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## **Melco International Development Limited**

*(Incorporated in Hong Kong with limited liability)*

Website : [www.melco-group.com](http://www.melco-group.com)

(Stock Code : 200)

### **ANNOUNCEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2024 BY A LISTED SUBSIDIARY — MELCO RESORTS & ENTERTAINMENT LIMITED**

**This is not an announcement of the financial results of Melco International Development Limited (the “Company”, together with its subsidiaries, the “Group”). This announcement is made by the Company pursuant to the requirements of Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions of Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) to provide shareholders of the Company with information in respect of the financial results of a listed subsidiary of the Company, Melco Resorts & Entertainment Limited (“Melco Resorts”), which has released its unaudited financial results for the first quarter ended 31 March 2024 on 30 April 2024.**

Melco Resorts, a listed subsidiary of the Company, whose American depositary shares (“ADSs”) are listed on the Nasdaq Global Select Market in the United States, has released its unaudited financial results for the first quarter ended 31 March 2024 on 30 April 2024 (the “**Melco Resorts’ Earnings Release**”). Extracts of the unaudited financial results of Melco Resorts are provided below.

#### **The First Quarter 2024 Results of Melco Resorts**

Total operating revenues for the first quarter of 2024 were US\$1.11 billion, representing an increase of approximately 55% from US\$716.5 million for the comparable period in 2023. The increase in total operating revenues was primarily attributable to the improved performance in all gaming segments and non-gaming operations, largely driven by the continued recovery in inbound tourism to Macau during the first quarter of 2024.

Operating income for the first quarter of 2024 was US\$125.4 million, compared with operating income of US\$0.4 million in the first quarter of 2023.

Melco Resorts generated Adjusted Property EBITDA (i.e. net income/loss before interest, taxes, depreciation, amortization, pre-opening costs, development costs, property charges and other, share-based compensation, payments to the Philippine parties under the cooperative arrangement (the “**Philippine Parties**”), integrated resort and casino rent, corporate and other expenses and other non-operating income and expenses) of US\$298.8 million in the first quarter of 2024, compared with Adjusted Property EBITDA of US\$190.8 million in the first quarter of 2023.

Net income attributable to Melco Resorts for the first quarter of 2024 was US\$15.2 million, or US\$0.03 per ADS, compared with net loss attributable to Melco Resorts of US\$81.3 million, or US\$0.18 per ADS, in the first quarter of 2023. Net loss attributable to noncontrolling interests was US\$14.6 million and US\$19.4 million during the first quarters of 2024 and 2023, respectively, all of which were related to Studio City, City of Dreams Manila, and City of Dreams Mediterranean and Other.

### **Other Factors Affecting Earnings**

Total net non-operating expenses for the first quarter of 2024 were US\$121.1 million, which mainly included interest expenses of US\$124.2 million, partially offset by interest income of US\$4.5 million.

Depreciation and amortization costs of US\$136.8 million were recorded in the first quarter of 2024, of which US\$5.0 million related to the amortization expense for land use rights.

### **Financial Position and Capital Expenditures**

Total cash and bank balances as of 31 March 2024 aggregated to US\$1.29 billion, including US\$124.9 million of restricted cash. Total debt, net of unamortized deferred financing costs and original issue premiums, was US\$7.32 billion at the end of the first quarter of 2024, a reduction of approximately US\$150 million compared to the total debt balance as of 31 December 2023, primarily as a result of the approximately US\$150 million repayment of loans drawn under Melco Resorts’ revolving credit facility. Available liquidity, including cash and undrawn revolving credit facilities, as of 31 March 2024, was US\$2.36 billion.

Capital expenditures for the first quarter of 2024 were US\$36.4 million, which included costs related to the enhancement projects at City of Dreams in Macau and Studio City.

### **Recent Developments**

On 8 April 2024, Melco Resorts extended the maturity date on its HK\$14.85 billion (equivalent to US\$1.92 billion) revolving credit facility from 29 April 2025 to 29 April 2027.

In addition, on 9 April 2024, Melco Resorts, through its wholly owned subsidiary Melco Resorts Finance Limited (“**Melco Resorts Finance**”), announced that it had successfully priced an international offering of senior unsecured notes for an aggregate principal amount of US\$750 million at a coupon of 7.625% due 2032 (the “**MRF Notes**”). The MRF Notes were issued and settled on 17 April 2024. The proceeds from the MRF Notes were used to repay loans drawn under

Melco Resorts' revolving credit facility, and therefore the balance sheet impact of the MRF Notes is debt neutral.

