal Year (provided, however, that in the case where such Completion Guarantor makes disclosures of the said documents at financial instruments exchanges or other institutions and it is permitted to disclose them after such submission due under the Laws, etc., exchange rules or other regulations, promptly after such disclosure).
- (ii) Semi-annual Financial Statements of the Completion Guarantors for each Fiscal Year (in the case where such Completion Guarantor prepares the Financial Statements on a quarterly basis, this refers to the Financial Statements for the second quarter). Those for the Fiscal Year ending in March 2024 and thereafter shall be submitted promptly after the preparation thereof; provided, however, that the submission shall be within three (3) months after the last day of the relevant First Semi-Annual Period (provided, however, that in the case where such Completion Guarantor makes disclosures of the said documents at financial instruments exchanges or other institutions and it is permitted to disclose them after such submission due under the Laws, etc., exchange rules or other regulations, promptly after such disclosure).

- (iii) Business reports of ORIX Corporation for each Fiscal Year. Those for the Fiscal Year ending in March 2024 and thereafter shall be submitted promptly after preparation thereof; provided, however, that the submission shall be within three (3) months after the last day of the relevant Fiscal Year.
  - (iv) Certificates of all historical matters and certificates of seal impressions of the Core Shareholders, etc. (i) First time, they shall be submitted not later than ten (10) Business Days prior to the Proposed Drawdown Date for the first Loan, and (ii) thereafter, (a) with respect to the certificates of seal impressions, they shall be submitted promptly after any change occurs in the contents thereof, and (b) with respect to the certificates of all historical matters, they shall be submitted promptly after occurrence of any Core Shareholders, etc. Material Adverse Effect or after the Facility Agent notifies any Core Shareholder, etc. that they reasonably require confirmation.
  - (v) Other documents that the Facility Agent and the Core Shareholders, etc. have discussed and agree to in good faith, as reasonably required for the preservation and mid-term monitoring of claims of the Loan-Related Parties. They shall be submitted by the agreed time of submission.
- (12) Notice. If the Core Shareholders, etc. recognize the occurrence of any of the following events, they shall promptly notify the Facility Agent of such event and the contents thereof:
- (i) except to the extent caused by any Loan-Related Party, the occurrence of a breach of representations and warranties, default (including a breach of covenants and other breach of obligations, but excluding such as would clearly only have a de minimis adverse effect on the performance of the Core Shareholders, etc.-Relevant Documents by the Core Shareholders, etc.), or an event of rescission, invalidity or cancellation or any other event of termination of agreements, in each case, as provided under the Core Shareholders, etc.-Relevant Documents and only to the extent such events are reasonably expected to cause a Core Shareholders, etc. Material Adverse Effect;

- (ii) the occurrence of any event of force majeure or change of the Laws, etc. that would pose a specific and credible threat of a Core Shareholders, etc. Material Adverse Effect;
  - (iii) to such an extent as would pose a specific and credible threat of a Core Shareholders, etc. Material Adverse Effect, a litigation or other dispute relating to the Core Shareholders, etc., or a written notice, order, or guidance, etc. from a public office, tax office, court or other public agency (including the event of receipt of a content-certified mail or any other claim, request or the Notices, etc. from a third party, in writing, to the effect that any of such procedures may be taken);
  - (iv) any change in the name, trade name, address, or representative director of the Core Shareholders, etc., or registered seal impression or any other matters notified to the Loan-Related Parties;
  - (v) to such an extent as would pose a specific and credible threat of a Core Shareholders, etc. Material Adverse Effect, engaging in a merger, company split, share exchange, share transfer, share delivery, incorporation of holding company, stock repurchase, incorporation of subsidiaries, transfer or assignment of its business, amendment to the Articles of Incorporation (excluding changes incidental to an amendment of the Laws, etc.), management delegation of all or a material part of the Project, reduction of the amount of stated capital or capital reserve, or entity conversion; or
  - (vi) any change in the principal business of the Core Shareholders, etc. in such a manner as would pose a specific and credible threat of a Core Shareholders, etc. Material Adverse Effect.
- (13) Compliance with the Laws, etc. The Core Shareholders, etc. shall comply with all the Laws, etc. applicable to the performance of the Core Shareholders, etc.-Relevant Documents by such Core Shareholders, etc.; provided, however, that any violation or breach of the Laws, etc. that would not cause a Core Shareholders, etc. Material Adverse Effect shall not constitute a breach of this Item. Further, any violation of such Laws, etc. shall not constitute a breach of this Item if it has been cured within ten (10) Business Days after the violation is identified. In such case, it shall be deemed that such violation does not constitute a breach of this Item during the cure period. Further, such violation shall not constitute a breach of this Item on the condition that such corrective action as is reasonably satisfactory to the Loan-Related Parties is taken, or is otherwise reasonably acknowledged by the Loan-Related Parties. In such case, during the period that is reasonably necessary to take such corrective action, it shall be deemed that no breach of this Item has occurred concerning the said event.

- (14) Obtaining and maintenance of the Permits, etc. The Core Shareholders, etc. shall obtain and implement the Permits, etc. that should be obtained or implemented by the Core Shareholders, etc. and are necessary for the execution and performance of the Core Shareholders, etc.-Relevant Documents by the Core Shareholders, etc. by the prescribed deadline, and maintain their validity to the extent reasonably required (excluding those waived by any Loan-Related Parties), for the period required to perform the Core Shareholders, etc.-Relevant Documents by the Core Shareholders, etc., renew them, and prevent occurrence of events of change or revocation thereof, except to the extent non-compliance with the foregoing would not cause a Core Shareholders, etc. Material Adverse Effect.
- (15) Cooperation for creation of security interests, etc. In the event that the Loan-Related Parties make a reasonable request regarding the creation, transfer, assignment, and foreclosure of the Security Interests (limited to those where the Core Shareholders, etc. become third party obligors of the secured receivables; hereinafter the same shall apply in this Item) and procedures for the Perfection, etc. related thereto, the Core Shareholders, etc. shall provide necessary cooperation to the extent reasonable; provided, however, that cooperation with the foreclosure of the Security Interests and the procedures for the Perfection, etc. related thereto shall be subject to the full satisfaction of the conditions described in the letter of consent to create receivables pledge relating to the Security Interests or the letter of consent on assignment of the contractual status pertaining to step-in option relating to the right to complete the assignment.
- (16) Foreclosure of share collateral. In the event that the Loan-Related Parties foreclose collateral created on the shares of the Borrower in accordance with the provisions of the share pledge agreement (including assignment through sale by private contract), the Core Shareholders, etc. shall, in accordance with the reasonable request of the person who acquired the shares through such foreclosure, endeavor to the extent legally, and practically and reasonably possible, to smoothly terminate the Borrower's employment and other contractual relations with the employees and officers of the Borrower (or, after the Full Opening Date, the officers of the Borrower) sent or provided by the Core Shareholders, etc.
- (17) Notice and consultation. After the Core Shareholders, etc. recognize the occurrence of any of the events described in Item (12) and notify the Facility Agent of such event, if the Facility Agent so reasonably requests as it is reasonably expected that such event would cause a Core Shareholders, etc. Material Adverse Effect, the Core Shareholders, etc. shall consult in good faith with the Loan-Related Parties and the Borrower.
- (18) Consultation relating to implementation, etc. of the Project. When an Event of Default or a Potential Event of Default has occurred and is continuing, and if the Facility Agent so requests reasonably upon indicating that the preservation of claims is objectively and reasonably necessary, the Core Shareholders, etc. shall consult in good faith with the Loan-Related Parties and the Borrower.