On 8 April 2024, Studio City Finance Limited (“**Studio City Finance**”) announced that it initiated a cash tender offer for up to an aggregate principal amount of US\$100,000,000 of its outstanding 6.000% senior notes due 2025 (the “**SCF Notes**” and such tender offer, the “**Tender Offer**”). The early tender period expired on 19 April 2024 (the “**Early Tender Date**”) and at the Early Tender Date, valid tenders had been received (and not validly withdrawn) with respect to US\$307,150,000 aggregate principal amount of the SCF Notes. An aggregate principal amount equal to US\$100,029,000 of the tendered SCF Notes were accepted by Studio City Finance for repurchase and cancelled.

### **Unaudited Condensed Consolidated Statements of Operations and Condensed Consolidated Balance Sheets**

The unaudited condensed consolidated statements of operations for the three months ended 31 March 2024 and 31 March 2023 and the condensed consolidated balance sheets as at 31 March 2024 (unaudited) and 31 December 2023 (audited) of Melco Resorts and its subsidiaries are provided below:

**Melco Resorts & Entertainment Limited and Subsidiaries**  
**Condensed Consolidated Statements of Operations (Unaudited)**  
(In thousands, except share and per share data)

	Three Months Ended 31 March	
	2024 US\$	2023 US\$
Operating revenues:		
Casino	\$ 913,320	\$ 599,000
Rooms	100,838	58,588
Food and beverage	66,105	36,755
Entertainment, retail and other	32,144	22,137
Total operating revenues	1,112,407	716,480
Operating costs and expenses:		
Casino	(609,751)	(398,869)
Rooms	(29,252)	(14,351)
Food and beverage	(54,737)	(27,514)
Entertainment, retail and other	(16,626)	(6,026)
General and administrative	(126,955)	(110,004)
Payments to the Philippine Parties	(8,489)	(13,348)
Pre-opening costs	(2,289)	(13,112)
Development costs	(138)	-
Amortization of land use rights	(4,976)	(5,658)
Depreciation and amortization	(131,822)	(115,801)
Property charges and other	(2,022)	(11,442)
Total operating costs and expenses	(987,057)	(716,125)
Operating income	125,350	355
Non-operating income (expenses):		
Interest income	4,538	6,794
Interest expense, net of amounts capitalized	(124,192)	(108,958)
Other financing costs	(1,624)	(934)

Foreign exchange losses, net	(1,828)	(819)
Other income, net	<u>2,000</u>	<u>660</u>
Total non-operating expenses, net	<u>(121,106)</u>	<u>(103,257)</u>
Income (loss) before income tax	4,244	(102,902)
Income tax (expense) benefit	<u>(3,694)</u>	<u>2,241</u>
Net income (loss)	550	(100,661)
Net loss attributable to noncontrolling interests	<u>14,620</u>	<u>19,373</u>
Net income (loss) attributable to Melco Resorts & Entertainment Limited	\$ <u>15,170</u>	\$ <u>(81,288)</u>
Net income (loss) attributable to Melco Resorts & Entertainment Limited per share:		
Basic	\$ <u>0.012</u>	\$ <u>(0.061)</u>
Diluted	\$ <u>0.012</u>	\$ <u>(0.061)</u>
Net income (loss) attributable to Melco Resorts & Entertainment Limited per ADS:		
Basic	\$ <u>0.035</u>	\$ <u>(0.184)</u>
Diluted	\$ <u>0.035</u>	\$ <u>(0.184)</u>
Weighted average shares outstanding used in net income (loss) attributable to Melco Resorts & Entertainment Limited per share calculation:		
Basic	<u>1,311,270,775</u>	<u>1,325,716,287</u>
Diluted	<u>1,318,824,507</u>	<u>1,325,716,287</u>

Note: The Adjusted EBITDA for Studio City for the three months ended 31 March 2024 referred to in the Melco Resorts' Earnings Release was US\$21.7 million more than the Adjusted EBITDA of Studio City contained in the earnings release for Studio City International Holdings Limited ("**SCIHL**") dated 30 April 2024 (the "**Studio City Earnings Release**"). The Adjusted EBITDA of Studio City contained in the Studio City Earnings Release includes certain intercompany charges that are not included in the Adjusted EBITDA for Studio City contained in the Melco Resorts' Earnings Release. Such intercompany charges include, among other items, fees and shared service charges billed between SCIHL and its subsidiaries and certain subsidiaries of Melco Resorts. Additionally, Adjusted EBITDA of Studio City included in the Melco Resorts' Earnings Release does not reflect certain gaming concession related costs and certain intercompany costs related to the table games operations at Studio City Casino.