- (19) Petition, etc. for compulsory execution against the Borrower. The Core Shareholders, etc. shall not initiate compulsory execution or preservative measures on the Borrower's property in order to satisfy their own claims.
- (20) Obtaining title of obligation against the Borrower. The Core Shareholders, etc. shall not obtain the title of obligation against the Borrower through a settlement prior to filing a lawsuit, a settlement of a lawsuit, or preparation of a notarial deed which provides for no objection to execution or any other means.
- (21) Litigation acts, etc. against the Borrower. The Core Shareholders, etc. shall not file any lawsuits, preservation proceedings, compulsory execution proceedings, mediations, arbitrations or any other judicial proceedings against the Borrower.
- (22) Subordination of right to reimbursement, etc. The Core Shareholders, etc. shall not exercise the right to reimbursement, rights of subrogation, etc. or any other rights of the Core Shareholders, etc. against the Borrower acquired through the payment or performance by subrogation under the Finance-Relevant Documents and the Core Shareholders, etc.-Relevant Documents (for the avoidance of doubt, excluding the right to be acquired irrespective of the rights for personal interests (*jieki-ken*) or rights for common interests (*kyoeki-ken*) related to the shares of the Borrower or the Subordinated Loan Agreement, such as service fees for the services provided by the Core Shareholder, etc. to the Borrower, and the claims allowed to be repaid from the Release Account) on or before the Loan-Related Parties' claims against the Borrower are fully paid.
- (23) Prohibition of set-offs. The Core Shareholders, etc. shall not set off their claims against the Borrower with their obligations owed to the Borrower.

#### Article 4 Completion Guarantee by Completion Guarantors

1. Each Completion Guarantor severally guarantees (i) completion of construction of the Project in accordance with the Implementation Agreement and other Related Agreements, and (ii) the Borrower's payment of the Construction Related Costs when due in proportion to its own Completion Guarantee Ratio. For the avoidance of doubt, the obligation of each Completion Guarantor under this Article shall not be deemed to be a guarantee of any Financial Indebtedness of the Borrower and shall not impose any liability on either Completion Guarantor for the obligations of the Borrower under the Finance-Relevant Documents.
2. If it is reasonably anticipated that the Borrower will not be able to pay any Construction Related Costs by the due date specified in the Related Agreements, each Completion Guarantor shall make an additional contribution to the Borrower in an amount obtained by multiplying (i) an amount equal to such deficiency by (ii) its own Completion Guarantee Ratio through a contribution by subscription of shares of the Borrower, through a subordinated loan or through any other method agreed to by the Loan-Related Parties (provided, however, that the Loan-Related Parties shall not unreasonably refuse, withhold, or delay such agreement), by the time necessary for the payment obligations for such Construction Related Costs to be fulfilled in full on the relevant payment due date. For avoidance of doubt, the guarantee obligation of each Completion Guarantor under Article 4, Paragraph 1 shall mean an additional contribution set forth in this Paragraph.

3. (i) If the Borrower terminates the Implementation Agreement pursuant to Article 99-2, Paragraph 1 thereof on the grounds of non-fulfillment of any of the conditions set forth in the items thereof, or (ii) if the lending obligations of the Lenders under the Credit Agreement cease to exist and any and all Senior Obligations have been repaid, the preceding two Paragraphs shall not apply after the effective date of such termination or such cessation and repayment completion.

#### Article 5 Subject Receivables

1. The Core Shareholders, etc. hereby acknowledge to the Loan-Related Parties that the Subject Receivables, which such Core Shareholders, etc. hold against the Borrower, are as set forth in the following Items, and pledge that they shall not engage in any conduct in contrary to such Items in relation to said Subject Receivables from the execution date of this Letter until the full repayment of the Senior Obligations, except with the prior written consent of the Loan-Related Parties (the Loan-Related Parties shall not unreasonably refuse, withhold, or delay such consent):
  - (1) In the event that a commencement order for the Legal Insolvency Proceedings is made for the Borrower before the Senior Obligations are fully paid, the Core Shareholders, etc. shall adhere to the following provisions:
    - (i) Each time a distribution is made to the Core Shareholders, etc. in such Legal Insolvency Proceedings, the Core Shareholders, etc. shall, in accordance with reasonable instructions from the Facility Agent, purchase a portion of the face value of the Senior Obligations fixed in such Legal Insolvency Proceedings (the “**Fixed Senior Receivables**”) in an amount equal to said distribution (provided, however, that if the face value of the Fixed Senior Receivables is less than the distribution amount above, all portion of the Fixed Senior Receivables) in exchange for a consideration equal to such distribution amount (provided, however, that if the face value of the Fixed Senior Receivables is less than such distribution amount above, the face value of the Fixed Senior Receivables).

In such case, the Loan-Related Parties shall cooperate to the extent practically possible with the Core Shareholders, etc. in fulfilling perfection with respect to the assignment of such Fixed Senior Receivables and any other matters reasonably requested by the Core Shareholders, etc. in order to make the assignment of receivables effective. In addition, the Core Shareholders, etc. shall bear reasonable expenses required for such assignment of receivables. The Fixed Senior Receivables acquired by the Core Shareholders, etc. through the assignment of receivables pursuant to this Paragraph shall not be regarded as rights under the Credit Agreement, but shall be treated as subject to the restrictions imposed on the Subject Receivables under this Letter. Further, the Security Interests securing the payment of the Fixed Senior Receivables acquired by the Core Shareholders, etc. pursuant to this Paragraph, shall also be transferred to the Core Shareholders, etc., but the exercise of such Security Interests shall be treated as subject to the restrictions imposed on the exercise of the Security Interests by the Core Shareholders, etc. under this Letter; and

- (ii) The Core Shareholders, etc. shall file proofs of claims in such Legal Insolvency Proceedings in accordance with reasonable instructions from the Loan-Related Parties (to the extent that such instructions are reasonably necessary for the payment in full of the Senior Receivables, and whether or not following the instructions exceeding such extent shall be at the reasonable discretion of the Core Shareholders, etc.), and in the event that the Core Shareholders, etc. are granted various rights, such as voting rights, in the Legal Insolvency Proceedings, the Core Shareholders, etc. shall exercise their voting rights and other rights so as to reflect the purpose of this Letter and the Finance-Relevant Documents in the distribution schedule and the restructuring plan, etc., and shall implement measures reasonably practicable to the extent not contrary to the Laws, etc. (including filing of proofs of claims and exercising the voting rights for the Fixed Senior Receivables acquired through the assignment of receivables pursuant to (i) above);
- (2) Payment to the Subject Receivables shall be made in accordance with the Project Cash Flow Appropriation Regulations to the extent of the balance in the Release Account, and if the balance in the Release Account is insufficient to pay the Subject Receivables when due, payment of such amount of deficiency shall be deferred until it becomes possible to pay such amount from the balance in the Release Account, and such deferral shall not be deemed a default by the Borrower and no interest or default interest shall accrue in respect of such unpaid amount; provided, however, that if reasonable instructions from the Loan-Related Parties are provided in accordance with Item (1)(ii) above, notwithstanding this Item, it shall be sufficient to comply with such reasonable instructions;

- (3) The Core Shareholders, etc. shall not, without the prior consent of the Loan-Related Parties, create any security interest securing the payment of the Subject Receivables or accept any guarantee (including assumption of obligation or assumption of performance) securing the payment of the Subject Receivables. The Loan-Related Parties shall not unreasonably refuse, withhold, or delay such consent;
  - (4) The Core Shareholders, etc. shall not collect payment of the Subject Receivables by set-off, and shall not receive any payment, etc. for the Subject Receivables from any third party and shall not demand payment by, or receive payment from, the Borrower or other third parties; and
  - (5) The Core Shareholders, etc. may not accelerate the Subject Receivables for any reason until all of the Senior Receivables have been fully paid.
2. From the execution date of this Letter until the Senior Obligations have been fully paid, if the Core Shareholders, etc., in breach of any of the Items of the preceding Paragraph, receive payments for the Subject Receivables or collect the Subject Receivables by set-off from the Borrower, such payments or set-off shall not be valid and the Subject Receivables shall restore to the amount before such payments or set-off, and the Core Shareholders, etc. shall immediately deliver to the Loan-Related Parties through the Facility Agent the amount of such payment or set-off (upon such delivery, the Borrower's right to demand return of such amount from the Core Shareholders, etc. shall be extinguished, and in this case, the Subject Receivables in an amount equal to the amount so delivered by the Core Shareholders, etc. to the Loan-Related Parties shall be still outstanding). The Loan-Related Parties shall be entitled to apply the received amount to the payment for the Senior Receivables in accordance with the Credit Agreement.
3. The Core Shareholders, etc. shall not object that the Loan-Related Parties may, in accordance with the Finance-Relevant Documents, change the amount of principal, interest, default interest or other payment, or payment dates of the Senior Receivables, grant a grace period, or change any other Senior Receivables or the Finance-Relevant Documents. In addition, such change, etc., shall not affect the subordination of the Subject Receivables against the Senior Receivables as set forth in this Letter.