**Melco Resorts & Entertainment Limited and Subsidiaries**  
**Condensed Consolidated Balance Sheets**  
(In thousands, except share and per share data)

	<b>31 March 2024 US\$</b>	<b>31 December 2023 US\$</b>
	(Unaudited)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,164,076	\$ 1,310,715
Restricted cash	26	27
Accounts receivable, net	82,999	91,638
Receivables from affiliated companies	1,080	797
Inventories	29,649	29,427
Prepaid expenses and other current assets	113,811	111,688
Total current assets	1,391,641	1,544,292
Property and equipment, net	5,422,840	5,533,994
Intangible assets, net	295,239	304,652
Goodwill	81,460	81,582
Long-term prepayments, deposits and other assets, net	124,869	100,320
Restricted cash	124,897	125,094
Operating lease right-of-use assets	58,304	62,356
Land use rights, net	576,933	582,782
Total assets	\$ 8,076,183	\$ 8,335,072
<b>LIABILITIES AND DEFICIT</b>		
Current liabilities:		
Accounts payable	\$ 13,594	\$ 11,752
Accrued expenses and other current liabilities	927,373	1,008,316

Income tax payable	27,768	28,183
Operating lease liabilities, current	17,841	19,685
Finance lease liabilities, current	34,859	35,307
Payables to affiliated companies	<u>398</u>	<u>377</u>
Total current liabilities	<u>1,021,833</u>	<u>1,103,620</u>
Long-term debt, net	7,323,891	7,472,620
Other long-term liabilities	313,200	322,591
Deferred tax liabilities, net	36,353	34,959
Operating lease liabilities, non-current	52,018	53,858
Finance lease liabilities, non-current	<u>181,723</u>	<u>187,474</u>
Total liabilities	<u>8,929,018</u>	<u>9,175,122</u>
Deficit:		
Ordinary shares, par value \$0.01; 7,300,000,000 shares authorized; 1,404,679,067 and 1,404,679,067 shares issued; 1,311,270,775 and 1,311,270,775 shares outstanding, respectively	14,047	14,047
Treasury shares, at cost; 93,408,292 and 93,408,292 shares, respectively	(255,068)	(255,068)
Additional paid-in capital	3,116,411	3,109,212
Accumulated other comprehensive losses	(116,530)	(98,599)
Accumulated losses	<u>(4,041,702)</u>	<u>(4,056,872)</u>
Total Melco Resorts & Entertainment Limited shareholders' deficit	(1,282,842)	(1,287,280)
Noncontrolling interests	<u>430,007</u>	<u>447,230</u>
Total deficit	<u>(852,835)</u>	<u>(840,050)</u>
Total liabilities and deficit	\$ <u><u>8,076,183</u></u>	\$ <u><u>8,335,072</u></u>

The full text of the Melco Resorts' Earnings Release has been posted on the Company's website at [www.melco-group.com](http://www.melco-group.com) and on the website of The Stock Exchange of Hong Kong Limited at [www.hkex.com.hk](http://www.hkex.com.hk), as an overseas regulatory announcement, for the information of the Company's shareholders.

By Order of the Board of  
**Melco International Development Limited**  
**Leung Hoi Wai, Vincent**  
*Company Secretary*

Hong Kong, 30 April 2024

*As at the date of this announcement, the board of directors of the Company comprises three Executive Directors, namely Mr. Ho, Lawrence Yau Lung (Chairman and Chief Executive Officer), Mr. Evan Andrew Winkler (President and Managing Director) and Mr. Chung Yuk Man, Clarence, and three Independent Non-executive Directors, namely Mr. John William Crawford, Mr. Tsui Che Yin, Frank and Ms. Karuna Evelyne Shinsho.*