#### Article 6 Indemnification Liability of Core Shareholders, etc.

The Core Shareholders, etc. shall indemnify the Loan-Related Parties against their direct damages, losses, expenses, etc. within the scope of reasonable and probable legal causation, due to any of the following reasons:

- (1) Fraud, etc. The Core Shareholders, etc. embezzle or misappropriate money held by the Borrower in connection with the transactions contemplated in the Related Agreements, fraudulently or intentionally, or knowingly and tacitly allowed that a third party embezzles or misappropriates the moneys;

- (2) Petition for bankruptcy, etc. The Core Shareholders, etc. file a petition or an application for the commencement of the Bankruptcy, etc., of the Borrower, or make the Borrower dissolved, in breach of their covenants under this Letter;
- (3) Violation of the Laws, etc. due to willful misconduct or gross negligence. The Core Shareholders, etc. violate the Laws, etc. applicable in connection with the performance of the Core Shareholders, etc.-Relevant Documents and implementation of the Project due to willful misconduct or gross negligence of the Core Shareholders, etc.;
- (4) Misrepresentation due to willful misconduct or gross negligence. The Core Shareholders, etc. make false representations and warranties in material respects in the Core Shareholders, etc.-Relevant Documents due to willful misconduct or gross negligence of the Core Shareholders, etc.; or
- (5) Damage or disposition of assets subject to security by any act or omission. The Core Shareholders, etc. damage, or dispose of, any asset subject to the Security Interests by any act or omission due to willful misconduct or gross negligence of the Core Shareholders, etc., except as contemplated or permitted by the Related Agreements.

#### Article 7 Foreclosure of Security Interests and Handling of Proceeds of the Utilization

1. With respect to the Security Interests, the Loan-Related Parties may foreclose or exercise the Security Interests in accordance with the provisions of the Loan-Related Parties Agreement upon the occurrence of any event of foreclosure of such Security Interests, as set forth in the Security Documents related to such Security Interests, or in the event of any exercise of the right to complete the provisional assignment of the contractual status.
2. The proceeds from the sale of the collateral or the collected amount and other money received by the Loan-Related Parties as a result of foreclosure of the Security Interests, or the amount equal to the appraisal value of the collateral by the Loan-Related Parties, shall be appropriated to the Senior Obligations in accordance with the provisions of the Loan-Related Parties Agreement, and any surplus after such appropriation, if any, shall be returned to the Borrower (or, if the grantor of such Security Interests is a Security Provider other than the Borrower, such Security Provider).

#### Article 8 Expenses, etc.

Various expenses and the Taxes and Public Charges for this Letter shall be borne by the Borrower in accordance with the provisions of Article 7.1 and Article 7.2 of the Credit Agreement to the extent separately agreed to by the Borrower and the Facility Agent, except as otherwise provided herein.

#### Article 9 Transfer

1. Except where implemented in conjunction with the disposition of the Borrower's shares as contemplated or permitted in the Finance-Relevant Documents, none of the Core Shareholders, etc. nor the Borrower may transfer (for the avoidance of doubt, excluding transfer by operation of law), create security interest on, or otherwise dispose of, all or part of its rights, obligations or contractual status under this Letter without the prior written consent of the Loan-Related Parties (the Loan-Related Parties shall not unreasonably refuse, withhold, or delay such consent).
2. If all or part of the rights, obligations and contractual status of any Loan-Related Party under the Finance-Relevant Documents are assigned or transferred pursuant to the provisions of the Finance-Relevant Documents, all or part of the rights, obligations and contractual status under this Letter held by such Loan-Related Party shall also be assigned or transferred to the relevant transferee, and other Loan-Related Parties, the Core Shareholders, etc. and the Borrower hereby consent in advance to such assignment or transfer and shall cooperate, to the fullest extent practically reasonable, in the procedures required therefor. It is confirmed in advance that, in such case, this Letter shall also inure to the benefit of such transferee.

#### Article 10 Notice, etc.

1. Unless otherwise provided, any notice, request, consent, or approval, etc. under this Letter ("**Notice, etc.**") shall be given in writing, by facsimile transmission, or by electronic mail (including sending an electronic mail containing (i) an electromagnetic record, or (ii) information necessary to access to the electromagnetic record stored in a large file transmission service; hereinafter the same in this Article) or in any other electronic or magnetic means (or in writing if it is expressly required in this Letter), specifically indicating that it is given pursuant to this Letter, and shall be given to the address of the recipient(s) as set forth in Exhibit 19 of the Credit Agreement (regarding the Core Shareholders, etc., their address shall be those separately notified to the Facility Agent by each Core Shareholder, etc. In addition, in the case of electronic mail address or registration information for any other electronic or magnetic means, each party shall separately notify the Facility Agent.) either (i) by personal delivery, (ii) by registered mail or courier service, (iii) by facsimile transmission, (iv) by electronic mail or (v) in any other electronic or magnetic means; provided, however, that with respect to any Notice, etc. given (iii) by facsimile transmission, (iv) by electronic mail or (v) in any other electronic or magnetic means, the receipt of such Notice, etc. by the recipient(s) shall be confirmed (including, but not limited to, confirmation by telephone or electronic mail).
2. Each party to this Letter may change the address set forth in the preceding Paragraph by giving a notice of change of address to the Facility Agent. The address after change shall apply from three (3) days after the date of receipt of such notice of change of address by the Facility Agent.

3. The Notice, etc. under Paragraph 1 shall be deemed to have been delivered at the time: in the case of a document in paper form, when it is actually received; in the case of facsimile transmission, when the receipt is confirmed on the sender's facsimile machine; in the case of electronic mail, when it is received; in the case of any other electronic or magnetic means, when it is made available for the recipient to view through telecommunication line, etc. and the recipient is notified to such effect by electronic mail; and in the case of any other methods, when it is actually received; provided, however that if any Notice, etc. to be given under this Letter is delayed or not delivered as a result of the failure to give the notice of change of address set forth in the preceding Paragraph, such Notice, etc. shall be deemed to have been delivered as of the date and time when it should have been received under normal circumstances.
4. Unless otherwise provided, any Notice, etc. from any Loan-Related Party to any Core Shareholder, etc. or the Borrower related to this Letter shall be made through the Facility Agent. None of the Loan-Related Parties other than the Facility Agent shall make any Notice, etc. directly to a Core Shareholder, etc. or the Borrower in relation to this Letter, and any such Notice, etc. made not through the Facility Agent shall have no effect.
5. Unless otherwise provided, any Notice, etc. from any Core Shareholder, etc. or the Borrower to any Loan-Related Party related to this Letter shall be made through the Facility Agent, and such Notice, etc. shall be deemed to have been delivered from such Core Shareholder, etc. or the Borrower to all Loan-Related Parties at the time when it is delivered to the Facility Agent. None of the Core Shareholders, etc. nor the Borrower shall make any Notice, etc. directly to the Loan-Related Parties other than the Facility Agent in relation to this Letter, and any such Notice, etc. made not through the Facility Agent shall have no effect.

#### Article 11 Confidentiality

Each party to this Letter hereby agrees to maintain confidentiality with respect to the existence, conditions and contents of, and any information made available to it by or in connection with, this Letter and any agreements or other documents relating thereto (excluding (i) any information that was lawfully possessed by such party prior to the receipt by such party, (ii) any information that had already been in the public domain prior to the receipt by such party, (iii) any information that entered the public domain after the receipt by such party without any fault of such party, (iv) any information lawfully obtained by such party from a duly authorized third party without owing confidentiality obligations, and (v) any information independently developed by such party without reference to the information received), and shall not disclose any such information to any third party without the prior written consent of the other parties (the other parties shall not unreasonably refuse, withhold, or delay such consent), and shall not use such information for any purpose other than the purposes set forth in or related to this Letter and the purpose of performance of the ordinary business of the Lenders (including credit examination and credit management); provided, however, that in the case set forth in each Item below, such information may be disclosed to the persons as set forth in the relevant Item, and if such information is disclosed under Item (1) or (2) below, the fact of such disclosure and the information so disclosed shall be promptly notified to the other parties to the extent not violating the Laws, etc. and to the extent practicably possible:

- (1) disclosure is forced or required by any competent authority, court or other public institution (including any financial instruments exchange, financial instruments firms association, certified investor protection organization, the Bank of Japan, and other self-regulation organization, as well as similar institution outside Japan) (with respect to the Borrower, including cases where any of the shareholders of the Borrower or its parent company is forced or required to make a disclosure by these public institutions);
- (2) disclosure to a third party is required under the Laws, etc. (including foreign Laws, etc.) or the listing agreements to which any of the shareholders of the Borrower or its parent company is a party (with respect to the Borrower, including cases where any of the shareholders of the Borrower or its parent company is required to make such disclosure);
- (3) disclosure to a third party is required for the purpose of exercising rights and performing obligations under the Related Agreements (including the case where disclosure is made to a person who intends to acquire contractual status of the Borrower under the Borrower-Related Documents or all or part of the shares of the Borrower by exercise of the Security Interest) (limited to the case where the same duty of confidentiality as set forth in this Article is imposed on such third party);
- (4) disclosure is made to any of the Shareholder, its parent company, subsidiaries or affiliates;
- (5) disclose is made to any of the officers, employees, attorneys, certified public accountants, licensed tax accountants or advisors, etc. of a party hereto, any Shareholder, its parent company, subsidiaries or affiliates, or their respective officers, employees, attorneys, certified public accountants, licensed tax accountants, advisors, etc.; provided, however, that the same duty of confidentiality as set forth in this Article shall be imposed on the recipient (except where the recipient owes a duty of confidentiality under the Laws, etc.);
- (6) disclosure is made to any person considering providing a loan to or investing in the Borrower, any of the Minority Shareholders, or their respective officers, employees, attorneys, certified public accountants, licensed tax accountants or advisors, etc.; provided, however, that the same duty of confidentiality as set forth in this Article shall be imposed on the recipient (except where the recipient owes a duty of confidentiality under the Laws, etc.);
- (7) disclosure is made to any Transferred Lender as defined in Article 16.2 of the Credit Agreement (including potential Transferred Lenders) or any person acquiring participating interest in the Loan Receivables (including potential acquirers), or to any of their respective officers, employees, attorneys, certified public accountants, licensed tax accountants or advisors, etc. to the extent necessary for them to consider acquisition of the Receivables, etc. Subject to Transfer or participating interest; provided, however, in either case, that the same duty of confidentiality as set forth in this Article shall be imposed on the recipient (except where the recipient owes a duty of confidentiality under the Laws, etc.); or

(8) disclosure is made to any judicial scrivener, etc. for creating the Security Interests and ensuring of the Perfection, etc.

#### Article 12 Priority with the Credit Agreement

In the event of any conflict or discrepancy between the provisions of this Letter and the provisions of the Credit Agreement, as between the parties of this Letter, the provisions of the Credit Agreement shall be construed in accordance with the purpose of the provisions of this Letter. In the event the conflict or discrepancy is not resolved by such construction, the provisions of this Letter shall take precedence over the Credit Agreement.

#### Article 13 Governing Law and Jurisdiction

This Letter shall be governed by the laws of Japan, and the Tokyo District Court shall be the competent court of first instance with exclusive jurisdiction over any disputes arising in connection with this Letter.

#### Article 14 Consultation

In the event that any matter not set forth in this Letter or any doubt with respect to the interpretation of this Letter arises among the parties, each party of this Letter hereto shall hold consultations through the Facility Agent and determine how to deal with the same.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, one original of this Letter has been executed, the representatives, or any agent of such representatives, of the Facility Agent on behalf of the Loan-Related Parties, the Core Shareholders, etc. and the Borrower have affixed their names and seals or signatures hereto, and MUFG Bank, Ltd. as the Facility Agent shall retain such original. Furthermore, the Loan-Related Parties other than the Facility Agent, the Core Shareholders, etc. and the Borrower shall receive a copy hereof from the Facility Agent.

March 29, 2024

Establishment/Operation Business of the Specified Integrated Resort in Yumeshima Area of Osaka  
Core Shareholders, etc. Support Letter

Facility Agent  
on behalf of the Loan-Related Parties:

2-7-1 Marunouchi, Chiyoda-ku, Tokyo  
MUFG Bank, Ltd.  
Head of Solution Products Division  
Masayuki Fujiki  
[seal]

/s/ MUFG Bank, Ltd. (Seal of MUFG Bank, Ltd.)  
(MUFG Bank, Ltd.)

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Establishment/Operation Business of the Specified Integrated Resort in Yumeshima Area of Osaka  
Core Shareholders, etc. Support Letter

Core Shareholder, etc.:

2-4-1 Hamamatsu-cho, Minato-ku, Tokyo  
ORIX Corporation  
Makoto Inoue, President  
[seal]

/s/ ORIX Corporation (Seal of ORIX Corporation)  
(ORIX Corporation)

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Establishment/Operation Business of the Specified Integrated Resort in Yumeshima Area of Osaka  
Core Shareholders, etc. Support Letter

Core Shareholder, etc.:

1-1-1 Otemachi, Chiyoda-ku, Tokyo  
Otemachi Park Building 6F  
MGM Resorts Japan LLC  
MGM Japan Holdco LP, Representative Equityholder  
Edward Bowers, Operating Officer  
[seal]

/s/ MGM Resorts Japan LLC (Seal of MGM Resorts Japan LLC).  
(MGM Resorts Japan LLC)

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Establishment/Operation Business of the Specified Integrated Resort in Yumeshima Area of Osaka  
Core Shareholders, etc. Support Letter

Core Shareholder, etc.:

3600 Las Vegas Boulevard South  
Las Vegas, Nevada, U.S.A.  
MGM Resorts International  
[signature]

/s/ William J. Hornbuckle

Name: William J. Hornbuckle

Title: Chief Executive Officer and President  
(Principal Executive Officer)

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Establishment/Operation Business of the Specified Integrated Resort in Yumeshima Area of Osaka  
Core Shareholders, etc. Support Letter

Borrower:

3-3-23 Nakanoshima, Kita-ku, Osaka-shi, Osaka

Osaka IR KK

Edward Bowers, Representative Director

[seal]

Toyonori Takahashi, Representative Director

[seal]

/s/ Osaka IR KK (Seal of Osaka IR KK)  
(Osaka IR KK)

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**Exhibit 1**  
**List of Loan-Related Parties**

1. Senior Loan Lenders  
The financial institutions listed in paragraph 1, Exhibit 1 of the Credit Agreement
2. VAT Loan Lenders  
The financial institutions listed in paragraph 2, Exhibit 1 of the Credit Agreement
3. Revolving Loan Lenders  
The financial institutions listed in paragraph 3, Exhibit 1 of the Credit Agreement
4. Facility Agent  
MUFG Bank, Ltd.
5. Security Agent  
Sumitomo Mitsui Banking Corporation

Exhibit 1

[TRANSLATION]

September 28, 2023

To Governor of Osaka Prefecture  
To Mayor of Osaka City

Guarantee and Keep-Well Letter

Guarantor:

Address: 3600 Las Vegas Boulevard South, Las Vegas, Nevada, U.S.A.

Trade Name or Name: MGM Resorts International

Title of Representative: Chief Executive Officer and President (Principal Executive Officer)

Name of Representative: William J. Hornbuckle [signature]

/s/ William J. Hornbuckle

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MGM Resorts International (hereinafter referred to as the “Guarantor”) hereby undertakes the following to Osaka Prefecture (hereinafter referred to as “Prefecture”) and Osaka City (hereinafter referred to as “City”) with respect to the Implementation Agreement for the Development, Etc. of the Specified Integrated Resort District in Yumeshima Area of Osaka dated September 28, 2023 by and between Prefecture and SPC (including ancillary or relevant memorandum and amendments; hereinafter referred to as the “Implementation Agreement”), etc. The terms used in this Letter shall, unless otherwise specifically provided in this Letter, have the meanings defined in the Implementation Agreement.

#### **Article 1 (Submission of Documents)**

The Guarantor shall, on the date of this Letter (hereinafter referred to as the “Date of this Letter”), submit to Prefecture and City (a) its seal certificate and certificate of all matters recorded of the Guarantor and (b) a copy of the then-current Articles of Incorporation of the Guarantor.

In the event that any of the above-mentioned documents is not available in the jurisdiction in which the Guarantor has been incorporated, the Guarantor shall submit a substitute document reasonably approved by Prefecture and City.

#### **Article 2 (Guarantee)**

1. Subject to Article 3, the Guarantor hereby jointly and severally guarantees to Prefecture and City any and all monetary obligations assumed or to be assumed by SPC to Prefecture and City under the Implementation Agreement and the Host Community Agreements during the period until the Full Opening of the IR Facilities and the refund obligations that the SPC will assume to City under the Fixed-term Land Lease Agreement for Business Purpose with respect to the Land Issues Countermeasure Costs (which have the meaning as defined in the Fixed-term Land Lease Agreement for Business Purpose) (hereinafter referred to as the “Obligation to Refund Soil Countermeasure Costs”, and all these obligations shall be hereinafter collectively referred to as the “Subjected Obligations”) (such guarantee shall be hereinafter referred to as the “Guarantee”, the obligation regarding the Guarantee shall be hereinafter referred to as the “Guarantee Obligation”).  
Further, in the event that any payment (with respect to the payment under the Fixed-term Land Lease Agreement for Business Purpose, limited to the payment regarding the Obligation to Refund Soil Countermeasure Costs) which has already been made by SPC under the Implementation Agreement, the Host Community Agreements or the Fixed-term Land Lease Agreement for Business Purpose (collectively hereinafter referred to as “Subject Agreements”) is avoided or otherwise cancelled or returned in accordance with liquidation (*seisan*), dissolution (*kaisan*) or the Bankruptcy Proceedings, Etc. of SPC, the Guarantor shall be liable for the Guarantee Obligation regarding the said payment as if the said payment has not been made.
  2. The Guarantor shall neither insist its release nor make any other objection even in the event that any security interest or other guarantee for the benefit of Prefecture or City in connection with the Subjected Obligations is amended, terminated or released in whole or in part for convenience of Prefecture or City. Even if this causes any damage to the Guarantor, the Guarantor shall not make any claim for the damage against Prefecture or City.
  3. Even in the event that the Guarantor performs all or a part of the Guarantee Obligation to Prefecture or City, the Guarantor shall not, without the consent of Prefecture, exercise (i) its right (including right to reimbursement and right or rank acquired from Prefecture or City by subrogation; the same shall apply in (ii) below) against SPC acquired by the
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Guarantor upon performance of said Guarantee Obligation for the period during which any transaction between SPC and Prefecture or City under the Subject Agreements continue, and (ii) its right against guarantors other than the Guarantor who assume the Subjected Obligations as principal obligation (including its successor and assignee; hereinafter referred to as the "Other Guarantor(s)"; the said Guarantee Obligation of the Other Guarantor(s) shall be hereinafter referred to as the "Other Guarantee Obligation") acquired by the Guarantor upon performance of the said Guarantee Obligation until the Subjected Obligations are fully performed.

4. In the event that the Guarantor provides any guarantee for the benefit of Prefecture or City other than the Guarantee, said guarantee shall not be affected by the Guarantee.
5. In the event that SPC or the Other Guarantor(s) has any right of offset, right of cancellation or right of termination against Prefecture or City, the Guarantor may not refuse performing the Guarantee Obligation because of such right until SPC or Other Guarantor(s) actually exercises such rights of defense.

### **Article 3 (Limitation of Liability)**

1. The amount of the Guarantee Obligation assumed by the Guarantor shall be the aggregate amount, as of the date on which Prefecture or City demands SPC to perform its obligation (hereinafter referred to as the "Reference Date"), of (i) 50% of the amount outstanding of the Subjected Obligations and (ii) 50% of the delay damages incurred in connection with the Subjected Obligations set forth in (i) above from the Reference Date (inclusive); provided, however, that in any case, the maximum amount of the Guarantee Obligation to be borne by the Guarantor shall be 12.65 billion yen.
2. In the event that Prefecture or City makes multiple demands against SPC to perform its obligation, the maximum amount of the Guarantee Obligation shall be the amount calculated under Paragraph 1 above by using, as the amount of Subjected Obligations, the aggregate amount of (i) the amount of the Subjected Obligations for the preceding Reference Dates up to the immediately preceding Reference Date and (ii) the amount of the Subjected Obligations newly incurred on and after the immediately preceding Reference Date (excluding delay damages incurred on and after the immediately preceding Reference Date; this shall apply hereinafter in this Paragraph).
3. In the event that a part of the Subjected Obligations is extinguished as a result of the performance of the Other Guarantee Obligation by the Other Guarantors, the maximum amount of the Guarantee Obligation set forth in Paragraph 1 above shall not be reduced.

### **Article 4 (Funding to SPC)**

1. Subject to the delivery of the Land (which means the earliest delivery in case of staged delivery of the Land), the Guarantor shall cause its subsidiary (such Guarantor's subsidiary that shall make funding contributions to SPC pursuant to this Article is hereinafter referred to as the "Funding Subsidiary") to make funding contributions to SPC in accordance with Exhibit 1 "Funding Plan."
  2. If any event in domestic or foreign financial environments or market environments that has a material effect on providing loans to SPC from financial institution(s) occurs, the Guarantor may request Prefecture and City to have consultation for the purpose of taking reasonable measures depending on the situation in order to mitigate the adverse effect of such event on the Establishment/Operation Business. Prefecture and City shall not unreasonably refuse the said consultation if requested. As long as the Guarantor is engaging in the said consultation in accordance with this Paragraph and continuing to take
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measures based on such consultation, it shall not be liable for any failure to perform its obligation under this Article as a result of such event.

#### **Article 5 (Obligation in respect of Keep-Well)**

1. If, during the period until the Full Opening of the IR Facilities, SPC is in short of cash flow necessary to maintain and operate the Establishment/Operation Business and implement the Establishment/Operation Business pursuant to the provisions of the Implementation Agreement, the Guarantor shall, by way of capital increase, lending or any other method reasonably satisfactory to Prefecture and City, cause the Funding Subsidiary to provide funds to SPC in an amount equal to such deficiencies; provided, however, that the foregoing shall not apply to the case where such deficiency in said cash flow is caused by increasing expenses arising due to a cause attributable to Prefecture or City.
2. The Guarantor shall maintain or cause the Funding Subsidiary to maintain reasonably necessary and sufficient financial source to perform the obligation set forth in the preceding Paragraph.
3. If any event in domestic or foreign financial environments or market environments that has a material effect on providing loans to SPC from financial institution(s) occurs, the Guarantor may request Prefecture and City to have consultation for the purpose of taking reasonable measures depending on the situation in order to mitigate the adverse effect of such event on the Establishment/Operation Business. Prefecture and City shall not unreasonably refuse the said consultation if requested. As long as the Guarantor is engaging in the said consultation in accordance with this Paragraph and continuing to take measures based on such consultation, it shall not be liable for any failure to perform its obligation under this Article as a result of such event.

#### **Article 6 (Reporting)**

1. Upon request by Prefecture or City, the Guarantor shall, to the extent possible under the applicable Laws, Etc., submit to Prefecture and City copies of the balance sheet, profit and loss statement and other documents showing the financial condition of the Guarantor or the Funding Subsidiary (such documents shall be limited to those actually held by the Guarantor and those the Guarantor can easily obtain).
2. In the event that Prefecture or City reasonably requests, by showing specific necessity, for the purpose of conducting an investigation on assets, management, business condition, etc. of the Guarantor or the Funding Subsidiary to confirm the ability of the Guarantor to perform its obligation hereunder, the Guarantor shall, to the extent possible under the applicable Laws, Etc., submit documents and report to Prefecture and City, to the extent reasonably necessary.
3. In the event that any change that has material adverse effect on the assets, management, or business condition, etc. of the Guarantor or the Funding Subsidiary occurs and such change is reasonably likely to have a material adverse effect on the performance of the obligations hereunder by the Guarantor, the Guarantor shall, to the extent permitted under the Laws, Etc., report such change to Prefecture and City without undue delay.

#### **Article 7 (Representations and Warranties)**

The Guarantor represents and warrants to Prefecture and City that, as of the Date of this Letter hereof, all matters stated below are true and correct:

- (1) The Guarantor is validly and legally incorporated and validly existing under the laws of jurisdiction in which it was incorporated, and has the requisite legal capacity to own its properties and perform its business that it is currently being operated;
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- (2) The Guarantor has the requisite power and authority to legally and validly execute and perform this Letter. The execution of this Letter by the Guarantor is an action permitted under the Guarantor's organizational documents, and the Guarantor has performed all procedures required for the execution and performance of this Letter under laws, the Guarantor's organizational documents and other internal rules;
  - (3) The execution of this Letter and performance of obligations hereunder do not violate (i) any Laws, Etc. applicable to the Guarantor, (ii) the Guarantor's organizational documents or any other internal rules, (iii) any contracts or other agreements to which the Guarantor is a party or otherwise binding on its property (provided, however, that if there is no reasonable likelihood of material adverse effect on the performance of obligations hereunder by the Guarantor, any violation of such contracts or other agreements shall not constitute a breach of this Item) and (iv) any judgements etc. by judicial or administrative authorities, etc. which have been made against the Guarantor or are binding on the Guarantor;
  - (4) The Guarantor has legally and duly obtained or performed all Permits, Etc. that are necessary to be obtained or performed by the Guarantor for its execution and performance of this Letter; provided, however, that if there is no reasonable likelihood of material adverse effect on the performance of obligations hereunder by the Guarantor, any failure to obtain or perform shall not constitute a breach of this Item;
  - (5) The signatory who signs or affixes his/her name and seal on this Letter on behalf of the Guarantor is authorized to sign or affix his/her name and seal on this Letter on behalf of the Guarantor in accordance with the procedures required by Laws, Etc., the organizational documents or any other internal rules;
  - (6) This Letter is legally and validly executed by the Guarantor, constitutes legal, valid and binding obligations of the Guarantor and, subject to limitations under the bankruptcy law and other applicable Laws, Etc. generally affecting rights of creditors, creates obligations enforceable to the Guarantor pursuant to the provisions hereunder;
  - (7) The Guarantor has provided to Prefecture true, correct and complete copies of, or has notified Prefecture that the Guarantor has disclosed on the prescribe website in accordance with the applicable laws and regulations, its Reports, Etc. for the last three (3) fiscal years. The Reports, Etc. have been prepared pursuant to the Laws, Etc. and the accounting standard continuously applied to the relevant period (except those annotated), and are, in material respects, accurately reflecting, on a consolidated basis, the financial condition, results of operations and cash flow situation of the Guarantor; provided, however, that any minor errors do not constitute breach of this Item;
  - (8) No lawsuits, arbitrations, administrative procedures or any other disputes to which the Guarantor is a party and that have or are reasonably likely to have material adverse effect on the performance of its obligations hereunder have been initiated, and, to the Guarantor's knowledge, are reasonably likely to be initiated;
  - (9) No petition or application is filed with respect to the Guarantor for commencement of the Bankruptcy Proceedings, Etc., and there is no cause for such petition or application;
  - (10) Tax returns that should be filed by the Guarantor have been filed in a timely manner, and, if they have not yet been filed, the filing date has been postponed and the postponed date has not yet arrived; provided, however, that if there is no reasonable likelihood of material adverse effect on the performance of obligations hereunder by the Guarantor, such failure to file shall not constitute a breach of this Item;
  - (11) To the Guarantor's best knowledge, there are no material contingent liabilities, off-balance sheet liabilities or deficiencies in allowances or amortization on the part of the Guarantor that are not stated in its Reports, Etc. for the last three (3) fiscal years;
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provided, however, that if there is no reasonable likelihood of material adverse effect on the performance of obligations hereunder by the Guarantor, such liability or deficiency shall not constitute breach of this Item;

- (12) The Guarantor is not currently in material breach of any applicable Laws, Etc.; provided, however, that if there is no reasonable likelihood of material adverse effect on the performance of obligations hereunder by the Guarantor, such breach shall not constitute breach of this Item;
- (13) To the Guarantor's knowledge, in the past three (3) years, neither the Guarantor nor its Officers have materially violated the Foreign Corrupt Practices Act of the United States (including the Foreign Corrupt Practices Act of 1977, as amended) or the Bribery Act of the United Kingdom (as amended); and
- (14) All information provided by the Guarantor to Prefecture and City in connection with the execution and performance of this Letter is, in all material respects, true and correct and does not contain any information that would cause material misunderstandings.

#### **Article 8 (Indemnification)**

If (A)(i) the Guarantor materially breaches any of its representations and warranties or its covenants set forth in Article 7 or 9 or (ii) the Guarantor breaches the funding obligation of the Guarantor (including the Funding Subsidiary) to SPC set forth in Article 4 and, due to such breach, in the event that (B)(i) the Commencement of Construction and Development of the Project Related Facilities (limited to the facilities established on the Land, Etc.; the same shall apply hereinafter in this Article) has not started even after six (6) months elapsed from the scheduled date of commencement (if the scheduled date of commencement has changed under Section 32, Paragraph 2 of the Implementation Agreement, the changed scheduled date of commencement; the same shall apply hereinafter) set forth in Exhibit 2 of the Implementation Agreement, (ii) the Commencement of Construction and Development of the Project Related Facilities has not started even after the scheduled date of commencement and it is reasonably and objectively deemed that the Commencement of Construction and Development of the Project Related Facilities is unlikely to start within three (3) years from the scheduled date of commencement or (iii) following the Commencement of Construction and Development of the Project Related Facilities, the construction of the IR Facilities, Etc. has been interrupted and it is reasonably and objectively deemed that it is unlikely to resume such construction, and (C) Prefecture has provided a notice requesting to cure these events to the Guarantor, but said events have not been cured even after six (6) months elapsed from the date on which the said notice was delivered (provided, however, that, in the case of (B)- (i), if SPC indicates with concrete and reasonable evidence that it is possible to implement the Commencement of Construction and Development of the Project Related Facilities within twelve (12) months from the scheduled date of commencement of construction, and Prefecture and City so approve (provided, however, that Prefecture and City shall not unreasonably withhold the said approval), the event set forth in (B) (i) shall be deemed to be cured), the Guarantor shall immediately pay 3.8 billion yen (provided, however, 1.27 billion yen until the Full Commitment Date) to Prefecture as penalty (*iyakukin*); in addition, if Prefecture or City incurs damages exceeding such amount, the Guarantor shall be liable to compensate Prefecture or City for the damages exceeding such amount; provided, however, that, in the event that the primary cause(s) applicable to any of the Items (B) (i) through (iii) is deemed to be a cause not attributable to SPC or the Guarantor (including the Funding Subsidiary), each period set forth in this Article shall be extended for the period of delay that is reasonably deemed to have occurred due to said cause. For the avoidance of doubt, if it becomes

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necessary to change the Project Schedule is required because the primary cause(s) of such change is that (a) SPC fails to conduct the Construction Work and preparation therefor reasonably necessary in order to comply with the Project Schedule due to Development of Public Infrastructure, Etc. as well as construction coordination relating thereto, (b) it turns out that underground obstacles or geological obstacles exist in the Land, Etc. which could not normally be anticipated at the time of execution of the Implementation Agreement, (c) there occur any changes of the destination and in the amount or timing of the removal of the Soil Generated by Construction, Etc. (except for any cases that are mainly attributable to SPC or Guarantor), (d) the change of the Project Schedule is required due to procedures, etc. by the Minister of MLIT or the Casino Regulatory Commission under the IR Development Act or due to the taxation system (except for cases attributable mainly to SPC or the Prospective Establishment/Operation Business Operators), (e) there occurs a re-epidemic of the COVID-19 or any other material event that is not attributable to either SPC or the Guarantor or (f) any Force Majeure, Etc., then Prefecture, City and the Guarantor shall consider it to be a case where the primary cause(s) applicable to any of the Items (B) (i) through (iii) is not attributable to SPC or the Guarantor, when applying the proviso of this Article.

#### **Article 9 (Elimination, Etc. of Antisocial Forces)**

1. The Guarantor hereby represents that, as of the date hereof, the Guarantor does not fall under any of the following Items, and covenants that it will not fall under such Items in the future:
  - (1) Its Officers are the Antisocial Forces;
  - (2) It is recognized that the Antisocial Forces are substantially involved in its management;
  - (3) It is recognized that its Officers are using the Antisocial Forces for the purpose of seeking unjust benefits for their own company, themselves or a third party or causing damage to a third party;
  - (4) It is recognized that its Officers are directly or actively cooperating with or involved in maintaining and operating the Antisocial Forces, such as by providing funds, etc. and granting favors to the Antisocial Forces;
  - (5) It is recognized that its Officers have socially reprehensible relationships with the Antisocial Forces; or
  - (6) It falls under any of the Items in Article 60, Paragraph 2 of the IR Development Act.
2. The Guarantor covenants not to commit any of the following acts regarding the Establishment/Operation Business by itself or through the use of any third party:
  - (1) Making violent demands;
  - (2) Making an unjust demand that exceeds legal responsibility;
  - (3) Using threatening language and behavior or violence in connection with a transaction;
  - (4) Defaming Prefecture or City or obstructing the operation of Prefecture or City by spreading false rumors, by using fraudulent means or by using force; or
  - (5) Other unjust acts equivalent to each of the preceding Items.

#### **Article 10 (Effective period)**

1. The effective period of this Letter shall be from the date of this Letter until the Full Opening of the IR Facilities with the exception of Articles 2 and 3, and the effective period of Articles 2 and 3 shall end on when all Subjected Obligations are fully performed.
  2. If the Subject Agreements have been terminated or cancelled, this Letter shall also terminate upon such termination or cancellation with the exception of Articles 2 and 3; provided, however, that Articles 2 and 3 shall not terminate until all Subjected Obligations
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(limited to those that survive the termination or cancellation of the Subject Agreements in accordance with the provisions of the Subject Agreements) have been fully performed.

3. Notwithstanding the preceding two (2) paragraphs, Article 8 and Articles 12 through 20 shall remain in full force even after the effective period of this Letter elapses.

**Article 11 (Amendment to this Letter)**

This Letter may be amended by written agreement between Prefecture, City and the Guarantor.

**Article 12 (Notices, Etc.)**

1. Except as otherwise provided for in this Letter, any requests, notices, reports, offers, approvals, consents, demands or cancellations, etc. set forth in this Letter (hereinafter referred to as the "Notices, Etc." in this Article) shall be made to the other party in writing, in Japanese, by way of personal delivery, registered mail, facsimile or e-mail unless otherwise agreed to by Prefecture, City and the Guarantor. Prefecture, City and the Guarantor shall separately notify to the other party its address, fax number or e-mail address to which the Notices, Etc. shall be sent.
2. In the event that any change occurs to the addresses for the Notices, Etc. set forth in the preceding Paragraph, Prefecture, City and the Guarantor shall promptly report such change in writing to the other party. If the Notices, Etc. made under this Letter are delayed or do not arrive due to the failure of such report, such Notices, Etc. shall be deemed to have arrived at the time when they should normally have arrived.

**Article 13 (Headings)**

The headings of Articles herein are inserted simply for the convenience of reference and shall not have any effect on the interpretation of this Letter.

**Article 14 (Non-waiver)**

1. Waiver of the rights under this Letter by the parties hereto may only be made by writing which includes signatures or names and seals of said parties.
2. Any delay in the exercise of rights by the parties hereto shall not be deemed as a waiver of such rights, and any waiver or partial exercise of rights under the Subject Agreements by the parties hereto shall not prevent them from exercising other rights under this Letter or parts of rights under this Letter which has not been exercised.

**Article 15 (Severability)**

Even if any part of this Letter is held to be invalid or unenforceable, the remaining parts of this Letter shall continue to be fully effective, and the parties hereto shall make amendments necessary to make said invalid or unenforceable parts legal and enforceable and make efforts to secure the intent and the legally and economically equivalent effect of said invalid or unenforceable parts.

**Article 16 (Consultations on Doubts)**

If it becomes necessary to set forth any matters not provided for in this Letter or any doubt arises in relation to the interpretation of this Letter, Prefecture, City and the Guarantor shall, in each case, set forth or resolve such matters by consulting in good faith.

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**Article 17 (Language)**

This Letter shall be executed in Japanese and the Japanese version of this Letter shall be the official text. Any translations prepared in the language other than Japanese are for reference purposes only and shall not bind the parties hereto.

**Article 18 (Governing Law)**

This Letter shall be governed by and interpreted pursuant to the laws and regulations of Japan.

**Article 19 (Court of Competent Jurisdiction)**

Any and all disputes concerning this Letter and the rights and obligations of Prefecture and the Guarantor arising out of or in connection with this Letter shall be subject to the exclusive jurisdiction of the Osaka District Court as the court of the first instance.

**Article 20 (Others)**

1. The language which shall be used among Prefecture, City and the Guarantor in relation to the performance of this Letter shall be Japanese.
2. The currency used for the payment of money provided for in this Letter shall be Japanese yen.
3. Unless otherwise specially provided for in the Project Related Documents, the unit of account to be used among Prefecture, City and the Guarantor in relation to the performance of this Letter shall be as provided by the Measurement Act.
4. Unless otherwise specially provided for in the Project Related Documents, the provisions on the term relating to the performance of this Letter shall be as provided by the Civil Code and the Companies Act.

[End]

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### **Exhibit 1 Funding Plan**

- (1) Total amount of capital contribution  
As stated in "2. Financial plans" of Requirement Criteria 4 (ii) of the Certified District Development Plan.
- (2) Timing of the payment and amount thereof  
As stated in "(i) Schedule of the IR business" of Requirement Criteria 1 of the Certified District Development Plan and in the document set forth in Section 9, Paragraph 3 of the Implementation Agreement.

**List of Guarantor Subsidiaries of MGM Resorts International**

The subsidiaries of MGM Resorts International (the “Company”) listed below have fully and unconditionally guaranteed the Company’s (i) 5.750% senior notes due 2025, (ii) 6.75% senior notes due 2025, (iii) 4.625% senior notes due 2026, (iv) 5.500% senior notes due 2027, (v) 4.75% senior notes due 2028, and (vi) 6.500% senior notes due 2032 (collectively, the “MGM Notes”). In addition, Mandalay Resort Group, LLC, a wholly owned subsidiary of the Company, is the issuer of 7.0% Debentures due 2036 (the “Mandalay Notes”), and the Company and the other subsidiaries listed below are guarantors of the Mandalay Notes.

Name of Subsidiary	Issuer/Guarantor Status
550 Leasing Company II, LLC	(1)
AC Holding Corp.	(1)
AC Holding Corp. II	(1)
Arena Land Holdings, LLC	(1)
Aria Resort & Casino Holdings, LLC, dba Aria Resort & Casino	(1)
Aria Resort & Casino, LLC	(1)
Beau Rivage Resorts, LLC, dba Beau Rivage Resort & Casino	(1)
Bellagio, LLC, dba Bellagio Resort & Casino	(1)
Cedar Downs OTB, LLC	(1)
Circus Circus Casinos, Inc.	(1)
Circus Circus Holdings, Inc.	(1)
CityCenter Boutique Hotel Holdings, LLC	(1)
CityCenter Boutique Residential Development, LLC	(1)
CityCenter Facilities Management, LLC	(1)
CityCenter Harmon Development, LLC	(1)
CityCenter Harmon Hotel Holdings, LLC	(1)
CityCenter Holdings, LLC	(1)
CityCenter Land, LLC	(1)
CityCenter Realty Corporation	(1)
CityCenter Retail Holdings, LLC	(1)
CityCenter Retail Holdings Management, LLC	(1)
CityCenter Vdara Development, LLC	(1)
CityCenter Veer Towers Development, LLC	(1)
Destron, Inc.	(1)
Grand Garden Arena Management, LLC	(1)
Grand Laundry, Inc.	(1)
Las Vegas Arena Management, LLC	(1)
LV Concrete Corp.	(1)
MAC, CORP.	(1)
Mandalay Bay, LLC, dba Mandalay Bay Resort & Casino	(1)
Mandalay Employment, LLC	(1)
Mandalay Place, LLC	(1)
Mandalay Resort Group, LLC	(2)
Marina District Development Company, LLC, dba The Borgata Hotel Casino & Spa	(1)
Marina District Development Holding Co., LLC	(1)
Metropolitan Marketing, LLC	(1)
MGM CC, LLC	(1)
MGM CC Holdings, Inc.	(1)
MGM Dev, LLC	(1)

MGM Detroit Holdings, LLC	(1)
MGM Grand Hotel, LLC, dba MGM Grand Hotel & Casino	(1)
MGM Hospitality, LLC	(1)
MGM International, LLC	(1)
MGM Lessee, LLC	(1)
MGM Lessee II, LLC	(1)
MGM Lessee III, LLC	(1)
MGM MA Sub, LLC	(1)
MGM Public Policy, LLC	(1)
MGM Resorts Advertising, Inc.	(1)
MGM Resorts Arena Holdings, LLC	(1)
MGM Resorts Aviation Corp.	(1)
MGM Resorts Corporate Services	(1)
MGM Resorts Design & Development	(1)
MGM Resorts Development, LLC	(1)
MGM Resorts Festival Grounds, LLC	(1)
MGM Resorts Festival Grounds II, LLC	(1)
MGM Resorts Global Development, LLC	(1)
MGM Resorts Interactive, LLC	(1)
MGM Resorts International Marketing, Inc.	(1)
MGM Resorts International Operations, Inc.	(1)
MGM Resorts Land Holdings, LLC	(1)
MGM Resorts Land Holdings II, LLC	(1)
MGM Resorts Manufacturing Corp.	(1)
MGM Resorts Regional Operations, LLC	(1)
MGM Resorts Retail	(1)
MGM Resorts Satellite, LLC	(1)
MGM Resorts Sub 1, LLC	(1)
MGM Resorts Sub B, LLC	(1)
MGM Resorts Venue Management, LLC	(1)
MGM Yonkers, Inc., dba Empire City Casino	(1)
MH, Inc., dba Shadow Creek	(1)
Mirage Laundry Services Corp.	(1)
Mirage Resorts, LLC	(1)
MMNY Land Company, Inc.	(1)
Nevada Property 1 LLC, dba The Cosmopolitan of Las Vegas	(1)
Nevada Restaurant Venture 1 LLC	(1)
Nevada Retail Venture 1 LLC	(1)
New Castle, LLC, dba Excalibur Hotel & Casino	(1)
New York-New York Hotel & Casino, LLC, dba New York-New York Hotel & Casino	(1)
New York-New York Tower, LLC	(1)
Northfield Park Associates LLC, dba MGM Northfield Park	(1)
NP1 Pegasus LLC	(1)
Park District Holdings, LLC	(1)
Park MGM, LLC, dba Park MGM Las Vegas	(1)
Park Theater, LLC	(1)
PRMA, LLC	(1)
PRMA Land Development Company	(1)
Project CC, LLC	(1)
Ramparts, LLC, dba Luxor Hotel & Casino	(1)



Signature Tower I, LLC	(1)
Signature Tower 2, LLC	(1)
Signature Tower 3, LLC	(1)
The Signature Condominiums, LLC	(1)
Tower B, LLC	(1)
Tower C, LLC	(1)
Vdara Condo Hotel, LLC	(1)
Vendido, LLC	(1)
VidiAd	(1)
Vintage Land Holdings, LLC	(1)

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(1) Guarantor of the MGM Notes and the Mandalay Notes.

(2) Issuer of the Mandalay Notes and guarantor of the MGM Notes.

## CERTIFICATION

I, William J. Hornbuckle, certify that:

1. I have reviewed this quarterly report on Form 10-Q of MGM Resorts International;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 1, 2024

/s/ WILLIAM J.  
HORNBUCKLE

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William J. Hornbuckle  
Chief Executive Officer and  
President

## CERTIFICATION

I, Jonathan S. Halkyard, certify that:

1. I have reviewed this quarterly report on Form 10-Q of MGM Resorts International;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 1, 2024

/s/ JONATHAN S.  
HALKYARD

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Jonathan S. Halkyard  
Chief Financial Officer and  
Treasurer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the Quarterly Report of MGM Resorts International (the "Company") on Form 10-Q for the period ending March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William J. Hornbuckle, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ WILLIAM J. HORNBUCKLE

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William J. Hornbuckle

Chief Executive Officer and President

May 1, 2024

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the Quarterly Report of MGM Resorts International (the "Company") on Form 10-Q for the period ending March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jonathan S. Halkyard, Chief Financial Officer and Treasurer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ JONATHAN S. HALKYARD

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Jonathan S. Halkyard

Chief Financial Officer and Treasurer

May 1, 2024

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.